# 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): June 30, 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	CRZWO	*

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 ⊠

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.  $\Box$ 

\* 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 June 30, 2023, the Debtors each filed with the Bankruptcy Court their monthly operating reports for the period beginning May 1, 2023 and ending May 31, 2023 (collectively, the "May Monthly Operating Reports"). The May 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 May 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 May Monthly Operating Reports

The Company cautions investors and potential investors not to place undue reliance upon the information contained in the May 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 May 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 May 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 May Monthly Operating Reports are complete. The May 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 May Monthly Operating Reports should not be viewed as indicative of future results.

Furthermore, this Form 8-K and/or the May 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 debtor-in-possession 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 Current Report on Form 8-K, 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 (d) Exhibits	Financial Statements and Exhibits.
(u) Exhibits	
Exhibit No.	Exhibit
99.1	Core Scientific, Inc., Monthly Operating Report for the period ended May 31, 2023
99.2	Core Scientific Mining LLC, Monthly Operating Report for the period ended May 31, 2023
99.3	Core Scientific Operating Company, Monthly Operating Report for the period ended May 31, 2023
99.4	Core Scientific Acquired Mining LLC, Monthly Operating Report for the period ended May 31, 2023
99.5	Radar Relay, Inc., Monthly Operating Report for the period ended May 31, 2023
99.6	Core Scientific Specialty Mining (Oklahoma) LLC, Monthly Operating Report for the period ended May 31, 2023
99.7	American Property Acquisition, LLC, Monthly Operating Report for the period ended May 31, 2023
99.8	Starboard Capital LLC, Monthly Operating Report for the period ended May 31, 2023
99.9	RADAR LLC, Monthly Operating Report for the period ended May 31, 2023
99.10	American Property Acquisitions I, LLC, Monthly Operating Report for the period ended May 31, 2023
99.11	American Property Acquisitions VII, LLC, Monthly Operating Report for the period ended May 31, 2023
104	Cover page Interactive Data File (embedded within the Inline XBRL document).

### **SIGNATURES**

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

Date: June 30, 2023

Core Scientific, Inc.

By: /s/ Todd M. DuChene

Name: Todd M. DuChene

Title: Chief Legal Officer and Chief Administrative Officer

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

ln F	Re. Core Scientific, Inc.		§	Case No. 22-90341	
			§ §	Lead Case No. 22-90341	
	Debtor(s)		§	☑ Jointly Administered	
Mo	nthly Operating Report				Chapter 11
Rep	orting Period Ended: 05/31/2023			Petition Date: 12/21/2022	
Mo	nths Pending: 5			Industry Classification: 3 3 4 1	
Rep	orting Method:	Accrual Basis	⊠	Cash Basis □	
Deb	otor's Full-Time Employees (current):			234	
Deb	otor's Full-Time Employees (as of date of order for	relief):		236	
Sup	oporting Documentation (check all that are attache	ed):			
Fo	r jointly administered debtors, any required schedule	es must be pro	vided on a no	on-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 Description of the assets sold or transferred and t	the reporting p	eriod		
	Alfredo R. Pérez		_	Alfredo R. Pérez	
Sigi	nature of Responsible Party			Printed Name of Responsible Party	
	30/2023		_	700 J	<b>7</b> 00 <b>2</b>
Dat	e			700 Louisiana Street, Suite 1700, Houston, Texas 7 Address	<u>/002</u>

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.

Del	otor's Name Core Scientific, Inc.	Case No. 22-90341				
Par	1: Cash Receipts and Disbursements	Curre	ent Month	Cun	nulative	
a.	Cash balance beginning of month		0,727,149			
b.	Total receipts (net of transfers between accounts)	\$	43	\$70,	122,455	
c.	Total disbursements (net of transfers between accounts)		5,110,763	\$11,	253,917	
d.	Cash balance end of month (a+b-c)	\$ 1:	5,616,429			
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$	0	
f.	Total disbursements for quarterly fee calculation (c+e)	\$	5,110,763	\$11.	253,917	
	1 ,		, ,,,,,,	• ,	,-	
	2: Asset and Liability Status					
a.	generally applicable to Individual Debtors. See Instructions.)  Accounts receivable (total net of allowance)		ent Month 8,755,627			
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0			
	Inventory ( Book   Market □ Other □ (attach explanation))	\$	0			
C.	Total current assets		9,748,191			
d		<u>-                                    </u>				
e.	Total assets		2,306,980			
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		9,979,662			
1.	Prepetition priority debt	\$	0			
m.	Prepetition unsecured debt	\$	0			
n.	Total liabilities (debt) (j+k+l+m)	\$ 559	9,979,662			
0.	Ending equity/net worth (e-n)	\$1,752	2,327,318			
	3: Assets Sold or Transferred		ent Month		nulative_	
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	
D	A. In come Continuent (Continuent of Constitution)					
(No	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Curre	ent Month	Cun	nulative	
a.	Gross income/sales (net of returns and allowances)	\$	0			
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$	0			
c.	Gross profit (a-b)	\$	0			
d.	Selling expenses	\$	0			
e.	General and administrative expenses	\$	0			
f.	Other expenses	\$	0			
g.	Depreciation and/or amortization (not included in 4b)	\$	0			
h.	Interest	\$	0			
i.	Taxes (local, state, and federal)	\$	0			
j.	Reorganization items	\$	0			
J. 1.	Peofit (log)	¢		¢.	01 772	

Profit (loss)

\$ 91,773

Pa	rt 5: Professi	ional Fees and Expenses							
				Approved Current Month	Approved Cumulative		Paid Current		Paid 'umulative
a.	Debtor's	professional fees & expenses	(hankruntcy) Aggregate Total	\$3,402,829		\$8,988,422		Month \$3,402,829	\$8,988,422
٠		Breakdown by Firm	(came aprey) 1188, eguire 10tus	45,.02,02		ψο,,, σο, .22		ψυ, ισ2,σ2>	40,700,122
		Firm Name	Role						
	i	Stretto, Inc	Other	\$ 202,014	\$	324,595	\$	202,014	\$ 324,595
	ii	PJT Partners	Financial Professional	\$ 163,024		1,129,274		163,024	1,129,274
	iii	Weil	Lead Counsel	\$ 2,223,396		5,982,272		2,223,396	5,982,272
	iv	AlixPartners LLP	Financial Professional	\$ 814,395		1,504,605		814,395	1,504,605
	V	Scheef & Stone, LLP	Other	\$ 0	\$	47,676		0	\$ 47,676
	vi	, in the second							
	vii								
	viii								
	ix								
	X								
	xi								
	xii								
	xiii								
	xiv								
	XV								
	xvi								
	xvii								
	xviii								
	xix								
	XX								
	xxi								
	xxii								
	xxiii								
	xxiv								
	XXV								
	xxvi								
	xxvii								
	xxviii								
	xxix								
	XXX								
	xxxi								
	xxxii								
	xxxiii								
	xxxiv								
	XXXV								
	xxxvi								

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi			
lxxii			
lxxiii			
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii			

lxxix			
lxxx			
lxxxi			
lxxxii			
lxxxiii			
lxxxiv			
lxxxv			
lxxxvi			
lxxxvii			
lxxxviii			
lxxxix			
xc			
xci			
xcii			
xciii			
xciv			
xcv			
xcvi			
xcvii			
xcviii			
xcix			
c			
ci			

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's pro	ofessional fees & expenses (1	nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm						
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						

XV			
AV			
xvi			
xvii			
xviii			
xix			
xx			
xxi			
xxii			
xxiii			
xxiv			
xxv			
xxvi			
xxvii			
xxviii			
xxix			
XXX			
xxxi			
xxxii			
xxxiii			
xxxiv			
xxxv			
xxxvi			
xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii		 	
xlix			
1			
1i			
lii			
liii		 	
liv			
lv		 	
lvi		 	

lvii							
lviii							
lix							
lx							
lxi							
lxii	+						
lxiii							
lxiv	+						
	+						
lxv							
lxvi							
lxvii							
lxviii							
lxix							
lxx							
lxxi							
lxxii							
lxxiii							
lxxiv							
lxxv							
lxxvi							
lxxvii							
lxxviii							
lxxix							_
lxxx							_
lxxxi							_
lxxxii							_
lxxxiii							_
lxxxiv	+						_
lxxxv							_
lxxxvi							_
lxxxvii							_
lxxxviii	+						_
lxxxix	+						_
	-						_
xc	-						_
xci	+						_
xcii							_
xciii							_
xciv							
xcv							
xcvi							
xcvii							
xcviii							
xcix							
c							
All profe	essional fees and expenses (debtor &	& committees)	\$ 4,099,005	\$ 11,720,200	\$ 4,526,419	\$ 11,475	5,8

Par	t 6: Postpetition Taxes	Current	Month	Cumv	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	\$ 102	2,744
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

Par	t 7: Questionnaire - During this reporting period:				
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 □	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 □	$N/A \square$	
i.	Do you have: Worker's compensation insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	Casualty/property insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	General liability insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 □		

De	otor's Name Core Scientific, Inc.	Case No.	22-90341	
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 ⊠	
m.	If yes, have you made all Domestic Support Obligation payments?	Yes □	No □	N/A ⊠

