UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

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 28, 2023

Core Scientific, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation) 001-40046 (Commission File Number) 86-1243837 (IRS Employer Identification No.)

210 Barton Springs Road, Suite 300 Austin, Texas (Address of principal executive offices)

78704 (Zip Code)

Registrant's telephone number, including area code: (512) 402-5233

(Former Name or Former Address, if Changed Since Last Report)

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:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.0001 per share	CORZQ	*
Warrants, exercisable for shares of common stock	CRZWQ	*

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company \square

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.

* The registrant's common stock and warrants began trading exclusively on the OTC Pink Marketplace on January 3, 2023 under the Symbols "CORZQ" and "CRZWQ," respectively. As previously announced, on December 21, 2022, Core Scientific Inc. (the "Company") and certain of its affiliates (collectively, the "Debtors") filed voluntary petitions (the "Chapter 11 Cases") in the United States Bankruptcy Court for the Southern District of Texas (the "Bankruptcy Court") seeking relief under Chapter 11 of Title 11 of the United States Code (the "Bankruptcy Code"). The Debtors continue to operate their business and manage their properties as "debtors-in-possession" under the jurisdiction of the Bankruptcy Court and in accordance with the applicable provisions of the Bankruptcy Code and orders of the Bankruptcy Court. Additional information about the Chapter 11 Cases, including access to Court documents, is available online at cases.stretto.com/CoreScientific/, a website administered by Stretto, Inc., a third-party bankruptcy claims and noticing agent. The information on this web site is not incorporated by reference into, and does not constitute part of, this Form 8-K.

Item 7.01. Regulation FD Disclosure.

On February 28, 2023, the Debtors each filed with the Bankruptcy Court their monthly operating reports for the period beginning January 1, 2023 and ending January 31, 2023 (collectively, the "January Monthly Operating Reports"). The January Monthly Operating Reports are attached hereto, as Exhibits 99.1 through 99.11 and are incorporated herein by reference. This Current Report on Form 8-K (including the exhibits hereto) will not be deemed an admission as to the materiality of any information required to be disclosed solely by Regulation FD. The January Monthly Operating Reports and other filings with the Bankruptcy Court related to the Chapter 11 Cases may be available electronically at cases.stretto.com/CoreScientific/.

The information contained in this Item 7.01 shall not be deemed to be "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, and shall not be deemed to be incorporated by reference into any of the Company's filings under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and regardless of any general incorporation language in such filings, except to the extent expressly set forth by specific reference in such a filing.

Cautionary Statement Regarding the January Monthly Operating Reports

The Company cautions investors and potential investors not to place undue reliance upon the information contained in the January Monthly Operating Reports, which were not prepared for the purpose of providing the basis for an investment decision relating to any of the securities of the Company. The January Monthly Operating Reports are limited in scope, cover a limited time period and have been prepared solely for the purpose of complying with

the monthly reporting requirements of the Bankruptcy Court. The January Monthly Operating Reports were not audited or reviewed by independent accountants, were not prepared in accordance with generally accepted accounting principles in the United States, are in a format prescribed by applicable bankruptcy laws or rules, and are subject to future adjustment and reconciliation. There can be no assurance that, from the perspective of an investor or potential investor in the Company's securities, the January Monthly Operating Reports are complete. The January Monthly Operating Reports also contain information for periods which are shorter or otherwise different from those required in the Company's reports pursuant to the Exchange Act, and such information might not be indicative of the Company's financial condition or operating results for the period that would be reflected in the Company's financial statements or in its reports pursuant to the Exchange Act. Results set forth in the January Monthly Operating Reports should not be viewed as indicative of future results.

Furthermore, this Form 8-K and/or the January Monthly Operating Reports may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "estimate," "plan," "project," "forecast," "intend," "will," "expect," "anticipate," "believe," "seek," "target" or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. The Company's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain risks and other factors, which could include the following: risks and uncertainties relating to the Company's Chapter 11 Cases including but not limited to, the Company's ability to obtain Bankruptcy Court approval with respect to motions in its Chapter 11 Cases, successfully enter into and implement a restructuring plan, emerge from Chapter 11 and achieve significant cash flows from operations; the effects of the Chapter 11 Cases on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general, the length of time the Company will operate under the Chapter 11 Cases, risks associated with any third-party motions in the Chapter 11 Cases, the potential adverse effects of the Chapter 11 Cases on the Company's liquidity or results of operations and increased legal and other professional costs necessary to execute the Company's reorganization; finalization and receipt of the Replacement DIP Facility; satisfaction of any conditions to which the Company's debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company's control; the consequences of the acceleration of the Company's debt obligations; the trading price and volatility of the Company's common stock and the risks related to trading on the OTC Pink Market; as well as other risk factors set forth in the Company's Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. These statements are provided for illustrative purposes only and are based on various assumptions, whether or not identified in this press release, and on the current expectations of the Company's management. These forward-looking statements are not intended to serve, and must not be relied on by any investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. These forward-looking statements are subject to a number of risks and uncertainties, including those identified in the Company's reports filed with the U.S. Securities & Exchange Commission, and if any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No. Exhibit

- 99.1 Core Scientific, Inc., Monthly Operating Report for the period ended January 31, 2022
- 99.2 Core Scientific Mining LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.3 Core Scientific Operating Company, Monthly Operating Report for the period ended January 31, 2022
- 99.4 Core Scientific Acquired Mining LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.5 Radar Relay, Inc., Monthly Operating Report for the period ended January 31, 2022
- 99.6 Core Scientific Specialty Mining (Oklahoma) LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.7 American Property Acquisition, LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.8 Starboard Capital LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.9 Radar LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.10 American Property Acquisitions I, LLC, Monthly Operating Report for the period ended January 31, 2022
- 99.11 American Property Acquisitions VII, LLC, Monthly Operating Report for the period ended January 31, 2022
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

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.

Core Scientific, Inc.

Date: March 1, 2023

By: /s/ Todd M. DuChene

Name: Todd M. DuChene

Title: President and Chief Legal Officer

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

			§ §	Case No. 22-90341
			§	Lead Case No. 22-90341
	Debtor(s)		§	
Mo	nthly Operating Report			Chapter 11
Rep	orting Period Ended: 01/31/2023			Petition Date: 12/21/2022
Mo	nths Pending: 1			Industry Classification: 3 3 4 1
Rep	orting Method:	Accrual Basis	igodoldoldoldoldoldoldoldoldoldoldoldoldol	Cash Basis O
Deb	tor's Full-Time Employees (current):			235
Deb	tor's Full-Time Employees (as of date of order for rel	lief):		236
Sup	porting Documentation (check all that are attached)	c		
(Foi	r jointly administered debtors, any required schedules	must be provid	ed on a	a non-consolidated basis for each debtor)
	Statement of cash receipts and disbursements Balance sheet containing the summary and detail o Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for th Description of the assets sold or transferred and the	e reporting peri	od	
/s/ A	Alfredo R. Pérez			Alfredo R. Pérez
Signature of Responsible Party				Printed Name of Responsible Party
02/2	28/2023			
Dat	e			700 Louisiana Street, Suite 1700, Houston, Texas 77002
				Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

	tor's Name Core Scientific, Inc.		Case	No. 22-903
Part	1: Cash Receipts and Disbursements	C	urrent Month	Cumulative
a.	Cash balance beginning of month	\$	35,722,213	
b.	Total receipts (net of transfers between accounts)	\$	45	\$35,547,21
c.	Total disbursements (net of transfers between accounts)	\$	2,519,071	\$ 2,519,07
d.	Cash balance end of month (a+b-c)	\$	33,203,187	
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$
f.	Total disbursements for quarterly fee calculation (c+e)	\$	2,519,071	\$ 2,519,07
	2: Asset and Liability Status			
<u>Not</u> a.	generally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance)		urrent Month 488,990,509	
1.).	Accounts receivable (total net of allowance) Accounts receivable over 90 days outstanding (net of allowance)	\$	488,990,509	
		<u> </u>		
: .	Inventory (Book 💽 Market 🖸 Other 🔘 (attach explanation))	\$	0	
ł	Total current assets	<u> </u>	,293,698,880	
; .	Total assets		,296,257,669	
	Postpetition payables (excluding taxes)	\$	0	
g.	Postpetition payables past due (excluding taxes)	\$	0	
۱.	Postpetition taxes payable	\$	0	
	Postpetition taxes past due	\$	0	
	Total postpetition debt (f+h)	\$	0	
ζ.	Prepetition secured debt	\$	684,395,370	
	Prepetition priority debt	\$	0	
n.	Prepetition unsecured debt	\$	0	
1.	Total liabilities (debt) (j+k+l+m)	\$	684,395,370	
).	Ending equity/net worth (e-n)	\$1	,611,862,299	
Part	3: Assets Sold or Transferred	C	urrent Month	Cumulativ
ì.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$
).	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$
) .	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$
Part	4: Income Statement of Operations)	C		
	generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances)	<u> </u>	urrent Month 0	Cumulativ
			0	
ι.			0	
).	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0	
l.). ;.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b)	\$ \$	0	
ı.).). I.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses	\$ \$ \$	0	
L). :. I.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses	\$ \$ \$ \$	0 0 0	
L.). :. I. :.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses	\$ \$ \$ \$ \$	0 0 0 0 0	
ı. D. D. D. D. D. D. D. D. D. D. D. D. D.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b)	\$ \$ \$ \$ \$	0 0 0 0 0 0	
ı.). (. (. (. (. (.).	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b) Interest	\$ \$ \$ \$ \$ \$	0 0 0 0 0 0 0 0	
1. 0. 0. 1. 2. 1. 2. 3.	Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b)	\$ \$ \$ \$ \$	0 0 0 0 0 0	

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UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific, Inc.

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
Debtor's p	professional fees & expenses	(bankruptcy) Aggregate Total	\$15,109	\$15,109	\$15,109	\$15,1
Itemized I	Breakdown by Firm			,		,
	Firm Name	Role				
i	Stretto, Inc	Other	\$15,109	\$15,109	\$15,109	\$15,
ii			+,,-	+,,	+,,	<i>,</i>
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses	(nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
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		nal fees and expenses (debtor & com	mittees)	\$15,109	\$15,109	\$15,109	\$15,109
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Deb	tor's Name Core Scientific, Inc.				Case	No. 22-90341
Part	6: Postpetition Taxes			Current	Month	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$ 0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	<u>\$0</u>
c.	Postpetition employer payroll taxes accrued			\$	0	\$ 102,744
d.	Postpetition employer payroll taxes paid			\$	0	<u>\$0</u>
e.	Postpetition property taxes paid			\$	0	\$ 0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	<u>\$</u> 0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$ 0
<u>Part</u> a. b. c. d. e. f. g. h. i.	7: Questionnaire - During this reporting period: Were any payments made on prepetition debt? (if yes, see Instructions) Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Were any payments made to or on behalf of insiders? Are you current on postpetition tax return filings? Are you current on postpetition estimated tax payments? Were all trust fund taxes remitted on a current basis? Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Were all payments made to or on behalf of professionals approved by the court? Do you have: Worker's compensation insurance? If yes, are your premiums current? Casualty/property insurance?	Yes Yes Yes Yes Yes Yes Yes Yes	No No No No No No No No No N	n/a O n/a O	(if no, see	e Instructions)
	If yes, are your premiums current? General liability insurance?	Yes 💿 Yes 💽	No O No O	N/A 🔿	(if no, see	e Instructions)
	If yes, are your premiums current?	Yes •	No O	N/A O	(: f	e Instructions)
j.	Has a plan of reorganization been filed with the court?	0		N/A 🔍	(11 no, see	e instructions)
v	Has a disclosure statement been filed with the court?	Yes O				
k.		Yes O	No 🧿			
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💽	No 🔘			

Debtor's Name Core Scientific, Inc.					
Part 8: Individual Chapter 11 Debtors (Only)					
a. Gross income (receipts) from salary and wages	\$ 0				
b. Gross income (receipts) from self-employment	\$ 0				
c. Gross income from all other sources	\$ 0				
d. Total income in the reporting period (a+b+c)	\$ 0				
e. Payroll deductions	\$ 0				
f. Self-employment related expenses	\$ 0				
g. Living expenses	\$ 0				
h. All other expenses	\$ 0				
i. Total expenses in the reporting period (e+f+g+h)	\$ 0				
j. Difference between total income and total expenses (d-i)	\$ 0				
k. List the total amount of all postpetition debts that are past due	\$ 0				
l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O No 💿				
m. If yes, have you made all Domestic Support Obligation payments?	Yes O No O N/A •				

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

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/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions

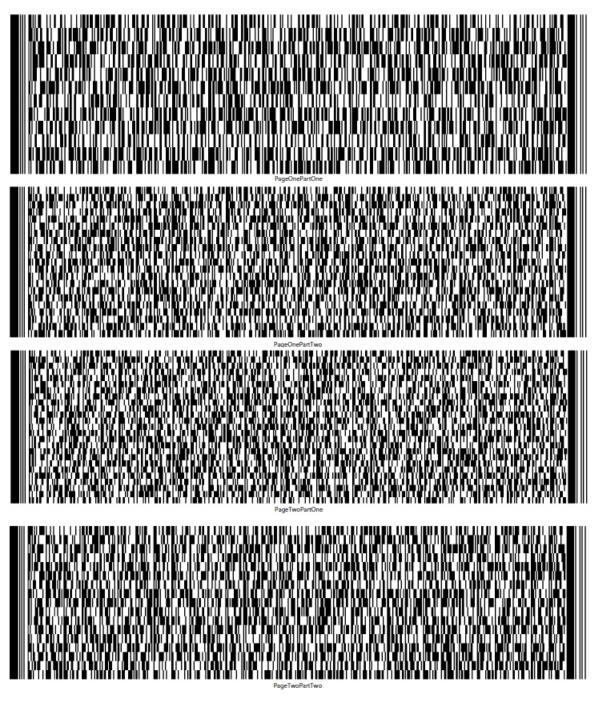
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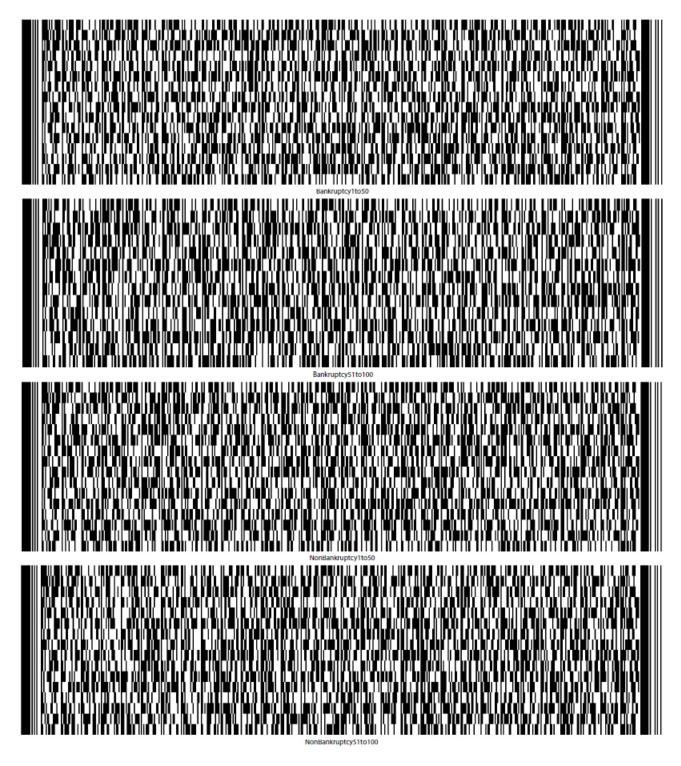
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 UST Form 11-MOR (12/01/2021)

Michael Bros Printed Name of Responsible Party 02/28/2023

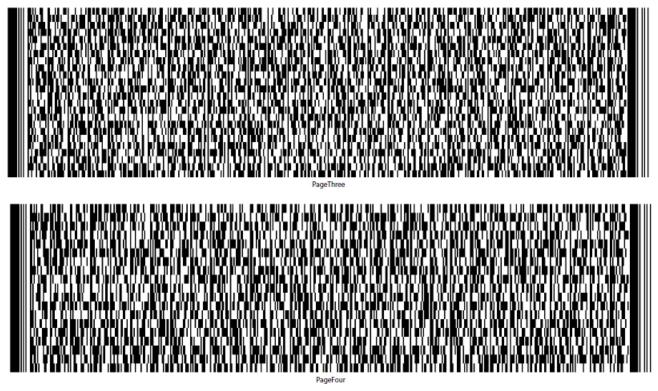
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Debtor's Name Core Scientific, Inc.

Case No. 22-90341



UST Form 11-MOR (12/01/2021)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

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MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. **Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

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The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

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- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Page 3

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

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MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions 	Total
Receipts												
Receipts	—	—	6,628,142	—	—	—	—	_	—	—	—	\$ 6,628,142
DIP Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45	_	19,397	_								19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
Services	—	14,402	152,072	—	_	—	_	—	—	_	—	166,474
Financial / Bank Fees	4,300	2,970	3,746	_		—	—	_	—	—	—	11,016
Employee Expense		269,369	2,844,296	_								3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734									25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624	_	_	_	_	_	_	_	_	13,025,941
Cash Balance Beginning of												
Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	—	_	—	_	—	—	_	—	13,025,941
Disbursement												
Allocation	—	1,961,274	(1,961,274)	_		—	—	_	—	—	—	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	\$ _	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	s —	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$) ASSETS	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Cash and Equivalents	_	1,223,749	62,513,910	_	-	_	_		—	_	_
Restricted Cash		1 222 540	805,024								
Total Cash Accounts receivable,	_	1,223,749	63,318,933	_	_	_	_	_	_	_	_
net of allowance	_	_	464,216	_	_	_	_	_	_	_	_
Accounts receivable	100 000 500										
from related parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	-			-	-		
equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets	—	_		_	—	_	_	—	—	_	
Prepaid expenses and other		22,748,095	42,689,787								
Total other current	_	22,748,095	42,089,787	_	_	_	_		_	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	—	_	—	—	—	—	—
Property, plant and equipment	_	67,098,040	1,127,366,853		_	_		_	_		_
Operating		07,070,040	1,127,500,055								
lease-right-of-use											
assets Goodwill		232,587,379	20,264,625 (167,058,249)	(65,529,130)	_			_	_		_
Intangible assets, net	_		1,674,297	(05,52),150)	_	_	_	_	_		_
Other noncurrent		(0)									
assets Total Assets	2,558,789 2,296,257,669	(0)	8,594,483	((1 220 922)							
LIABILITIES,	2,290,257,009	(665,123,029)	(37,781,110)	(64,339,833)							
PREFERRED STOCK & EQUITY					_	_	_	_	_	_	_
Accounts Payable	_	143,591,406	—	_	—	—	—	—	—		—
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_			_	_		_
Deferred revenue	—		112,557,414		_	_	_	—	_	_	—
Derivative warrant liabilities	335.063										
Operating lease	333,003	_			_						_
liabilities, current portion	_	_	42,227	_	_	_	_	_	_	_	
Financing lease			12,227								
liabilities, current			(0)								
portion Long-term debt,	_	_	(0)		_	_			_		_
current portion			695,410								
Total current	524 420	171 041 100	201 440 002	(12.724)							
liabilities Operating lease	534,429	161,041,190	201,440,003	(12,734)	_		_	_	_	_	_
liabilities, net of current portion	_	_	14,156,228	_	_	_	_	_	_	_	_
Financing lease											
liabilities, net of current portion	_	_	_	_			_			_	_
Long-term debt, net of											
Current portion Other noncurrent	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities	_	18,084,856	9,528,844	(2,587,769)	_	_	_	_	_	_	_
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)							
Pre-Petition Subject to Compromise	684,395,370		386,211,576								
Total Pre-Petition	004,393,370		500,211,570								
Subject to											
Compromise	684,395,370	—	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long		10,002	,0,0,110	- 2,002							
Term Liabilities Preferred stock	_		_	—	_	_	_	_	_		_
Common stock	37,478		_	_	_	_	_		_	_	_
Additional paid-in											
capital Accumulated deficit Other	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61,752,012)	_	_	=	_	_	_	_
Comprehensive Income	72,612,431	_	_		_	_	_	_	_	_	_
Cumulative	,2,012,701										
Translation Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers	-	-	-	-	-	-	-	-	-	-	-
Equipment sales to related parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining income	-	2,661,793.73	28,276,892.87	_	-	_	_	_	-	_	_
Network services and defi											
revenue											
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of			120 021 25								
digital currency assets Impairments of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairment of goodwill and	_	_	_	_	_	_	_	_	_	_	_
other intangibles Impairment of property,	-	_	-	_	_	-	-	_	—	-	—
plant and equipment	_	_	—	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	_				_	_	_	_	_	_	_
Research and development	_	_	(659,379.93)	(10,931.82)	—	_	_	_	_	_	_
Sales and marketing	—	_	(338,532.41)		—	—	—	—	—	—	_
General and administrative	-	(8,357.78)	(4,762,536.85)	(50.00)	-	_	_	-	-	_	_
Advisor Fees		(9.257.79)	(5.5(0.440.10)	(10.001.02)							
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income (expense),	_	(684,287.19)	(29,562,593.74)	(10,981.82)	_	_	_	_	_	_	_
net:	-				—		_	_	-	-	_
Loss on debt extinguishment Interest expense, net	_	_	13,482.06	_	_			_	_		
Other non-operating	_		13,482.00	_			_				_
expenses, net	_	_		_	_	_	_	_	_	_	
Reorganization items			(7,646,333.49)								
Total Non-operating income (expense), net:			(7,632,851.43)								
Income (loss) before income											
taxes	-	(684,287.19)	(37,195,445.17)	(10,981.82)	—	_	_	-	-	_	_
Income tax expense				(10.001.00)							
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Mining LLC	\$ \$	Case No. 22-90340	
	\$	Lead Case No. 22-90341	
Debtor(s)	Ş	⊠ Jointly Administered	
Monthly Operating Report			Chapter 11
Reporting Period Ended: 01/31/2023		Petition Date: 12/21/2022	
Months Pending: 1		Industry Classification: 3 3 4 1	
Reporting Method:	Accrual Basis	Cash Basis	
Debtor's Full-Time Employees (current):		0	
Debtor's Full-Time Employees (as of date of order for r	elief):	0	
Supporting Documentation (check all that are attached	l):		
(For jointly administered debtors, any required schedule	s must be provided on a nor	-consolidated basis for each debtor)	
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for t Description of the assets sold or transferred and the 	he reporting period		
/s/ Alfredo R. Pérez		Alfredo R. Pérez	
Signature of Responsible Party		Printed Name of Responsible Party	
02/28/2023			
Date		700 Louisiana Street, Suite 1700, Houston, Texas 7	7002
		Address	

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

гагі	1: Cash Receipts and Disbursements	Curren	t Month	Cumu	lativ
a.	Cash balance beginning of month	\$	0		
b.	Total receipts (net of transfers between accounts)	\$	0	\$	(
c.	Total disbursements (net of transfers between accounts)	\$	0	\$	(
d.	Cash balance end of month (a+b-c)	\$	0		
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	(
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	(
Part	2: Asset and Liability Status	C			
Not : a.	zenerally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance)	<u>Curren</u> \$	<u>t Month</u> 0		
и. b.	Accounts receivable (or an over second and a second and a second and a second a seco	\$	0		
). C.	Inventory (Book • Market • Other • (attach explanation))	<u>.</u>			
		\$	0		
ł	Total current assets	\$	0		
).	Total assets	\$	0		
	Postpetition payables (excluding taxes)	\$	0		
g.	Postpetition payables past due (excluding taxes)	\$	0		
1.	Postpetition taxes payable	\$	0		
	Postpetition taxes past due	\$	0		
	Total postpetition debt (f+h)	\$	0		
ζ.	Prepetition secured debt	\$	0		
•	Prepetition priority debt	\$	0		
n.	Prepetition unsecured debt	\$	0		
1.	Total liabilities (debt) (j+k+l+m)	\$	0		
э.	Ending equity/net worth (e-n)	\$	0		
	3: Assets Sold or Transferred		t Month	Cumu	lati
ì .	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	
).	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	
2.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	
	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curren	t Month	Cumu	Ilativ
1.	Gross income/sales (net of returns and allowances)	\$	0	cum	
) .	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
	Gross profit (a-b)	\$	0		
l.	Selling expenses	\$	0		
	General and administrative expenses	\$	0		
	Other expenses	\$	0		
	Depreciation and/or amortization (not included in 4b)	\$	0		
,. I.	Interest	\$	0		
	Taxes (local, state, and federal)	\$	0		
	Taxes (local, state, and rederal)				
	Reorganization items	<u>3</u> \$	0		

