

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

	September 30, 2023	December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 7,889	\$ 3,544
Restricted cash	5	34
Revenue receivable	890	2,573
Joint interest billing receivable	10,601	11,475
Hedge asset	0	1,131
Other current assets	89	208
Total current assets	\$ 19,474	\$ 18,965
Property and equipment:		
Oil and gas properties:		
Oil and gas properties, full cost method	171,065	167,404
Unevaluated oil and gas properties	140,501	131,875
Accumulated depreciation, depletion and amortization	(130,150)	(93,823)
Oil and gas properties, net	181,416	205,457
Other property and equipment	387	387
Accumulated depreciation of other property and equipment	(359)	(354)
Total property and equipment	181,444	205,490
Other assets	46	88
Total assets	\$ 200,965	\$ 224,543
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable to vendors	\$ 4,810	\$ 3,227
Oil and gas revenue payable	3,650	4,312
Asset retirement obligation	2,293	2,293
Hedge liability	-	-
Other accrued liabilities	14	74
Right of use liability-short-term	-	-
Total current liabilities	10,767	9,906
Multi-draw Term Loan	86,780	78,102
Asset retirement obligation	2,129	1,952
Deferred income taxes	815	815
Other liabilities	-	12
Hedge liability-long-term	-	-
Total liabilities	100,492	90,788
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	11
Paid-in capital	162,202	162,202
Retained deficit	(61,740)	(28,457)
Total stockholders' equity	100,473	133,755
Total liabilities and stockholders' equity	\$ 200,965	\$ 224,543

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

	Nine Months ended September 30, 2023	Nine Months ended September 30, 2022
Revenues:		
Oil and gas sales	\$ 18,302	\$ 33,392
Expenses:		
Lease operating expenses	8,785	10,357
Production taxes	435	2,375
Depreciation, depletion and amortization	7,237	6,847
Ceiling test write-down	29,745	-
General and administrative	3,600	2,833
Restructuring expense	574	408
Accretion of asset retirement obligation	177	93
Derrivative expense	1,131	4,778
Interest expense	-	(0)
Lease costs	46	213
	<u>51,731</u>	<u>27,904</u>
Other income:		
Other income (expense)	146	(13)
Income/(Loss) from operations	(33,282)	5,475
Reorganization items, net	-	-
Income tax (expense)/benefit	-	-
Income (loss) available to common stockholders	<u>\$ (33,282)</u>	<u>\$ 5,475</u>
Net income (loss) per common share:		
Basic	<u>\$ (30.51)</u>	<u>\$ 0.05</u>
Diluted	<u>\$ (30.51)</u>	<u>\$ 0.05</u>
Weighted average number of common shares:		
Basic	<u>1,091</u>	<u>109,687</u>
Diluted	<u>1,091</u>	<u>109,687</u>

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

	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Nine Months ended September 30, 2023	Nine Months ended September 30, 2022
Revenues:				
Oil and gas sales	\$ 4,184	\$ 12,812	\$ 18,302	\$ 33,392
Expenses:				
Lease operating expenses	2,804	2,861	8,785	10,357
Production taxes	109	913	435	2,375
Depreciation, depletion and amortization	2,590	2,599	7,237	6,847
Ceiling test write-down	29,745	-	29,745	-
General and administrative	959	501	3,600	2,833
Restructuring expense	40	209	574	408
Accretion of asset retirement obligation	60	25	177	93
Derivative expense	-	(3,510)	1,131	4,778
Interest expense	-	-	-	(0)
Lease costs	15	63	46	213
	<u>36,321</u>	<u>3,661</u>	<u>51,731</u>	<u>27,904</u>
Other income:				
Other income	87	(68)	146	(13)
Income(loss) from operations	(32,050)	9,083	(33,282)	5,475
Income tax benefit	-	-	-	-
Income(loss) available to common stockholders	<u>\$ (32,050)</u>	<u>\$ 9,083</u>	<u>\$ (33,282)</u>	<u>\$ 5,475</u>
Net Income(loss) per common share:				
Basic	\$ (29.39)	\$ 0.01	\$ (30.51)	\$ 0.05
Diluted	<u>\$ (29.39)</u>	<u>\$ 0.01</u>	<u>\$ (30.51)</u>	<u>\$ 0.05</u>
Weighted average number of common shares:				
Basic	1,091	109,687	1,091	109,687
Diluted	<u>1,091</u>	<u>109,687</u>	<u>1,091</u>	<u>109,687</u>

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

	Nine Months Ended September 30, 2023	Nine Months Ended September 30, 2022
Cash flows from operating activities:		
Net income (loss)	\$ (33,282)	\$ 5,475
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Deferred tax expense	-	-
Depreciation, depletion and amortization	6,587	6,997
Ceiling test write-down	29,745	-
Accretion of asset retirement obligation	177	92
Share-based compensation expense	-	32
Non-cash derivative income/expense	1,131	4,779
Amortization costs and other	669	631
Non-cash interest expense on PIK Notes	-	-
Payments to settle asset retirement obligations	-	-
SBA loan forgiven	-	-
Changes in working capital accounts:		
Revenue receivable	1,683	(1,315)
Joint interest billing receivable	874	(3,815)
Accounts payable and accrued liabilities	847	4,076
Advances from co-owners	-	(1,764)
Other	107	102
Net cash provided by operating activities	8,538	15,290
Cash flows used in investing activities:		
Investment in oil and gas properties	(12,273)	(41,835)
Non-cash PIK interest-capitalized	8,051	4,808
Non-cash debt amortization	-	-
Sale of oil and gas properties	-	-
Net cash used in investing activities	(4,222)	(37,027)
Cash flows (used in) provided by financing activities:		
Draw on Term Loan	-	7,350
Deferred financing costs	-	5
Net cash (used in) provided by financing activities	-	7,355
Net increase (decrease) in cash and cash equivalents	4,316	(14,382)
Cash, restricted cash and cash equivalents, beginning of period	3,578	21,734
Cash, restricted cash and cash equivalents, end of period	\$ 7,894	\$ 7,352
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest, net of capitalized interest	\$ -	\$ -
Reorganization items, net	\$ 574	\$ 408