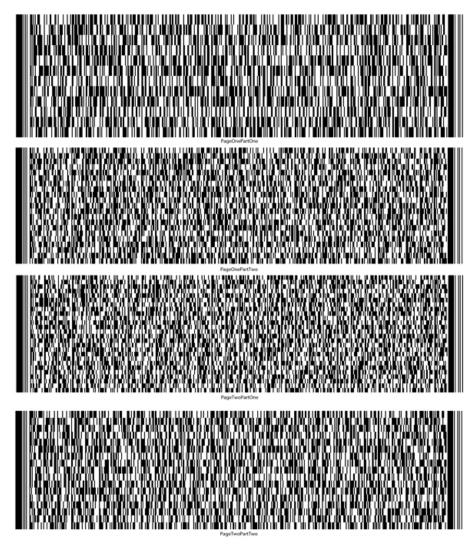
37 22 002 41

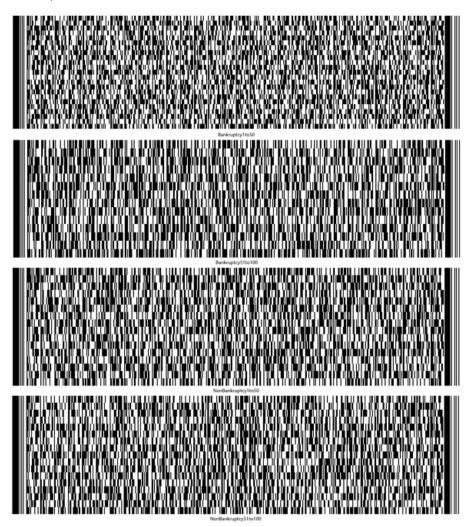
#### **Privacy Act Statement**

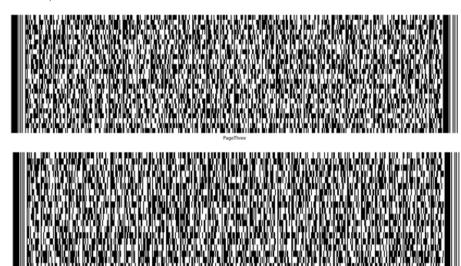
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	Date







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

In re:

CORE SCIENTIFIC, INC., et al.,

Debtors.

Debtors.

S Chapter 11

Case No. 22-90341 (DRJ)

S (Jointly Administered)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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 March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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
- 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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

### $\underline{MOR\text{-}1\text{:}}$ 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Relay,	Core Scientific Mining	(Oklahoma)	American Property Acquisition,			American Property Acquisitions		
Description	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2.937.181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_	_	_	_	_	_	_	3,935,308
Total Receipts	43	3,049,519	42,715,651									45,765,214
•		-,,	12,110,001									,,
Disbursements												
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental		37,900	482,298	_	_	_	_		_	_		520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees	_	521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense		248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_		_		(1,794,768)
MOR Part 1 d. Cash	(5,110,720)	(30,733)	3,300,000									(1,774,700)
Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	s —	s –	s —	•	s –	•	s –	s —	\$77,699,385
	315,010,429	3 2,133,004	359,929,093	<u> </u>	<u>s — </u>	<u>s – </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u> </u>	<u>s — </u>	\$11,099,363
Reversing Disbursement Allocation		3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_								
Cash Balance End of Month	\$20,431,489	\$ 477,181	\$56,790,715	<u>s                                    </u>	<u>s</u> –	<u>s</u> –	<u>s</u> –	<u>s</u> —	<u>s</u> –	<u>s</u> –	<u>s</u> —	\$77,699,385

#### MOR-2: End of May 2023 Balance Sheet

			Core	Core		Core	Core Scientific Specialty	American			American	American		
		Core	Scientific	Scientific	D - d	Scientific	Mining	Property		DADAD	Property	Property	Elimin eti	
(US \$)		Scientific, Inc.	Acquired Mining LLC	Operating Company	Radar Relay, Inc.	LLC	(Oklahoma) LLC	Acquisition, LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS			g EEC	Company		LLC			LLC	LLC		<u> </u>		
Cash and			477 101 41	56 100 207 70										57 750 470
Equivalen Restricted Ca		20,234,882	477,181.41	56,182,297.78 805,024	_									56,659,479 21,039,
Total Cash	asii	20,234,882	477,181	56,987,322										77,699,
Accounts		20,254,002	477,101	30,707,022										77,077,
receivable				757045										
allowance Accounts	;	_	_	757,945	_								_	757,
receivable	from													
related par		468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,:
Deposits for equipment				94.710										94
Digital curre		_	_	84,710	_								_	84,
assets	-	_	125,611	962,165	_								_	1,087,
Prepaid expe	enses		22 929 240	22 455 107									(22 921 500)	22.461.4
and other Total other c	urrent	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
assets		1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Curre	ent													
Assets	mt o 1	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, pla equipment		_	53,693,939	577,849,769	_								(15,616,704)	615,927,0
Operating			,-,-,-,	2,3.15,705									(,-10,704)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
lease-right	t-of-use			20.052.992										20.052
assets Goodwill			232,587,379	20,052,882 (167,058,249)	(65 529 130)									20,052,
Intangible as	ssets,		232,361,317	(107,030,247)	(03,327,130)									
net		_	_	2,163,255	_								_	2,163,2
Other noncus	rrent	2.558.789	(0)	6 741 120										9,299,
assets Total Assets		2,312,306,980	(674,929,892)	6,741,120 (637,666,141)	(64 350 031)								(180,156,235)	755,204,
LIABILITIES,		2,312,300,700	(0/4,323,032)	(037,000,141)	(04,330,031)								(160,130,233)	733,204,
PREFERRED														
STOCK & EQ			1.41.720.700	02.0/2.502	12.250								(1.41.710.022)	02.006
Accounts Pa Accrued exp		_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
and other	enses	199,366	18,145,227	69,857,303	_								_	88,201,
Deferred rev		_	· · ·	106,252,734	_								(38,709,697)	67,543,
Derivative w liabilities	varrant													
Operating le	ase		_										_	
liabilities,														
portion		_	_	481,327	_								_	481,
Financing lea														
portion		_	_	25,959,033	_								_	25,959,
Long-term d		(550.001.057)		720 405 517										1.00.502
current po Total currer		(559,901,857)		729,495,517										169,593,
liabilities		(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lea	ase				, i									
liabilities, current po				14 512 940										14,512,
Financing le		_	_	14,512,840	_								_	14,312,
liabilities,	net of													
current po	ortion			43,197,679										43,197,
Long-term d of current		568,258,150	_	97,908,014	_								_	666,166,
Other noncu	rrent	,,		,, , 1										,,
liabilities			18,084,856	(15,497,086)	(2,587,769)									4.450
Total Liabil Pre-Petition		8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
to Compro	. "	684,395,370	_	(684,395,370)	_								_	
Total Pre-Pe	etition	,,,,,,,,,,,		(,,)										
Subject to	0	(04.207.27		((04.307.37										
Compron Preferred sto		684,395,370	=	(684,395,370)	_									
Common sto		37,478	=	=									_	37,
Additional p			(15.050.141)	0.007.40										
capital Accumulate	h	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
deficit	u	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other		. , . , , ,	,,,	. ,	· · · · · · · · · · · · · · · · · · ·									. , , , , , , , , , , ,
Compreh Income	ensive													
Cumulative	;				_									
Translatio	on													
Adjustme			46,983										(46,983)	
Total Equity		1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities, Preferred Stoc														
Equity		2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

### MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties			2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties	_	2 02 4 7 40	22.051.555	_							
Digital asset mining income		3,024,740	33,071,555	_							
Network services and defi revenue			<u> </u>								
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal settlements			_	_							
Gain (loss) from sales of digital currency assets	_	28,610	245,157	_							
Impairments of digital currency assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing	_	_	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees	_	`-		_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_	(= 10,== 1)	-,,	(0,000)							
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_	`-'	_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense), net:			(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense		(5-10,224)	(3,232,037)	(0,500)							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							
The Income (15035)		(5-10,224)	(3,232,037)	(0,300)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Mining LLC	§ §	Case No. 22-90340	
Debtor(s)	§	Lead Case No. 22-90341	
Debioi(s)	8	☑ Jointly Administered	
Monthly Operating Report			Chapter 1
Reporting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Months Pending: 5		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 relief):		0	
Supporting Documentation (check all that are attached):			
For jointly administered debtors, any required schedules must	be provided on a	non-consolidated basis for each debtor)	
Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the a 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 report	orting period		
s/Alfredo R. Pérez		Alfredo R. Pérez	
Signature of Responsible Party		Printed Name of Responsible Party	
06/30/2023 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.

