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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): February 23, 2023**

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**ProFrac Holding Corp.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-41388**  
(Commission  
File Number)

**87-2424964**  
(IRS Employer  
Identification No.)

**333 Shops Boulevard, Suite 301**  
**Willow Park, Texas**  
(Address of principal executive offices)

**76087**  
(Zip Code)

**(254) 776-3722**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of exchange on which registered</u>
Class A common stock, par value \$0.01 per share	ACDC	The Nasdaq Global Select Market
Warrants, each 124.777 warrants exercisable for one share of Class A common stock at an exercise price of \$717.47 per share	ACDCW	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 1.01 Entry into a Material Definitive Agreement.**

### ***Agreement to Acquire Performance Proppants***

The information in this Item 1.01 describes the material provisions of the Purchase Agreement, the Amended Purchase Agreement, and the Contribution Agreement (as defined below) but does not purport to describe all of the terms thereof. The following summary is qualified in its entirety by reference to the complete text of the Purchase Agreement, the Amended Purchase Agreement and the Contribution Agreement, a copy of each of which is attached or incorporated by reference as Exhibit 10.1, Exhibit 10.2 and Exhibit 10.3, respectively, to this Current Report on Form 8-K and are incorporated herein by reference. ProFrac Holding Corp.'s stockholders and other interested parties are urged to read such Agreements in their entirety. Unless otherwise defined herein, the capitalized terms used below are defined in the Purchase Agreement, the Amended Purchase Agreement or the Contribution Agreement, as applicable.

As previously disclosed in the Current Report on Form 8-K filed by ProFrac Holding Corp., a Delaware corporation ("**ProFrac**"), on December 30, 2022 with the U.S. Securities and Exchange Commission ProFrac Holdings II, LLC ("**ProFrac II LLC**") entered into a Membership Interest Purchase Agreement on December 23, 2022 (the "**Purchase Agreement**") by and among ProFrac II LLC, Performance Holdings I, LLC, a Louisiana limited liability company ("**Performance Holdings I**"), Performance Holdings II, LLC, a Louisiana limited liability company ("**Performance Holdings II**") and, together with Performance Holdings I, the "**Performance Sellers**") (the transactions, the "**Performance Proppants Acquisition**").

On February 24, 2023, ProFrac II LLC, Alpine Silica, LLC, a Texas limited liability company ("**Alpine**"), and Performance Sellers entered into an Assignment and Amendment of Membership Interest Purchase Agreement (the "**Amended Purchase Agreement**"), pursuant to which Alpine, a wholly owned subsidiary of ProFrac II LLC, was assigned all of the rights, title and interest under the Purchase Agreement. On February 24, 2023, ProFrac, Alpine, Tidewater Partners, LLC, a Louisiana limited liability company, and Performance Sellers entered into a Contribution Agreement (the "**Contribution Agreement**"), pursuant to which approximately \$6,000,000 of the Base Purchase Price (as defined in the Purchase Agreement) shall be paid in shares of ProFrac Class A common stock, par value \$0.01 per share ("**Class A Common Stock**"), instead of in cash proceeds.

### ***Fifth Amendment to the Term Loan Credit Facility***

Reference is made to that certain Term Loan Credit Agreement, dated as of March 4, 2022, by and among ProFrac Holdings II, LLC, as borrower ("**ProFrac II LLC**"), ProFrac Holdings, LLC, as a guarantor ("**ProFrac Holdings**"), the lenders and other guarantors party thereto, and Piper Sandler Finance LLC, as the agent and collateral agent for the lenders (as amended by the First Amendment to Term Loan Credit Agreement, dated as of July 25, 2022, the Second Amendment, Consent and Limited Waiver to Term Loan Credit Agreement, dated as of November 1, 2022, the Third Amendment, Consent and Limited Waiver to Term Loan Credit Agreement, dated as of December 30, 2022, and the Fourth Amendment, dated as of February 1, 2023, the "**Term Loan Agreement**"). On February 23, 2023, the parties to the Term Loan Agreement entered into the Fifth Amendment to Term Loan Credit Agreement (the "**Fifth Term Loan Amendment**") and the Term Loan Agreement, as amended by the Fifth Term Loan Amendment, the "**Amended Term Loan Agreement**"). Capitalized terms used and not otherwise defined in this summary of the Fifth Term Loan Amendment have the meanings provided in the previously filed Term Loan Agreement, dated as of February 1, 2023.