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UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Mining LLC

Part	5: Professional	Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's pro	ofessional fees & expenses (ba	nkruptcy) Aggregate Total				
	Itemized Bro	eakdown by Firm					
		Firm Name	Role				
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses	(nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
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		nal fees and expenses (debtor & com	mittees)	\$ 0	\$ 0	\$ 0	\$ 0
ν.	protessio			Ψ	Ψ	Ψ	ΨŪ

Del	tor's Name Core Scientific Mining LLC				Case	No. 22-9	0340
Part	Part 6: Postpetition Taxes					Cumul	ative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$	0
c.	Postpetition employer payroll taxes accrued			\$	0	\$	0
d.	Postpetition employer payroll taxes paid			\$	0	\$	0
e.	Postpetition property taxes paid			\$	0	\$	0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$	0
Part	7: Questionnaire - During this reporting period:						
a.	Were any payments made on prepetition debt? (if yes, see Instructions)	Yes O	No 💽				
b.	Were any payments made outside the ordinary course of business without court approval?	105					
	(if yes, see Instructions)	Yes 🔿	No 💽				
c.	Were any payments made to or on behalf of insiders?	Yes 🔿	No 💽				
d.	Are you current on postpetition tax return filings?	Yes 💿	No 🔿				
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No O				
f.	Were all trust fund taxes remitted on a current basis?	Yes 💽	No 🔿				
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽				
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💿			
i.	Do you have: Worker's compensation insurance?	Yes 💿	No O				
	If yes, are your premiums current?	Yes 💽	No O	N/A 🔿	(if no, see	Instructi	ons)
	Casualty/property insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💽	No O	N/A O	(if no, see	Instructi	ons)
	General liability insurance?	Yes 💽	No O				,
	If yes, are your premiums current?	Yes 💿	No O	N/A O	(if no, see	Instructi	ons)
j.	Has a plan of reorganization been filed with the court?	Yes O	No 💽				<i>,</i>
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽				
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O				

Debtor's Name Core Scientific Mining LLC							
Par	Part 8: Individual Chapter 11 Debtors (Only)						
a.	Gross income (receipts) from salary and wages	\$	0				
b.	Gross income (receipts) from self-employment	\$	0				
c.	Gross income from all other sources	\$	0				
d.	Total income in the reporting period (a+b+c)	\$	0				
e.	Payroll deductions	\$	0				
f.	Self-employment related expenses	\$	0				
g.	Living expenses	\$	0				
h.	All other expenses	\$	0				
i.	Total expenses in the reporting period (e+f+g+h)	\$	0				
j.	Difference between total income and total expenses (d-i)	\$	0				
k.	List the total amount of all postpetition debts that are past due	\$	0				
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O No	, O				
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O No	, O _{N/A} 💿				

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

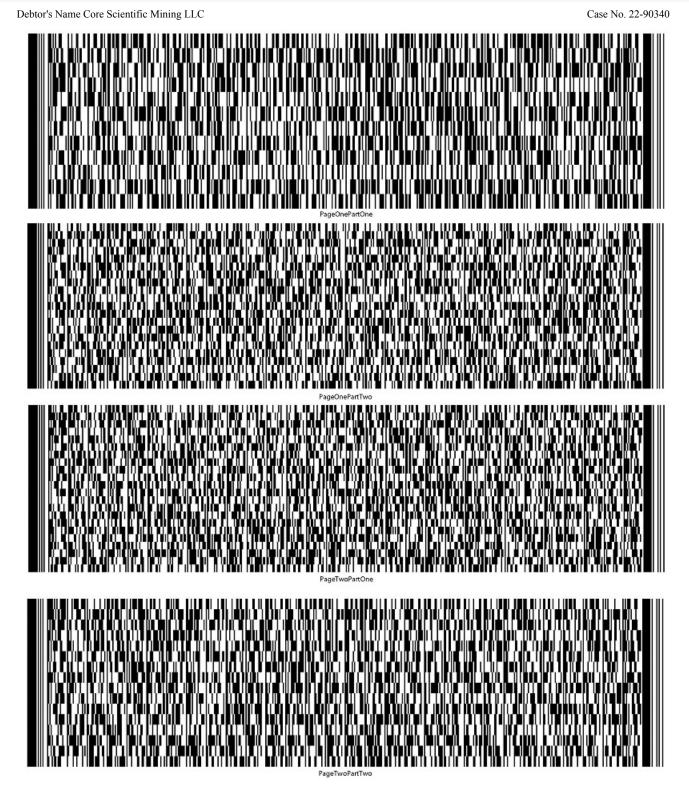
9

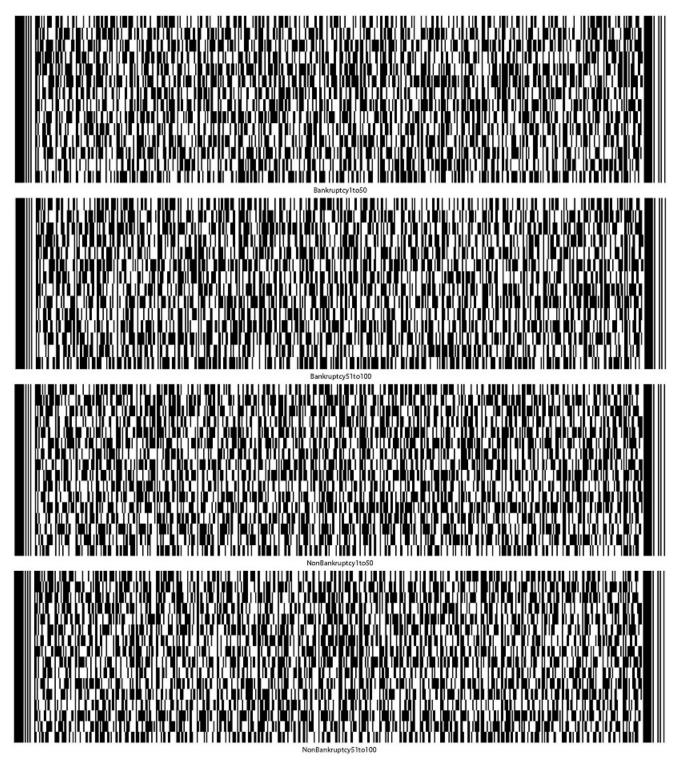
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

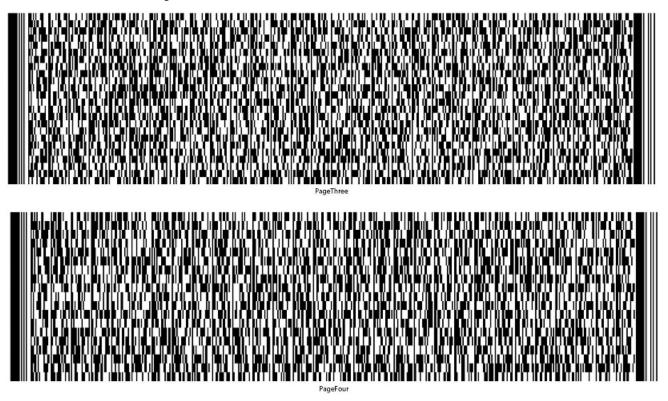
UST Form 11-MOR (12/01/2021)

Michael Bros Printed Name of Responsible Party 02/28/2023

Date







IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. **Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and accurate to the best of the Debtors' knowledge, information, and belief, based on

Page	1
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The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. <u>Accounting Principles</u>. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	_	_	_	_	_	_	_	_	\$ 6,628,142
DIP Proceeds	_	_		—	_	_	_	_	—	_	_	
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45	—	19,397	—		—	_		—	—	—	19,441
Total Receipts	45	2,728,618	35,459,357		_		_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_					_		_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	—		—	_		—	—	—	5,925,645
Services	_	14,402	152,072	—	_	_	_	_	_	_	_	166,474
Financial / Bank Fees	4,300	2,970	3,746	—	_	_	_	_	_	_	_	11,016
Employee Expense		269,369	2,844,296									3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734	—	_	_	_	_	_	_	—	25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624					_		_	_	13,025,941
Cash Balance Beginning of Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	_	_	_	—	_	_	13,025,941
Disbursement Allocation	_	1,961,274	(1,961,274)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	s —	<u>s </u>	<u>s </u>	s —	<u>s </u>	<u>s </u>	<u>\$ </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$) ASSETS	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Cash and Equivalents	_	1,223,749	62,513,910	_	_	_	_		_		_
Restricted Cash			805,024								
Total Cash Accounts receivable,	_	1,223,749	63,318,933		_	_	-	_	_	_	_
net of allowance	_	_	464,216	_	_	_	_	_	_	_	_
Accounts receivable from related parties	488,990,509	140,152,775	(486,675,668)	1,189,298	_	_	_	_	_	_	_
Deposits for equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets Prepaid expenses and	—	—	· · ·	—	_	—	—	-	_	—	_
other Total other current	_	22,748,095	42,689,787	_	_	_	_	_	_	—	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	_	_	-	—	_	_	—
Property, plant and equipment Operating	_	67,098,040	1,127,366,853	_	_	_	_	_	_	_	-
lease-right-of-use assets	_	_	20,264,625	_	_	_	_	_	_	_	_
Goodwill	_	232,587,379	(167,058,249)	(65,529,130)	-	_	-	_	_	_	_
Intangible assets, net Other noncurrent	_	—	1,674,297	_	_	_	_	_	_	_	—
assets	2,558,789	(0)	8,594,483	_	_	_	_	_	_	_	_
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)							
LIABILITIES, PREFERRED STOCK & EQUITY					_	_	_	_	_	_	_
Accounts Payable	—	143,591,406	—	—	_		_	_	_		_
Accrued expenses and	100.266	17 440 794	99 144 052	(12 724)							
other Deferred revenue	199,366	17,449,784	88,144,952 112,557,414	(12,734)	_	_	_	_	_	_	_
Derivative warrant liabilities	335,063	_		_	_	_	_	_	_	_	_
Operating lease liabilities, current portion	_	_	42,227	_	_	_	_	_	_	_	
Financing lease liabilities, current			, ,								
portion Long-term debt,	_	_	(0)	_	_	_	_	_	_	_	_
current portion			695,410								
Total current	524 420	171 041 100	201 440 002	(12 724)							
liabilities Operating lease liabilities, net of	534,429	161,041,190	201,440,003	(12,734)	_	_	_	_	_	_	_
current portion Financing lease liabilities, net of	_	_	14,156,228		_	_	_	_	_	_	_
current portion	_	_	_	_	-	-	-	-	_	_	_
Long-term debt, net of current portion Other noncurrent	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities		18,084,856	9,528,844	(2,587,769)							
Total Liabilities Pre-Petition Subject to	8,890,722	179,126,046	216,768,782	(2,600,503)	_	_	_	_	_	_	_
Compromise	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Total Pre-Petition Subject to											
Compromise	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities		13,802	122,570,115	12,682							
Post-Petition Long Term Liabilities	_				_	_	_	_	_	_	_
Preferred stock	27 470	_	—	_	-	-	-	—	—	—	-
Common stock Additional paid-in	37,478	_	—	_	_	—	_	—	—	—	—
capital Accumulated deficit	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61,752,012)	_	_	_	_	_	_	=
Other Comprehensive Income	72,612,431	_	_	_	_	_	_	_	_	_	_
Cumulative	,,										
Translation Adjustment Total Equity	1,602,971,576	46,983	(763,331,584)	(61 752 012)							
Total Liabilities, Preferred		(844,262,878)	(705,551,504)	(61,752,012)							
Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$)	Core Scientific, Inc.	Core Scientific Acquired <u>Mining LLC</u>	Core Scientific Operating Company	Core Scientific Mining LLC Property	Radar Relay Inc	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
Hosting revenue from customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to customers	_	_	_	_	_	_	_	_	_	_	_
Equipment sales to related parties	_	_	_	_		_	_	_	_	_	_
Digital asset mining income	_	2,661,793.73	28,276,892.87	_		_	_	_	_	_	
Network services and defi revenue	_			_	_	_	_	_			
Total Revenue		2,661,793.73	35.899.873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairments of digital currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of goodwill and other intangibles	_	_	_	_	_	_	_	_	_	_	_
Impairment of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property,											
plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	—				—	—	—	—	—	—	—
Research and development Sales and marketing	-	-	(659,379.93) (338,532.41)	(10,931.82)	_	_	_	-	_	_	_
General and	_	_	(556,552.41)	_	_	_	_	_	_	_	_
administrative	_	(8,357.78)	(4,762,536.85)	(50.00)	_	_	_	_	_	_	_
Advisor Fees	_	_			_	_	_	_	_	_	_
Total operating expenses	_	(8,357.78)	(5,760,449.19)	(10,981.82)	_			_		_	_
Operating Income (Loss)	_	(684,287.19)	(29,562,593.74)	(10,981.82)		_	_	_			_
Non-operating income (expense), net:	_	(****,_****)	(,co,co)	(10,00000)	_	_	_	_	_	_	_
Loss on debt											
extinguishment	—	—	12 492 06	—	—	—	—	—	—	—	—
Interest expense, net	_	_	13,482.06	_	-	_	_	_	_	_	_
Other non-operating expenses, net	_	_	_	_			_	_			
Reorganization items	_	_	(7,646,333.49)	_	_	_	_	_	_	_	
Total Non-operating income (expense), net:			(7,632,851.43)								
			(7,052,051.45)								
Income (loss) before income taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_	_	_
Income tax expense		((0.1.000.10)		(10.001.00)							
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In F	Re. Core Scientific Operating Company	Ş	š	Case No. 22-90343			
		§		Lead Case No. 22-90341			
	Debtor(s)	ş	ş				
Mo	nthly Operating Report				Chapter 11		
Rep	orting Period Ended: 01/31/2023			Petition Date: 12/21/2022			
Mo	nths Pending: 1			Industry Classification: 3 3 4 1			
Rep	orting Method:	Accrual Basis	ullet	Cash Basis			
Deb	otor's Full-Time Employees (current):			0			
Deb	otor's Full-Time Employees (as of date of order for	relief):		0			
Sup	porting Documentation (check all that are attache	d):					
(Fo	r jointly administered debtors, any required schedul	es must be provided	d on a non-c	onsolidated basis for each debtor)			
	Statement of cash receipts and disbursements Balance sheet containing the summary and detail Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for Description of the assets sold or transferred and t	the reporting period	d	uity (net worth) or deficit			
/s/ /	Alfredo R. Pérez		A	lfredo R. Pérez			
-	nature of Responsible Party			inted Name of Responsible Party			
02/2	28/2023						
Dat	e			0 Louisiana Street, Suite 1700, Houston, Texas 77 ddress	002		

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Opera	ting Company		Case	e No. 22-9034
Part 1: Cash Receipts and Disbursements			urrent Month	Cumulative
a. Cash balance beginning of mont	h	\$	16,107,473	
b. Total receipts (net of transfers be	etween accounts)	\$	35,459,357	\$ 53,274,33
c. Total disbursements (net of trans	sfers between accounts)	\$	20,681,734	\$ 26,757,96
d. Cash balance end of month (a+b	-c)	\$	30,885,096	
e. Disbursements made by third pa	rty for the benefit of the estate	\$	0	\$
f. Total disbursements for quarterly	y fee calculation (c+e)	\$	20,681,734	\$ 26,757,96
Part 2: Asset and Liability Status				
(Not generally applicable to Individual Debtor a. Accounts receivable (total net of			urrent Month -486,211,452	
b. Accounts receivable over 90 day		\$	0	
 c. Inventory (Book • Market •) 		<u> </u>		
• •	Other \bigvee (attach explanation))	\$	0	
d Total current assets			,028,623,120	
e. Total assets		\$	-37,781,110	
f. Postpetition payables (excluding		\$	60,641,893	
g. Postpetition payables past due (e	excluding taxes)	\$	0	
h. Postpetition taxes payable		\$	107,881	
i. Postpetition taxes past due		\$	0	
j. Total postpetition debt (f+h)		\$	60,749,774	
k. Prepetition secured debt		\$	345,172,039	
1. Prepetition priority debt		\$	73,998,247	
m. Prepetition unsecured debt		\$	251,995,758	
n. Total liabilities (debt) (j+k+l+m)		\$	731,915,818	
o. Ending equity/net worth (e-n)		\$	-769,696,928	
Part 3: Assets Sold or Transferred			urrent Month	Cumulative
1	sold/transferred outside the ordinary course of business	\$	0	\$
b. Total payments to third parties in	ncident to assets being sold/transferred outside the ordinary course of business	\$	0	\$
c. Net cash proceeds from assets so	old/transferred outside the ordinary course of business (a-b)	\$	0	\$
Part 4: Income Statement (Statement of Op (Not generally applicable to Individual Debtor	erations)			~
a. Gross income/sales (net of return		\$	urrent Month 35,899,874	Cumulative
b. Cost of goods sold (inclusive of	,	\$	59,840,950	
c. Gross profit (a-b)		\$	-23,941,076	
d. Selling expenses		\$	338,532	
e. General and administrative expe	nçeç	\$	4,762,537	
f. Other expenses		\$		
-	a (not included in Ab)	\$	47,617	
 g. Depreciation and/or amortization h. Interest 		\$ \$	-13.482	
		<u>\$</u>	-13,482	
		\$ \$	7,646,333	
j. Reorganization itemsk. Profit (loss)		<u>\$</u> \$	-37,195,445	\$ 18 760.00
k. Profit (loss)		Э	-57,195,445	\$-48,760,90

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UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Operating Company

			Approv Current M	ed onth	Approve Cumulati	ed ve	Paid Curre Month	ent	Pa Cumul
Debtor's	professional fees & expenses	(bankruptcy) Aggregate Total	\$	0	\$	0	\$	0	
Itemized	Breakdown by Firm	(aproj)	Ψ		Ψ	Ĭ	Ψ	0	Ŷ
110111200	Firm Name	Role	—						ł
i		Other	\$	0	\$	0	\$	0	\$
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UST Form 11-MOR (12/01/2021)

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Debtor's Name Core Scientific Operating Company

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expense	es (nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
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UST Form 11-MOR (12/01/2021)

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A 11 C .	I fees and expenses (debtor & com	mittees)	\$ 0	\$ 0	\$ () \$

Del	otor's Name Core Scientific Operating Company				Case 1	No. 22-90343
Par	t 6: Postpetition Taxes			Cur	rent Month	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$ 29,997
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	<u>\$0</u>
c.	Postpetition employer payroll taxes accrued			\$	105,019	\$ 105,019
d.	Postpetition employer payroll taxes paid			\$	212,816	\$ 212,816
e.	Postpetition property taxes paid			\$	17,284	\$ 17,284
f.	Postpetition other taxes accrued (local, state, and federal)			\$	107,881	\$ 123,576
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	<u>\$0</u>
Par	7: Questionnaire - During this reporting period:					
a.	Were any payments made on prepetition debt? (if yes, see Instructions)	Yes 💿	No O			
b.	Were any payments made outside the ordinary course of business without court approval?					
	(if yes, see Instructions)	Yes 🔘	No 💽			
c.	Were any payments made to or on behalf of insiders?	Yes 💽	No 🔿			
d.	Are you current on postpetition tax return filings?	Yes 💽	No 🔿			
e.	Are you current on postpetition estimated tax payments?	Yes 💿	No 🔿			
f.	Were all trust fund taxes remitted on a current basis?	Yes 💿	No 🔿			
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽			
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽		
i.	Do you have: Worker's compensation insurance?	Yes 💿	No 🔿			
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see	Instructions)
	Casualty/property insurance?	Yes 💽	No 🔿			
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see	Instructions)
	General liability insurance?	Yes 💿	No 🔿			,
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see	Instructions)
j.	Has a plan of reorganization been filed with the court?	Yes O	No 💽			,
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽			
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O			

De	Debtor's Name Core Scientific Operating Company							
Par	t 8: Individual Chapter 11 Debtors (Only)							
a.	Gross income (receipts) from salary and wages	\$	0					
b.	Gross income (receipts) from self-employment	\$	0					
c.	Gross income from all other sources	\$	0					
d.	Total income in the reporting period $(a+b+c)$	\$	0					
e.	Payroll deductions	\$	0					
f.	Self-employment related expenses	\$	0					
g.	Living expenses	\$	0					
h.	All other expenses	\$	0					
i.	Total expenses in the reporting period (e+f+g+h)	\$	0					
j.	Difference between total income and total expenses (d-i)	\$	0					
k.	List the total amount of all postpetition debts that are past due	\$	0					
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes	O _{No} O					
m.	If yes, have you made all Domestic Support Obligation payments?	Yes	○ _{No} ○ _{N/A} ⊙					

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

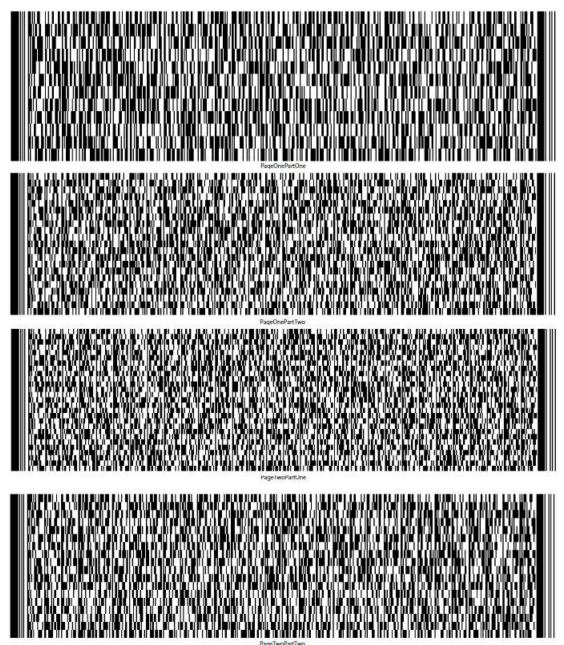
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

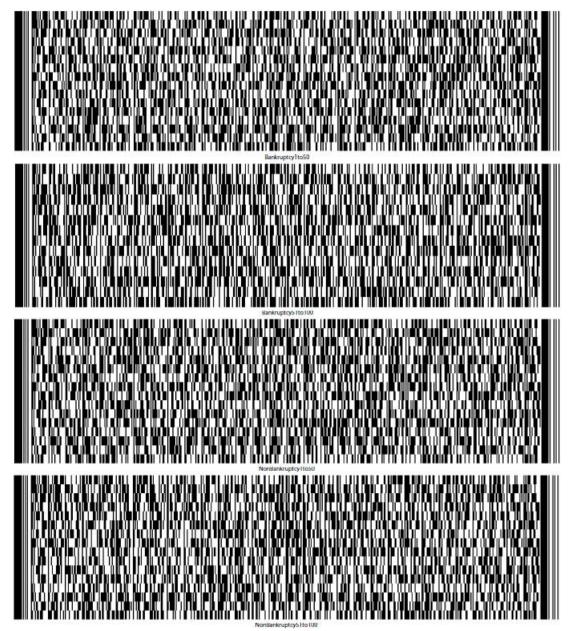
UST Form 11-MOR (12/01/2021)

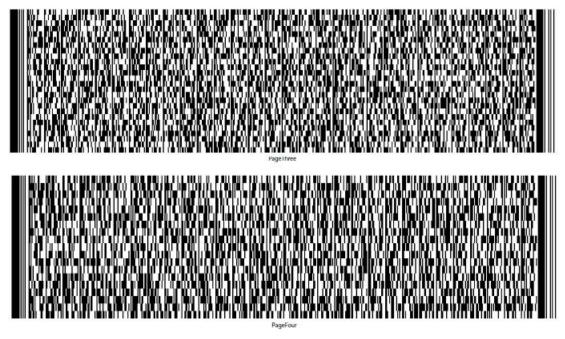
Michael Bros Printed Name of Responsible Party 02/28/2023