Part 1	: Cash Receipts and Disbursements	Current Month	Cumulative
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 Month	
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	
		<u>-</u>	
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
_			
(Not g	l: Income Statement (Statement of Operations) tenerally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$ 0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
g.	Depreciation and/or amortization (not included in 4b)	\$ 0	
h.	Interest	\$ 0	
i.	Taxes (local, state, and federal)	\$ 0	
j.	Reorganization items	\$ 0	
k.	Profit (loss)	\$ 0	\$ 0

Part :	5: Professional F	ees and Expenses					
		•		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's p	rofessional fees & expense	s (bankruptcy) Aggregate Total				
	Itemized B	reakdown by Firm					
		Firm Name	Role	1			
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	XXV						
	xxvi						
	xxvii						
	xxviii						
	xxix						
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
	xxxv						
	xxxvi						

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi			
lxxii			
lxxiii			
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii	 		

lxxix			
lxxx			
lxxxi			
lxxxii			
lxxxiii			
lxxxiv			
lxxxv			
lxxxvi			
lxxxvii			
lxxxviii			
lxxxix			
xc			
xci			
xcii			
xciii			
xciv			
xcv			
xcvi			
xcvii			
xcviii			
xcix			
c			
ci			

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & e	expenses (nonbankruptcy) Aggregate Total				1
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
	iv					
	v					
	vi					
	vii					
	viii					
	ix					
	x					
	xi					
	xii					
ŀ	xiii					
	xiv					

	1	ı		
XV				
xvi				
xvii				
xviii				
xix				
XX				
xxi				
xxii				
xxiii				
xxiv				
XXV				
xxvi				
xxvii				
xxviii				
xxix				
XXX				
xxxi				
xxxii				
xxxiii				
xxxiv				
XXXV				
xxxvi				
xxxvii				
xxxviii				
xxxix				
xl				
xli				
xlii				
xliii				
xliv				
xlv				
xlvi				
xlvii				
xlviii				
xlix				
1				
li				
lii				
liii				
liv				
lv				
lvi				

	lvii					
	lviii					
	lix					
	lx					
	lxi					
	lxii					
	lxiii					
	lxiv					
	lxv					
	lxvi					
	lxvii					
	lxviii					
-	lxix					
	lxx					
	lxxi					
	lxxii					
	lxxiii					
	lxxiv					
	lxxv					
L	lxxvi					
	lxxvii					
	lxxviii					
	lxxix					
	lxxx					
	lxxxi					
	lxxxii					
	lxxxiii					
	lxxxiv					
	lxxxv					
	lxxxvi					
	lxxxvii					
	lxxxviii					
	lxxxix					
	xc					
	xci					
	xcii					
	xciii					
	xciv					
	xcv					
	xcvi					
	xcvii					
	xcviii					
	xcix					
	С					
	All professional fees and expenses (debtor &	committees)	\$ 0	\$ 0	\$ 0	\$

Par	Part 6: Postpetition Taxes			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

Don	t 7: Questionnaire - During this reporting period:				
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 □	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 □	$N/A \boxtimes$	
i.	Do you have: Worker's compensation insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 □	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 □		

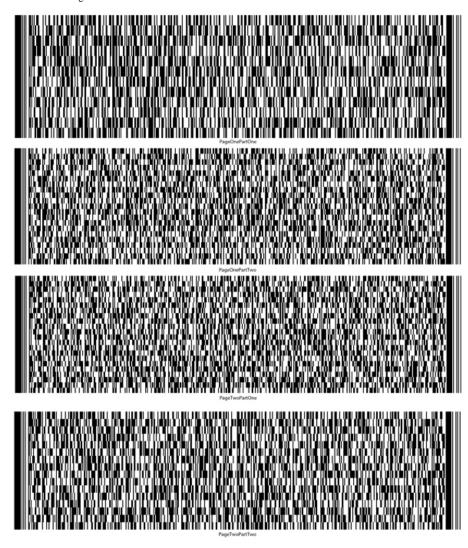
Debtor's Name Core Scientific Mining LLC			Case No. 22-90340		
Par	8: Individual Chapter 11 Debtors (Only)				
a.	Gross income (receipts) from salary and wages	\$		0	
b.	Gross income (receipts) from self-employment	\$		0	
c.	Gross income from all other sources	\$		0	
d.	Total income in the reporting 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 □	No ⊠	
m.	If yes, have you made all Domestic Support Obligation payments?		Yes □	No □	N/A ⋈

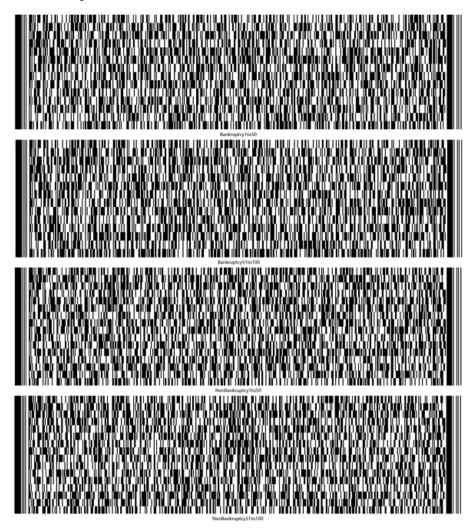
#### **Privacy Act Statement**

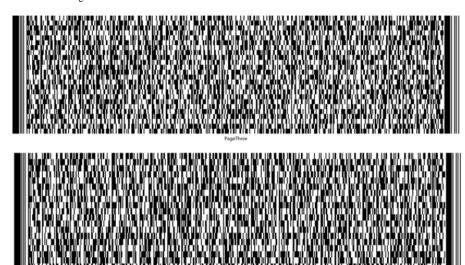
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros		
Signature of Responsible Party	Printed Name of Responsible Party		
SVP, Capital Markets and Acquisitions	06/30/2023		
Title	Date		







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

In re:

CORE SCIENTIFIC, INC., et al.,

Debtors.

Debtors.

S Chapter 11

Case No. 22-90341 (DRJ)

S (Jointly Administered)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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").

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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## $\underline{MOR\text{-}1\text{:}}$ 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Relay,	Core Scientific Mining	(Oklahoma)	American Property Acquisition,			American Property Acquisitions		
Description	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2.937.181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_	_	_	_	_	_	_	3,935,308
Total Receipts	43	3,049,519	42,715,651									45,765,214
•		-,,	12,110,001									,,
Disbursements												
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental		37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees	_	521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense		248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686	_	_	_	_			_		(1,794,768)
MOR Part 1 d. Cash	(5,110,720)	(30,733)	3,300,000									(1,774,700)
Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	s —	s –	s —	•	s –	•	s –	s —	\$77,699,385
	315,010,429	3 2,133,004	359,929,093	<u> </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u> </u>	<u>s — </u>	\$11,099,363
Reversing Disbursement Allocation		3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_								
Cash Balance End of Month	\$20,431,489	\$ 477,181	\$56,790,715	<u>s                                    </u>	<u>s</u> –	<u>s</u> –	<u>s</u> –	<u>s</u> —	<u>s</u> –	<u>s</u> –	<u>s</u> —	\$77,699,385

	Core Scientific,	Core Scientific Acquired	Core Scientific Operating	Radar	Core Scientific Mining	(Oklahoma)		Starboard Capital					
(US \$)	Inc.	Mining LLC	Company	Relay, Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS Cash and													
Equivalents	_	477,181.41	56,182,297.78	_								_	56,659,479
Restricted Cash	20,234,882		805,024										21,039,
Total Cash	20,234,882	477,181	56,987,322										77,699,
Accounts receivable, net of allowance Accounts	_	_	757,945	_								_	757,
receivable from related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,
Deposits for equipment			84,710										84,
Digital currency	_	_	04,710	_								_	04,
assets	_	125,611	962,165	_								_	1,087,
Prepaid expenses		22 020 240	22 455 106									(22 021 500)	22.461.4
and other Total other current	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Current		<u> </u>											
Assets	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, plant and		52 (02 020	555 040 560									(15 (16 50 0	(15.005)
equipment Operating		53,693,939	577,849,769									(15,616,704)	615,927,
lease-right-of-use													
assets	_	_	20,052,882	_								_	20,052,
Goodwill	_	232,587,379	(167,058,249)	(65,529,130)								_	
Intangible assets, net			2 162 255										2 162
Other noncurrent	_	_	2,163,255	_								_	2,163,
assets	2,558,789	(0)	6,741,120	_								_	9,299,
Total Assets	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,
LIABILITIES, PREFERRED STOCK & EOUITY													
Accounts Payable	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
Accrued expenses													
and other Deferred revenue	199,366	18,145,227	69,857,303 106,252,734									(20,700,(07)	88,201, 67,543,
Derivative warrant	_	_	100,232,734	_								(38,709,697)	07,343,
liabilities	_	_	_	_								_	
Operating lease													
liabilities, current			481,327										481,
portion Financing lease	_	_	461,327	_								_	461,.
liabilities, current													
portion	_	_	25,959,033	_								_	25,959,
Long-term debt,	(550 001 057)		720 405 517										160 502
current portion Total current	(559,901,857)		729,495,517										169,593,
liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lease	(00), (02,151)	105,070,527	1,010,100,000	10,200								(100,127,725)	10 1,000,
liabilities, net of current portion Financing lease	_	_	14,512,840	_								_	14,512,
liabilities, net of													
current portion			43,197,679										43,197,
Long-term debt, net of current portion	568,258,150		97,908,014										666 166
Other noncurrent	500,250,150		77,700,014	_									666,166,
liabilities		18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
Pre-Petition Subject	(04 205 270		((04 205 270)										
to Compromise  Total Pre-Petition	684,395,370		(684,395,370)										
Subject to													
Compromise	684,395,370	_	(684,395,370)	_								_	
Preferred stock	_	_		_								_	
Common stock	37,478	_	_	_								_	37,
Additional paid-in capital	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
Accumulated	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	(13,777,141)	2,007,021										1,730,000,
deficit	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other													
Comprehensive Income													
Cumulative		_	_									_	
Translation													
Adjustment		46,983										(46,983)	
Total Equity	1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities, Preferred Stock & Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties	_	_	2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties	_	_	_	_							
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi revenue											
Total Revenue		3,024,740	45,469,463								
Cost of revenue	_	(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal settlements											
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency			_ 10,10								
assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing		<del>-</del>	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees											
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)	_	(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_										
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_	_	_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense),											
net:			(8,400,324)								
Income (loss) before income taxes	_	(348,224)	(5,282,659)	(8,500)							
Income tax expense											
Net Income (Loss)	_	(348,224)	(5,282,659)	(8,500)							

## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Operating Company		§	Case No. 22-90343	
		§ §	Lead Case No. 22-90341	
Debtor(s)		§	☑ Jointly Administered	
Monthly Operating Report				Chapter 11
Reporting Period Ended: 05/31/2023			Petition Date: 12/21/2022	
Months Pending: 5			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 o	f order for relief):		0	
Supporting Documentation (check all that	are attached):			
(For jointly administered debtors, any require	red schedules must be provided on a	a no	on-consolidated basis for each debtor)	
Statement of cash receipts and disburs Balance sheet containing the summar Statement of operations (profit or loss 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 reconci Description of the assets sold or trans	y and detail of the assets, liabilities statement) s sliations for the reporting period			
/s/ Alfredo R. Pérez			Alfredo R. Pérez	
Signature of Responsible Party			Printed Name of Responsible Party	
06/30/2023				
Date			700 Louisiana Street, Suite 1700, Houston, Texa Address	as 77002

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.

Par	t 1: Cash Receipts and Disbursements	С	urrent Month	Cumulative
a.	Cash balance beginning of month	\$	56,562,407	
b.	Total receipts (net of transfers between accounts)	\$	42,715,651	\$201,462,410
c.	Total disbursements (net of transfers between accounts)	\$	39,348,966	\$ 58,427,554
d.	Cash balance end of month (a+b-c)	\$	59,929,092	
e.	Disbursements made by third party for the benefit of the estate	\$	0	\$ 0
f.	Total disbursements for quarterly fee calculation (c+e)	\$	39,348,966	\$ 58,427,554
Par	t 2: Asset and Liability Status t generally applicable to Individual Debtors. See Instructions.)	C	urrent Month	
a.	Accounts receivable (total net of allowance)		-471,002,883	
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$	0	
c.	Inventory ( Book ⋈ Market □ Other □ (attach explanation))	\$	962,165	
d	Total current assets	<u> </u>	,077,414,916	
e.	Total assets		-637,666,141	
f.	Postpetition payables (excluding taxes)	\$	134,281,569	
g.	Postpetition payables past due (excluding taxes)	\$	0	
h.	Postpetition taxes payable	\$	3,963,169	
i.	Postpetition taxes past due	\$	0	
j.	Total postpetition debt (f+h)	\$	138,244,738	
j. k.	Prepetition secured debt	\$	287,054,679	
l.	Prepetition priority debt	\$	1,543,290	
	Prepetition unsecured debt	\$	171,919,779	
m.	Total liabilities (debt) (j+k+l+m)	\$		
n.	Ending equity/net worth (e-n)		598,762,486	
0.	Enamg equity/net worth (e-n)	<b>5-1</b>	,236,428,627	
Par	t 3: Assets Sold or Transferred	C	urrent Month	Cumulative
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$	0	\$ 3,036,635
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	\$ 3,036,635
Par	t 4: Income Statement (Statement of Operations) t generally applicable to Individual Debtors. See Instructions.)	C	urrent Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$	45,469,463	Cumulative
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$	32,612,238	
c.	Gross profit (a-b)	\$	12,857,225	
d.	Selling expenses	\$	430,774	
e.	General and administrative expenses	\$	8,368,931	
f.	Other expenses	\$	773,982	
g.	Depreciation and/or amortization (not included in 4b)	\$	0	
g. h.	Interest	\$	49,346	
i.	Taxes (local, state, and federal)	\$	49,340	
	Reorganization items	\$	8,350,978	
j. k.	Profit (loss)	\$		\$ 27,652,990
K.	110111 (1055)	Ф	-3,202,039	\$ 27,032,990

Par	t 5: Professiona	al Fees and Expenses					
		·		Approved Current Month	Approved Cumulative \$212,975	Paid Current Month	Paid Cumulative
a.	Debtor's p	rofessional fees & expenses (b	pankruptcy) Aggregate Total	\$0	\$212,975	\$0	\$212,975
	Itemized B	reakdown by Firm					
		Firm Name	Role				
	i	Stretto, Inc	Other	\$0	\$212,975	\$0	\$212,975
	ii						
	iii						
	iv						
	V						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
-	xvii						
-	xviii						
	xix						
-	XX						
-	xxi						
-	xxii						
-	xxiii						
-	xxiv						
-	XXV						
-	xxvi						
	xxvii						
-	xxviii						
-	xxix						
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
	XXXV						
	xxxvi						

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi			
lxxii			
lxxiii			
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii	 		

lxxix				
lxxx				
lxxxi				
lxxxii				
lxxxiii				
lxxxiv				
lxxxv				
lxxxvi				
lxxxvii				
lxxxviii				
lxxxix				
xc				
xci				
xcii				
xciii				
xciv				
xcv				
xcvi				
xcvii	-	·		
xcviii	-	·		
xcix	_	·	 	
c	-	·		
ci				

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's	s professional fees & expenses (no	nbankruptcy) Aggregate Total	\$1,039,643	\$2,332,406	\$530,629	\$1,655,869
	Itemized	Breakdown by Firm					
Ī		Firm Name	Role				
İ	i	Fishman Stewart PLLC	Local Counsel	\$13,138	\$95,414	\$28,986	\$45,868
	ii	Frost Brown Todd Attorneys LLP	Other	\$4,442	\$22,230	\$13,061	\$17,788
Ī	iii	Horne LLP	Other	\$1,760	\$5,688	\$0	\$3,928
ĺ	iv	Marcum LLP	Financial Professional	\$113,300	\$1,042,959	\$0	\$929,659
Ī	v	Quinn Emanuel Trial Lawyers	Other	\$211,977	\$299,043	\$25,456	\$32,142
Ī	vi	Alston and Bird LLP	Other	\$11,627	\$181,098	\$11,627	\$170,64
ĺ	vii	Carey Olsen Cayman Limited	Other	\$0	\$0	\$0	\$2,23
ſ	viii	Murphy and Grantland PA	Other	\$0	\$480	\$0	\$
ſ	ix	Parker Poe	Other	\$0	\$2,096	\$0	\$2,090
	X	Morgan Lewis and Blockius LLP	Other	\$0	\$0	\$0	\$0
Ī	xi	Deloitte & Touche LLP	Other	\$683,400	\$683,400	\$451,500	\$451,500
Ī	xii						
ı	xiii						
ı	xiv						

xv			
xvi			
xvii			
xviii			
xix			
xx xxi			
xxii			
xxiii			
xxiv			
XXV			
xxvi			
xxvii			
xxviii			
xxix			
XXX			
xxxi			
xxxii			
xxxiii			
xxxiv			
XXXV			
xxxvi			
xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			1
li			
lii			<del>                                     </del>
liii			-
liv			
lv			-
lvi			-
1 V I			

	lvii							
	lviii							
	lix							
	lx							
	lxi							
	lxii							
	lxiii							
	lxiv							
	lxv							
	lxvi							
	lxvii							
	lxviii							
	lxix							
	lxx							
	lxxi							
	lxxii							
	lxxiii							
	lxxiv							
	lxxv							
	lxxvi							
	lxxvii							
	lxxviii							
	lxxix							
	lxxx							
	lxxxi							
	lxxxii							
	lxxxiii							
	lxxxiv							
	lxxxv							
	lxxxvi							
	lxxxvii							
	lxxxviii							
	lxxxix							
	xc							
	xci							
	xcii							
	xciii							
	xciv							
	xcv							
	xcvi							
	xcvii							
	xcviii							
	xcix							
	С							
r		l sional fees and expenses (debtor &	& committees)	\$ 1,030,642	\$ 2,545,381	\$ 530,620	\$ 1 Q	868,84
٠.	All profess	sional ices and expenses (debtor 6	x committees)	φ 1,039,043	ψ 4,545,361	ψ 330,029	φ 1,0	00,04