Pursuant to the Fifth Term Loan Amendment, the Required Lenders consented, in each case, subject to the terms and conditions set forth therein, to: (i) certain amendments to the ABL Credit Agreement on terms set forth in the Fourth Amendment to ABL Credit Agreement, (ii) provide for more flexibility in debt financing, (iii) addition of a most favored nations adjustment to the Term Loan Facility in the event that any obligor incurs an additional credit facility loan under any additional credit facility, and (iv) the consummation, by either ProFrac II LLC or Alpine Silica LLC, a Texas limited liability company ("**Alpine**"), of the previously disclosed acquisition of each of (a) Performance Proppants, LLC, a Texas limited liability company, (b) Red River Land Holdings, LLC, a Louisiana limited liability company, (c) Performance Royalty, LLC, a Louisiana limited liability company, (d) Performance Proppants International, LLC, a Louisiana limited liability company, and (e) Sunny Point Aggregates LLC, a Louisiana limited liability company on the terms set forth in the Performance Acquisition Documents ("**Performance Proppants Acquisition**").

### ***Fourth Amendment to the ABL Credit Facility***

Reference is made to that certain asset-based revolving Credit Agreement, dated as of March 4, 2022, by and among ProFrac II LLC, as borrower, ProFrac Holdings, the lenders, letter of credit issuers, and guarantors party thereto, and JPMorgan Chase Bank, N.A., as the agent, the collateral agent and the swingline lender (as amended by the First Amendment to Credit Agreement, dated as of July 25, 2022, the Second Amendment to Credit Agreement, dated as of November 1, 2022, and the Third Amendment to Credit Agreement, dated as of December 30, 2022, the "**ABL Credit Facility**"). On February 23, 2023, the parties to the ABL Credit Facility entered into the Fourth Amendment to the ABL Credit Facility (the "**Fourth ABL Amendment**") and the ABL Credit Facility, as amended by the Fourth ABL Amendment, the "**Amended Credit Facility**"). Capitalized terms used and not otherwise defined in this summary of the Fourth ABL Amendment have the meanings provided in the previously filed ABL Credit Facility, dated as of December 30, 2022.

Pursuant to the Fourth ABL Amendment, the Agent and the Lenders consented, in each case, subject to the terms and conditions set forth therein, to: (i) the increase in the Maximum Revolving Amount to \$400,000,000, (ii) consummation of the Performance Proppants Acquisition, and (iii) provide for more flexibility in debt financing.

In connection with the Performance Proppants Acquisition, ProFrac borrowed approximately \$298 million under the Amended Credit Facility. Following this draw down, the remaining Maximum Revolving Amount available under the Amended Credit Facility was \$79 million. Immediately prior to this draw, there were no amounts outstanding under the Amended Credit Facility with the exception of outstanding letters of credit.

## **Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.**

The information set forth in Item 1.01 to this Current Report on Form 8-K regarding the Fourth ABL Amendment is incorporated herein by reference. The material terms of the Amended Credit Facility have previously been described in ProFrac Holding Corp.'s Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, filed with the Securities and Exchange Commission ("**SEC**") on November 14, 2022, and Current Report on Form 8-K filed with the SEC on January 6, 2023, and such descriptions are incorporated herein by reference.

## **Item 7.01 Regulation FD Disclosure.**

On February 27, 2023, ProFrac issued a press release announcing that ProFrac II LLC completed the previously announced acquisition of (i) Performance Proppants, LLC, a Texas limited liability company, (ii) Red River Land Holdings, LLC, a Louisiana limited liability company, (iii) Performance Royalty, LLC, a Louisiana limited liability company, (iv) Performance Proppants International, LLC, a Louisiana limited liability company, and (v) Sunny Point Aggregates, LLC, a Louisiana limited liability company (together, the "**Performance Companies**").

A copy of the press release is attached hereto as [Exhibit 99.1](#) and is incorporated herein by reference.

**Limitation on Incorporation by Reference.** The information furnished in this Item 7.01, including the press release attached hereto as [Exhibit 99.1](#), shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or otherwise subject to

the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Cautionary Note Regarding Forward-Looking Statements.** Except for historical information contained in the press release attached as an exhibit hereto, the press release contains forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the cautionary note in the press release regarding these forward-looking statements.

**Item 8.01 Other Events.**

***Performance Proppants Acquisition***

On February 24, 2023, Alpine, a wholly-owned subsidiary of ProFrac II LLC and as successor in interest to ProFrac II LLC, consummated the Performance Proppants Acquisition. Pursuant to the Amended Purchase Agreement, Alpine acquired 100% of the issued and outstanding membership interest in each of the Performance Companies. The aggregate purchase price of the Performance Proppants Acquisition was \$475 million, consisting of (i) \$469 million in cash and (ii) a number of shares of ProFrac's Class A Common Stock equal to \$6 million. Pursuant to this arrangement, ProFrac issued 312,826 shares of Class A Common Stock upon consummation of the Performance Proppants Acquisition. A portion of the cash consideration is subject to certain customary post-closing adjustments.