9

Date







IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

1

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1	l
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The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion")* and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	_	_	_	_	_	_	_	_	\$ 6,628,142
DIP Proceeds	_	_		_	_	_	_	_	_	_	_	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_		_	_	31,540,436
Other Receipts	45		19,397									19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_		_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes / Governmental	_	512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
Services		14,402	152,072	_	_				_			166,474
Financial / Bank Fees	4,300	2,970	3,746	_	_	_	_	_	_	_	_	11.016
Employee Expense	<u> </u>	269,369	2,844,296	_			_	_			_	3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734	_			_	_	_	_	_	25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624					_			_	13,025,941
Cash Balance Beginning of Month	35,722,213	462,630	16,107,473	_	_		_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	_	—	—	_	_	_	13,025,941
Disbursement Allocation		1,961,274	(1,961,274)	_								
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSETS	me.	winning LLC	Company	Relay Inc	LLC	LLC	LLC	LLC	LLC	LLC	LLC
Cash and											
Equivalents Restricted Cash		1,223,749	62,513,910 805,024		_		_		_		
Total Cash		1,223,749	63,318,933								
Accounts		, ., .	,								
receivable, net of allowance Accounts receivable	_	_	464,216	—	_	_	_	_	_	—	_
from related parties	488,990,509	140,152,775	(486,675,668)	1,189,298	_	_	_	_	_	_	_
Deposits for equipment Digital currency	_	_	25,827,664	_	_	_	_	_	_	_	_
assets	_	_	_	_	_	_	_	_	_	_	_
Prepaid expenses and other Total other current	_	22,748,095	42,689,787	_	_	_	_	_	_	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)	_	_	_	_	_	_	_	_
Total Current Assets	2,293,698,880		(1,028,623,120)	1,189,298	_	_	_	_	_	_	_
Property, plant and equipment		67,098,040	1,127,366,853								
Operating lease-right-of-use	_	07,098,040	1,127,500,855	_	_	_	_	_	_	_	_
assets Goodwill		232,587,379	20,264,625 (167,058,249)	(65,529,130)	_	_	_	_	_	_	_
Intangible assets, net Other noncurrent	_	_	1,674,297	—	_	_	_	_	_	—	_
assets	2,558,789	(0)	8,594,483								
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)			—				
LIABILITIES, PREFERRED STOCK & EQUITY											
Accounts Payable	_	143,591,406	_	_	_	_	_	_	_	_	_
Accrued expenses	100.200	17 440 704	00 144 050	(10.724)							
and other Deferred revenue Derivative warrant	199,366	17,449,784	88,144,952 112,557,414	(12,734)	_	_	_	_	_	_	_
liabilities Operating lease	335,063	_	_	_	_	_	_	_	_	_	_
liabilities, current portion Financing lease	_	_	42,227	_	_	_	_	_	_	_	_
liabilities, current portion		_	(0)	_	_	_	_	_	_	_	
Long-term debt, current portion	_	_	695,410	_	_	_	_	_	_	_	_
Total current liabilities	534,429	161,041,190	201,440,003	(12,734)	_		_	_	_	_	
Operating lease liabilities, net of			14,156,228								
Financing lease liabilities, net of	_	_	14,150,228	_	_	_	_	_	_	_	—
current portion Long-term debt, net	_	_	_	_	-	_	_	-	-	_	_
of current portion Other noncurrent	8,356,293	10 004 056	(8,356,293)	(2 587 760)	_	_	_	_		—	_
liabilities Total Liabilities	8,890,722	18,084,856 179,126,046	9,528,844 216,768,782	(2,587,769) (2,600,503)							
Pre-Petition Subject		,.=0,010		(_,000,000)							
to Compromise Total Pre-Petition	684,395,370		386,211,576								
Subject to Compromise Post-Petition Short	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Term Liabilities Post-Petition Long	_	13,802	122,570,115	12,682	_	_	_	_	—	_	_
Term Liabilities Preferred stock	_	_	_		_	_		_	_		
Common stock	37,478			_	_	_	_	_	_		_
Additional paid-in capital	1,783,051,000	(15,979,141)	2,887,621	_	_	_	_	_	_	_	_
Accumulated deficit Other	(252,729,333)	(828,330,719)	(766,219,205)	(61,752,012)	_	_	_	_	_	_	_
Comprehensive Income	72,612,431	_	_	_	_	_	_	_	_	_	_
Cumulative Translation Adjustment	_	46,983	_	_	_	_		_	_		
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)		(64,339,833)	_		_	_	_	_	

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers Equipment sales to	-	_	_	_	_	_	_	_	_	_	_
related parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining											
income	-	2,661,793.73	28,276,892.87	-	-	-	-	-	_	-	-
Network services and defi revenue											
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairments of digital currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of goodwill											
and other intangibles Impairment of property,	_	_	_	-	-	_	-	-	_	_	_
plant and equipment	—	—	—	—	—	—	—	—	—	—	—
Losses on exchange or disposal of property, plant and equipment											
Operating expenses:	_				_	_	_	_	_	_	_
Research and											
development	_	_	(659,379.93)	(10,931.82)	_	_	_	_	—	_	—
Sales and marketing	—	—	(338,532.41)	—	—	—	—	—	—	—	—
General and administrative		(8,357.78)	(4 762 526 95)	(50.00)							
Advisor Fees	_	(8,357.78)	(4,762,536.85)	(50.00)	_			_	_		
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income		(684,287.19)	(29,562,593.74)	(10,981.82)	_				_		
(expense), net:	_				_	_	_	_	_	_	_
Loss on debt											
extinguishment	—	—	_	—	—	—	—	—	—	—	—
Interest expense, net Other non-operating	_	_	13,482.06	_	_	_	_	_	_	_	_
expenses, net Reorganization items	_	_	(7,646,333.49)	_	_	_	_	_	_	_	_
Total Non-operating income			(7,040,333.49)								
(expense), net:			(7,632,851.43)								
Income (loss) before income taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_	_	
Income tax expense											
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

Exhibit 99.4

UNITED STATES BANKRUPTCY COURT

<u></u>	<u>OUTHERN</u> DIST	RICT OF <u>TEXA</u>	<u>AS</u>	
_	HC	DUSTON		
In Re. Core Scientific Acquired Mining LLC		\$ \$	Case No. <u>22-90342</u>	
Debtor(s)		\$ \$	Lead Case No. <u>22-90341</u>	
		8	Isointly Administered	
Monthly Operating Report				Chapter 11
Reporting Period Ended: 01/31/2023			Petition Date: <u>12/21/2022</u>	
Months Pending: 1			Industry Classification: 3 3 4 1	
Reporting Method:	Accrual Basis	ullet	Cash Basis	
Debtor's Full-Time Employees (current):			0	
Debtor's Full-Time Employees (as of date of order for n	elief):		0	
Supporting Documentation (check all that are attache	d):			
(For jointly administered debtors, any required schedule	es must be provide	d on a non-cons	olidated basis for each debtor)	
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for Description of the assets sold or transferred and the 	the reporting perio	d	(net worth) or deficit	
/s/ Alfredo R. Pérez			do R. Pérez	
Signature of Responsible Party		Printe	ed Name of Responsible Party	
02/28/2023 Date		700 I Addr	Louisiana Street, Suite 1700, Houston, Texas 77 ess	002
STATEMENT: This Periodic Report is associated with applies.	an open bankruptc	y case; therefore	e, Paperwork Reduction Act exemption 5 C.F.R	. § 1320.4(a)(2)

UST Form 11-MOR (12/01/2021)

Part 1: Cash Receipts and Disbursements	Current Month Cumulative
a. Cash balance beginning of month	\$ 462,630
b. Total receipts (net of transfers between accounts)	\$ 2,728,618 \$ 3,417,958
c. Total disbursements (net of transfers between accounts)	\$ 1,961,274 \$ 2,196,391
d. Cash balance end of month (a+b-c)	\$ 1,229,974
e. Disbursements made by third party for the benefit of the estate	\$ 0 \$ 0
f. Total disbursements for quarterly fee calculation (c+e)	\$ 1,961,274 \$ 2,196,391
Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$ 140,152,775
 b. Accounts receivable over 90 days outstanding (net of allowance) 	\$ 0
 c. Inventory (Book • Market • Other • (attach explanation)) 	<u>\$</u> 0
d Total current assets	
	\$-964,808,448 \$-665,123,029
	. , ,
f. Postpetition payables (excluding taxes)	<u>\$ 0</u> \$ 0
g. Postpetition payables past due (excluding taxes)	$\frac{3}{8}$ 0
h. Postpetition taxes payable	<u> </u>
i. Postpetition taxes past due	\$ <u>0</u> \$ <u>0</u>
j. Total postpetition debt (f+h)	<u>\$ 0</u> \$ 0
k. Prepetition secured debt	
1. Prepetition priority debt	<u>\$ 0</u>
m. Prepetition unsecured debt	<u>\$ 0</u>
n. Total liabilities (debt) (j+k+l+m)	<u>\$ 0</u>
o. Ending equity/net worth (e-n)	\$-665,123,029
Part 3: Assets Sold or Transferred	Current Month Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$ 0 \$ 0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0 \$ 0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0 \$ 0
Part 4: Income Statement (Statement of Operations)	
(Not generally applicable to Individual Debtors. See Instructions.) a. Gross income/sales (net of returns and allowances)	Current Month Cumulative \$ 2,661,794
 b. Cost of goods sold (inclusive of depreciation, if applicable) 	\$ 3,349,178
c. Gross profit (a-b)	\$ -687,384
d. Selling expenses	\$ 0
	\$ 8,358
e. General and administrative expenses f. Other expenses	<u>\$ 8,338</u> \$ 0
1	<u>\$ 0</u> \$ 1,847
g. Depreciation and/or amortization (not included in 4b)h. Interest	<u>\$ 1,647</u> <u>\$ 0</u>
	<u>\$ 0</u> \$ 0
i. Taxes (local, state, and federal)	$\frac{1}{10000000000000000000000000000000000$
j. Reorganization items	<u> </u>
k. Profit (loss)	<u>\$ -684,287</u> <u>\$-1,068,379</u>

2

UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Acquired Mining LLC

Part	t 5: Professional	Fees and Expenses		A	A	Deid Comment	Paid
				Approved Current Month	Approved Cumulative	Paid Current Month	Cumulative
a.	Debtor's pr	ofessional fees & expenses (bankruptcy) Aggregate Total				
	Itemized Br	eakdown by Firm					
		Firm Name	Role				
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	iii						
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UST Form 11-MOR (12/01/2021)

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		Approved	Approved	Paid Current	Paid

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's pr	ofessional fees & expenses (nont	ankruptcy) Aggregate Total				
	Itemized Br	eakdown by Firm					
		Firm Name	Role				
	i						
	ii						
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c. All professional fees and expenses (debtor & committees) \$ 0 \$ 0 \$ 0 \$ 0					• • •	^			_
	c.	All profession	nal fees and expenses (debtor & com	mittees)	\$ 0	\$ 0	\$ 0	\$	0

Debtor's Name Core Scientific Acquired Mining LLC Case						lo. 22-9	90342
Part 6: Postpetition Taxes				Ci	irrent Month	Cumu	ılative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$	0
c.	Postpetition employer payroll taxes accrued			\$	0	\$	0
d.	Postpetition employer payroll taxes paid			\$	0	\$ \$	0
e.	Postpetition property taxes paid			\$	0		0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$	0
<u>Part</u> a. b.	7: Questionnaire - During this reporting period: Were any payments made on prepetition debt? (if yes, see Instructions) Were any payments made outside the ordinary course of business without court approval?	Yes O	No 💿				
0.	(if yes, see Instructions)	Yes 🔿	No 💽				
c.	Were any payments made to or on behalf of insiders?	Yes O	No 💽				
d.	Are you current on postpetition tax return filings?	Yes 💽	No O				
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No 🔿				
f.	Were all trust fund taxes remitted on a current basis?	Yes 💽	No O				
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽				
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽			
i.	Do you have: Worker's compensation insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see I	nstruct	ions)
	Casualty/property insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see I	nstruct	ions)
	General liability insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see I	nstruct	ions)
j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽				
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽				
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O				

De	Debtor's Name Core Scientific Acquired Mining LLC						
Par	Part 8: Individual Chapter 11 Debtors (Only)						
a.	Gross income (receipts) from salary and wages	\$	0				
b.	Gross income (receipts) from self-employment	\$	0				
c.	Gross income from all other sources	\$	0				
d.	Total income in the reporting period (a+b+c)	\$	0				
e.	Payroll deductions	\$	0				
f.	Self-employment related expenses	\$	0				
g.	Living expenses	\$	0				
h.	All other expenses	\$	0				
i.	Total expenses in the reporting period (e+f+g+h)	\$	0				
j.	Difference between total income and total expenses (d-i)	\$	0				
k.	List the total amount of all postpetition debts that are past due	\$	0				
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes C	No 💿				
m.	If yes, have you made all Domestic Support Obligation payments?	Yes C) _{No} O _{N/A} •				

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

9

/s/ Michael Bros Signature of Responsible Party

SVP, Capital Markets and Acquisitions Title

UST Form 11-MOR (12/01/2021)

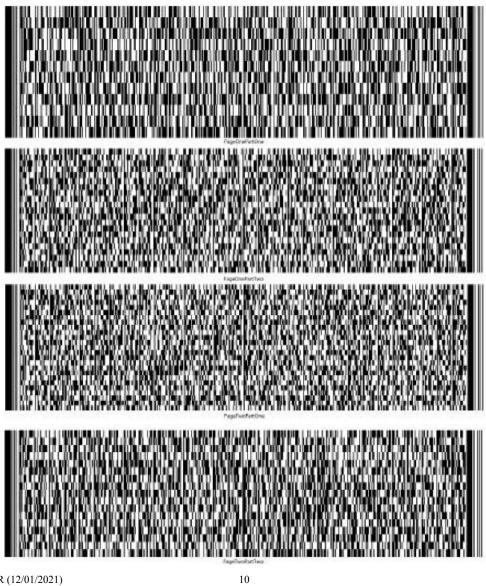
Michael Bros Printed Name of Responsible Party

02/28/2023

Date

Debtor's Name Core Scientific Acquired Mining LLC

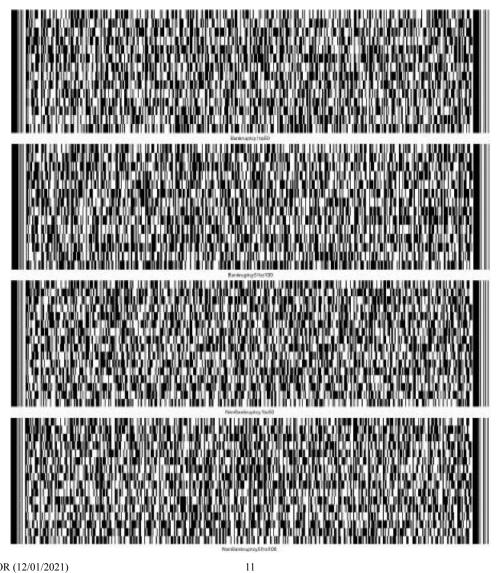
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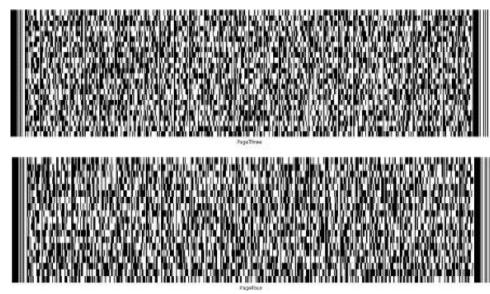
UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Acquired Mining LLC

Case No. 22-90342



UST Form 11-MOR (12/01/2021)



IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§	Chapter 11
CORE SCIENTIFIC, INC., et al.,	\$ \$	Case No. 22-90341 (DRJ)
Debtors. ¹	\$ \$	(Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and accurate to the best of the Debtors' knowledge, information, and belief, based on

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	_	_	_	_	_	_	_	_	\$ 6,628,142
DIP Proceeds	_	_		—	_	_	_	_	—	_	_	
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45	—	19,397	—	—	—	_		—	—	—	19,441
Total Receipts	45	2,728,618	35,459,357		_		_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_					_		_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	—	—	—	_		—	—	—	5,925,645
Services	_	14,402	152,072	—	_	_	_	_	_	_	_	166,474
Financial / Bank Fees	4,300	2,970	3,746	—	_	_	_	_	_	—	_	11,016
Employee Expense		269,369	2,844,296									3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734	—	_	_	_	_	_	_	—	25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624					_		_	_	13,025,941
Cash Balance Beginning of Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	_	_	_	—	_	_	13,025,941
Disbursement Allocation	_	1,961,274	(1,961,274)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	s —	<u>s </u>	<u>s </u>	s —	<u>s </u>	<u>s </u>	<u>\$ </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSETS		<u>ining theo</u>	Company	<u>Iteluj Ilie</u>							<u> </u>
Cash and		1 222 740	(2 512 010								
Equivalents Restricted Cash	_	1,223,749	62,513,910 805,024	_	_	_	_	_	_	_	
Total Cash		1,223,749	63,318,933								
Accounts		, ., .	,,								
receivable, net of allowance	_	_	464,216		_		_	_			_
Accounts receivable			101,210								
from related	499,000,500	140 150 775	(40) (75 ((0))	1 100 200							
parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	_		_	_	_		_
equipment	_	_	25,827,664	_	—	_	_	—	—		_
Digital currency assets											
Prepaid expenses	_		_	_	_	_	_	_	_	_	
and other	_	22,748,095	42,689,787	—	_	_	_	_	_	—	—
Total other current assets	1,804,708,371	(1,128,933,066)	(674,248,053)	_	_	_	_	_		_	_
Total Current	1,804,708,371	(1,128,955,000)	(074,248,033)								
Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	_	_	_	_	_	_	_
Property, plant and		(7.009.040	1 107 266 952								
equipment Operating	_	67,098,040	1,127,366,853	_	_	_	_	_	_	_	_
lease-right-of-use											
assets Goodwill	_	222 507 270	20,264,625 (167,058,249)	(65,529,130)	_	_	_	_	_	_	_
Intangible assets,		232,587,379	(107,058,249)	(65,529,130)	-				_	_	
net	_	_	1,674,297	—	—	_	_	—	—	_	_
Other noncurrent	2 559 790	(0)	9 504 492								
assets Total Assets	2,558,789 2,296,257,669	(665,123,029)	8,594,483 (37,781,110)	(64,339,833)	<u> </u>			<u> </u>	<u> </u>		
LIABILITIES, PREFERRED STOCK & EQUITY	2,290,257,009	(000,120,025)	(07,701,110)	(01,009,000)	_	_	_	_	_	_	_
Accounts Payable	_	143,591,406	_	_	_	_	_	—	—	_	_
Accrued expenses	100.200	17 440 704	00 144 052	(12 72 4)							
and other Deferred revenue	199,366	17,449,784	88,144,952 112,557,414	(12,734)	_		_	_	_		
Derivative warrant			112,557,414								
liabilities	335,063	_	_	_	-	_	_	-	-	_	_
Operating lease liabilities, current											
portion	_	_	42,227	_	_	_	_	_	_	_	_
Financing lease liabilities, current											
portion	_	_	(0)		_	_	_	_	_	_	_
Long-term debt,											
current portion Total current			695,410								
liabilities	534,429	161,041,190	201,440,003	(12,734)	_	_	_	_	_	_	_
Operating lease		. ,. ,	. , .,	() -)							
liabilities, net of current portion			14,156,228								
Financing lease	_	_	14,130,228	_	_	_	_	_	_	_	—
liabilities, net of											
current portion	-	-	_	_	-	_	_	-	-	_	_
Long-term debt, net of current portion	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
Other noncurrent	, ,	10.001.00									
liabilities	0 000 700	18,084,856	9,528,844	(2,587,769)							
Total Liabilities Pre-Petition Subject	8,890,722	179,126,046	216,768,782	(2,600,503)	_	_	_	_	_	_	_
to Compromise	684,395,370		386,211,576								
Total Pre-Petition											
Subject to Compromise	684,395,370		386,211,576								
Post-Petition Short	004,373,370	_	300,211,370	_	_	_	_	_	_	_	_
Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long Term Liabilities											
Preferred stock	_	_	_	_	_	_	_	_	_		_
Common stock	37,478	—	—	_	—	_	_	—	_	—	—
Additional paid-in capital	1,783,051,000	(15,979,141)	2,887,621			_				_	_
Accumulated	1,705,051,000	(13,279,141)	2,007,021	_	_	_	_	_	_	_	_
deficit	(252,729,333)	(828,330,719)	(766,219,205)	(61,752,012)	_	_	_	_	_	_	_
Other Comprehensive											
Income	72,612,431	_	_	_	_	_	_	_	_	_	_
Cumulative											
Translation Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities,		<u>,,,,,,,,,,</u> ,		<u>,, , , , , , , , , , , , , , , , , , ,</u>							
Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
Hosting revenue											
from customers	-	-	6,314,128.30	-	-	-	-	-	-	-	-
Hosting revenue from related parties			1,308,852.63								
Equipment sales to customers	_	_	1,308,832.03	_	_	_	_	_	_	_	_
Equipment sales to	_	_		_		_	_	_	_	_	_
related parties Digital asset mining	_	_	_	_	_	_	_	_	_	_	_
income Network services	_	2,661,793.73	28,276,892.87	_	-	-	_	_	-	-	-
and defi revenue	_	_	_				_			_	_
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal											
settlements	—	_	-	_	_	_	_	—	_	_	—
Gain (loss) from sales of digital		11 155 01	120 021 25								
currency assets	_	11,455.01	138,931.37	-	_	_	_	_	-	-	
Impairments of digital currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of											
goodwill and other intangibles	_	_	_	_	_	_	_	_	_	_	_
Impairment of property, plant											
and equipment	—	—	—	_	_	—	_	_	—	—	_
Losses on exchange or disposal of property, plant											
and equipment	—	_	_	—	—	_	_	—	_	—	_
Operating expenses:	—				_	_	_	_	—	—	—
Research and development	_	_	(659,379.93)	(10,931.82)	_	_	_	_	_	_	_
Sales and marketing	_	_	(338,532.41)	_ `	_	_	_	_	_	_	_
General and		(0.255 - 20)	(1 - (2 - 2) (2 - 2)	(50.00)							
administrative	-	(8,357.78)	(4,762,536.85)	(50.00)	-	-	-	-	_	_	_
Advisor Fees		(0.257.50)	(5.5(0.440.10)	(10.001.02)							
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income	_	(684,287.19)	(29,562,593.74)	(10,981.82)	_	_	_	_	_	_	_
(expense), net: Loss on debt	-				_	_	_	_	_	_	_
extinguishment	_	_	_	_	_	_	_	_	_	_	_
Interest expense, net	_	_	13,482.06	_	_		_	_	_	_	_
Other non-operating											
expenses, net	_			_	_		_		_		
Reorganization items			(7,646,333.49)								
Total Non-operating income (expense), net:			(7,632,851.43)								
Income (loss) before	_			_					_		
income taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_	_	_
Income tax expense											
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Radar Relay, Inc.		§ 8	Case No. 22-90344	
		ş	Lead Case No. 22-90341	
Debtor(s)		Ş	⊠ Jointly Administered	
Monthly Operating Report			Cha	apter 11
Reporting Period Ended: 01/31/2023			Petition Date: 12/21/2022	
Months Pending: 1			Industry Classification: 3 3 4 1	
Reporting Method: Accrual E	3asis	ullet	Cash Basis	
Debtor's Full-Time Employees (current):			0	
Debtor's Full-Time Employees (as of date of order for relief):			0	
Supporting Documentation (check all that are attached):				
(For jointly administered debtors, any required schedules must be p	rovid	ed on	a non-consolidated basis for each debtor)	
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments All bank statements and bank reconciliations for the reporting Description of the assets sold or transferred and the terms of the statements of the statements of the statement of the statements of the statement o	to ins g perio	siders		
/s/ Alfredo R. Pérez			Alfredo R. Pérez	
Signature of Responsible Party			Printed Name of Responsible Party	
02/28/2023				
Date			700 Louisiana Street, Suite 1700, Houston, Texas 77002	
			Address	
STATEMENT: This Periodic Report is associated with an open bank	krupte	cy cas	e; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.	4(a)(2)

UST Form 11-MOR (12/01/2021)

applies.