Case	Nο	22-	an	3/13
Case	INO.	22-	フリ	1343

Par	t 6: Postpetition Taxes	Cur	rrent Month	Cumulative
a.	Postpetition income taxes accrued (local, state, and federal)	\$	0	\$ 65,977
b.	Postpetition income taxes paid (local, state, and federal)	\$	0	\$ 0
c.	Postpetition employer payroll taxes accrued	\$	55,084	\$ 336,127
d.	Postpetition employer payroll taxes paid	\$	171,698	\$ 879,153
e.	Postpetition property taxes paid	\$	0	\$ 17,284
f.	Postpetition other taxes accrued (local, state, and federal)	\$	-39,761	\$ -15,937
g.	Postpetition other taxes paid (local, state, and federal)	\$	-5,641	\$ -6,190

Par	7: Questionnaire - During this reporting period:				
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 □	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 ⊠		
ĥ.	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 □	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 □		
	• • •				

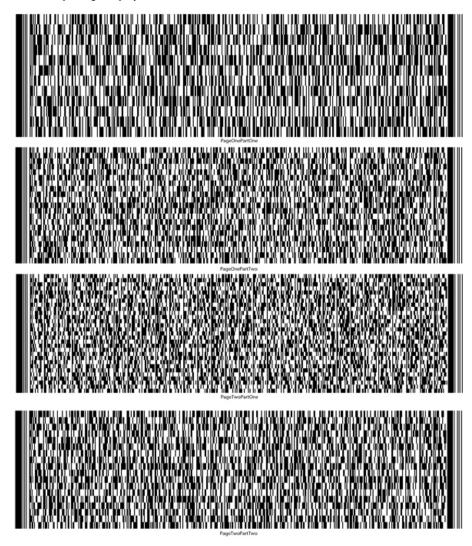
De	btor's Name Core Scientific Operating Company	Case No. 22-90343		
Par	t 8: Individual Chapter 11 Debtors (Only)			
a.	Gross income (receipts) from salary and wages	\$	0	
b.	Gross income (receipts) from self-employment	\$	0	
c.	Gross income from all other sources	\$	0	
d.	Total income in the reporting 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 ⊠	
m.	If yes, have you made all Domestic Support Obligation payments?	Yes □	No □	N/A ⋈

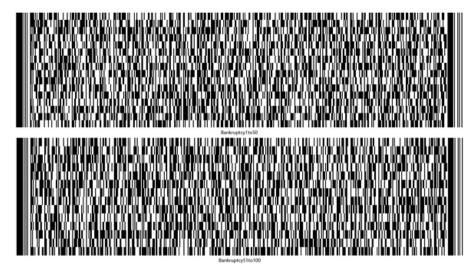
#### **Privacy Act Statement**

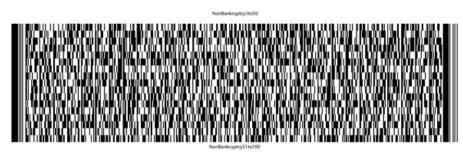
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

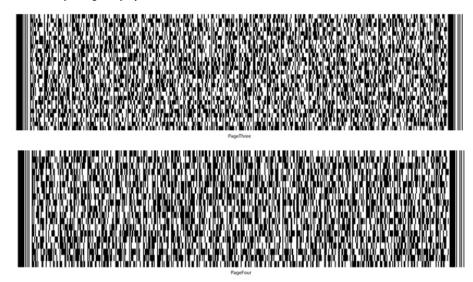
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	Date









12

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

In re:

CORE SCIENTIFIC, INC., et al.,

Debtors.

Debtors.

S Chapter 11

Case No. 22-90341 (DRJ)

S (Jointly Administered)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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 March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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
- 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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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.
- 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.
- 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Relay,	Core Scientific Mining	(Oklahoma)	American Property Acquisition,	Starboard Capital		American Property Acquisitions		
<u>Description</u>	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon												
Sales			2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330									3,935,308
Total Receipts	43	3,049,519	42,715,651	_	_	_	_	_	_	_	_	45,765,214
Disbursements												
Suppliers or vendors	_	2.174.957	27.574.025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental	_	37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees		521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense	_	248,423	3,161,332	_	_	_	_	_	_	_	_	3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
Cash Balance Beginning				,					· ·	·		
of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	
Cash Balance End of Month (excl. Internal Transfers)	15.616.429	5.245.976	56.836.980									77,699,385
Bank Cash Balance	13,010,429	3,243,970	30,830,980		_	_	_	_	_	_	_	11,099,303
Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50.733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
MOR Part 1 d. Cash	(5,110,720)	(00,700)	3,500,000									(1,771,700)
Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<u>s — </u>	<u>s</u> —	<u>s</u>	<u>s</u> —	<u>s</u> —	<u>s                                    </u>	<u>s — </u>	<u>s</u>	\$77,699,385
Reversing Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)									
Cash Balance End of Month	\$20,431,489	<u>\$ 477,181</u>	\$56,790,715	<u>s                                    </u>	<u>s</u> –	<u>s</u> –	<u>s</u> –	<u>s                                    </u>	<u>s                                     </u>	<u>s</u> –	<u>s</u> –	\$77,699,385

## MOR-2: End of May 2023 Balance Sheet

		Core	Core		Core	Core Scientific Specialty	American			American	American		
	Core	Scientific	Scientific	D	Scientific	Mining	Property		DADAD	Property	Property	Filmin dia.	
(US \$)	Scientific, Inc.	Acquired Mining LLC	Operating Company	Radar Relay, Inc.	LLC	(Oklahoma) LLC	Acquisition, LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS													
Cash and Equivalents		477,181.41	56,182,297.78	_								_	56,659,479
Restricted Cash	20,234,882	4//,161.41	805,024									_	21,039,
Total Cash	20,234,882	477,181	56,987,322										77,699,
Accounts													
receivable, net of allowance	_	_	757,945	_								_	757,
Accounts			,										,
receivable from related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11.
Deposits for	408,733,027	143,308,423	(4/1,/00,829)	1,100,300								(141,/16,032)	11,:
equipment	_	_	84,710	_								_	84,
Digital currency assets	_	125,611	962,165	_								_	1,087,
Prepaid expenses		123,011	702,103										1,007,
and other	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
Total other current assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Current		(1,1-0,1-1,010)											-,,,,,
Assets	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, plant and equipment	_	53,693,939	577,849,769	_								(15,616,704)	615,927,
Operating		,0,0,,0,	2,3.12,102									(,-10,,01)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
lease-right-of-use assets			20,052,882										20,052,
Goodwill		232,587,379	(167,058,249)	(65.529.130)									20,032,
Intangible assets,		, , , , , , , ,		(,,									
net Other noncurrent	_	_	2,163,255	_								_	2,163,
assets	2,558,789	(0)	6,741,120	_								_	9,299,
Total Assets	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,
LIABILITIES,													
PREFERRED STOCK & EQUITY													
Accounts Payable	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
Accrued expenses	100.266		<0.05 <b>=</b> 202										00.201
and other Deferred revenue	199,366	18,145,227	69,857,303 106,252,734									(38,709,697)	88,201, 67,543,
Derivative warrant			100,232,734									(30,707,077)	07,545,
liabilities												_	
Operating lease liabilities, current													
portion	_	_	481,327	_								_	481,
Financing lease liabilities, current													
portion	_	_	25,959,033	_								_	25,959,
Long-term debt,	(550,001,055)		500 to 5 51 5										1.00.500
current portion Total current	(559,901,857)		729,495,517										169,593,
liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lease	,												
liabilities, net of current portion			14,512,840									_	14,512,
Financing lease			14,512,040										14,512,
liabilities, net of			42 107 (70										42 107
current portion Long-term debt, net			43,197,679	_								_	43,197,
of current portion	568,258,150	_	97,908,014	_								_	666,166,
Other noncurrent liabilities	_	18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
Pre-Petition Subject		, 20,.00		( ,,>)								, , )	, , ,
to Compromise	684,395,370		(684,395,370)										
Total Pre-Petition Subject to													
Compromise	684,395,370	_	(684,395,370)	_								_	
Preferred stock Common stock	37,478			_									37,
Additional paid-in			_	_								_	
capital	1,799,100,312	(15,979,141)	2,887,621	_									1,786,008,
Accumulated deficit	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other	(17,701,000)	(000,00,010)	(-,,,)	(01,770,012)								210,470	(2,10),000,
Comprehensive													
Income Cumulative				_									
Translation												,,,,,,	
Adjustment Total Equity	1,619,355,951	46,983 (852,888,675)	(1,108,500,723)	(61 775 512)								(46,983) 271,494	(403,537,
Total Liabilities,	1,017,033,731	(032,000,075)	(1,100,300,723)	(01,773,312)								4/1,474	(703,337,
Preferred Stock &				(61.050.00								(400.45****	
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties			2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties	_	2 02 4 7 40	22.051.555	_							
Digital asset mining income		3,024,740	33,071,555	_							
Network services and defi revenue			<u> </u>								
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal settlements			_	_							
Gain (loss) from sales of digital currency assets	_	28,610	245,157	_							
Impairments of digital currency assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing	_	_	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees	_	`-		_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_	(= 10,== 1)	-,,	(0,000)							
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_	`-'	_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense), net:			(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense		(5-10,224)	(3,232,037)	(0,500)							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							
The Income (15035)		(5-10,224)	(3,232,037)	(0,300)							