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**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
10.1†	<a href="#">Membership Interest Purchase Agreement, dated December 23, 2022, by and among ProFrac Holdings II, LLC, Performance Holdings I, LLC and Performance Holdings II, LLC (incorporated by reference to Exhibit 10.1 to ProFrac Holding Corp.'s Current Report on Form 8-K filed with the SEC on December 30, 2022).</a>
10.2*	<a href="#">Assignment and Amendment of Membership Interest Purchase Agreement, dated as of February 24, 2023, by and among ProFrac Holdings II LLC, Performance Holdings I, LLC, Performance Holdings II, LLC, and Alpine Silica, LLC.</a>
10.3*	<a href="#">Contribution Agreement, dated as of February 24, 2023, by and among ProFrac Holding Corp., Alpine Silica LLC, Tidewater Partners, LLC, Performance Holdings I, LLC, and Performance Holdings II, LLC.</a>
99.1	<a href="#">Press Release, dated February 27, 2023.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

\* Filed herewith.

† Schedules to the Membership Interest Purchase Agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company will furnish supplementally to the Securities and Exchange Commission any omitted schedule upon request.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**PROFRAC HOLDING CORP.**

By: /s/ Lance Turner  
Name: Lance Turner  
Title: Chief Financial Officer

Date: February 28, 2023

## ASSIGNMENT AND AMENDMENT OF MEMBERSHIP INTEREST PURCHASE AGREEMENT

This Assignment and Amendment of Membership Interest Purchase Agreement, dated as of February 24, 2023 (this "Assignment and Amendment"), is by and among (i) ProFrac Holdings II, LLC, a Texas limited liability company ("Purchaser"), (ii) Performance Holdings I, LLC, a Louisiana limited liability company ("Performance Holdings I"), (iii) Performance Holdings II, LLC, a Louisiana limited liability company (in its capacity as a Seller, "Performance Holdings II"), and together with Performance Holdings I, collectively, "Sellers" and each, a "Seller", and as the appointed representative of Sellers, the "Seller Representative") and (iv) Alpine Silica, LLC, a Texas limited liability company ("Assignee"). Capitalized terms used but not defined herein shall have the meaning given to such terms in the Purchase Agreement (defined below).

## RECITALS:

A. Purchaser, Sellers and Seller Representative entered into that certain Membership Interest Purchase Agreement, dated December 23, 2022, (as amended, the "Purchase Agreement"), pursuant to which Purchaser agreed to purchase all of the Acquired Interests.

B. Assignee is a wholly owned Subsidiary and Affiliate of Purchaser.

C. Pursuant to Section 12.04(b) of the Purchase Agreement, Purchaser now desires to assign all of its right, title and interest under the Purchase Agreement to Assignee and Assignee desires to accept such assignment and assume all of Purchaser's obligations under the Purchase Agreement (the "Assignment").

D. In connection with the Assignment, the parties desire to amend the Purchase Agreement in accordance with the terms set forth herein.

## AGREEMENT:

NOW THEREFORE, in consideration of the facts set forth in the above-stated Recitals and the mutual promises and agreements set forth below, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Assignment and Assumption. Purchaser hereby transfers, assigns, conveys and delivers all of its right, title and interest in, to and under the Purchase Agreement to Assignee and Assignee hereby accepts such assignment and assumes and agrees to perform all of Purchaser's obligations arising or accruing under the Purchase Agreement from and after the date of this Assignment and Amendment; *provided*, that, such assignment shall not affect Purchaser's obligations under the Purchase Agreement.

2. Amendment. The definition of "Indebtedness" in the Purchase Agreement is hereby deleted in its entirety and replaced with the following in lieu thereof:

"Indebtedness" of any Person means, without duplication, the outstanding principal amount, plus any related accrued or unpaid interest, fees, prepayment premiums or penalties and other payment obligations for (a) all outstanding indebtedness of such Person for borrowed money; (b) any obligation for the deferred purchase price of property, assets, securities or services whether contingent or non-contingent and whether or not such are due or payable or need to be accrued under GAAP, including all earn-out payments, seller notes, holdbacks, post-closing true-up obligations or other obligations in