De	btor's Name Radar Relay, Inc.	Cas	se No	o. 22-903
Par	t 1: Cash Receipts and Disbursements	Current Mo	onth_	Cumulat
a.	Cash balance beginning of month	\$	0	
b.	Total receipts (net of transfers between accounts)	\$	0	\$
c.	Total disbursements (net of transfers between accounts)	\$	0	\$
d.	Cash balance end of month (a+b-c)	\$	0	
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$
	t 2: Asset and Liability Status t generally applicable to Individual Debtors. See Instructions.)	Current Mo	nth	
a.	Accounts receivable (total net of allowance)	\$ 1,189,2		
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0	
с.	Inventory (Book • Market O Other O (attach explanation))	\$	0	
ł	Total current assets	\$ 1,189,2		
а Э.	Total assets	\$-64,339,8		
2	Postpetition payables (excluding taxes)	\$	0	
χ.	Postpetition payables past due (excluding taxes)	\$	0	
5. 1.	Postpetition taxes payable	\$	0	
1.	Postpetition taxes pay due	\$	0	
	Total postpetition debt (f+h)	\$	0	
ζ.	Prepetition secured debt	\$	0	
· ·	Prepetition priority debt	\$	0	
n.	Prepetition unsecured debt	\$	0	
11. 1.	Total liabilities (debt) (j+k+l+m)	\$	0	
п. D.	Ending equity/net worth (e-n)	<u>\$</u> -64,339,8	-	
J.	Ending equity/net worth (C-n)	\$-04,559,0	555	
Par	t 3: Assets Sold or Transferred	Current Mo	onth	Cumulat
ı.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$
) .	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$
2.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$
	t 4: Income Statement (Statement of Operations)	Comment Ma		Complet
<u>100</u> 1.	t generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances)	<u>Current Mo</u> \$	0 0	Cumulat
ı.).	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0	
). 2.	Gross profit (a-b)	\$	0	
). 1.	Selling expenses	\$	0	
••	General and administrative expenses	\$	50	
	Other expenses	\$	0	
	Other expenses		0	
:	Depreciation and/or amortization (not included in 4b)	S		
g.	Depreciation and/or amortization (not included in 4b)	<u>\$</u> \$		
g. 1.	Interest	\$	0	
e. 2. g. 1.	•			

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UST Form 11-MOR (12/01/2021)

Debtor's Name Radar Relay, Inc.

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulativ
Debtor's r	professional fees & expenses	(bankruptcy)		Cumulative	Woltan	Cumulati
Aggregat	te Total	(builduptey)				
	Breakdown by Firm					
nemizeu D	Firm Name	Role				
:	FIIIII Name	Kole				
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•	*	•		•	
		Approved	Approved	Paid Current	Paid

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expense	es (nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
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Debtor's Name Radar Relay, Inc.

Case No. 22-90344

	xcix						
	с						
c.	All profession	nal fees and expenses (debtor & commit	\$0	\$0	\$0	\$0	

Par	t 6: Postpetition Taxes	Current	Month	Cumulative	
a.	Postpetition income taxes accrued (local, state, and federal)	\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)	\$	0	\$	0
c.	Postpetition employer payroll taxes accrued	\$	0	\$	0
d.	Postpetition employer payroll taxes paid	\$	0	\$	0
e.	Postpetition property taxes paid	\$	0	\$	0
f.	Postpetition other taxes accrued (local, state, and federal)	\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)	\$	0	\$	0

ļ	Part	7: Questionnaire - During this reporting period:				
1	a.	Were any payments made on prepetition debt? (if yes, see Instructions)	Yes 🔿	No 💽		
1	b.	Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes O	No 💿		
,	c.	Were any payments made to or on behalf of insiders?	Yes 🔿	No 💽		
,	d.	Are you current on postpetition tax return filings?	Yes 💽	No 🔿		
,	e.	Are you current on postpetition estimated tax payments?	Yes 💿	No 🔿		
	f.	Were all trust fund taxes remitted on a current basis?	Yes 💿	No 🔿		
	g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽		
1	h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No O	N/A 💽	
	i.	Do you have: Worker's compensation insurance?	Yes 💿	No O		
		If yes, are your premiums current?	Yes 💿	No O	N/A O	(if no, see Instructions)
		Casualty/property insurance?	Yes 💽	No O		· · · · · · · · · · · · · · · · · · ·
		If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see Instructions)
		General liability insurance?	Yes 💽	No O		· · · · · · · · · · · · · · · · · · ·
		If yes, are your premiums current?	Yes 💿	No O	N/A O	(if no, see Instructions)
	j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽		· · · · · · · · · · · · · · · · · · ·
1	k.	Has a disclosure statement been filed with the court?	Yes O	No 💽		
	1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O		

UST Form 11-MOR (12/01/2021)

Del	otor's Name Radar Relay, Inc.	Case N	o. 22-90344
Par	8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O	No 💿
m.	If yes, have you made all Domestic Support Obligation payments?	Yes 🔿	No 🔿 N/A 💿

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

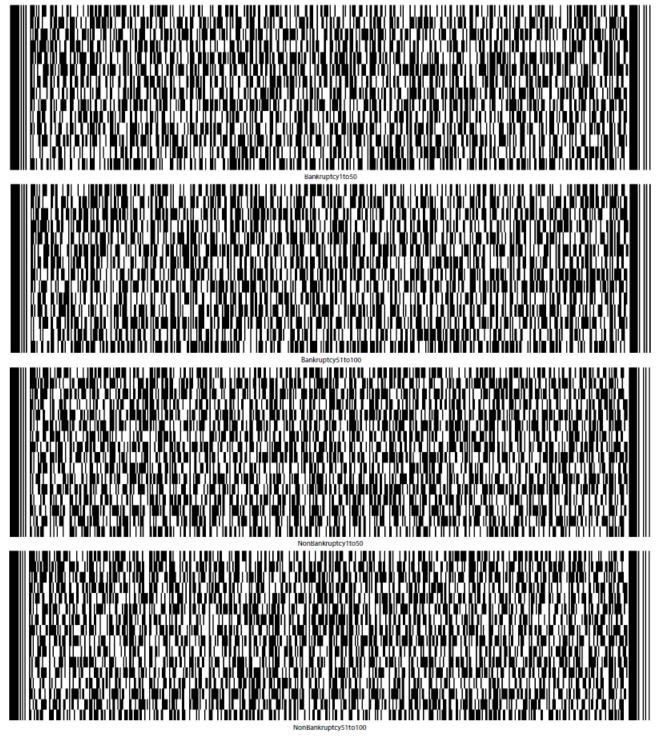
/s/ Michael Bros	
Signature of Responsible Party	
SVP, Capital Markets and Acquisitions	
Title	
UST Form 11-MOR (12/01/2021)	9

Michael Bros	
Printed Name of Responsible Party	
02/28/2023	
Date	

Debtor's Name Radar Relay, Inc. Case No. 22-90344 WШ Pagelv Page I woPart I wo

Debtor's Name Radar Relay, Inc.

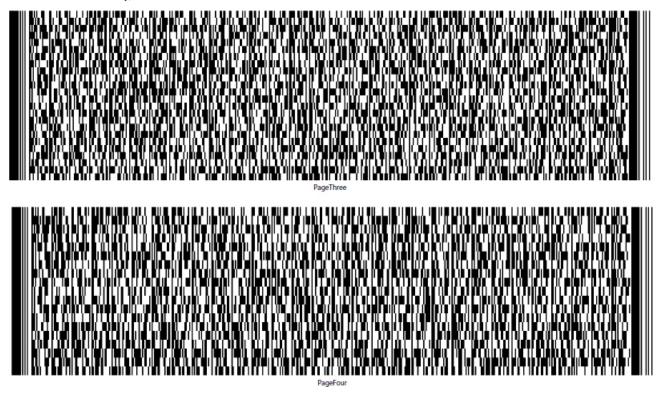
Case No. 22-90344



UST Form 11-MOR (12/01/2021)

Debtor's Name Radar Relay, Inc.

Case No. 22-90344



UST Form 11-MOR (12/01/2021)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

1

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "U.S. **Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Desc	ription	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Rece	ipts												
	Receipts	_	_	6,628,142	—	_	_	_	_	_	—	_	\$ 6,628,142
	DIP Proceeds	_	—	_	—	—	—	_	—	_	—	—	—
	Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
	Other Receipts	45		19,397									19,441
Tota	l Receipts	45	2,728,618	35,459,357	_	—	—	—	—	_	_	_	38,188,020
Disb	ursements												
	Suppliers or vendors	2,514,771	1,161,897	12,268,612	_					_	_		\$15,945,280
	Taxes / Governmental		512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
	Services	_	14,402	152,072	_	_	_				_	_	166,474
	Financial / Bank Fees	4,300	2,970	3,746	_	_	_	_	_	—		_	11,016
	Employee Expense		269,369	2,844,296									3,113,664
Tota	l Disbursements	2,519,071	1,961,274	20,681,734								_	25,162,079
	Cash Flow (excl. ternal Transfers)	(2,519,026)	767,343	14,777,624				_	_		_	_	13,025,941
Μ	Balance Beginning of onth	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
	Net Cash Flow	(2,519,026)	767,343	14,777,624	_		_	_	_	_		_	13,025,941
	Disbursement Allocation		1,961,274	(1,961,274)									
	Cash Balance End of Month	\$33,203,187	<u>\$3,191,248</u>	\$28,923,822	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$) ASSETS	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Cash and Equivalents	_	1,223,749	62,513,910	_	-	_	_	-	-	_	_
Restricted Cash Total Cash		1,223,749	805,024 63,318,933								
Accounts receivable,	_	1,223,749	05,518,955	_	_	_	_	_			_
net of allowance	_	_	464,216	_	_	_	_	_	_	_	_
Accounts receivable	100 000 500	1 40 1 50 555	(10) (775 ((0))	1 100 200							
from related parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	-			-	_		
equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets	_	_			_	_		-	-		_
Prepaid expenses and		22 749 005	40 (00 707								
other Total other current	_	22,748,095	42,689,787	_	_	_	_	_	_	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)		_	_	_	_	_		_
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298							
Property, plant and											
equipment Operating	_	67,098,040	1,127,366,853	_	_	_	_	-	_	_	_
lease-right-of-use											
assets	_	_	20,264,625	_	_	_	_	_	_	_	_
Goodwill	_	232,587,379	(167,058,249)	(65,529,130)	-	_	_	-	_	_	_
Intangible assets, net Other noncurrent	—	_	1,674,297	—	—	_	—	_	_	_	_
assets	2,558,789	(0)	8,594,483		_	_	_	_	_		_
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_		_				
LIABILITIES, PREFERRED											
STOCK & EQUITY Accounts Payable	_	143,591,406	_	_	_			_	_	_	_
Accrued expenses and		115,571,100									
other	199,366	17,449,784	88,144,952	(12,734)	-	_	_	-	-	-	_
Deferred revenue Derivative warrant	—	—	112,557,414	—	—	—	—	—	—	—	_
liabilities	335,063	_	_	_	_	_	_	_	_	_	_
Operating lease	,										
liabilities, current											
portion Financing lease	—	—	42,227	—	_	—	—	_	—	—	—
liabilities, current											
portion	_	_	(0)	_	_	_	_	_	_		_
Long-term debt,			605 410								
current portion Total current			695,410								
liabilities	534,429	161,041,190	201,440,003	(12,734)	_	_	_	_	_	_	_
Operating lease		101,011,120	201,110,000	(12,701)							
liabilities, net of current portion	_	_	14,156,228	_	_	_	_	_	_	_	_
Financing lease liabilities, net of											
current portion	_	_	_	_	_	_	_	_	_	_	_
Long-term debt, net of											
current portion Other noncurrent	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities	_	18,084,856	9,528,844	(2,587,769)			_	_	_	_	_
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)							
Pre-Petition Subject to		, ,, ,, ,									
Compromise	684,395,370		386,211,576								
Total Pre-Petition											
Subject to Compromise	684,395,370	_	386,211,576	_	_			_	_		
Post-Petition Short											
Term Liabilities		13,802	122,570,115	12,682	-	_	-	-	—	_	_
Post-Petition Long Term Liabilities											
Preferred stock		_		_	_	_	_	_	_	_	_
Common stock	37,478	_	—	—	_	_	_	_	_	_	
Additional paid-in	1 702 051 000	(15.070.141)	2 897 (21								
capital Accumulated deficit	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61.752 012)	_	_	_	_	_	_	_
Other	(202,129,000)	(020,000,719)	(100,21),203)	(01,732,012)							
Comprehensive											
Income Cumulative	72,612,431	_	_	_	_	_	-	_	_	_	_
Translation											
Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred	2 200 200 000	(((= 100.000)	(38 801 110)	((4.220.020)							
Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_		
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers Equipment sales to related	-	-	-	-	-	-	_	-	-	-	-
parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining income	—	2,661,793.73	28,276,892.87	_	_	_	_	_	—	_	—
Network services and defi											
revenue											
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of digital currency assets		11,455.01	138,931.37								
Impairments of digital	-	11,455.01	138,931.37	-	_	_		_	_		_
currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of goodwill and other intangibles	_	_	_	_	_	_	_	_	_	_	_
Impairment of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Losses on exchange or											
disposal of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	_				—	_	_	_	_	_	_
Research and development	-	_	(659,379.93)	(10,931.82)	-	_	_	_	-	_	-
Sales and marketing General and administrative	_		(338,532.41)	(50.00)	_	_	_	_	_	_	—
Advisor Fees	_	(8,357.78)	(4,762,536.85)	(50.00)	_	_		=	_	_	_
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income (expense),		(684,287.19)		(10,981.82)			_			_	_
net:	_				_	_	_	_	_	_	_
Loss on debt extinguishment	_	_	_	_	_	_	_	_	_	_	_
Interest expense, net	-	-	13,482.06	_	-	_	_	-	-	-	_
Other non-operating expenses, net											
Reorganization items	_	_	(7,646,333.49)	_	_	_	_	_	_	_	_
Total Non-operating income (expense), net:			(7,632,851.43)								
Income (loss) before income			(,,002,001,40)								
taxes	_	(684,287.19)	(37,195,445.17)	(10.981.82)	_	_	_	_	_	_	_
Income tax expense	_				—	_		_	—	_	_
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							
· · ·											

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Specialty Mining (Oklahoma) LLC	§ §		Case No. 22-90345	
	\$ §		Lead Case No. 22-90341	
Debtor(s)	§			
Monthly Operating Report			Chapte	er 11
Reporting Period Ended: 01/31/2023			Petition Date: 12/21/2022	
Months Pending: 1			Industry Classification: 3 3 4 1	
Reporting Method: Accrual B	asis	•	• Cash Basis	
Debtor's Full-Time Employees (current):			0	
Debtor's Full-Time Employees (as of date of order for relief):			0	
Supporting Documentation (check all that are attached):				
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets, Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reporting Description of the assets sold or transferred and the terms of the 	peric	od	d	
/s/ Alfredo R. Pérez			Alfredo R. Pérez	
Signature of Responsible Party			Printed Name of Responsible Party	
02/28/2023				
Date			700 Louisiana Street, Suite 1700, Houston, Texas 77002 Address	
STATEMENT: This Periodic Report is associated with an open bank applies.	rupto	cy ca	y case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a	ı)(2)

UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Specialty Mining (Oklahoma) LLC

Deu	or's Name Core Scientific Specialty Mining (Oklahoma) LLC		Case r	No. 22-9	10342
	I: Cash Receipts and Disbursements	Current N	<u>lonth</u>	Cumu	lative
a.	Cash balance beginning of month	\$	0		
b.	Total receipts (net of transfers between accounts)	\$	0	\$	0
c.	Total disbursements (net of transfers between accounts)	\$	0	\$	0
d.	Cash balance end of month (a+b-c)	\$	0		
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	0
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	0
	2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.)	Current N	lonth		
a.	Accounts receivable (total net of allowance)	\$	0		
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0		
c.	Inventory (Book • Market • Other • (attach explanation))	\$	0		
d	Total current assets	\$	0		
e.	Total assets	\$	0		
f.	Postpetition payables (excluding taxes)	\$	0		
g.	Postpetition payables past due (excluding taxes)	\$	0		
h.	Postpetition taxes payable	\$	0		
i.	Postpetition taxes past due	\$	0		
j.	Total postpetition debt (f+h)	\$	0		
k.	Prepetition secured debt	\$	0		
1.	Prepetition priority debt	\$	0		
m.	Prepetition unsecured debt	\$	0		
n.	Total liabilities (debt) (j+k+l+m)	\$	0		
0.	Ending equity/net worth (e-n)	\$	0		
Part	3: Assets Sold or Transferred	Current N	Ionth	Cumu	lative
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	0
b.	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	0
c.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	0
	4: Income Statement (Statement of Operations)			G	
<u>(Not</u>) a.	generally applicable to Individual Debtors. See Instructions.) Gross income/sales (net of returns and allowances)	Current N \$	<u>10ntn</u> 0	Cumu	llative
u. b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
с.	Gross profit (a-b)	\$	0		
с. d.	Selling expenses	\$	0		
а. e.	General and administrative expenses	\$	0		
с. f.	Other expenses	\$	0		
g.	Depreciation and/or amortization (not included in 4b)	\$	0		
b. h.	Interest	\$	0		
			0		
i.	Taxes (local state and federal)	5	0		
i. j.	Taxes (local, state, and federal) Reorganization items	\$ \$	0		

2

UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Specialty Mining (Oklahoma) LLC

Par	t 5: Professional	Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's pro	ofessional fees & expenses (ban	kruptcy) Aggregate Total				
	Itemized B	reakdown by Firm					
		Firm Name	Role				
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	ii						
	iii						
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	v						
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	vii						
	viii						
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses	(nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
	iv					
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c.	All profession	nal fees and expenses (debtor & com	mittees)	\$ 0	\$ 0	\$ 0	\$ 0
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Debtor's Name Core Scientific Specialty Mining (Oklahoma) LLC

Case No. 22-90345

Par	t 6: Postpetition Taxes	Curren	Month	Cumulative	
a.	Postpetition income taxes accrued (local, state, and federal)	\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)	\$	0	\$	0
с.	Postpetition employer payroll taxes accrued	\$	0	\$	0
d.	Postpetition employer payroll taxes paid	\$	0	\$	0
e.	Postpetition property taxes paid	\$	0	\$	0
f.	Postpetition other taxes accrued (local, state, and federal)	\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)	\$	0	\$	0

a.	Were any payments made on prepetition debt? (if yes, see Instructions)	Yes 🔿	No 💽		
b.	Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions)	Yes O	No 💽		
c.	Were any payments made to or on behalf of insiders?	Yes 🔿	No 💽		
d.	Are you current on postpetition tax return filings?	Yes 💽	No 🔿		
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No 🔿		
f.	Were all trust fund taxes remitted on a current basis?	Yes 💽	No 🔿		
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽		
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽	
i.	Do you have: Worker's compensation insurance?	Yes 💽	No 🔿		
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see Instructions)
	Casualty/property insurance?	Yes 💽	No 🔿		
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see Instructions)
	General liability insurance?	Yes 💽	No 🔿		
	If yes, are your premiums current?	Yes 💿	No O	N/A 🔿	(if no, see Instructions)
j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽		
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽		
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O		

UST Form 11-MOR (12/01/2021)

Debtor's Name Core Scientific Specialty Mining (Oklahoma) LLC

Part	8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O	No 💿
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O	No 🔿 N/A 💿

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

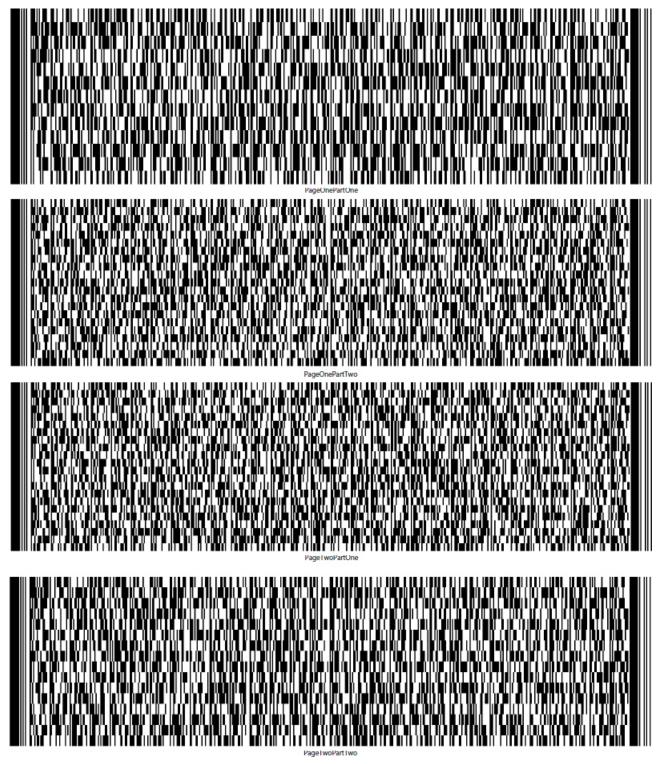
<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

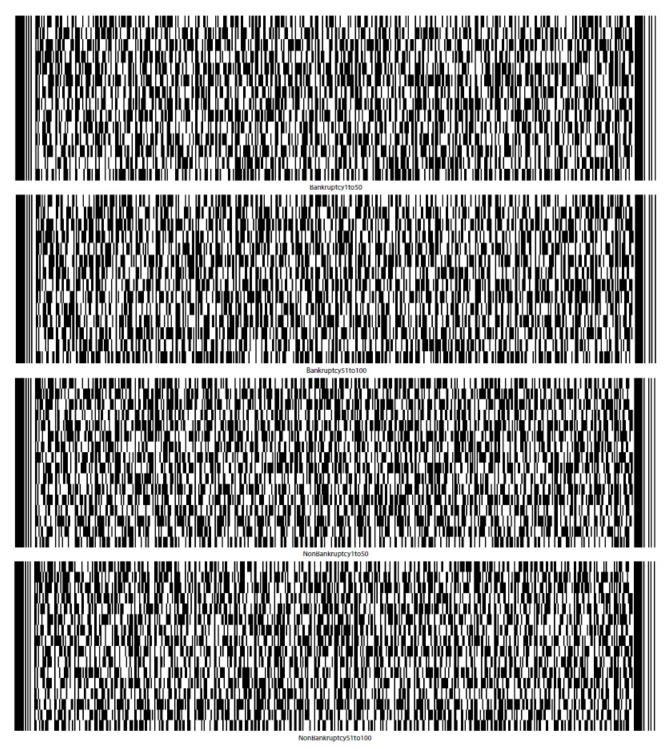
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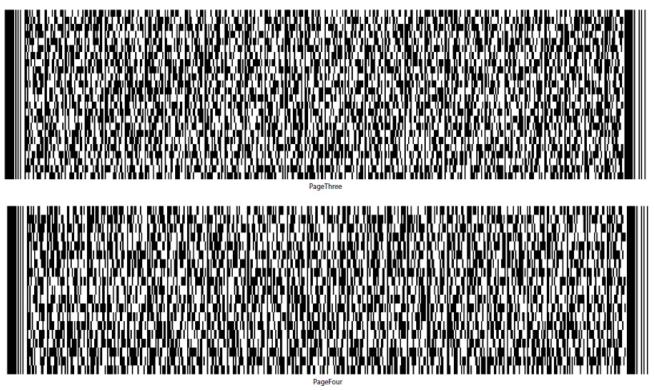
/s/ Michael Bros Signature of Responsible Party

SVP, Capital Markets and Acquisitions Title UST Form 11-MOR (12/01/2021) Michael Bros Printed Name of Responsible Party 02/28/2023