## Core Scientific Operating Company

 $MOR-4: 5/1/2023-5/31/2023\ Total\ cash\ sales\ price\ for\ assets\ sold/transferred\ outside\ the\ ordinary\ course\ of\ business$ 

	Date	Period	Description	Amount
Total			·	

Core Scientific Operating Company executed an asset swap of S19 miners with AsicXchange. No cash was exchanged, and no assets were sold in the period

## Core Scientific Operating Company

## MOR-5: 5/1/2023 - 5/31/2023 Payments to Insiders

Name	Title	Date	Amount	Description
Mike Levitt	Chief Executive Officer	5/7/2023	\$ 2,307.69	Base Salary
Mike Levitt	Chief Executive Officer	5/21/2023	\$ 2,307.69	Base Salary
Denise Sterling	Executive Vice President, Chief Financial Officer	5/7/2023	\$11,538.46	Base Salary
Denise Sterling	Executive Vice President, Chief Financial Officer	5/21/2023	\$11,538.46	Base Salary
Darin Feinstein	Executive Vice President, Strategy	5/7/2023	\$ 2,307.69	Base Salary
Darin Feinstein	Executive Vice President, Strategy	5/21/2023	\$ 2,307.69	Base Salary
Darin Feinstein	Executive Vice President, Strategy	5/26/2023	\$ 1,979.44	Expense Reimbursement
Todd DuChene	President and Chief Legal Officer	5/7/2023	\$19,230.77	Base Salary
Todd DuChene	President and Chief Legal Officer	5/21/2023	\$19,230.77	Base Salary

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Acquired Mining LLC	§ §	Case No. 22-90342	
	§	Lead Case No. 22-90341	
Debtor(s)	§	☑ Jointly Administered	
Monthly Operating Report			Chapter 11
Reporting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Months Pending: 5		Industry Classification: 3 3 4 1	
Reporting Method: Accrual Ba	ısis 🗵	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 j	provided on a	non-consolidated basis for each debtor)	
Statement of cash receipts and disbursements Balance sheet containing the summary and detail of the asset 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 reportin Description of the assets sold or transferred and the terms of	ng period		
s/ Alfredo R. Pérez		Alfredo R. Pérez	
Signature of Responsible Party		Printed Name of Responsible Party	
06/30/2023			
Date		700 Louisiana Street, Suite 1700, Houston, Texas Address	77002

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.

Part 1: Cash Receipts and Disbursements a. Cash balance beginning of month b. Total receipts (net of transfers between accounts) c. Total disbursements (net of transfers between accounts) d. Cash balance end of month (a+b-c) e. Disbursements made by third party for the benefit of the estate f. Total disbursements for quarterly fee calculation (c+e)  Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance) b. Accounts receivable over 90 days outstanding (net of allowance)  Current Month Current Month Current Month Current Month Current Month Current Month S 2,204,597  8 4,716  Current Month Current Month S 143,568,425  Current Month S 143,568,425	2,235 6,638 0
c. Total disbursements (net of transfers between accounts)  d. Cash balance end of month (a+b-c)  e. Disbursements made by third party for the benefit of the estate  f. Total disbursements for quarterly fee calculation (c+e)  Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)  a. Accounts receivable (total net of allowance)  \$ 3,100,252 \$ 4,716	6,638
d. Cash balance end of month (a+b-c)  e. Disbursements made by third party for the benefit of the estate  f. Total disbursements for quarterly fee calculation (c+e)  Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)  a. Accounts receivable (total net of allowance)  S 2,153,864  \$ 0 \$  \$ 3,100,252 \$ 4,716	0
e. Disbursements made by third party for the benefit of the estate f. Total disbursements for quarterly fee calculation (c+e)  Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance)  Current Month status (Not generally applicable to Individual Debtors. See Instructions.) Status (Not generally applicable to Individual Debtors. See Instructions.) Status (Not generally applicable to Individual Debtors. See Instructions.) Status (Not generally applicable to Individual Debtors. See Instructions.) Status (Not generally applicable to Individual Debtors. See Instructions.)	
f. Total disbursements for quarterly fee calculation (c+e) \$ 3,100,252 \$ 4,710  Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance) \$ 143,568,425	
Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance)  Current Month \$ 143,568,425	6,638
Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance)  Current Month \$ 143,568,425	
(Not generally applicable to Individual Debtors. See Instructions.) a. Accounts receivable (total net of allowance)  Current Month \$ 143,568,425	
a. Accounts receivable (total net of allowance) \$ 143,568,425	
· · · · · · · · · · · · · · · · · · ·	
8(	
c. Inventory ( Book Market Other (attach explanation)) \$\ 125,611	
d Total current assets \$-961,211,209	
e. Total assets \$-674,929,892	
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	
o. Ending equity/net worth (e-n) \$-674,929,892	
<u> </u>	
Part 3: Assets Sold or Transferred Current Month Cumul:	ative
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.)  Current Month Cumul:	ativo
(Not generally applicable to Individual Debtors. See Instructions.) a. Gross income/sales (net of returns and allowances)  \$\frac{\text{Current Month}}{\text{sq. }} \frac{\text{Cumul:}}{\text{sq. }} \text	ative
b. Cost of goods sold (inclusive of depreciation, if applicable) \$ 3,349,178	
c. Gross profit (a-b) \$ -324,438	
d. Selling expenses \$ 0	
e. General and administrative expenses \$ 6,406	
f. Other expenses \$ 0	
g. Depreciation and/or amortization (not included in 4b) \$ 0	
h. Interest \$ 0	
i. Taxes (local, state, and federal) \$ 0	
i. Reorganization items \$ 0	
k. Profit (loss) \$ -348,224 \$-3,413	

Part	t 5: Professional	Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's p	Debtor's professional fees & expenses (bankruptcy) Aggregate Total					
	Itemized Breakdown by Firm						
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	xxv						
	xxvi						
	xxvii						
	xxviii						
	xxix						
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
	xxxv						
	xxxvi				İ	İ	

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi			
lxxii			
lxxiii			
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii	 		

lxxix		-	 -	
lxxx				
lxxxi				
lxxxii				
lxxxii				
lxxxiv				
lxxxv				
lxxxvi				
lxxxvii				
lxxxviii				
lxxxix				
xc				
xci				
xcii				
xciii				
xciv				
xcv				
xcvi				
xcvii				
xcviii				
xcix				
c				
ci				

				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	1			
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv	_					

XV			
xvi			
xvii			
xviii			
xix			
XX			
xxi			
xxii			
xxiii			
xxiv			
XXV			
xxvi			
xxvii			
xxviii			
xxix			
XXX			
xxxi			
xxxii			
xxxiii			
xxxiv			
XXXV			
xxxvi			
xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
1111			
			1
liv lv			

lvii	
lviii	
lix	
lx	
lxi	
lxii	
lxiii	
lxiv	
lxv	
lxvi	
lxvii	
lxviii	
lxix	
lxx	
lxxi	
lxxii	
lxxiii	
lxxiv	
lxxv	
lxxvi	
lxxvii	
lxxviii	
lxxix	
lxxx	
lxxxi	
lxxxii	
lxxxii	
lxxxiv	
lxxxv	
lxxxvi	
lxxxvii	
lxxxviii	
lxxxix	
xc	
xci	
xcii	
xciii	
xciv	
xcv	
xevi	
xevii	
xeviii	
xcix	
c	
All professional fees and expenses (debtor & committees)	\$ 0 \$ 0 \$ 0 \$

Par	t 6: Postpetition Taxes	Current	Month	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

_					
Par a.	t 7: Questionnaire - During this reporting period:  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 □	No ⊠		
	yes, see Instructions)				
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 □	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 □		

De	otor's Name Core Scientific Acquired Mining LLC	Cas	se No. 22-90342	
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 □	No ⊠	

Debtor's Name Core Scientific Acquired Mining LLC

m. If yes, have you made all Domestic Support Obligation payments?