respect of past acquisitions, calculated as the maximum amount payable under or pursuant to such obligations; (c) all outstanding indebtedness of such Person evidenced by a note, debenture or similar instrument; (d) all amounts drawn under performance bonds, letters of credit, bankers acceptances or similar securities or obligations issued for the account of such Person; (e) all payment obligations of such Person under any Contracts relating to hedging, interest rate protection, swap agreements, collar agreements and similar agreements to the extent constituting a liability under GAAP; (f) any guaranty of debt obligations of any other Person; (g) any obligations under capital leases, finance leases and similar which are required to be, or historically have been, capitalized under GAAP (other than obligations under leases for real property, leases for mineral rights (including sand mining rights) and the Arcosa Merryville Lease, to the extent any purchase option(s) associated therewith are unexercised); (h) any unpaid income Taxes of the Acquired Companies for any Pre-Closing Tax Period (determined on a jurisdiction-by-jurisdiction basis, with zero dollars (\$0) being the lowest amount for a jurisdictions); (i) any payroll or other employment Taxes of the Acquired Companies deferred pursuant to Section 2302 of the CARES Act that remain unpaid as of the Closing Date (including any breakage or similar costs payable in connection with any of the foregoing); (j) any Liability or payments of any kind with respect to the arrangements terminated pursuant to Section 7.20; (k) obligations for unpaid dividends or distributions or other amounts owed to Sellers or their Affiliates; (l) accounts payable to the extent aged at least 90 days from the date such accounts payable are due and owing, (m) an amount equal to the Unsatisfied Sunny Point Construction Costs; (n) the aggregate amount of all deferred revenue; (o) accrued and unpaid employee bonuses and commissions related to any period prior to the Closing Date and all associated payroll Taxes and employer Taxes related thereto, (p) all outstanding indebtedness of such Person for borrowed money under that certain Letter Agreement, dated as of February 16, 2023, by and among Purchaser, the Sellers and the Seller Representative and (q) any indebtedness of a Person of a type that is referred to in clauses (a) through (p) above and which is guaranteed, directly or indirectly, by any Acquired Company (or for which they are otherwise liable), or which is secured by any Lien on any property or assets of any Acquired Company. For the avoidance of doubt, Indebtedness shall not include (i) trade payables and employee compensation incurred in the ordinary course of business to the extent included as Current Liabilities in the calculation of the Estimated Working Capital Amount and Final Working Capital Amount, (ii) any obligations under any performance bond, letter of credit or similar security to the extent undrawn, uncalled or fully reimbursed (except to the extent all conditions to any draw have been satisfied prior to the Closing Date) and (iii) the purchase option of Performance International contemplated by the Arcosa Merryville Lease to the extent such option remains unexercised.”

3. No Implied Amendments; Effective Date. Except as amended herein, all terms and provisions contained in the Purchase Agreement shall remain in full force and effect. On and after the date hereof, each reference in the Purchase Agreement to “this Agreement,” “hereunder,” “hereof” or words of like import referring to the Agreement shall mean the Purchase Agreement as amended by this Assignment and Amendment

4. Parties Bound. This Assignment and Amendment shall be binding upon and inure to the benefit of Assignor and Assignee and their respective heirs, representatives, successors and assigns.

5. Governing Law. Sections 12.07 (Counterparts) and 12.11 (Governing Law; Venue; Waiver of Jury Trial) of the Purchase Agreement are incorporated herein by reference, *mutatis mutandis*.

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6. Counterparts. This Assignment and Amendment may be executed in several counterparts by the parties hereto, and each counterpart, when so executed and delivered shall constitute an original agreement, and all such separate counterparts shall constitute one and the same agreement.



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IN WITNESS WHEREOF, the parties have executed this Assignment and Amendment as of the date first set forth above.

**PURCHASER:**

PROFRAC HOLDINGS II, LLC,  
a Texas limited liability company

By: ProFrac Holding Corp., its managing member

By: ProFrac Holdings, LLC, its sole member

By: /s/ Matthew Wilks

Name: Matthew Wilks

Title: President

*[Signature Page to Assignment and Assumption of Purchase Agreement]*

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**ASSIGNEE:**

ALPINE SILICA, LLC,  
a Texas limited liability company

By: ProFrac Holdings II, LLC, its sole member

By: ProFrac Holdings, LLC, its sole member

By: ProFrac Holding Corp., its managing member

By: /s/ Matthew Wilks \_\_\_\_\_  
Name: Matthew Wilks  
Title: President

*[Signature Page to Assignment and Assumption of Purchase Agreement]*

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**SELLERS:**

PERFORMANCE HOLDINGS I, LLC,  
a Louisiana limited liability company

By: /s/ W.G. Bowdon, IV  
Name: W.G. Bowdon, IV  
Title: President and Chief Executive Officer

PERFORMANCE HOLDINGS II, LLC,  
a Louisiana limited liability company

By: /s/ W.G. Bowdon, IV  
Name: W.G. Bowdon, IV  
Title: President and Chief Executive Officer