Date







IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

1

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions 	Total
Receipts												
Receipts	—	—	6,628,142	—	—	—	—	_	—	—	—	\$ 6,628,142
DIP Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45		19,397	—								19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
Services	—	14,402	152,072	—	_	—	_	—	—	_	—	166,474
Financial / Bank Fees	4,300	2,970	3,746	—	—	—	—	_	—	—	—	11,016
Employee Expense		269,369	2,844,296	_								3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734									25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624	_	_	_	_	_	_	_	_	13,025,941
Cash Balance Beginning of												
Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	—	_	—	—	_	—	13,025,941
Disbursement												
Allocation	_	1,961,274	(1,961,274)	—	—	—	—	_	—	—	—	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	\$ _	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	s —	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$) ASSETS	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Cash and Equivalents	_	1,223,749	62,513,910	_	-	_	_		—	_	_
Restricted Cash		1 222 540	805,024								
Total Cash Accounts receivable,	_	1,223,749	63,318,933	_	_	_	_	_	_	_	_
net of allowance	_	_	464,216	_	_	_	_	_	_	_	_
Accounts receivable	100 000 500										
from related parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	-			-	-		
equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets	—	_		_	—	_	_	—	—	_	
Prepaid expenses and other		22,748,095	42,689,787								
Total other current	_	22,748,095	42,089,787	_	_	_	_		_	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	—	_	—	—	—	—	—
Property, plant and equipment	_	67,098,040	1,127,366,853		_	_	_	_	_		_
Operating		07,070,040	1,127,500,055								
lease-right-of-use											
assets Goodwill		232,587,379	20,264,625 (167,058,249)	(65,529,130)	_			_	_		_
Intangible assets, net			1,674,297	(05,52),150)	_	_	_	_	_		_
Other noncurrent		(0)									
assets Total Assets	2,558,789 2,296,257,669	(0)	8,594,483	((1 220 922)							
LIABILITIES,	2,290,257,009	(665,123,029)	(37,781,110)	(64,339,833)							
PREFERRED STOCK & EQUITY					_	_	_	_	_	_	_
Accounts Payable	_	143,591,406	—	_	—	—	—	—	—		—
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_			_	_		_
Deferred revenue	—		112,557,414		_	_	_	—	_	_	—
Derivative warrant liabilities	335.063										
Operating lease	333,003	_			_						_
liabilities, current portion	_	_	42,227	_	_	_	_	_	_	_	
Financing lease			12,227								
liabilities, current			(0)								
portion Long-term debt,	_	_	(0)		_	_			_		_
current portion			695,410								
Total current	524 420	171 041 100	201 440 002	(12.724)							
liabilities Operating lease	534,429	161,041,190	201,440,003	(12,734)	_		_	_	_	_	_
liabilities, net of current portion	_	_	14,156,228	_	_	_	_	_	_	_	_
Financing lease											
liabilities, net of current portion	_	_	_	_			_			_	_
Long-term debt, net of											
Current portion Other noncurrent	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities	_	18,084,856	9,528,844	(2,587,769)	_	_	_	_	_	_	_
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)							
Pre-Petition Subject to Compromise	684,395,370		386,211,576								
Total Pre-Petition	004,393,370		500,211,570								
Subject to											
Compromise	684,395,370	—	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long		10,002	,-,-,-,-,-,-	- 2,002							
Term Liabilities Preferred stock	_		_	—	_	_	_	_	_		_
Common stock	37,478		_	_	_	_	_		_	_	_
Additional paid-in											
capital Accumulated deficit Other	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61,752,012)	_	_	=	_	_	_	_
Comprehensive Income	72,612,431	_	_		_	_	_	_	_	_	_
Cumulative	,2,012,701										
Translation Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers	-	-	-	-	-	-	-	-	-	-	-
Equipment sales to related parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining income	-	2,661,793.73	28,276,892.87	_	-	_	_	_	-	_	_
Network services and defi											
revenue											
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of			120 021 25								
digital currency assets Impairments of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairment of goodwill and	_	_	_	_	_	_	_	_	_	_	_
other intangibles Impairment of property,	-	_	-	_	_	-	-	_	—	-	—
plant and equipment	_	_	—	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	_				_	_	_	_	_	_	_
Research and development	_	_	(659,379.93)	(10,931.82)	—	_	_	_	_	_	_
Sales and marketing	—	_	(338,532.41)		—	—	—	—	—	—	_
General and administrative	-	(8,357.78)	(4,762,536.85)	(50.00)	-	_	_	-	-	_	_
Advisor Fees		(9.257.79)	(5.5(0.440.10)	(10.001.02)							
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income (expense),	_	(684,287.19)	(29,562,593.74)	(10,981.82)	_	_	_	_	_	_	_
net:	-				—	_	_	_	-	-	_
Loss on debt extinguishment Interest expense, net	_	_	13,482.06	_	_			_	_		
Other non-operating	_		13,482.00	_			_				_
expenses, net	_	_		_	_	_	_	_	_	_	
Reorganization items			(7,646,333.49)								
Total Non-operating income (expense), net:			(7,632,851.43)								
Income (loss) before income											
taxes	-	(684,287.19)	(37,195,445.17)	(10,981.82)	—	_	_	-	-	_	_
Income tax expense				(10.001.00)							
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In R	Re. American Property Acquisition, LLC		ş	Case No. 22-90346	
			§ §	Lead Case No. 22-90341	
	Debtor(s)		ş	⊠ Jointly Administered	
Mo	nthly Operating Report				Chapter 11
Rep	porting Period Ended: 01/31/2023			Petition Date: 12/21/2022	
Mo	nths Pending: 1			Industry Classification: 3 3 4 1	
Rep	porting Method:	Accrual Basis	ullet	Cash Basis	
Deb	otor's Full-Time Employees (current):			0	
Deb	otor's Full-Time Employees (as of date of order for relia	ef):		0	
Sup	porting Documentation (check all that are attached):				
(For	r jointly administered debtors, any required schedules r	nust be provide	ed on a	non-consolidated basis for each debtor)	
	Statement of cash receipts and disbursements Balance sheet containing the summary and detail of Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the Description of the assets sold or transferred and the t	reporting period	od		
/s/ A	Alfredo R. Pérez			Alfredo R. Pérez	
-	nature of Responsible Party			Printed Name of Responsible Party	
-	28/2023				
Dat	e			700 Louisiana Street, Suite 1700, Houston, Texas 7700 Address)2

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

	1: Cash Receipts and Disbursements	Curren	t Month	Cumu	lativo
a.	Cash balance beginning of month	\$	0	Cumu	lative
b.	Total receipts (net of transfers between accounts)	\$	0	\$	0
C.	Total disbursements (net of transfers between accounts)	\$	0	\$	0
d.	Cash balance end of month (a+b-c)	\$	0	-	
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	0
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	0
	2: Asset and Liability Status	_			
	generally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance)	Curren \$	t Month 0		
a. b.	Accounts receivable (total net of allowance) Accounts receivable over 90 days outstanding (net of allowance)	<u>\$</u> \$	0		
в. с.					
	Inventory (Book 💽 Market 🔿 Other 🔿 (attach explanation))	\$	0		
d	Total current assets	\$	0		
e.	Total assets	\$	0		
f.	Postpetition payables (excluding taxes)	\$	0		
g.	Postpetition payables past due (excluding taxes)	\$	0		
1.	Postpetition taxes payable	\$	0		
i.	Postpetition taxes past due	\$	0		
i.	Total postpetition debt (f+h)	\$	0		
k.	Prepetition secured debt	\$	0		
l.	Prepetition priority debt	\$	0		
m.	Prepetition unsecured debt	\$	0		
n.	Total liabilities (debt) (j+k+l+m)	\$	0		
0.	Ending equity/net worth (e-n)	\$	0		
	3: Assets Sold or Transferred		t Month	Cumu	
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	0
b.	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	0
c.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	0
	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curren	t Month	Cumu	lativa
		Curren		Cumu	lative
(Not		\$	0		
Not a.	Gross income/sales (net of returns and allowances)	\$ \$	0		
<u>Not</u> a. b.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
<u>Not</u> a. b. c.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b)	\$ \$	0		
<u>Not</u> a. b. c. d.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses	\$ \$ \$	0 0 0		
<u>Not</u> a. D. C. d. e.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses	\$ \$ \$ \$	0 0 0 0		
<u>Not</u> a. b. c. d. e. f.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses	\$ \$ \$ \$ \$	0 0 0 0 0		
<u>Not</u> a. b. c. d. e. f. g.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b)	\$ \$ \$ \$ \$ \$	0 0 0 0 0 0		
(<u>Not</u> a. b. c. d. e. f. g. h.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b) Interest	\$ \$ \$ \$ \$ \$	0 0 0 0 0 0 0		
<u>Not</u> a. b. c. d. e. f. g.	Gross income/sales (net of returns and allowances) Cost of goods sold (inclusive of depreciation, if applicable) Gross profit (a-b) Selling expenses General and administrative expenses Other expenses Depreciation and/or amortization (not included in 4b)	\$ \$ \$ \$ \$ \$	0 0 0 0 0 0		

Debtor's Name American Property Acquisition, LLC

Par	rt 5: Professional Fees and Expenses									
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative			
a.	Debtor's pro	fessional fees & expenses (b	ankruptcy) Aggregate Total							
	Itemized Bre	akdown by Firm								
		Firm Name	Role							
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	iii									
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expen	ses (nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
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UST Form 11-MOR (12/01/2021)

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		nal fees and expenses (debtor & com	mittees)	\$ 0	\$ 0	\$ 0	\$ 0
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Del	otor's Name American Property Acquisition, LLC				Case	No. 22-9	0346
Par	t 6: Postpetition Taxes			Current M	onth	Cumu	lative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$	0
c.	Postpetition employer payroll taxes accrued			\$	0	\$	0
d.	Postpetition employer payroll taxes paid			\$	0	\$	0
e.	Postpetition property taxes paid			\$	0	\$	0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$	0
<u>Par</u> a. b. c. d. e. f. g. h.	T: Questionnaire - During this reporting period: Were any payments made on prepetition debt? (if yes, see Instructions) Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Were any payments made to or on behalf of insiders? Are you current on postpetition tax return filings? Are you current on postpetition estimated tax payments? Were all trust fund taxes remitted on a current basis? Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Were all payments made to or on behalf of professionals approved by the court?	Yes Yes Yes Yes Yes Yes Yes Yes	No No No No No No No No No No	N/A •			
i.	Do you have: Worker's compensation insurance?	Yes 💿	No O				
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see	Instructi	ons)
	Casualty/property insurance?	Yes 💽	No 🔿				
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see	Instructi	ons)
	General liability insurance?	Yes 💽	No 🔿				
	If yes, are your premiums current?	Yes 💽	No O	N/A O	(if no, see	Instructi	ons)
j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽				
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽				
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O				

De	btor's Name American Property Acquisition, LLC		Case No. 22-90346
Par	t 8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes 🔘 No	$\overline{\mathbf{O}}$
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O No	О _{N/A} О

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

9

/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions

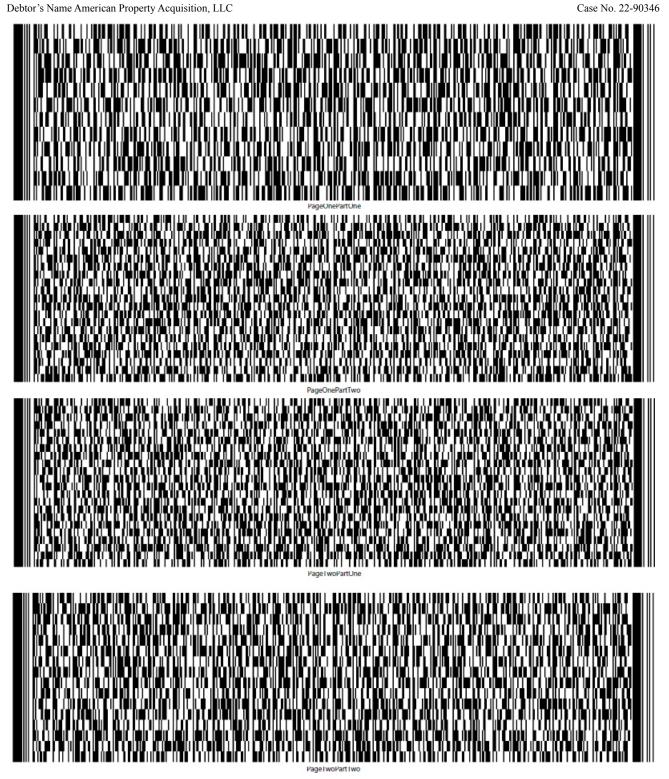
 SVP, Capital Markets and Acquisitions

 Title

 UST Form 11-MOR (12/01/2021)

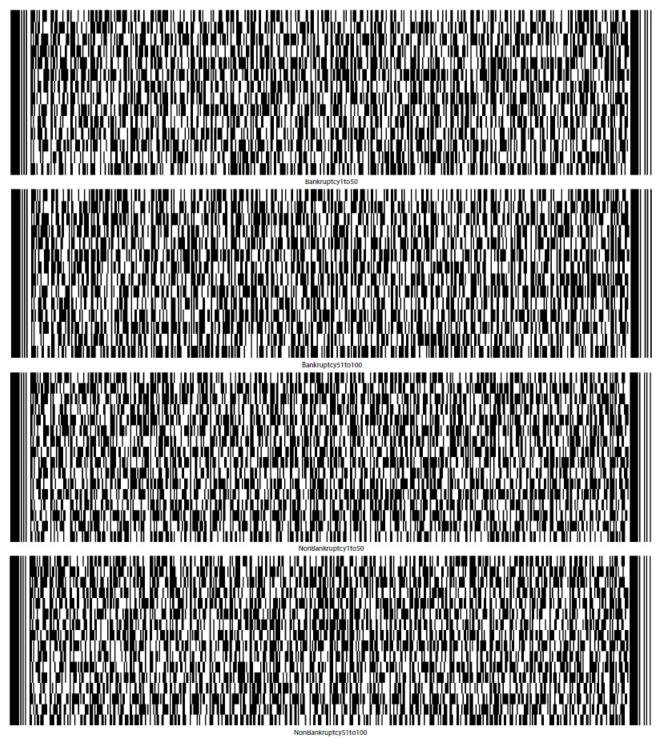
Michael Bros Printed Name of Responsible Party 02/28/2023

Date

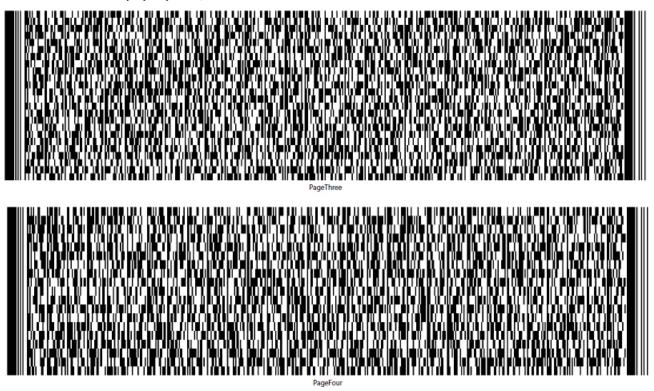


Debtor's Name American Property Acquisition, LLC

Case No. 22-90346



UST Form 11-MOR (12/01/2021)



IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

1

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	—	_	_	_	_	_	—	_	\$ 6,628,142
DIP Proceeds	—	—	—	—	—	_	—	_	_	—	—	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45		19,397									19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
Services	_	14,402	152,072	_	_	_		_		_	_	166,474
Financial / Bank Fees	4,300	2,970	3,746	_	_	_	_	_			_	11,016
Employee Expense		269,369	2,844,296									3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734		_			_	_			25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624									13,025,941
Cash Balance Beginning of												
Month	35,722,213	462,630	16,107,473	—	_	—	—	—	_	—	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	—	_	_	_	_	_	_	_	13,025,941
Disbursement Allocation	_	1,961,274	(1,961,274)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	<u></u>	<u>s </u>	<u>s </u>	s —	s —	<u>s </u>	s —	s —	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSETS		in this is the	company	Iteluy Inc	LLC	LLC	LLC	220	LLC	1, 220	, 11, 1110
Cash and Equivalents	-	1,223,749	62,513,910	_	-	-	_	-	-	_	_
Restricted Cash			805,024								
Total Cash	_	1,223,749	63,318,933	_	-	_	_	_	-	_	_
Accounts receivable, net of allowance	_	_	464,216	_	_	_	_	_			
Accounts receivable from related			404,210								
parties	488,990,509	140,152,775	(486,675,668)	1,189,298	-	-	-	-	_	_	_
Deposits for equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets											
Prepaid expenses and		_		_	_		_	_	_		
other Total other current	—	22,748,095	42,689,787	—	—	—	—	—	—	—	—
assets	1,804,708,371	(1,128,933,066)	(674,248,053)	_	_	_	_	_	_	_	_
Total Current		(0.(1.000.110)	(1.000 (00 100)	1 100 200							
Assets Property, plant and	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298		_	_		_	—	_
equipment Operating lease-	_	67,098,040	1,127,366,853	_	_	-	_	-	-	-	_
right-of-use assets	_	_	20,264,625	_	_	_	_	_	_	_	_
Goodwill	-	232,587,379	(167,058,249)	(65,529,130)	-	-	-	-	-	-	-
Intangible assets, net Other noncurrent	_	_	1,674,297	_	_	_	_	_	_	_	_
assets	2,558,789	(0)	8,594,483								
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)							
LIABILITIES, PREFERRED STOCK & EQUITY											
Accounts Payable	_	143,591,406	_	_	_	_	_	_	_	_	_
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)		_	_	_	_	_	_
Deferred revenue	_		112,557,414	—	—	—	—	—	—	—	_
Derivative warrant liabilities	335,063	_	_	_	_	_	_	_	_	_	_
Operating lease liabilities, current			42.227								
portion Financing lease liabilities, current	_	_	42,227	_	_	_	_	_	_	_	_
portion Long-term debt,	_	_	(0)	-	_	_	_	_	_	_	_
current portion			695,410			_					
Total current liabilities	534,429	161,041,190	201,440,003	(12,734)							
Operating lease liabilities, net of	554,429	101,041,190	201,440,005	(12,734)	_	_		_	_	_	
current portion Financing lease	—	_	14,156,228	_	—	_	—	_	—	—	_
liabilities, net of current portion		_	_	_	_		_	_	_	_	_
Long-term debt, net											
of current portion Other noncurrent	8,356,293	—	(8,356,293)	—	_	_	—	_	—	_	—
liabilities		18,084,856	9,528,844	(2,587,769)							
Total Liabilities Pre-Petition Subject	8,890,722	179,126,046	216,768,782	(2,600,503)	_	_	_	_	_	_	_
to Compromise	684,395,370		386,211,576								
Total Pre-Petition Subject to											
Compromise Post-Petition Short	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long Term Liabilities	_	_	_	_	_	_	_	_	_	_	
Preferred stock	_	_	_	-	-	-	-	-	-	-	-
Common stock Additional paid-in	37,478	_	_	_	_	_	_	_	_	_	_
capital	1,783,051,000	(15,979,141)	2,887,621	_	_	_	_	_	_	_	_
Accumulated deficit	(252,729,333)	(828,330,719)	(766,219,205)	(61,752,012)	_	_	_	_	_	_	_
Other Comprehensive											
Income Cumulative	72,612,431	_	_	_	_	_	—	-	_	_	_
Translation											
Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781.110)	(64,339,833)	_		_	_	_		_
Equity		(003,123,023)	(07,701,110)	(01,009,000)							

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers	-	-	-	-	-	-	-	-	-	-	-
Equipment sales to related parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining income	-	2,661,793.73	28,276,892.87	_	-	-	_	_	-	_	_
Network services and defi											
revenue		-									
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of											
digital currency assets Impairments of digital	_	11,455.01	138,931.37	_	_	_	_	_		_	_
currency assets Impairment of goodwill and	_	_	_	_	_	_	_	_	_	_	_
other intangibles Impairment of property,	_	_	-	_	-	_	_	_	-	_	_
plant and equipment Losses on exchange or	_	_	_	_	_	_	_	_	_	_	_
disposal of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	_				_	_		_	_	_	_
Research and development	—	_	(659,379.93)	(10,931.82)	-	—	—	—	—	—	—
Sales and marketing	_	_	(338,532.41)	_	—	_	_	_	—	—	_
General and administrative	-	(8,357.78)	(4,762,536.85)	(50.00)	-	_	_	-	-	-	-
Advisor Fees		(0.255.50)	(5.5(0.440.40)	(10.001.00)							
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income (expense),	_	(684,287.19)	(29,562,593.74)	(10,981.82)		_	_	_	_	_	—
net:	-				-	_	_	-	-	_	_
Loss on debt extinguishment	_	_	12 492 94	_	_	_	_	_	_	_	_
Interest expense, net Other non-operating	-	_	13,482.06		-			-	-		
expenses, net									_		
Reorganization items	_	_	(7,646,333.49)	_	_	_	_	_	_	_	_
Total Non-operating income (expense), net:			(7,632,851.43)					_	_		_
Income (loss) before income			(.,)	-							
taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_	_	_
Income tax expense		((04.207.10)	(27.105.445.17)	(10.001.02)							
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In R	e. Starboard Capital LLC		§ § §		Case No. 22-90347 Lead Case No. 22-90341	
	Debtor(s)		Ş		☑ Jointly Administered	
Mo	nthly Operating Report					Chapter 11
Rep	orting Period Ended: 01/31/2023				Petition Date: 12/21/2022	
Mor	nths Pending: 1				Industry Classification: 3 3 4 1	
Rep	orting Method: Accrual I	3asis	ullet		Cash Basis	
Deb	tor's Full-Time Employees (current):				0	
Deb	tor's Full-Time Employees (as of date of order for relief):				0	
Sup	Image: second					
(For	r jointly administered debtors, any required schedules must be p	rovide	ed on a	a non-conse	olidated basis for each debtor)	
	Balance sheet containing the summary and detail of the assets Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reporting	g perio	od		(net worth) or deficit	
/s/ A	Alfredo R. Pérez			Alfred	do R. Pérez	
Sigr	nature of Responsible Party			Printe	d Name of Responsible Party	
-						002

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

Part	1: Cash Receipts and Disbursements	Curren	t Month	Cumu	lative
a.	Cash balance beginning of month	\$	0		
b.	Total receipts (net of transfers between accounts)	\$	0	\$	0
c.	Total disbursements (net of transfers between accounts)	\$	0	\$	0
d.	Cash balance end of month (a+b-c)	\$	0		
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	0
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	(
Part	2: Asset and Liability Status	C			
a.	zenerally applicable to Individual Debtors. See Instructions.) Accounts receivable (total net of allowance)	<u>Curren</u> \$	<u>t Month</u> 0		
u. b.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0		
с.	Inventory (Book \bullet Market \bigcirc Other \bigcirc (attach explanation))	<u>.</u>			
		\$	0		
d	Total current assets	\$	0		
e.	Total assets	\$	0		
f.	Postpetition payables (excluding taxes)	\$	0		
g.	Postpetition payables past due (excluding taxes)	\$	0		
1.	Postpetition taxes payable	\$	0		
i .	Postpetition taxes past due	\$	0		
	Total postpetition debt (f+h)	\$	0		
k.	Prepetition secured debt	\$	0		
l.	Prepetition priority debt	\$	0		
n.	Prepetition unsecured debt	\$	0		
n.	Total liabilities (debt) (j+k+l+m)	\$	0		
0.	Ending equity/net worth (e-n)	\$	0		
	3: Assets Sold or Transferred		t Month	Cumu	
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	(
b.	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	
с.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	(
Part -	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curron	t Month	Cumu	lativ
a.	Gross income/sales (net of returns and allowances)	\$	0	Cumu	nauv
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
с.	Gross profit (a-b)	\$	0		
d.	Selling expenses	\$	0		
ə.	General and administrative expenses	\$	0		
f.	Other expenses	\$	0		
 3.	Depreciation and/or amortization (not included in 4b)	\$	0		
5. 1.	Interest	\$	0		
	Taxes (local, state, and federal)	\$	0		
	Turtes (room, state, and rousian)	Ψ	0		
	Reorganization items	\$	0		

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UST Form 11-MOR (12/01/2021)