Case No. 22-90342

No □

 $N\!/A \boxtimes$ 

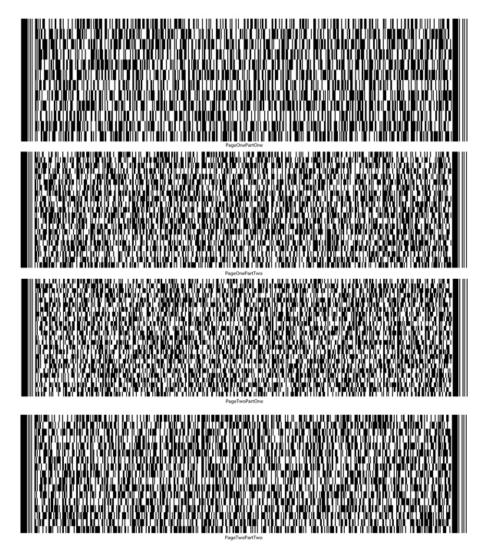
Yes □

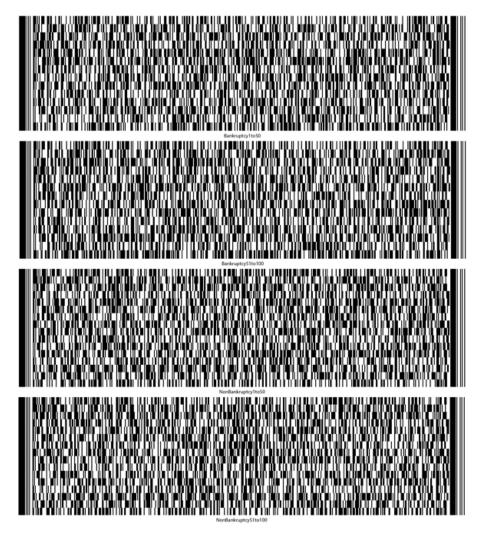
#### **Privacy Act Statement**

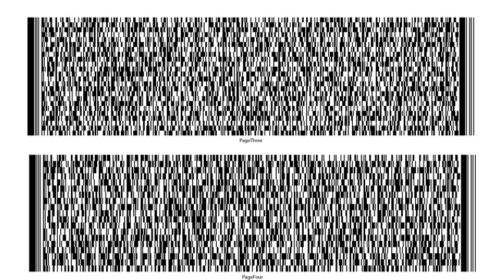
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	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)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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").

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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Relay,	Core Scientific Mining	(Oklahoma)	American Property Acquisition,	Starboard Capital		American Property Acquisitions		
Description	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	<u>Total</u>
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330									3,935,308
Total Receipts Disbursements	43	3,049,519	42,715,651	_	_	_	_	_	_	_	_	45,765,214
Suppliers or vendors Taxes / Governmental	_	2,174,957 37,900	27,574,025 482,298	_	_	_	_	_	_	_	_	29,748,982 520,198
Services	5.110.763	117,478	1.494.971									6,723,212
Financial / Bank Fees	5,110,705	521,495	6,636,339									7,157,834
Employee Expense	_	248,423	3,161,332					_		_		3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.	3,110,703	3,100,232	37,340,700								_	47,337,702
Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<u>s — </u>	<u>s</u> _	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                     </u>	<u>s                                    </u>	<u>s                                      </u>	\$77,699,385
Reversing Disbursement Allocation	-	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_	_							
Cash Balance End of Month	\$20,431,489	<u>\$ 477,181</u>	\$56,790,715	<u>s —</u>	<u>s – </u>	<u>s</u>	<u>s</u>	<u>s                                    </u>	<u>s –</u>	<u>s –</u>	<u>s – </u>	\$77,699,385

#### MOR-2: End of May 2023 Balance Sheet

		Core	Core		Core	Core Scientific Specialty	American			American	American		
	Core	Scientific	Scientific	D - d	Scientific	Mining	Property		DADAD	Property	Property	Elimin di	
(US \$)	Scientific, Inc.	Acquired Mining LLC	Operating Company	Radar Relay, Inc.	LLC	(Oklahoma) LLC	Acquisition, LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS		THING DEC	Company		LLC		LLC	LLC	LLC				10111
Cash and		477 101 41	56 102 207 70										57 750 470
Equivalents Restricted Cash	20,234,882	477,181.41	56,182,297.78 805,024	_									56,659,479 21,039,
Total Cash	20,234,882	477,181	56,987,322										77,699,
Accounts	20,254,002	477,101	30,707,022										77,077,
receivable, net of			555045										a.a.
allowance Accounts	_	_	757,945	_								_	757,
receivable from													
related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,:
Deposits for			94.710										94
equipment Digital currency	_	_	84,710	_								_	84,
assets	_	125,611	962,165	_								_	1,087,
Prepaid expenses		22 929 240	22 455 107									(22 921 500)	22.461.4
and other Total other current	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Current													
Assets	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, plant and equipment	_	53,693,939	577,849,769	_								(15,616,704)	615,927,
Operating		,-,-,,-	2,3.,,,0,									(,-10,701)	0.20,727,
lease-right-of-use			20.052.005										20.052
assets Goodwill	_	232,587,379	20,052,882 (167,058,249)	(65 520 130)									20,052,
Intangible assets,		232,301,319	(107,030,249)	(00,047,130)									
net	_	_	2,163,255	_								_	2,163,2
Other noncurrent	2.558.789	(0)	6.741.120										0.2004
assets Total Assets	2,338,789	(0) (674,929,892)	6,741,120 (637,666,141)	(64 350 031)								(180,156,235)	9,299, <b>755,204,</b>
LIABILITIES,	2,312,300,700	(0/4,323,032)	(037,000,141)	(04,530,051)								(100,130,233)	733,204,
PREFERRED													
STOCK & EQUITY		141.500.500	02.062.502	12.250								(1.41.510.022)	02.006
Accounts Payable Accrued expenses	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
and other	199,366	18,145,227	69,857,303	_								_	88,201,
Deferred revenue	_	_	106,252,734	_								(38,709,697)	67,543,
Derivative warrant													
liabilities Operating lease													
liabilities, current													
portion	_	_	481,327	_								_	481,
Financing lease liabilities, current													
portion	_	_	25,959,033	_								_	25,959,
Long-term debt,	(550,001,055)		500 to 5 51 5										1.00.500
current portion	(559,901,857)		729,495,517										169,593,
Total current liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lease	(***, ***, ***)	,	-,,,	,								(,,	10 1,000,
liabilities, net of			14 512 040										14.512.
current portion Financing lease	_	_	14,512,840	_								_	14,512,
liabilities, net of													
current portion			43,197,679										43,197,
Long-term debt, net of current portion		_	97,908,014										666,166,
Other noncurrent	500,230,130		77,700,014									_	000,100,
liabilities		18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
Pre-Petition Subject to Compromise	684,395,370	_	(684,395,370)	_								_	
Total Pre-Petition	00.,070,070		(00,,575,570)										
Subject to													
Compromise	684,395,370	_	(684,395,370)	_								_	
Preferred stock Common stock	37,478	_	_	_									37,
Additional paid-in													
capital	1,799,100,312	(15,979,141)	2,887,621										1,786,008,
Accumulated deficit	(179,781,838)	(836 956 516)	(1,111,388,345)	(61 775 512)								318,476	(2,189,583,
Other	(175,701,050)	(050,550,510)	(-,,500,545)	(01,770,012)								510,170	(2,10),000,
Comprehensive													
Income Cumulative		_		_									
Translation													
Adjustment		46,983										(46,983)	
Total Equity	1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities, Preferred Stock &													
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,
• •		,	,										

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties		_	2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties				_							
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi revenue											
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit	_	(324,438)	12,857,225	_							
Gain (loss) on legal settlements											
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency											
assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing	_	_	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees											
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)	_	(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_										
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_		_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense), net:	_	_	(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense	_			_							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							
()		(= .5,== 1)	(2,232,00)	(5,500)							

## UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In R	te. Radar Relay, Inc.	§	Case No. 22-90344	
		§ §	Lead Case No. 22-90341	
	Debtor(s)  In the prior of Ended: 05/31/2023  Iths Pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 5  In the pending: 6  In the pending: 6  In the pending: 7  In the pending: 7  In the pending: 8  In the pending: 9  In the	<b>§</b>	■ Jointly Administered	
Moi	nthly Operating Report			Chapter 11
Rep	orting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Mor	nths Pending: 5		Industry Classification: 3 3 4 1	
Rep	orting Method:	Accrual Basis	Cash Basis	
Deb	tor's Full-Time Employees (current):		0	
Deb	tor's Full-Time Employees (as of date of order f	or relief):	0	
Sup	porting Documentation (check all that are attack	ched):		
(For	jointly administered debtors, any required sched	lules must be provided on a no	n-consolidated basis for each debtor)	
	Balance sheet containing the summary and det Statement of operations (profit or loss stateme 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 in	or the reporting period		
	Alfredo R. Pérez		Alfredo R. Pérez	
Sign	nature of Kesponsible Party		Printed Name of Responsible Party	
	30/2023			5500 <b>0</b>
Date	e		700 Louisiana Street, Suite 1700, Houston, Texas Address	//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.