*[Signature Page to Assignment and Assumption of Purchase Agreement]*

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**SELLER REPRESENTATIVE:**

PERFORMANCE HOLDINGS II, LLC,  
a Louisiana limited liability company

By: /s/ W.G. Bowdon, IV  
Name: W.G. Bowdon, IV  
Title: President and Chief Executive Officer

[Signature Page to Assignment and Amendment of Purchase Agreement]

CONTRIBUTION AGREEMENT

This CONTRIBUTION AGREEMENT (this “Agreement”) is made and entered into as of February 24, 2023, by and among (i) ProFrac Holding Corp., a Delaware limited liability company (“Holdings”), (ii) Alpine Silica, LLC, a Texas limited liability company (“Purchaser”), (iii) Tidewater Partners, LLC, a Louisiana limited liability company (“Contributor”), (iv) Performance Holdings I, LLC, a Louisiana limited liability company (“Performance Holdings I”) and (v) Performance Holdings II, LLC, a Louisiana limited liability company (together with Performance Holdings I, collectively, “Sellers” and each, a “Seller”, and as the appointed representative of Sellers under the Purchase Agreement (defined below), the “Seller Representative”).

RECITALS

A. This Agreement is being entered into in connection with that certain Membership Interest Purchase Agreement, dated as of December 23, 2022, by and among Purchaser, as successor in interest to ProFrac Holdings II, LLC, a Texas limited liability company, Sellers and Seller Representative, as amended by that certain Assignment and Amendment of Membership Interest Purchase Agreement, dated of even date herewith (as amended, the “Purchase Agreement”).

B. Capitalized terms used but not defined herein shall have the meaning ascribed thereto in the Purchase Agreement.

C. Contributor is a member of each of Sellers.

D. In connection with the Closing, (i) Purchaser will pay Sellers the balance of the Estimated Net Purchase Price in accordance with Section 3.02(a) (vi) of the Purchase Agreement, (ii) Performance Holdings I will advance to Contributor, as an advance and credit against Contributor’s future distribution rights from Performance Holdings I, a portion of the cash proceeds from the Estimated Net Purchase Price (the “Cash Proceeds”) in an amount equal to the \$6,000,002.68 (the “Contributed Amount”), (iii) Contributor will contribute directly to Holdings, and Holdings will accept from Contributor, a portion of the Cash Proceeds with an aggregate value equal to the Contributed Amount in exchange for 312,826 shares of Holdings’ Class A common stock, par value \$0.01 per share (the “Holdings Stock”), (iv) Holdings will indirectly contribute, and cause to be contributed, the Contributed Amount to Purchaser, such that, following the transactions contemplated by the Purchase Agreement, Purchaser will own all of the Contributed Amount (collectively, the “Contribution Transactions”), and (v) Holdings will cause its transfer agent to reflect the transfer of the Holdings Stock on the books and records of Holdings, such that, within the time period contemplated by this Agreement, each of Bowdon Natural Resources, LLC, Brazzel Productions, LLC and Roseau Land Investments, LLC (each an “Equityholder” and, collectively, the “Equityholders”) is reflected as the record owner of 104,275.33 shares of Holdings’ Class A common stock, par value \$0.01 per share.

NOW, THEREFORE, in consideration of the mutual promises and subject to the terms and conditions herein contained, and other good and valuable consideration, had and received, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1: CONTRIBUTION TRANSACTIONS AND DELIVERIES

1.1 Contribution by Contributor. Contingent upon and effective as of the Closing, (a) Contributor will contribute, transfer, assign, convey, and deliver to Holdings the Contributed Amount, and (b) Holdings, in exchange for the Contributed Amount, will issue and deliver to Contributor the Holdings Stock in book entry form registered in the name of Contributor and bearing the legend specified in Section 3.1 referring to the fact that the Holdings Stock was sold in reliance upon the exemption from registration under the Securities Act of 1933, as amended, provided by Section 4(a)(2) thereof and Rule 506(b) thereunder.

1.2 Other Contribution Transactions. Notwithstanding anything to the contrary in the Purchase Agreement, Sellers and Purchaser hereby acknowledge and agree that, in furtherance of the Contribution Transactions, and in consideration of the issuance of the Holdings Stock to Contributor, Purchaser may elect to deduct and withhold from the balance of the Estimated Net Purchase Price delivered to Sellers in accordance with Section 3.02(a) (vi) of the Purchase Agreement an amount equal to the Contributed Amount; provided, that in no event shall the foregoing be deemed to reduce the purchase price under the Purchase Agreement or the Tax treatment contemplated thereby.