Debtor's Name Starboard Capital LLC

	onal Fees and Expenses		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulativ
Debtor's	professional fees & expenses	(bankruptcy) Aggregate Total	Current Wonur	Cumulative	Monui	Cumulativ
Itomized	Breakdown by Firm	(bankrupicy) Aggregate Ibiai				
nemi2eu	Firm Name	Role				
i	Film Name	Role				
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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses (nonbankruptcy) Aggregate Total					
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
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	onal fees and expenses (debtor & com	mittaas)	\$ 0	\$ 0	\$ 0) \$
 All profession 	onar rees and expenses (debtor & com	muces)	\$ 0	р тр С	э () \$ (

Del	otor's Name Starboard Capital LLC				Case N	No. 22-90347
Par	6: Postpetition Taxes			Current M	onth	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$ 0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$ 0
c.	Postpetition employer payroll taxes accrued			\$	0	\$ 0
d.	Postpetition employer payroll taxes paid			\$	0	\$ 0
e.	Postpetition property taxes paid			\$	0	\$ 0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$ 0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$ 0
a.	7: Questionnaire - During this reporting period: Were any payments made on prepetition debt? (if yes, see Instructions)	Yes O	No 💿			
b.	Were any payments made outside the ordinary course of business without court approval?					
	(if yes, see Instructions)	Yes 🔿	No 💽			
c.	Were any payments made to or on behalf of insiders?	Yes 🔿	No 💽			
d.	Are you current on postpetition tax return filings?	Yes 💿	No 🔿			
e.	Are you current on postpetition estimated tax payments?	Yes 💿	No 🔿			
f.	Were all trust fund taxes remitted on a current basis?	Yes 💽	No O			
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽			
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽		
i.	Do you have: Worker's compensation insurance?	Yes 💿	No 🔿			
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see !	Instructions)
	Casualty/property insurance?	Yes 💿	No 🔿			
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A 🔿	(if no, see !	Instructions)
	General liability insurance?	Yes 💿	No 🔿			
	If yes, are your premiums current?	Yes 💽	No O	N/A O	(if no, see !	Instructions)
j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽			,
k.	Has a disclosure statement been filed with the court?	Yes 🔿	No 💽			
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O			

Debtor's Name Starboard Capital LLC Case								
Par	t 8: Individual Chapter 11 Debtors (Only)							
a.	Gross income (receipts) from salary and wages	\$	0					
b.	Gross income (receipts) from self-employment	\$	0					
c.	Gross income from all other sources	\$	0					
d.	Total income in the reporting period (a+b+c)	\$	0					
e.	Payroll deductions	\$	0					
f.	Self-employment related expenses	\$	0					
g.	Living expenses	\$	0					
h.	All other expenses	\$	0					
i.	Total expenses in the reporting period (e+f+g+h)	\$	0					
j.	Difference between total income and total expenses (d-i)	\$	0					
k.	List the total amount of all postpetition debts that are past due	\$	0					
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O N	o 💿					
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O N	₀ ○ _{N/A} ⊙					

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

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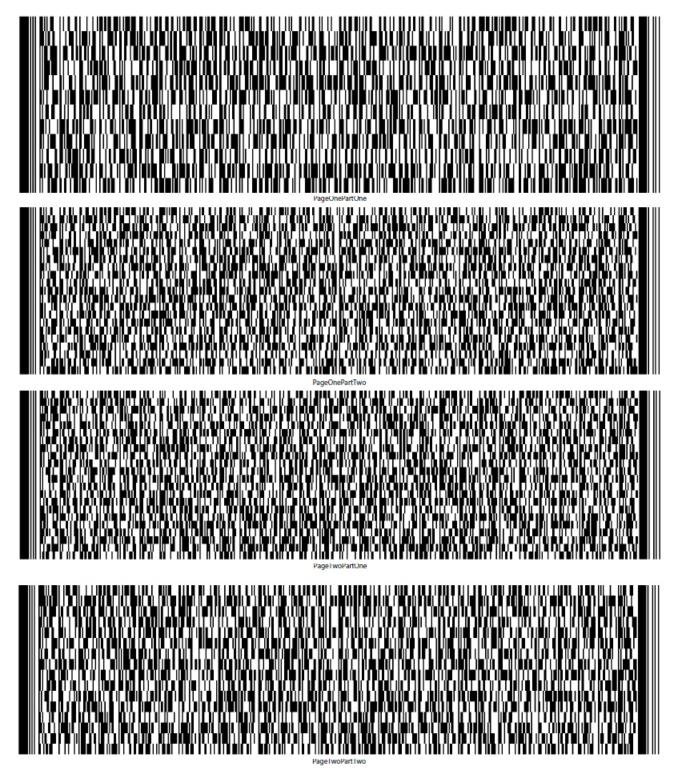
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

UST Form 11-MOR (12/01/2021)

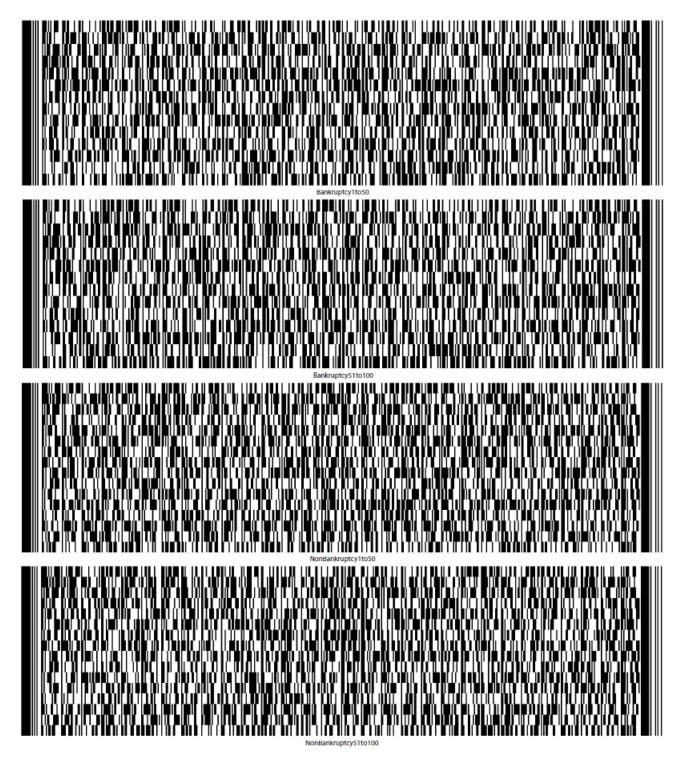
Michael Bros Printed Name of Responsible Party 02/28/2023

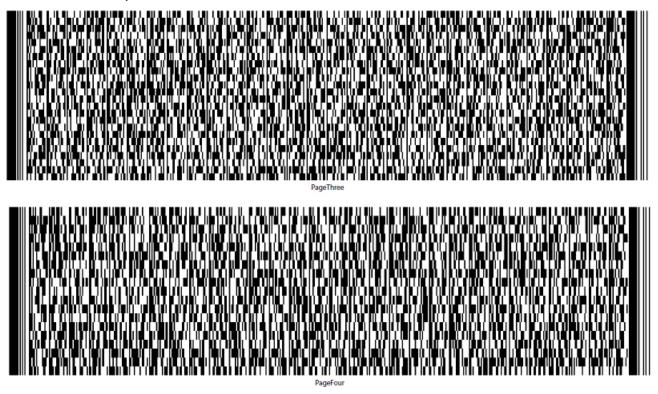
Date

Case No. 22-90347



UST Form 11-MOR (12/01/2021)





IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

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MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. <u>Currency</u>. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions 	Total
Receipts												
Receipts	—	—	6,628,142	—	—	—	—	_	—	—	—	\$ 6,628,142
DIP Proceeds	—	—	—	—	—	—	—	—	—	—	—	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45		19,397	_								19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	_	_	_	_	_	_	_	_	5,925,645
Services	—	14,402	152,072	—	_	—	_	—	—	_	—	166,474
Financial / Bank Fees	4,300	2,970	3,746	—		—	—	_	—	—	—	11,016
Employee Expense		269,369	2,844,296	_								3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734									25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624	_	_	_	_	_	_	_	_	13,025,941
Cash Balance Beginning of												
Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	—	_	—	_	—	—	_	—	13,025,941
Disbursement												
Allocation	—	1,961,274	(1,961,274)	_	—	—	—	_	—	—	—	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	\$ _	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	s —	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$) ASSETS	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Cash and Equivalents	_	1,223,749	62,513,910	_	-	_	_		—	_	_
Restricted Cash		1 222 540	805,024								
Total Cash Accounts receivable,	_	1,223,749	63,318,933	_	_	_	_	_	_	_	_
net of allowance	_	_	464,216	_	_	_	_	_	_	_	_
Accounts receivable	100 000 500										
from related parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	-			-	-		
equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency assets	—	_		_	—	_	_	—	—	_	
Prepaid expenses and other		22,748,095	42,689,787								
Total other current	_	22,748,095	42,089,787	_	_	_	_		_	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	—	_	—	—	—	—	—
Property, plant and equipment	_	67,098,040	1,127,366,853		_	_		_	_		_
Operating		07,070,040	1,127,500,055								
lease-right-of-use											
assets Goodwill		232,587,379	20,264,625 (167,058,249)	(65,529,130)	_			_	_		_
Intangible assets, net	_		1,674,297	(05,52),150)	_	_	_	_	_		_
Other noncurrent		(0)									
assets Total Assets	2,558,789 2,296,257,669	(0)	8,594,483	((1 220 922)							
LIABILITIES,	2,290,257,009	(665,123,029)	(37,781,110)	(64,339,833)							
PREFERRED STOCK & EQUITY					_	_	_	_	_	_	_
Accounts Payable	_	143,591,406	—	_	—	—	—	—	—		—
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_			_	_		_
Deferred revenue	—		112,557,414		_	_	_	—	_	_	—
Derivative warrant liabilities	335.063										
Operating lease	333,003	_			_						_
liabilities, current portion	_	_	42,227	_	_	_	_	_	_	_	
Financing lease			12,227								
liabilities, current			(0)								
portion Long-term debt,	_	_	(0)		_	_			_		_
current portion			695,410								
Total current	524 420	171 041 100	201 440 002	(12.724)							
liabilities Operating lease	534,429	161,041,190	201,440,003	(12,734)	_		_	_	_	_	_
liabilities, net of current portion	_	_	14,156,228	_	_	_	_	_	_	_	_
Financing lease											
liabilities, net of current portion	_	_	_	_			_			_	_
Long-term debt, net of											
Current portion Other noncurrent	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities	_	18,084,856	9,528,844	(2,587,769)	_	_	_	_	_	_	_
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)							
Pre-Petition Subject to Compromise	684,395,370		386,211,576								
Total Pre-Petition	004,393,370		500,211,570								
Subject to											
Compromise	684,395,370	—	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long		10,002	,-,-,-,-,-,-	- 2,002							
Term Liabilities Preferred stock	_		_	_	_	_	_	_	_		_
Common stock	37,478		_	_	_	_	_		_	_	_
Additional paid-in											
capital Accumulated deficit Other	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61,752,012)	_	_	=	_	_	_	_
Comprehensive Income	72,612,431	_	_		_	_	_	_	_	_	_
Cumulative	,2,012,701										
Translation Adjustment		46,983									
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$) Total Revenue	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from											
customers	_	_	6,314,128.30	_	_	_	_	_	_	_	_
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers	-	-	-	-	-	-	-	-	-	-	-
Equipment sales to related parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining income	-	2,661,793.73	28,276,892.87	_	-	_	_	_	-	_	_
Network services and defi											
revenue											
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of			120 021 25								
digital currency assets Impairments of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairment of goodwill and	_	_	_	_	_	_	_	_	_	_	_
other intangibles Impairment of property,	-	_	-	_	_	-	-	_	—	_	—
plant and equipment	_	_	—	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Operating expenses:	_				_	_	_	_	_	_	_
Research and development	_	_	(659,379.93)	(10,931.82)	—	_	_	_	_	_	_
Sales and marketing	—	_	(338,532.41)		—	—	—	—	—	—	_
General and administrative	-	(8,357.78)	(4,762,536.85)	(50.00)	-	_	_	-	-	_	_
Advisor Fees		(9.257.79)	(5.5(0.440.10)	(10.001.02)							
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income (expense),	_	(684,287.19)	(29,562,593.74)	(10,981.82)	_	_	_	_	_	_	_
net:	-				—	_	_	_	-	-	_
Loss on debt extinguishment Interest expense, net	_	_	13,482.06	_	_			_	_		
Other non-operating	_		13,482.00	_			_				_
expenses, net	_	_		_	_	_	_	_	_	_	
Reorganization items			(7,646,333.49)								
Total Non-operating income (expense), net:			(7,632,851.43)								
Income (loss) before income											
taxes	-	(684,287.19)	(37,195,445.17)	(10,981.82)	—	_	_	-	-	_	_
Income tax expense				(10.001.00)							
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. RADAR LLC	\$ \$	Case No. 22-90348				
	§	Lead Case No. 22-90341				
Debtor(s)	Ş					
Monthly Operating Report			Chapter 11			
Reporting Period Ended: 01/31/2023		Petition Date: 12/21/2022				
Months Pending: 1		Industry Classification: 3 3 4 1				
Reporting Method:	Accrual Basis	Cash Basis				
Debtor's Full-Time Employees (current):		0				
Debtor's Full-Time Employees (as of date	e of order for relief):	0				
Supporting Documentation (check all the	at are attached):					
(For jointly administered debtors, any req	uired schedules must be provided on a n	ion-consolidated basis for each debtor)				
 Statement of cash receipts and disbibility Balance sheet containing the summ Statement of operations (profit or lo Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to profession Schedule of payments to insiders 	ary and detail of the assets, liabilities an oss statement) als	d equity (net worth) or deficit				
 All bank statements and bank recon 	ciliations for the reporting period nsferred and the terms of the sale or tran	ısfer				
 All bank statements and bank recon 		nsfer Alfredo R. Pérez				
 All bank statements and bank recon Description of the assets sold or tra 						
 All bank statements and bank recon Description of the assets sold or tra /s/ Alfredo R. Pérez 		Alfredo R. Pérez				
 All bank statements and bank recom Description of the assets sold or tra /s/ Alfredo R. Pérez Signature of Responsible Party 		Alfredo R. Pérez				

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

D 4 4		~		~	
Part 1 a.	Cash Beceipts and Disbursements Cash balance beginning of month	Curren \$	<u>t Month</u> 0	Cumu	lative
и. b.	Total receipts (net of transfers between accounts)	\$	0	\$	(
с.	Total disbursements (net of transfers between accounts)	\$	0	\$	(
1.	Cash balance end of month (a+b-c)	\$	0	φ	
	Disbursements made by third party for the benefit of the estate	<u>\$</u> \$	0	¢	
э. f.	Total disbursements for quarterly fee calculation (c+e)	<u>\$</u> \$	0	<u>\$</u> \$	
	2: Asset and Liability Status	<u> </u>		Ψ	
	generally applicable to Individual Debtors. See Instructions.)		t Month		
a.	Accounts receivable (total net of allowance)	\$	0		
э.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0		
с.	Inventory (Book 💽 Market 🔘 Other 🔘 (attach explanation))	\$	0		
t	Total current assets	\$	0		
) .	Total assets	\$	0		
	Postpetition payables (excluding taxes)	\$	0		
<u>z</u> .	Postpetition payables past due (excluding taxes)	\$	0		
i.	Postpetition taxes payable	\$	0		
	Postpetition taxes past due	\$	0		
	Total postpetition debt (f+h)	\$	0		
ζ.	Prepetition secured debt	\$	0		
	Prepetition priority debt	\$	0		
n.	Prepetition unsecured debt	\$	0		
1.	Total liabilities (debt) $(j+k+l+m)$	\$	0		
5.	Ending equity/net worth (e-n)	\$	0		
Part 3	3: Assets Sold or Transferred	Curren	t Month	Cumu	lati
1.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	1411
).	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	
.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	
Part 4	4: Income Statement (Statement of Operations)				
	generally applicable to Individual Debtors. See Instructions.)		t Month	Cumu	lati
ι.	Gross income/sales (net of returns and allowances)	\$	0		
).	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
-	Gross profit (a-b)	\$	0		
l.	Selling expenses	\$	0		
	General and administrative expenses	\$	0		
	Other expenses	\$	0		
.	Depreciation and/or amortization (not included in 4b)	\$	0		
	Interest	\$	0		
	Taxes (local, state, and federal)	\$	0		
	Reorganization items	\$	0		
τ.	Profit (loss)	\$	0	\$	

2

UST Form 11-MOR (12/01/2021)

	ional Fees and Expenses		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulativ
Debtor'	's professional fees & expenses	(bankruptcy) Aggregate Total				
Itemized	d Breakdown by Firm	((
110111200	Firm Name	Role				
i	T init i vanie	Role				
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expen	ses (nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
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с	onal fees and expenses (debtor & com	1			1

Del	otor's Name RADAR LLC				Case N	lo. 22-90348
Par	6: Postpetition Taxes			Current M	onth	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$ 0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$ 0
c.	Postpetition employer payroll taxes accrued			\$	0	\$ 0
d.	Postpetition employer payroll taxes paid			\$	0	<u>\$0</u>
e.	Postpetition property taxes paid			\$	0	\$ 0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$ 0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$ 0
a.	7: Questionnaire - During this reporting period: Were any payments made on prepetition debt? (if yes, see Instructions)	Yes O	No 💽			
b.	Were any payments made outside the ordinary course of business without court approval?	res 🔍	No 🙂			
0.	(if yes, see Instructions)	Yes O	No 💽			
c.	Were any payments made to or on behalf of insiders?	Yes O	No 💽			
d.	Are you current on postpetition tax return filings?	Yes 💿	No O			
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No O			
f.	Were all trust fund taxes remitted on a current basis?	Yes 💽	No 🔿			
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽			
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽		
i.	Do you have: Worker's compensation insurance?	Yes 💽	No 🔿			
	If yes, are your premiums current?	Yes 💽		N/A O	(if no, see In	nstructions)
	Casualty/property insurance?	Yes 💿	No 🔿			
	If yes, are your premiums current?	Yes 💿	No 🔿	N/A O	(if no, see In	nstructions)
	General liability insurance?	Yes 💿	No 🔿			<i>,</i>
	If yes, are your premiums current?	Yes 💽		N/A O	(if no, see I	nstructions)
j.	Has a plan of reorganization been filed with the court?	Yes O	No 💿			<i>,</i>
k.	Has a disclosure statement been filed with the court?	Yes O	No 💽			
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O			

De	btor's Name RADAR LLC		Case No. 22-90348
Par	t 8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes 🔿 N	No 💿
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O 1	

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

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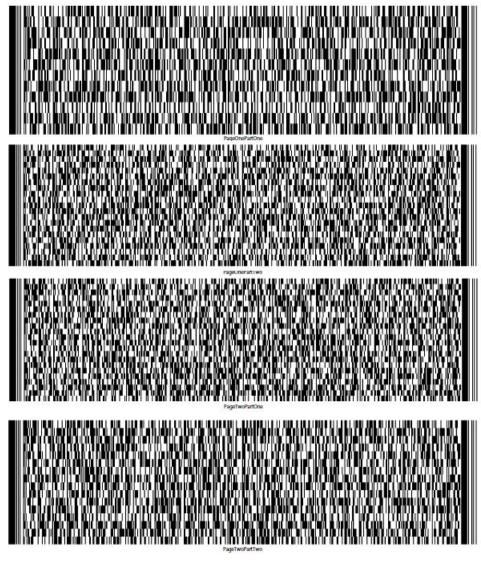
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

UST Form 11-MOR (12/01/2021)

Michael Bros Printed Name of Responsible Party 02/28/2023

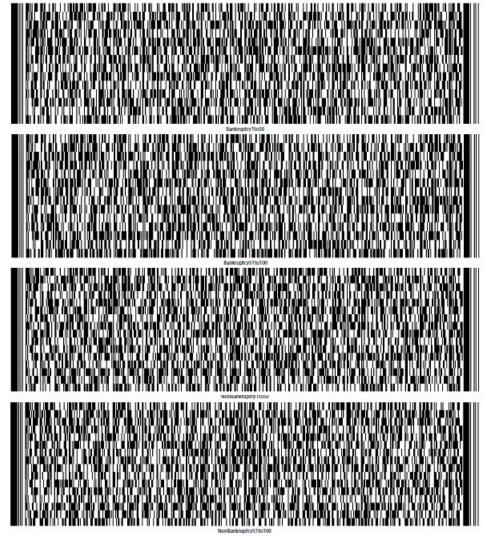
Date

Case No. 22-90348



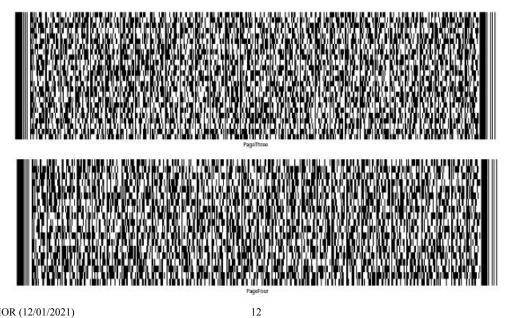
UST Form 11-MOR (12/01/2021)

Case No. 22-90348



UST Form 11-MOR (12/01/2021)

Case No. 22-90348



UST Form 11-MOR (12/01/2021)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
CORE SCIENTIFIC, INC., et al.,	§ § Case No. 22-90341 (DRJ)
Debtors. ¹	<pre>§ (Jointly Administered)</pre>

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MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The

Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>Part 1, Cash Receipts and Disbursements</u>. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	_	_	_	_	_	_	_	_	\$ 6,628,142
DIP Proceeds	_	—		—	_	_	_	_	—	_	_	
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45	—	19,397	—		—	_		—	—	—	19,441
Total Receipts	45	2,728,618	35,459,357		_		_	_	_	_	_	38,188,020
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_					_		_	\$15,945,280
Taxes / Governmental	—	512,638	5,413,007	—		—	_		—	—	—	5,925,645
Services	_	14,402	152,072	—	_	_	_	_	_	_	_	166,474
Financial / Bank Fees	4,300	2,970	3,746	—	_	_	_	_	_	—	_	11,016
Employee Expense		269,369	2,844,296									3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734	—	_	_	_	_	_	_	_	25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624					_		_	_	13,025,941
Cash Balance Beginning of Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	_	_	_	—	_	_	13,025,941
Disbursement Allocation	_	1,961,274	(1,961,274)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	s —	<u>s </u>	<u>s </u>	s —	<u>s </u>	<u>s </u>	<u>\$ </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSETS	me.	Winning LLC	Company	Relay Inc	LLC	LLC	LLC	LLC	LLC	LLC	LLC
Cash and		1 222 740	(2,512,010								
Equivalents Restricted Cash	_	1,223,749	62,513,910 805,024	_	_	_	_	_	_		_
Total Cash		1,223,749	63,318,933								
Accounts											
receivable, net of allowance Accounts receivable	—	_	464,216	_	_	_	_	_	_	_	_
from related parties	488,990,509	140,152,775	(486,675,668)	1,189,298	_	_	_	_	_	_	_
Deposits for equipment	_	_	25,827,664	_	_	_	_	_	_	_	_
Digital currency											
assets Prepaid expenses	_	_	_	_	_	_	_	_	_	_	_
and other	—	22,748,095	42,689,787	—	—	—	_	—	_	—	—
Total other current assets	1,804,708,371	(1,128,933,066)	(674,248,053)	_		_	_	_		_	_
Total Current	1,004,700,571	(1,120,755,000)	(074,240,000)								
Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	—	—	—	—	—	—	—
Property, plant and equipment	_	67,098,040	1,127,366,853	_	_	_	_	_	_	_	_
Operating lease-right-of-use		07,090,010									
assets Goodwill	_	232,587,379	20,264,625 (167,058,249)	(65,529,130)	_	_	_	_	_	_	
Intangible assets,		, ,		(******							
net Other noncurrent	—	—	1,674,297	—	_	_	_	—	_	—	
assets	2,558,789	(0)	8,594,483								
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)							
LIABILITIES, PREFERRED STOCK & EQUITY					_	_	_	_	_	_	_
Accounts Payable	_	143,591,406	—	—	—	_	_	_	_	_	_
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_						
Deferred revenue Derivative warrant		—	112,557,414	—	_	_	_	_	_	_	_
liabilities	335,063	_	_	_	-	_	_	_	-	_	_
Operating lease liabilities, current portion	_	_	42,227	_	_	_	_	_	_	_	_
Financing lease liabilities, current											
portion Long-term debt,	_	_	(0)	_	_	_	_			_	_
current portion			695,410								
Total current liabilities Operating lease	534,429	161,041,190	201,440,003	(12,734)	_	_	_	_	_	_	_
liabilities, net of			14156 000								
Financing lease liabilities, net of	—	_	14,156,228	_	_	_	_	_	_	_	_
current portion	_	_	—	_	_	-	_	-	_	_	_
Long-term debt, net of current portion	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
Other noncurrent liabilities		18,084,856	9,528,844	(2,587,769)							
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)	_	—	—	—	—	—	_
Pre-Petition Subject to Compromise Total Pre-Petition	684,395,370		386,211,576								
Subject to Compromise	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long		15,002	,570,115	. 2,002							
Term Liabilities Preferred stock		_	_	_	_			_	_		
Common stock	37,478	_	_	_	_	_	_	_	_		_
Additional paid-in capital	1,783,051,000	(15,979,141)	2,887,621	_	_	_	_	_	_	_	_
Accumulated deficit Other	(252,729,333)	(828,330,719)	(766,219,205)	(61,752,012)	_	_	_	_	_	_	_
Comprehensive Income	72,612,431	_	_	_	_	_	_	_	_	_	_
Cumulative Translation											
Adjustment Total Equity	1 602 071 576	46,983	(763 221 594)	(61 752 012)							
Total Equity Total Liabilities,	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
Hosting revenue from customers			6,314,128.30								
Hosting revenue from	_	_		_	_	_	_	_		_	_
related parties Equipment sales to	_	_	1,308,852.63	_	_	_	_	_	_	_	_
customers	_		_	_	_	_	_	-	-		_
Equipment sales to related parties Digital asset mining	_	_	_	_	_	_	_	_	_	_	_
income	_	2,661,793.73	28,276,892.87	_	_	_	_	_	_	_	_
Network services and defi revenue	_	_	_	_	_	_	_	_	_	_	_
Total Revenue		2,661,793.73	35,899,873.80		_		_	_			
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal		(007,004.42)	(20,741,075.72)								
settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairments of digital currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of goodwill											
and other intangibles Impairment of property,	-	-	_	-	-	-	-	-	-	-	_
plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property,											
plant and equipment	_	_	_	_	_	_	_	_	-	_	_
Operating expenses: Research and	—				_	_	—	—	_	_	—
development			(659,379.93)	(10 031 82)	_						
Sales and marketing			(338,532.41)	(10,951.82)							_
General and administrative	_	(8,357.78)	(4,762,536.85)	(50.00)	_	_	_	_	_	_	_
Advisor Fees	_	_			_	_	_	_	_	_	
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)		_				_	_
Operating Income (Loss) Non-operating income	_	(684,287.19)		(10,981.82)	_	_		_			_
(expense), net: Loss on debt	—				_	_	_	—	—	_	_
extinguishment	_		_	_	_	_	_	_	_	_	_
Interest expense, net	-	_	13,482.06	-	-	-	-	-	-	_	_
Other non-operating											
expenses, net Reorganization items	_		(7,646,333.49)		_			_	_		
Total Non-operating income			(7,040,555.49)								
(expense), net:			(7,632,851.43)								
Income (loss) before income taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_	_	_
Income tax expense											
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. American Property Acquisitions I, LLC	0 0 ovided on a non-consolidated basis for each debtor) liabilities and equity (net worth) or deficit	Case No. 22-90349				
		Lead Case No. 22-90341				
Debtor(s)	Lead Case No. 22-90341 § Jointly Administered Chapter 11 Petition Date: 12/21/2022 Industry Classification: 3 3 4 1 asis ● Cash Basis ● 0 0 0 0 ovided on a non-consolidated basis for each debtor) liabilities and equity (net worth) or deficit period					
Monthly Operating Report			Chapter 11			
Reporting Period Ended: 01/31/2023		Petition Date: 12/21/2022				
Months Pending: 1		Industry Classification: 3 3 4 1				
Reporting Method: Accrual F	Basis 💿	Cash Basis				
Debtor's Full-Time Employees (current):		0				
Debtor's Full-Time Employees (as of date of order for relief):		0				
Supporting Documentation (check all that are attached):						
(For jointly administered debtors, any required schedules must be p	rovided on a non	-consolidated basis for each debtor)				
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reporting Description of the assets sold or transferred and the terms of the statements of the statements and the terms of the statements of the statements and the terms of the statements and the s	g period					
/s/ Alfredo R. Pérez		Alfredo R. Pérez				
Signature of Responsible Party]	Printed Name of Responsible Party				
02/28/2023						
Date	-		7002			
		Address				

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

UST Form 11-MOR (12/01/2021)

Part	1: Cash Receipts and Disbursements	Curren	t Month	Cumu	ılativ
a.	Cash balance beginning of month	\$	0		
) .	Total receipts (net of transfers between accounts)	\$	0	\$	(
c .	Total disbursements (net of transfers between accounts)	\$	0	\$	(
1.	Cash balance end of month (a+b-c)	\$	0		
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	
	2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.)	Curren	t Month		
a.	Accounts receivable (total net of allowance)	\$	0		
).	Accounts receivable over 90 days outstanding (net of allowance)	\$	0		
).	Inventory (Book • Market • Other • (attach explanation))	\$	0		
1	Total current assets	\$	0		
1 2.	Total assets	\$	0		
·. ·	Postpetition payables (excluding taxes)	\$	0		
5.	Postpetition payables past due (excluding taxes)	\$	0		
5. 1.	Postpetition taxes payable	\$	0		
ı.	Postpetition taxes past due	\$	0		
	Total postpetition debt (f+h)	\$	0		
K.	Prepetition secured debt	\$	0		
·.	Prepetition priority debt	\$	0		
n.	Prepetition unsecured debt	\$	0		
1.	Total liabilities (debt) (j+k+l+m)	\$	0		
D.	Ending equity/net worth (e-n)	\$	0		
		Ψ			
	3: Assets Sold or Transferred		t Month	Cumu	ılati
1.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	
).	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	
	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	
Part Not	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curren	t Month	Cumu	ılati
ι.	Gross income/sales (net of returns and allowances)	\$	0		
) .	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
	Gross profit (a-b)	\$	0		
1.	Selling expenses	\$	0		
) .	General and administrative expenses	\$	0		
?	Other expenses	\$	0		
g.	Depreciation and/or amortization (not included in 4b)	\$	0		
ı.	Interest	\$	0		
	Taxes (local, state, and federal)	\$	0		
	Reorganization items	\$	0		
ζ.	Profit (loss)	\$	0	\$	

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UST Form 11-MOR (12/01/2021)

Debtor's Name American Property Acquisitions I, LLC

	sional Fees and Expenses		Approved Current Month	Approved Cumulative	Paid Current	Paid
Dahtar	'a professional feas & avpenses	(hontruntor) Accusate Total	Current Month	Cumulative	Month	Cumulativ
Debtor's professional fees & expenses (bankruptcy) Aggregate Total Itemized Breakdown by Firm						
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expenses (nonbankruptcy) Aggregate Total					
	Itemized Breakdown by Firm					•
	Firm Name	Role				
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		nal fees and expenses (debtor & com	mittees)	\$ 0	\$ (\$ () \$ (
ι.	All protession	nar rees and expenses (debtor & com	initices)	φU	ф (j ș (, . (

Del	otor's Name American Property Acquisitions I, LLC	Case No. 22-90349					
Part	6: Postpetition Taxes			Current M	onth	Cumul	lative
a.	Postpetition income taxes accrued (local, state, and federal)			\$	0	\$	0
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$	0
c.	Postpetition employer payroll taxes accrued			\$	0	\$	0
d.	Postpetition employer payroll taxes paid			\$	0	\$	0
e.	Postpetition property taxes paid			\$	0	\$	0
f.	Postpetition other taxes accrued (local, state, and federal)			\$	0	\$	0
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$	0
Dow	7: Questionnaire - During this reporting period:						
a.	Were any payments made on prepetition debt? (if yes, see Instructions)	Yes O	No 💿				
b.	Were any payments made outside the ordinary course of business without court approval?	-					
	(if yes, see Instructions)	Yes O	No 💽				
c.	Were any payments made to or on behalf of insiders?	Yes 🔿	No 💽				
d.	Are you current on postpetition tax return filings?	Yes 💽	No 🔿				
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No O				
f.	Were all trust fund taxes remitted on a current basis?	Yes 💿	No 🔿				
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	Yes 🔿	No 💽				
h.	Were all payments made to or on behalf of professionals approved by the court?	Yes 🔿	No 🔿	N/A 💽			
i.	Do you have: Worker's compensation insurance?	Yes 💽	No O				
	If yes, are your premiums current?	Yes 💽	No 🔿	N/A 🔿	(if no, see	Instructiv	ons)
	Casualty/property insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💽	No O	N/A 🔿	(if no, see	Instruction	ons)
	General liability insurance?	Yes 💿	No 🔿				
	If yes, are your premiums current?	Yes 💽	No O	N/A 🔿	(if no, see	Instruction	ons)
j.	Has a plan of reorganization been filed with the court?	Yes 🔿	No 💽				
k.	Has a disclosure statement been filed with the court?	Yes 🔿	No 💽				
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💽	No O				

De	btor's Name American Property Acquisitions I, LLC		Case No. 22-90349
Par	t 8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes 🔘 No	, O
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O No	, O _{N/A} 💿

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

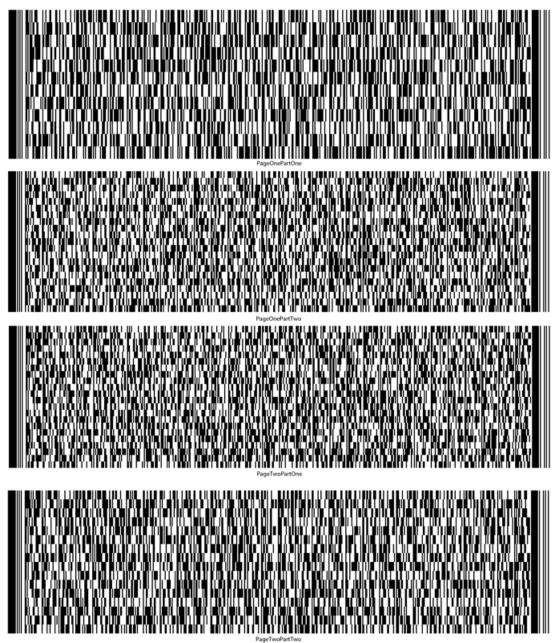
9

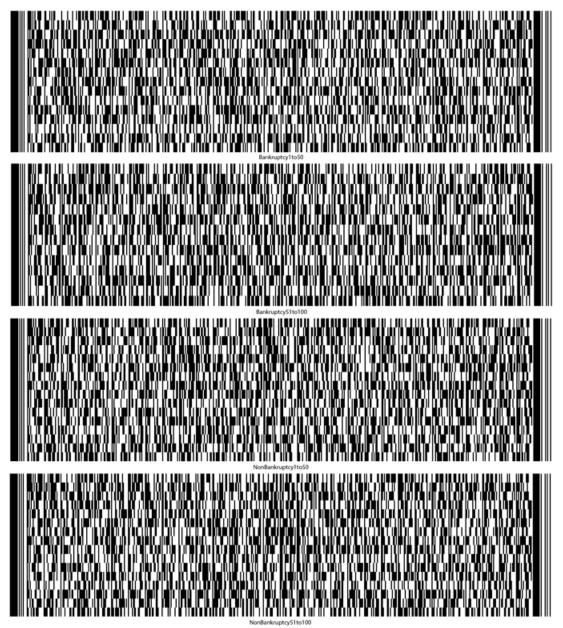
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

UST Form 11-MOR (12/01/2021)

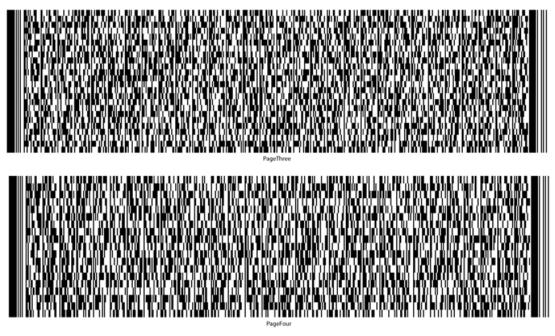
Michael Bros Printed Name of Responsible Party 02/28/2023

Date





Debtor's Name American Property Acquisitions I, LLC



UST Form 11-MOR (12/01/2021)

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
	§
CORE SCIENTIFIC, INC., et al.,	§ Case No. 22-90341 (DRJ)
Dabterry 1	
Debtors. ¹	§ (Jointly Administered)

MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the abovecaptioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Court**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "MOR").

1. Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and accurate to the best of the Debtors' knowledge, information, and belief, based on

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. <u>Basis of Presentation</u>. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. <u>Accounting Principles</u>. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion")* and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.
- 7. <u>Supporting Documentation</u>. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. <u>Part 7 Questionnaire</u>. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
Receipts												
Receipts	_	_	6,628,142	_	_	_	_	_	_	_	_	\$ 6,628,142
DIP Proceeds	_	_	—	—	—	—	_	_	_	—	_	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45		19,397	_	_	_	_	_	_	_	_	19,441
Total Receipts	45	2,728,618	35,459,357	_	_	_	_	_		_	_	38,188,020
•												
Disbursements												
Suppliers or vendors	2,514,771	1,161,897	12,268,612	_	—	—	_		—	—	_	\$15,945,280
Taxes / Governmental	_	512,638	5,413,007	—	—	_	_	_	_	_	_	5,925,645
Services	—	14,402	152,072	—	—	—	—	—	—	—	—	166,474
Financial / Bank Fees	4,300	2,970	3,746	-	—	—	_	_	—	_	_	11,016
Employee Expense		269,369	2,844,296									3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734									25,162,079
Net Cash Flow (excl. Internal Transfers)	(2,519,026)	767,343	14,777,624	_				_	_			13,025,941
Cash Balance Beginning of Month	35,722,213	462,630	16,107,473	_	_	_	_	_	_	_	_	52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	—	—	_	_		—		_	13,025,941
Disbursement Allocation	_	1,961,274	(1,961,274)									
Cash Balance End of Month	\$33,203,187	\$3,191,248	\$28,923,822	<u>s</u>	<u>s </u>	<u>s </u>	<u>s</u> —	<u>s</u> —	<u>s </u>	<u>s </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSETS Cash and Equivalents	_	1,223,749	62,513,910								
Restricted Cash	_	1,225,749	805,024	_	-	_	_	-	_	_	_
Total Cash		1,223,749	63,318,933	-	-	-	-	-	_	-	-
Accounts receivable,			4(4.21)								
net of allowance Accounts receivable	-	-	464,216	-	-	-	-	-	-	-	-
from related parties	488,990,509	140,152,775	(486,675,668)	1,189,298	-	-	-	-	-	-	-
Deposits for equipment	-	-	25,827,664	-	-	-	-	-	-	-	-
Digital currency assets Prepaid expenses and	-	_	-	_	-	_	_	-	-	_	_
other	-	22,748,095	42,689,787	-	-	-	-	-	-	-	-
Total other current assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298							
Property, plant and	2,2,2,0,0,0,000			1,10,,2,0							
equipment Operating	-	67,098,040	1,127,366,853	-	-	-	-	-	-	-	-
lease-right-of-use											
assets	-	_	20,264,625	-	-	-	-	-	-	-	-
Goodwill Intangible assets, net	-	232,587,379	(167,058,249) 1,674,297	(65,529,130)	-			_	_		-
Other noncurrent assets	2,558,789	(0)	8,594,483	_	-	_	_	_	_	_	-
Total Assets	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)							-
LIABILITIES, PREFERRED STOCK & EQUITY											
Accounts Payable	-	143,591,406	-	-	-	-	-	-	-	-	-
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_	-	-	_	_	_	_
Deferred revenue		- 1	112,557,414		-	-	-	-	-	-	-
Derivative warrant liabilities	335,063	_	_	_	_	_	_	_	_	_	_
Operating lease	555,005										
liabilities, current			42.227								
portion Financing lease	-	-	42,227	-	-	-	-	-	-	-	-
liabilities, current			(0)								
portion Long-term debt, current	-	-	(0)	-	-	-	-	-	-	-	-
portion	_	_	695,410	-	_	-	-	_	_	-	-
Total current liabilities	534,429	161,041,190	201,440,003	(12,734)	-	-	-	_	_	-	-
Operating lease liabilities, net of current portion	_	_	14,156,228	-	-	-	-	-	_	-	_
Financing lease liabilities, net of current portion	_	_	_	-	_	_	_	_	_	_	-
Long-term debt, net of	8,356,293		(8 256 202)								
Current portion Other noncurrent	0,550,295	_	(8,356,293)	_	_	_	_	_	_	_	_
liabilities		18,084,856	9,528,844	(2,587,769)							
Total Liabilities Pre-Petition Subject to	8,890,722	179,126,046	216,768,782	(2,600,503)	-	-	-	-	-	-	-
Compromise	684,395,370	_	386,211,576	-	_	-	-	_	_	-	-
Total Pre-Petition Subject											
to Compromise	684,395,370	-	386,211,576	-	-	-	-	-	-	-	-
Post-Petition Short Term Liabilities	_	13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long		,=	,,,	,2							
Term Liabilities Preferred stock	-	-	-	-	-	-	-	-	-	-	-
Common stock	37,478			-	-	-	-	-	-	-	-
Additional paid-in		(15.0=0.4.4.)									
capital Accumulated deficit	1,783,051,000 (252,729,333)	(15,979,141) (828,330,719)	2,887,621 (766,219,205)	(61,752,012)	-	-	-	-	-	-	-
Other Comprehensive		(020,000,19)	(100,217,200)	(01,702,012)							
Income Cumulative Translation	72,612,431	-	_	-	_	_	_	-	-	-	-
Adjustment		46,983		-							
Total Equity	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Total Liabilities, Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
Hosting revenue from customers			6,314,128.30								
Hosting revenue from	-	-	0,514,128.50	-	-	-	-	-	_	-	-
related parties			1,308,852.63								
Equipment sales to			1,508,852.05								
customers	_	_	_	_	_	_	_	_	_	_	_
Equipment sales to related											
parties	_	_	_	_	_	_	_	_	_	_	_
Digital asset mining	_	_	_	_	_	_	_	_	_	_	_
income	_	2,661,793.73	28,276,892.87	_	_	_	_	_	_	_	_
Network services and defi		2,001,795.75	20,270,072.07								
revenue	_	_	_	_	_	_	_	_	_	_	_
Total Revenue		2,661,793.73	35,899,873.80	-	-			-	-		
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal											
settlements	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) from sales of											
digital currency assets	-	11,455.01	138,931.37	-	-	-	-	-	-	-	-
Impairments of digital											
currency assets	-	-	-	-	-	-	-	-	-	-	-
Impairment of goodwill											
and other intangibles	-	-	-	-	-	-	-	-	-	-	-
Impairment of property, plant and equipment											
Losses on exchange or	-	-	-	-	-	-	-	-	-	-	-
disposal of property,											
plant and equipment											
Operating expenses:		_	_								
Research and development	_	_	(659,379.93)	(10,931.82)	_				_	_	
Sales and marketing		_	(338,532.41)	(10,751.02)							
General and	_	_	(556,552.41)	_	_	_	_	_	_	_	_
administrative	_	(8,357.78)	(4,762,536.85)	(50.00)	_	_	_	_	_	_	_
Advisor Fees		(0,557.70)	(1,702,550.05)	(50.00)		·					
Total operating expenses		(8,357.78)	(5,760,449.19)	(10.981.82)							
Operating Income (Loss)	-	(8,357.78) (684,287.19)	(29,562,593.74)	(10,981.82) (10,981.82)	-	-	-	_	_	-	_
Non-operating income (Loss)	_	(004,287.19)	(29,302,393.74)	(10,981.82)	-	_	_	_	_	_	_
(expense), net:	_				_	_	_	_	_	_	_
Loss on debt							_	_			
extinguishment	_	_	_	_	_	_	_	_	_	_	_
Interest expense, net	_	_	13,482.06	_	_	_	_	_	_	_	_
Other non-operating			15,102.00								
expenses, net	_	_	_	_	_	_	_	_	_	_	_
Reorganization items			(7,646,333.49)								
Total Non-operating income			(7,0+0,000,-49)								
(expense), net:			(7,632,851.43)								
Income (loss) before income	_	_	(7,052,051.45)	_	_	-	_	_	_	-	_
taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)							
Income tax expense	-	(004,207.19)	(37,175,445.17)	(10,201.02)	-	_	_	_	-	_	_
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							
THE INCOME (LOSS)		(004,207.19)	(37,193,443.17)	(10,901.62)							

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. American Property Acquisitions VII, LLC	ş	Case No. 22-90350	
	\$ §	Lead Case No. 22-90341	
Debtor(s)	Ş		
Monthly Operating Report			Chapter 11
Reporting Period Ended: 01/31/2023		Petition Date: 12/21/2022	
Months Pending: 1		Industry Classification: 3 3 4 1	
Reporting Method: Accrual Basi	is 💿	Cash Basis	
Debtor's Full-Time Employees (current):		0	
Debtor's Full-Time Employees (as of date of order for relief):		0	
Supporting Documentation (check all that are attached):			
(For jointly administered debtors, any required schedules must be prov	ided on a no	n-consolidated basis for each debtor)	
 Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the assets, lia Statement of operations (profit or loss statement) Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to professionals Schedule of payments to insiders All bank statements and bank reconciliations for the reporting pe Description of the assets sold or transferred and the terms of the statements of the statements and bank reconciliations for the reporting pe 	eriod		
/s/ Alfredo R. Pérez		Alfredo R. Pérez	
Signature of Responsible Party		Printed Name of Responsible Party	
02/28/2023 Date		700 Louisiana Street, Suite 1700, Houston, Texas 770 Address	02
STATEMENT: This Periodic Report is associated with an open bankru	ptcv case [,] th		8 1320 4(a)(2)

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2 applies.