1.3 Treatment by Contributor and Performance Holdings I of Contributed Amount. The Contributed Amount will be treated by Performance Holdings I as an advance to Contributor against future distribution rights of Contributor under Section 5.3 of the Amended and Restated Operating Agreement of Performance Holdings I, dated as of June 2, 2021 (the "PHI Operating Agreement"), and the amounts Contributor is entitled to receive as a distribution from Performance Holdings I pursuant to the PHI Operating Agreement will be reduced by the Contributed Amount.

1.4 Transfer of Holdings Stock. Within three (3) Business Days following the date of this Agreement, Holdings will cause its transfer agent to reflect the transfer of the Holdings Stock on the books and records of Holdings, such that each of Bowdon Natural Resources, LLC, Brazzel Productions, LLC and Roseau Land Investments, LLC is reflected as the record owner of 104,275.33 shares of Holdings' Class A common stock, par value \$0.01 per share.

## ARTICLE 2: REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Each party hereto represents and warrants to the other parties as follows:

2.1 Existence, Power and Authority. Such party is a limited liability company duly organized, validly existing and in good standing under the laws of the State of its formation and has the requisite limited liability company power and authority to enter into this Agreement and to undertake the transactions contemplated in this Agreement.

2.2 Due Authorization. This Agreement has been duly executed and delivered by such party and, assuming due authorization, execution and delivery by the other parties hereto, represents the legal, valid and binding obligation of such party, enforceable against the other parties hereto in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation, fraudulent conveyance and other similar laws and principles of equity affecting creditors' rights and remedies generally.

2.3 No Conflict. Neither the execution of this Agreement nor the performance by such party of its obligations hereunder will violate or conflict with (a) such party's certificate of formation, (b) Holdings' limited liability company agreement, (c) any applicable Laws.

In addition, Contributor represents and warrants to Holdings as follows:

2.4 Investment Representations. Contributor and each Equityholder (i) is acquiring the Holdings Stock for its own account with the present intention of holding such securities for purposes of investment, and that it has no current intention of selling such securities in a public distribution in violation of the federal securities laws or any applicable state securities laws, (ii) is an “accredited investor” for purposes of applicable U.S. federal and state securities laws and regulations, (iii) that the Holdings Stock was not offered to Contributor or to such Equityholder by any means of general solicitation or general advertising, (iv) that Contributor and such Equityholder has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in Holdings Stock, and (v) that Contributor and such Equityholder is able to bear the economic risks of an investment in the Holdings Stock and could afford a complete loss of such investment.

#### ARTICLE 3: MISCELLANEOUS

3.1 Restrictive Legend. Contributor understands, and shall inform each Equityholder, that all certificates or other instruments issued in exchange for Holdings Stock or in substitution thereof, shall bear a restrictive legend in substantially the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THE SECURITIES MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER SAID ACT, OR AN OPINION OF COUNSEL OR OTHER EVIDENCE, IN FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT SUCH REGISTRATION IS NOT REQUIRED UNDER SAID ACT.”

3.2 Modification and Waiver. This Agreement may be amended or modified only by a written agreement executed and delivered by the parties hereto. Any purported amendment by any party or parties effected in a manner which does not comply with this Section 3.2 will be void.

3.3 Entire Agreement. This Agreement and the agreements contemplated hereby, including the Purchase Agreement, constitute the entire agreement among the parties with respect to the subject matter hereof and supersede all other prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. In the event of a conflict between the terms of this Agreement and the terms of the Purchase Agreement, the terms of the Purchase Agreement shall control.

3.4 No Assignment. This Agreement may not be assigned by any party (whether by operation of Law or otherwise), without the prior written consent of the other party hereto. Any attempted assignment of this Agreement not in accordance with the terms of this Section 3.4 will be void.

3.5 Governing Law. This Agreement will be governed by and construed in accordance with the Laws of the State of Texas, without giving effect to any choice of law or conflict of law provision or rule.

3.6 Headings. The headings contained in this Agreement are included for purposes of convenience only and do not affect the meaning or interpretation of this Agreement.

3.7 Counterparts: Delivery. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original, but all of which will constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by scanned pages will be effective as delivery of a manually executed counterpart to this Agreement.

3.8 Notices. All notices and other communications pursuant to this Agreement shall be in writing and shall be deemed given if delivered personally, sent by electronic mail or other customary means of electronic communication, sent by nationally-recognized overnight courier or mailed by registered or certified mail (return receipt requested), postage prepaid, to the parties at the addresses set forth below or to such other address as the party to whom notice is to be given may have furnished to the other Parties in writing in accordance herewith. Any such notice or communication shall be deemed to have been delivered and received (a) in the case of personal delivery, on the date of such delivery; (b) in the case of electronic mail or other customary means of electronic communication, on the date sent if either (i) confirmation of receipt is received, or (ii) such notice is promptly mailed by registered or certified mail (return receipt requested); (c) in the case of a nationally-recognized overnight courier in circumstances under which such courier guarantees next Business Day delivery, on the next Business Day after the date sent; and (d) in the case of mailing, on the third Business Day following that on which the piece of mail containing such communication is posted.

Notices to Contributor:

To the address set forth on Contributor's signature page.

Notice to Sellers

Performance Holdings II, LLC  
4803 Benton Road  
Bossier City, Louisiana 71111  
Attention: W.G. Bowdon IV  
E-mail: [bill@perfproppants.com](mailto:bill@perfproppants.com)

*with copies to (which will not constitute notice to Holdings):*

Brownstein Hyatt Farber Schreck, LLP  
410 Seventeenth Street  
Suite 2200  
Denver, Colorado 80202  
Attention: Gino A. Maurelli  
E-mail: [gmaurelli@bhfs.com](mailto:gmaurelli@bhfs.com)

Notices to Holdings or Purchaser:

c/o ProFrac Holdings II, LLC  
333 Shops Boulevard, Suite 301  
Willow Park, Texas 76087  
Attention: Robert Willette  
Email: [robert.willette@profrac.com](mailto:robert.willette@profrac.com)

*with copies to (which will not constitute notice to Holdings):*

Winston & Strawn LLP  
2121 North Pearl Street, Suite 900  
Dallas, Texas 75201  
Attention: David Lange  
E-mail: [dlange@winston.com](mailto:dlange@winston.com)

3.9 Severability. If any term or other provision of this Agreement is invalid, illegal or unenforceable, all other provisions of this Agreement will remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto.



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3.10 Third-Party Beneficiaries. This Agreement will be binding upon and inure solely to the benefit of each party hereto and its successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or will confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

3.11 Further Assurances. From and after the date hereof, at the request of a party hereto, the other party hereto will execute and deliver or cause to be executed and delivered to the requesting party such other agreements, documents or instruments, in addition to those required by this Agreement, as requesting party may reasonably request, in order to implement the transactions contemplated by this Agreement.

[Signature Pages Follow]

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IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement, or have caused this Agreement to be duly executed and delivered, as of the day and year first written above.

HOLDINGS:

PROFRAC HOLDING CORP.

By: /s/ Robert Willette  
Name: Robert Willette  
Title: Chief Legal Officer, Chief Compliance Officer &  
Secretary

PURCHASER

ALPINE SILICA, LLC

By: /s/ Robert Willette  
Name: Robert Willette  
Title: Chief Legal Officer, Chief Compliance Officer &  
Secretary

[Signature Page to Contribution Agreement]

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TIDEWATER PARTNERS, LLC  
a Louisiana limited liability company

By: /s/ W.G. "Bill" Bowdon, IV

Name: W.G. "Bill" Bowdon, IV

Title: Authorized Signatory

ADDRESS:

1035 Fawn Hollow  
Bossier City, Louisiana  
Attention: Bill Bowdon  
E-mail: [bill@perfproppants.com](mailto:bill@perfproppants.com)

*with a copy to (which will not constitute notice):*

Cook, Yancy, King & Galloway, APLC  
333 Texas St., Suite 1700  
Shreveport LA 71120  
Attention: Logan Schroeder  
E-mail: [logan.schroeder@cookyancey.com](mailto:logan.schroeder@cookyancey.com)

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[Signature Page to Contribution Agreement]

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**SELLERS:**

PERFORMANCE HOLDINGS I, LLC,  
a Louisiana limited liability company

By: /s/ W.G. Bowdon, IV  
Name: W.G. Bowdon, IV  
Title: President and Chief Executive Officer

PERFORMANCE HOLDINGS II, LLC,  
a Louisiana limited liability company

By: /s/ W.G. Bowdon, IV  
Name: W.G. Bowdon, IV  
Title: President and Chief Executive Officer

[Signature Page to Contribution Agreement]



Contacts: [ProFrac Holding Corp.](#)  
Lance Turner – Chief Financial Officer  
Bryan Wheatly – Director, Investor Relations  
[investors@profrac.com](mailto:investors@profrac.com)

[Dennard Lascar Investor Relations](#)  
Ken Dennard / Rick Black  
[ACDC@dennardlascar.com](mailto:ACDC@dennardlascar.com)

**ProFrac Holding Corp. Completes Acquisition of Performance Proppants and Upsize of ABL Credit Facility**

WILLOW PARK, TX – February 27, 2023 – ProFrac Holding Corp. (NASDAQ: ACDC) (“ProFrac” or the “Company”) announced today that it has successfully completed its acquisition of Performance Proppants, making it the largest in-basin proppant producer serving the Haynesville. ProFrac acquired Performance Proppants for approximately \$475 million, consisting of \$469 million in cash and the remainder in shares of ProFrac Class A common stock.