UST Form 11-MOR (12/01/2021)

Part	1: Cash Receipts and Disbursements	Curren	t Month	Cumu	lative
a.	Cash balance beginning of month	\$	0		
b.	Total receipts (net of transfers between accounts)	\$	0	\$	(
c .	Total disbursements (net of transfers between accounts)	\$	0	\$	0
1.	Cash balance end of month (a+b-c)	\$	0		
.	Disbursements made by third party for the benefit of the estate	\$	0	\$	(
f.	Total disbursements for quarterly fee calculation (c+e)	\$	0	\$	(
	2: Asset and Liability Status generally applicable to Individual Debtors. See Instructions.)	Cumon	t Month		
<u>1001 j</u> a.	Accounts receivable (total net of allowance)	\$	0		
).	Accounts receivable over 90 days outstanding (net of allowance)	\$	0		
с. С.	Inventory (Book • Market • Other • (attach explanation))	\$	0		
1	Total current assets	<u>\$</u> \$	0		
1 2.	Total assets	<u>\$</u> \$	0		
·. ·	Postpetition payables (excluding taxes)	\$	0		
g.	Postpetition payables past due (excluding taxes)	\$	0		
5. 1.	Postpetition taxes payable	\$	0		
ı.	Postpetition taxes past due	\$	0		
	Total postpetition debt (f+h)	\$	0		
K.	Prepetition secured debt	\$	0		
.	Prepetition priority debt	\$	0		
n.	Prepetition unsecured debt	\$	0		
1.	Total liabilities (debt) (j+k+l+m)	\$	0		
0.	Ending equity/net worth (e-n)	\$	0		
		\	<u> </u>		
	3: Assets Sold or Transferred		t Month	Cumu	
1.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$	(
) .	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$	0	\$	(
C.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$	0	\$	(
Part - Not s	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curren	t Month	Cumu	ılativ
ı.	Gross income/sales (net of returns and allowances)	\$	0		
).	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0		
) .	Gross profit (a-b)	\$	0		
1.	Selling expenses	\$	0		
) .	General and administrative expenses	\$	0		
	Other expenses	\$	0		
g.	Depreciation and/or amortization (not included in 4b)	\$	0		
ı.	Interest	\$	0		
	Taxes (local, state, and federal)	\$	0		
	Reorganization items	\$	0		
ζ.	Profit (loss)	\$	0	\$	

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UST Form 11-MOR (12/01/2021)

Debtor's Name American Property Acquisitions VII, LLC

Part	Part 5: Professional Fees and Expenses									
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative			
a.	Debtor's pro	ofessional fees & expense	s (bankruptcy) Aggregate Total							
	Itemized Bro	eakdown by Firm								
		Firm Name	Role							
	i									
	ii									
	iii									
	iv									
	v									
	vi									
	vii									
	viii									
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UST Form 11-MOR (12/01/2021)

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			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative			
b.	Debtor's professional fees & expenses	(nonbankruptcy) Aggregate Total							
	Itemized Breakdown by Firm								
	Firm Name	Role							
	i								
	ii								
	iii								
	iv								
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c						
All profession	al fees and expenses (debtor & com	mittees)	\$ 0	\$ 0) \$ () \$

Det	Postpetition income taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition employer payroll taxes accrued \$ 0 \$ 0 Postpetition employer payroll taxes paid \$ 0 \$ 0 Postpetition property taxes paid \$ 0 \$ 0 Postpetition other taxes accrued (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Postpetition other taxes paid (local, state, and federal) \$ 0 \$ 0 Were any payments made on prepetition debt? (if yes, see Instructions) Yes No \$ 0									
Part	6: Postpetition Taxes			Current M	onth	Cumul	ative			
a.	Postpetition income taxes accrued (local, state, and federal)			\$						
b.	Postpetition income taxes paid (local, state, and federal)			\$	0	\$	0			
c.	Postpetition employer payroll taxes accrued			\$	0	\$	0			
d.	Postpetition employer payroll taxes paid			\$	0	\$	0			
e.				\$	0	\$	0			
f.				\$	0	\$	0			
g.	Postpetition other taxes paid (local, state, and federal)			\$	0	\$	0			
_										
Part a.		Yes O	No 💿							
b.	Were any payments made outside the ordinary course of business without court approval?									
c.	Were any payments made to or on behalf of insiders?		No 💽							
d.	Are you current on postpetition tax return filings?	Yes 💽	No 🔿							
e.	Are you current on postpetition estimated tax payments?	Yes 💽	No 🔿							
f.	Were all trust fund taxes remitted on a current basis?		No 🔿							
g.	Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions)	0	No 💿							
h.	Were all payments made to or on behalf of professionals approved by the court?			N/A 💿						
i.	Do you have: Worker's compensation insurance?	Yes 💿	No O							
	If yes, are your premiums current?	Yes 💽	No O	N/A O	(if no, see	Instructi	ons)			
	Casualty/property insurance?	Yes 💽	No O							
	If yes, are your premiums current?	Yes 💿	No O	N/A O	(if no, see	Instructi	ons)			
	General liability insurance?	Yes 💿	No O		(.,)			
	If yes, are your premiums current?	Yes 💿	No O	N/A O	(if no, see	Instructi	ons)			
j.	Has a plan of reorganization been filed with the court?	Yes O	No 💿		(.,)			
k.	Has a disclosure statement been filed with the court?	Yes O	No 💿							
1.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes 💿	No O							

Del	otor's Name American Property Acquisitions VII, LLC		Case No. 22-90350
Par	8: Individual Chapter 11 Debtors (Only)		
a.	Gross income (receipts) from salary and wages	\$	0
b.	Gross income (receipts) from self-employment	\$	0
c.	Gross income from all other sources	\$	0
d.	Total income in the reporting period (a+b+c)	\$	0
e.	Payroll deductions	\$	0
f.	Self-employment related expenses	\$	0
g.	Living expenses	\$	0
h.	All other expenses	\$	0
i.	Total expenses in the reporting period (e+f+g+h)	\$	0
j.	Difference between total income and total expenses (d-i)	\$	0
k.	List the total amount of all postpetition debts that are past due	\$	0
1.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes O N	lo 💿
m.	If yes, have you made all Domestic Support Obligation payments?	Yes O N	Jo 🔿 N/A 💽

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." *See* 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http:// www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

<u>I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.</u>

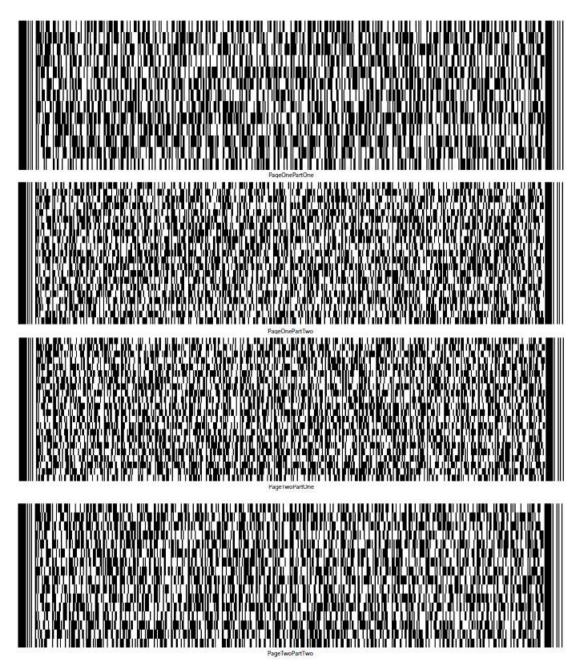
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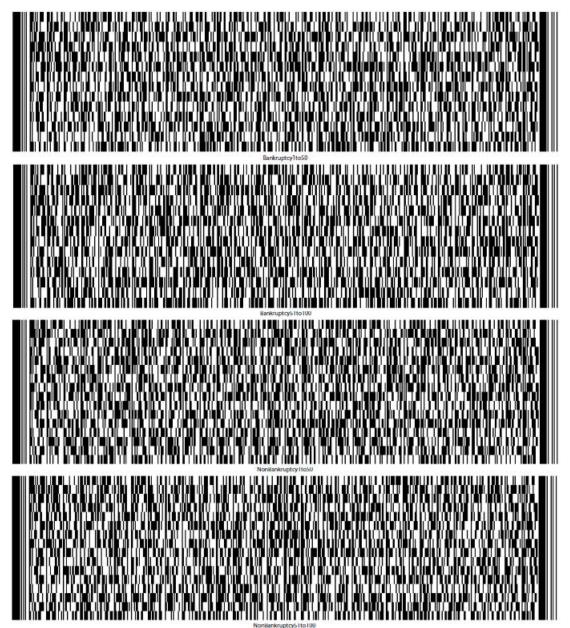
/s/ Michael Bros Signature of Responsible Party SVP, Capital Markets and Acquisitions Title

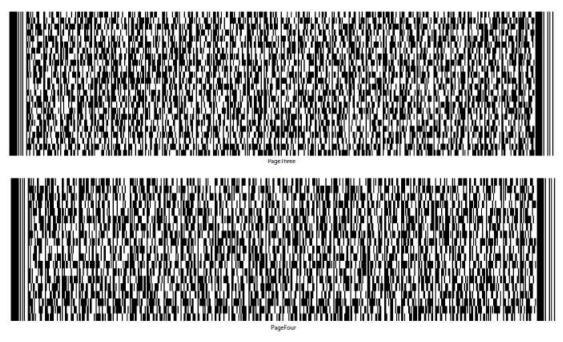
UST Form 11-MOR (12/01/2021)

Michael Bros Printed Name of Responsible Party 02/28/2023

Date







IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	§ Chapter 11
	§
CORE SCIENTIFIC, INC., et al.,	§ Case No. 22-90341 (DRJ)
	§
Debtors. ¹	§ (Jointly Administered)

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MONTHLY OPERATING REPORT NOTES FOR JANUARY 2023

On December 21, 2022 (the "**Petition Date**"), Core Scientific, Inc. and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the "**Debtors**" or the "**Company**"), each commenced a voluntary case under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the Southern District of Texas (the "**Bankruptcy Code**"). The Debtors are authorized to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**") and Rule 1015-1 of the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas (the "**Local Rules**"). On January 9, 2023, the United States Trustee for Region 7 (the "**U.S. Trustee**") appointed an official committee of unsecured creditors (the "**Creditors' Committee**") in these chapter 11 cases pursuant to section 1102 of the Bankruptcy Code. No trustee or examiner has been appointed in these chapter 11 cases.

The following notes and statements of limitations and disclaimers should be referred to, and referenced in connection with, any review of this Monthly Operating Report (the "**MOR**").

Introduction. This MOR is unaudited and does not purport to represent financial statements prepared in accordance with accounting
principles generally accepted in the United States ("GAAP"), and it is not intended to fully reconcile to the consolidated financial
statements prepared by the Debtors. Information contained in this MOR has been derived from the Debtors' books and records, but does
not reflect in all circumstances presentation for GAAP or SEC reporting purposes. Therefore, to comply with their obligations to provide
MORs during these chapter 11 cases, the Debtors have prepared this MOR using the best information presently available to them, which
has been collected, maintained, and prepared in accordance with their historical accounting practices. Accordingly, this MOR is true and
accurate to the best of the Debtors' knowledge, information, and belief, based on

Page 1

The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (6073); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

currently-available data. The results of operations and financial position contained herein are not necessarily indicative of results that may be expected for any period other than the period beginning on January 1, 2023 and ending January 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. <u>Reservation of Rights</u>. This MOR is limited in scope, covers the period beginning on January 1, 2023 and ending January 31, 2023, and has been prepared solely for the purpose of complying with the monthly reporting requirements of the Debtors' chapter 11 cases. The unaudited financial information for this report has been derived from the Debtors' books and records. The information presented herein has not been subject to all procedures that typically would be applied to financial information in accordance with U.S. GAAP. Upon the application of such procedures, the Debtors believe that the financial information could be subject to material change. The information furnished in this MOR includes normal recurring adjustments but does not include all of the adjustments that typically would be made for interim financial information presented in accordance with GAAP.

Given the complexity of the Debtors' business, inadvertent errors or omission may occur. Accordingly, the Debtors hereby reserve all of their rights to dispute the nature, validity, status, enforceability, or executory natures of any claim amount, agreement, representation, or other statement set forth in this MOR. Further, the Debtors reserve the right to amend or supplement this MOR, if necessary, but shall be under no obligation to do so.

3. Basis of Presentation. Although the Debtors generally prepare their financial statements on a consolidated basis, the MOR has been prepared on an entity-by-entity basis (excluding most intercompany eliminations) for Debtors Core Scientific, Inc., Core Scientific Acquired Mining LLC, Core Scientific Operating Company, Core Scientific Mining LLC, Radar Relay, Inc., Core Scientific Specialty Mining (Oklahoma) LLC, American Property Acquisition, LLC, Starboard Capital LLC, RADAR LLC, American Property Acquisitions I, LLC, and American Property Acquisitions VII, LLC. The financial information contained herein is unaudited, limited in scope, covers a limited time period, and has been prepared solely for the purpose of complying with the monthly reporting requirements for chapter 11 debtors issued by the UST.

The amounts reported in this MOR are as-of January 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning January 1, 2023 and ending January 31, 2023.

4. Accounting Principles. The Debtors maintain their financial records according to GAAP, however the MOR does not purport to represent financial statements prepared in accordance with GAAP, nor are they intended to be fully reconciled with the financial statements of the Debtors.

The Debtors generally prepare financial statements on a consolidated basis. To the extent that there are negative asset balances for an individual Debtor, such as accounts receivable and current assets, they may be due to some intercompany elimination transactions or adjustments in each specific Debtor's books and records.

- 5. Currency. Unless otherwise indicated, all amounts in the MOR are reflected in U.S. dollars.
- 6. Consolidated Entity Accounts Payable and Disbursement Systems. Cash is received and disbursed by the Debtors as described in the *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue their Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, (C) Continue Intercompany Transactions, and (D) Continue Utilizing Employee Credit Cards; and (II) Granting Related Relief (Docket No. 12) (the "Cash Management Motion") and the Debtors' receipt and disbursement of cash is consistent with the Debtors' historical cash management practices. Due to the consolidated cash management reporting system, certain cash payments may be paid out of a legal entity that is different than the legal entity at which the expenses were incurred. Also, certain cash receipts may be received in a different legal entity than the legal entity at which the accounts receivable is recorded. Disbursements attributed to each entity represent the entity on behalf of which payments were made, on a proportional allocated basis, from the consolidated cash management system.*
- 7. Supporting Documentation. At the direction of the U.S. Trustee, the following schedules are attached to the MORs: (i) Statement of Cash Receipts and Disbursements; (ii) Balance Sheet; and (iii) Income Statement (profit or loss statement).

Statement of Cash Receipts and Disbursements. Based on guidance received from the Office of the United States Trustee in connection with the completion of UST Form 11-MOR Part 1, Cash Receipts and Disbursements, reported cash receipts and disbursements should exclude intercompany and debtor-to-debtor transactions. As a result, for those debtors with net intercompany cash outflows or inflows during the reporting period, the ending cash balances reported on Form 11-MOR Part 1 may not match the ending cash balances per the Debtors' bank statements or the Debtors' books and records. For additional information on ending cash balances per the Debtors' books and records, see the attached cash balances per MOR-1: Schedule of Cash Receipts and Disbursements.

Balance Sheet. Liabilities Subject to Compromise ("LSTC"): LSTC represent the Debtors' estimate of prepetition claims to be resolved in connection with the chapter 11 cases. As a result of the chapter 11 filings, the payment of prepetition liabilities are subject to compromise or other treatment under a plan of reorganization. The determination of how such liabilities will ultimately be settled or treated cannot be made until the Court approves a chapter 11 plan of reorganization. Accordingly, the ultimate amount of such liabilities is not determinable at this time. Prepetition liabilities that are subject to compromise under ASC 852 are preliminary and may be subject to, among other things, future adjustments depending on Court actions, further developments with respect to disputed claims, determinations of the secured status of certain claims, the values of any collateral securing such claims, rejection of executory contracts, continued reconciliation or other events.

As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-byentity basis. The Debtors maintain separate balance sheets in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate balance sheets for the remaining Debtor entities. Consequently, the balance sheets included in the MOR for these Debtors reflect no balances.

Values in the balance sheet(s) attached hereto represent rounded numbers. Accordingly, subtotals may not agree to the summation of the rounded numbers presented.

Income Statement. As noted, although the Debtors generally prepare financial statements on a consolidated basis, these MORs are prepared on an entity-by-entity basis. The Debtors maintain separate income statements in their books and records for the following entities: Core Scientific Acquired Mining LLC, Core Scientific, Inc., Core Scientific Operating Company, and Radar Relay, Inc. The Debtors, however, do not maintain separate income statements for the remaining Debtor entities. Consequently, the income statements included in the MOR for these Debtors reflect no income.

- 8. <u>**Part 1, Cash Receipts and Disbursements.**</u> Cumulative quarter-to-date for Q1 2023 receipts and disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through January 31, 2023 are \$31,473,426.
- 9. Part 7 Questionnaire. Pursuant to certain orders of the Bankruptcy Court entered in the Debtors' chapter 11 cases (the "First Day Orders"), the Debtors were authorized (but not directed) to pay, among other things, certain prepetition claims of their employees, taxing authorities, insurers, critical vendors, and certain other prepetition creditors. Amounts paid pursuant to the First Day Orders are monitored as to limits provided in the applicable orders of the Bankruptcy Court governing payment of such prepetition obligations, and this report is available to the U.S. Trustee as required.

MOR-1: SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

Description	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc.	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC	Total
	<u> </u>		Company	Inc.		LLC		LLC				Total
Receipts			6 6 29 1 42									6 ((20 142
Receipts DIP Proceeds	-		6,628,142	_		_		_	_		_	\$ 6,628,142
	_	_	_	_	_	_	_	_	_	_	_	—
Crypto Currencies Sales Proceeds	_	2,728,618	28,811,819	_	_	_	_	_	_	_	_	31,540,436
Other Receipts	45		19,397	_	_	_	_	_	_	_	_	19,441
Total Receipts	45	2,728,618	35,459,357					_	_	_	_	38,188,020
Disbursements		_,,	,,									
Suppliers or												
vendors	2,514,771	1,161,897	12,268,612	_	_	_	_	_	_	_	_	\$15,945,280
Taxes /	2,011,771	1,101,077	12,200,012									\$10,5 10,200
Governmental	_	512,638	5.413.007	_	_	_	_	_	_	_	_	5,925,645
Services		14,402	152,072	_								166,474
Financial / Bank		, .	. ,									,
Fees	4.300	2,970	3,746	_			_	_			_	11.016
Employee Expense	_	269,369	2,844,296	_	_	_	_	_	_	_	_	3,113,664
Total Disbursements	2,519,071	1,961,274	20,681,734		_	_	_	_		_	_	25,162,079
Net Cash Flow (excl.												
Internal Transfers)	(2,519,026)	767,343	14,777,624	_	_	_	_	_	_	_	_	13,025,941
Cash Balance	(_,01),010)		1,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,									10,020,911
Beginning of Month	35,722,213	462.630	16,107,473									52,292,316
Net Cash Flow	(2,519,026)	767,343	14,777,624	_	_	_	_	_	_	_	_	13,025,941
Disbursement	(2,319,020)	707,545	14,777,024	_								15,025,741
Allocation		1,961,274	(1,961,274)						_			
Cash Balance End		1,701,274	(1,701,274)									
of Month	\$33,203,187	<u>\$3,191,248</u>	\$28,923,822	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u>s </u>	<u> </u>	<u>s </u>	<u>s </u>	\$65,318,257

MOR-2: End of Jan 2023 Balance Sheet

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC		Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
ASSÉTS											
Cash and Equivalents	_	1,223,749	62,513,910	_	_	_	_	_	_	_	_
Restricted Cash			805,024								
Total Cash	_	1,223,749	63,318,933	-	—	_	—	-	-	_	_
Accounts receivable, net of											
allowance Accounts	—	—	464,216	—	—	_	_	_	_	—	—
receivable from related parties Deposits for	488,990,509	140,152,775	(486,675,668)	1,189,298	_	_	_	_	_	_	_
equipment Digital currency	—	—	25,827,664	—	—	_	-	_	_	_	—
assets Prepaid expenses	_	_	_	_	_			_	_	_	_
and other Total other current		22,748,095	42,689,787	_	—	_	_	—	—	_	_
assets	1,804,708,371	(1,128,933,066)	(674,248,053)								
Total Current Assets Property, plant and	2,293,698,880	(964,808,448)	(1,028,623,120)	1,189,298	_	_	_	_	_	_	_
equipment Operating lease-	—	67,098,040	1,127,366,853	—	-	_	_	-	-	_	_
right-of-use assets	_		20,264,625		_	_	_	_	_	_	_
Goodwill Intangible assets, net	_	232,587,379	(167,058,249) 1,674,297	(65,529,130)	_	_	_	_	_	_	_
Other noncurrent											
assets	2,558,789 2,296,257,669	(0) (665,123,029)	8,594,483 (37,781,110)	(64,339,833)							
Total Assets LIABILITIES, PREFERRED STOCK & EQUITY	2,290,237,009	(003,123,029)	(37,781,110)	(04,339,833)							
Accounts Payable		143,591,406									
Accrued expenses and other	199,366	17,449,784	88,144,952	(12,734)	_	_	_	_	_	_	_
Deferred revenue Derivative warrant liabilities	335,063	—	112,557,414	—	_	—	_	_	_	_	—
Operating lease liabilities, current											
Financing lease liabilities, current	—	_	42,227	_	_	_	_	_	_	—	—
portion Long-term debt,	_	_	(0)	_	_	_	_	_	_	_	_
current portion			695,410								
Total current liabilities Operating lease	534,429	161,041,190	201,440,003	(12,734)	_	_	_	_	_	_	_
liabilities, net of current portion Financing lease	_	_	14,156,228	_	_	_	_	_	_	_	_
liabilities, net of current portion	_	_	_	_	_	_	_	_	_	_	_
Long-term debt, net of current portion	8,356,293	_	(8,356,293)	_	_	_	_	_	_	_	_
Other noncurrent liabilities	_	18,084,856	9,528,844	(2,587,769)	_	_	_	_	_	_	_
Total Liabilities	8,890,722	179,126,046	216,768,782	(2,600,503)	_	_	_			_	
Pre-Petition Subject to Compromise	684,395,370		386,211,576								
Total Pre-Petition Subject to Compromise	684,395,370	_	386,211,576	_	_	_	_	_	_	_	_
Post-Petition Short Term Liabilities		13,802	122,570,115	12,682	_	_	_	_	_	_	_
Post-Petition Long Term Liabilities	_	_	_	_	_	_	_	_	_	_	_
Preferred stock Common stock	37,478			_	_	_	_		_	_	
Additional paid-in capital	1,783,051,000	(15,979,141)	2,887,621	_	_	_	_	_	_	_	_
Accumulated deficit	(252,729,333)		(766,219,205)	(61,752,012)	_	_	_	_	_	_	_
Other Comprehensive Income	72,612,431								_		
Cumulative Translation	/2,012,401	_		_			_			_	_
Adjustment	-	46,983									
Total Equity Total Liabilities,	1,602,971,576	(844,262,878)	(763,331,584)	(61,752,012)							
Preferred Stock & Equity	2,296,257,669	(665,123,029)	(37,781,110)	(64,339,833)	_	_	_	_	_	_	_

MOR-3: 1/1/2023 - 1/31/2023 Profit & Loss

(US \$)	Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay Inc	Core Scientific Mining LLC	Core Scientific Specialty Mining (Oklahoma) LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Total Revenue											
Hosting revenue from											
customers	-	-	6,314,128.30	-	-	-	-	-	-	-	-
Hosting revenue from related parties	_	_	1,308,852.63	_	_	_	_	_	_	_	_
Equipment sales to											
customers Equipment sales to	_	_	_	_	_	_	_	_	-	_	_
related parties		_	_	_	_	_	_	_	_	_	_
Digital asset mining											
income	_	2,661,793.73	28,276,892.87	_	_	_	_	_	_	_	_
Network services and defi revenue	_	_	_	_	_	_	_	_	_	_	_
Total Revenue		2,661,793.73	35,899,873.80								
Cost of revenue		(3,349,178.15)	(59,840,949.72)								
Gross Profit		(687,384.42)	(23,941,075.92)								
Gain (loss) on legal		(007,001112)	(10,) 11,0 (0) 1				-				
settlements	_	_	_	_	_	_	_	_	_	_	_
Gain (loss) from sales of digital currency assets	_	11,455.01	138,931.37	_	_	_	_	_	_	_	_
Impairments of digital		11,100101	100,001107								
currency assets	_	_	_	_	_	_	_	_	_	_	_
Impairment of goodwill and other intangibles	_	_	_	_	_	_	_	_	_	_	_
Impairment of property, plant and equipment	_	_	_	_	_	_	_	_	_	_	_
Losses on exchange or disposal of property,											
plant and equipment	_	_	—	_	—	—	—	—	—	_	_
Operating expenses:	—				—	—	—	—	—	—	_
Research and			((=0.2=0.02)	(10.021.02)							
development Sales and marketing	_	_	(659,379.93) (338,532.41)	(10,931.82)	_	_	_	_	_	_	_
General and administrative	_	(8,357.78)	(4,762,536.85)	(50.00)	_	_	_	_	_	_	_
Advisor Fees											
Total operating expenses		(8,357.78)	(5,760,449.19)	(10,981.82)							
Operating Income (Loss) Non-operating income	_	(684,287.19)	(29,562,593.74)	(10,981.82)	_	—	—	_	_	_	_
(expense), net: Loss on debt	_					_	_	_	_	_	_
extinguishment	_	_	_		_	_		_	_	_	
Interest expense, net	_	_	13,482.06	_	-		_	_	-	_	_
Other non-operating expenses, net	_	_	_	_	_	_	_	_	_	_	_
Reorganization items			(7,646,333.49)								
Total Non-operating income (expense), net:		_	(7,632,851.43)		_	_	_	_	_	_	_
Income (loss) before income			(1,002,001.40)								·
taxes	_	(684,287.19)	(37,195,445.17)	(10,981.82)	_	_	_	_	_		_
Income tax expense											
Net Income (Loss)		(684,287.19)	(37,195,445.17)	(10,981.82)							