Ladd Wilks, ProFrac’s Chief Executive Officer, stated, “This transaction greatly enhances ProFrac’s vertical integration strategy and demonstrates our commitment to the Haynesville, which we believe is a significant source of long-term opportunity. Additionally, it makes the Company the largest provider of in-basin sand in North America. With four mines totaling 10.4 million tons per year of high-quality proppant production capacity serving the core of the Haynesville, ProFrac will be well positioned to secure supply for our fleets, enhance fleet utilization and add additional value to our customers.”

Matt Wilks, ProFrac’s Executive Chairman, added, “Currently we are supplying less than one third of the sand pumped by our fleets. Our leading in-basin mine footprint across the Permian, Eagle Ford and Haynesville creates a substantial opportunity for us to grow the share of internally sourced proppant that we pump for our customers. With 22.6 million tons of annual production capacity strategically located in key markets, we believe we can deliver reduced overall completion costs for our customers while expanding the profitability of our fleets.”

Additionally, ProFrac entered into the Fourth Amendment to the ABL Credit Facility (the ABL Credit Facility as amended by the Fourth Amendment, the “Amended Credit Facility”). Under the Amended Credit Facility, the aggregate Maximum Revolver Amount was increased from \$280 million to \$400 million.

In connection with the Performance Proppants acquisition, ProFrac borrowed approximately \$298 million under the Amended Credit Facility, leaving total availability of roughly \$79 million, including letters of credit. Immediately prior to this draw, there were no amounts outstanding under the Amended Credit Facility with the exception of outstanding letters of credit.

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Piper Sandler & Co. served as exclusive financial advisor to ProFrac and Winston & Strawn and Lowenstein Sandler LLP served as ProFrac's legal advisors, all in connection with the acquisition of Performance Proppants. Brown Rudnick LLP acted as legal counsel to ProFrac in connection with the Amended Credit Facility. Stephens & Company served as exclusive financial advisor to Performance Proppants, and Brownstein Hyatt Farber Schreck, LLP served as Performance Proppants' legal counsel.

**About ProFrac Holding Corp.**

ProFrac Holding Corp. is a growth-oriented, vertically integrated and innovation-driven energy services company providing hydraulic fracturing, completion services and other complementary products and services to leading upstream oil and gas companies engaged in the exploration and production ("E&P") of North American unconventional oil and natural gas resources. Founded in 2016, the Company was built to be the go-to service provider for E&P companies' most demanding hydraulic fracturing needs. ProFrac is focused on employing new technologies to significantly reduce "greenhouse gas" emissions and increase efficiency in what has historically been an emissions-intensive component of the unconventional E&P development process. For more information, please visit the Company's website, <https://www.pfholdingscorp.com>.

**Cautionary Statement Regarding Forward-Looking Statements**

Certain statements in this press release may be considered "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. In some cases, the reader can identify forward-looking statements by words such as "may," "should," "would," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," or similar words. Forward-looking statements relate to future events or the Company's future financial or operating performance. These forward-looking statements include, among other things, statements regarding: the anticipated benefits of the Company's acquisition of Performance Proppants sand mining operations, including benefits associated with scaling the Company's vertically integrated business model, increasing the Company's sand mining capabilities and sand supply, improving the Company's operational efficiency, increasing value to customers and realizing potential cost savings; and the Company's estimates of the future production capacity of the Company's sand mining operations in future periods. Such forward-looking statements are based upon assumptions made by the Company as of the date hereof and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Factors that may cause actual results to differ materially from current expectations include, but are not limited to: the risk that the Company will not realize the anticipated benefits of the Performance Proppants Acquisition; the ability to effectively scale the Company's operations and integrate acquired assets and personnel into the Company's existing

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business model; the Company's ability to execute its business strategy and plans for growth, including with respect to the expansion of its sand mining operations; the failure to operationalize the acquired Haynesville sand mining operations in a timely manner or at all; industry conditions, including fluctuations in supply, demand and prices for the Company's products and services; global and regional economic and financial conditions; and other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's filings with the Securities and Exchange Commission ("SEC"), which are available on the SEC's website at [www.sec.gov](http://www.sec.gov). There may be additional risks about which the Company is presently unaware or that the Company currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. The reader should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company anticipates that subsequent events and developments will cause its assessments to change. However, while the Company may elect to update these forward-looking statements at some point in the future, it expressly disclaims any duty to update these forward-looking statements, except as otherwise required by law.