Debtor's Name Radar Relay, Inc.	Case No. 22-90344
Part 1: Cash Receipts and Disbursements	Current Month Cumulat
a Cash balance beginning of month	\$ 0

Par	t 1: Cash Receipts and Disbursements	Current Montl	Cur	nulative
a.	Cash balance beginning of month	\$ (	)	
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)	\$ (	)	
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	Comment Month		
a.	t generally applicable to Individual Debtors. See Instructions.)  Accounts receivable (total net of allowance)	Current Montl \$ 1,166,366		
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$ (	_	
c.	Inventory (Book   Market   Other   (attach explanation)	\$ (	_	
d	Total current assets	\$ 1,179,100	_	
e.	Total assets	\$-64,350,031	_	
f.	Postpetition payables (excluding taxes)	\$ (	_	
g.	Postpetition payables past due (excluding taxes)	\$ (	_	
h.	Postpetition taxes payable	\$ (		
i.	Postpetition taxes past due	\$ (	_	
	Total postpetition debt (f+h)	\$ (	_	
j. k.	Prepetition secured debt	\$ (	_	
		\$ (	_	
1.	Prepetition priority debt		_	
m.	Prepetition unsecured debt	\$ ( \$	_	
n.	Total liabilities (debt) (j+k+l+m)	<u>*                                      </u>	_	
0.	Ending equity/net worth (e-n)	\$-64,350,031	_	
Par	t 3: Assets Sold or Transferred	Current Montl	Cur	nulative
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
c.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ (		0
٠.	The cash proceeds from assets sold dailstoried outside the ordinary course of outsides (a o)	Ψ .		
Par	t 4: Income Statement (Statement of Operations) t generally applicable to Individual Debtors. See Instructions.)			
		Current Montl		nulative
a.	Gross income/sales (net of returns and allowances)	\$ ( \$	_	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ ( \$	_	
c.	Gross profit (a-b)		_	
d.	Selling expenses	\$ (	_	
e.	General and administrative expenses	\$ (	_	
f.	Other expenses	\$ 8,500	_	
g.	Depreciation and/or amortization (not included in 4b)	\$ (	_	
h.	Interest	\$ (	_	
i.	Taxes (local, state, and federal)	\$ (	_	
j.	Reorganization items	\$ (	_	
k.	Profit (loss)	\$ -8,500	\$ -:	58,836

Part	5: Professional	Fees and Expenses					
		•		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's pro	ofessional fees & expenses	(bankruptcy) Aggregate Total	Current Month	Cumulative	Worldi	Cumulative
	Itemized Bre	eakdown by Firm	(00000000000000000000000000000000000000				1
		Firm Name	Role				
	i						1
	ii						1
	iii						1
	iv						
	v						
	vi						
	vii						
	viii						
l	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	XXV						
	xxvi						
	xxvii						1
	xxviii						
	xxix						
	XXX						1
	xxxi						
	xxxii						1
	xxxiii						1
	xxxiv						1
	XXXV						1
	xxxvi						1

xxxvii				
xxxviii				
xxxix				
xl				
xli				
xlii				
xliii				
xliv				
xlv				
xlvi				
xlvii				
xlviii				
xlix				
1				
li				
lii				
liii				
liv				
lv				
lvi				
lvii				
lviii				
lix				
lx				
lxi				
lxii				
lxiii				
lxiv				
lxv				
lxvi				
lxvii				
lxviii				
lxix				
lxx				
lxxi				
lxxii				
lxxiii				
lxxiv				
lxxv				
lxxvi				
lxxvii				
lxxviii				
		1	1	

lxxix			
lxxx			
lxxxi			
lxxxii			
lxxxiii			
lxxxiv			
lxxxv			
lxxxvi			
lxxxvii			
lxxxviii			
lxxxix			
xc			
xci			
xcii			
xciii			
xciv			
xcv			
xcvi			
xcvii			
xcviii			
xcix			
С			
ci			

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's	professional fees & expenses (no	onbankruptcy) Aggregate Total				
	Itemized I	Breakdown by Firm	1 1, 00 0				
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	V						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						

	I	ı	1	1	
XV					
xvi					
xvii					
xviii					
xix					
XX					
xxi					
xxii					
xxiii					
xxiv					
XXV					
xxvi					
xxvii					
xxviii					
xxix					
XXX					
xxxi					
xxxii					
xxxiii					
xxxiv					
XXXV					
xxxvi					
xxxvii					
xxxviii					
xxxix					
xl					
xli					
xlii					
xliii					
xliv					
xlv					
xlvi					
xlvii					
xlviii					
xlix					
1					
li					
lii					
liii					
liv					
lv					
lvi					
	ļ	!	ļ	ļ	

	,			1	1	1	
	lvii						
	lviii						
	lix						
	lx						
	lxi						
	lxii						
	lxiii						
Ī	lxiv						
Ī	lxv						
Ī	lxvi						
Ī	lxvii						
ľ	lxviii						
ľ	lxix						
•	lxx						
ŀ	lxxi						
ŀ	lxxii						
ŀ	lxxiii						
ŀ	lxxiv						
ŀ	lxxv						
	lxxvi						
ŀ	lxxvii						
ŀ	lxxviii						
-	lxxix						
ŀ	lxxx						
ŀ							
ŀ	lxxxi						
ŀ	lxxxii						
-	lxxxiii						
-	lxxxiv						
ŀ	lxxxv						
-	lxxxvi						ļ
-	lxxxvii						ļ
	lxxxviii						
ļ	lxxxix						
ļ	xc						
ļ	xci						
	xcii						
	xciii						
	xciv						
	xcv						
	xcvi						
	xevii						
	xcviii						
	xcix						
	c						
c.	All profession	nal fees and expenses (debtor & comm	nittees)	\$ 0	\$ 0	\$ 0	\$ 0

Debtor's Name Radar Relay, Inc.	Case No. 22-90344
---------------------------------	-------------------

Current Month

Cumulative

Part 6: Postpetition Taxes

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 □	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 □				
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 □	$N/A \square$	(if no, see I	nstructio	ns)
	Casualty/property insurance?	Yes ⊠	No □				
	If yes, are your premiums current?	Yes ⊠	No □	N/A □	(if no, see I	nstructio	ns)
	General liability insurance?	Yes ⊠	No □				
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see I	nstructio	ns)
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 □				

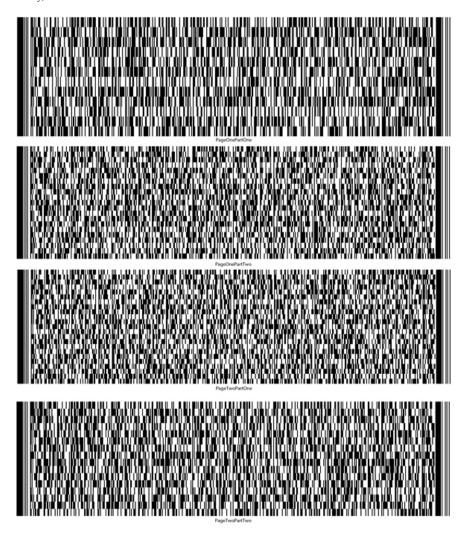
Del	otor's Name Radar Relay, Inc.	Cas	se No. 22-903	344
Par	8: Individual Chapter 11 Debtors (Only)			
a.	Gross income (receipts) from salary and wages	\$	0	
b.	Gross income (receipts) from self-employment	\$	0	
c.	Gross income from all other sources	\$	0	
d.	Total income in the reporting period (a+b+c)	\$	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 □	No ⊠	
m	If yes, have you made all Domestic Support Obligation payments?	Ves □	No □	N/A ⋈

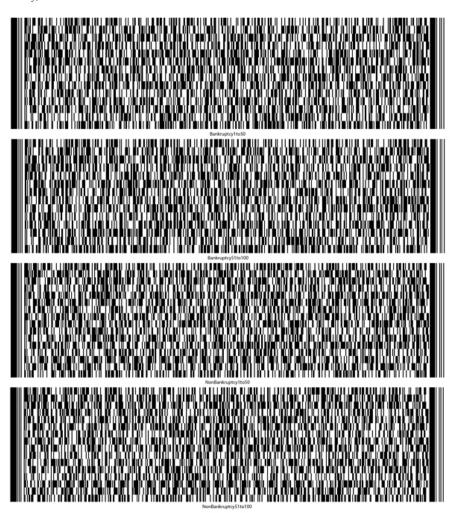
#### **Privacy Act Statement**

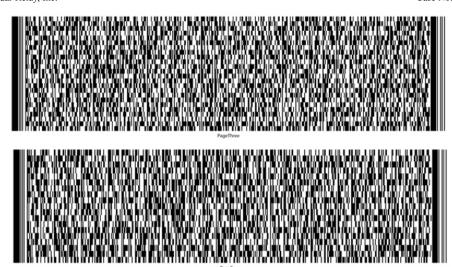
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

 $\underline{I\ declare\ under\ penalty\ of\ perjury\ that\ the\ foregoing\ Monthly\ Operating\ Report\ and\ its\ supporting\ documentation\ are\ true\ and\ correct\ and\ and\ correct\ and\ penalty\ of\ perjury\ that\ the\ foregoing\ Monthly\ Operating\ Report\ and\ its\ supporting\ documentation\ are\ true\ and\ correct\ and\ penalty\ of\ perjury\ that\ the\ foregoing\ Monthly\ Operating\ Report\ and\ its\ supporting\ documentation\ are\ true\ and\ correct\ and\ penalty\ of\ perjury\ that\ the\ foregoing\ Monthly\ Operating\ Report\ and\ its\ supporting\ documentation\ are\ true\ and\ correct\ and\ penalty\ of\ perjury\ that\ the\ foregoing\ Monthly\ Operating\ Report\ and\ its\ supporting\ documentation\ are\ true\ and\ correct\ and\ penalty\ of\ penalty\$ that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros	Michael Bros			
Signature of Responsible Party	Printed Name of Responsible Party			
SVP, Capital Markets and Acquisitions	06/30/2023			
Title	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. <sup>1</sup>	§ (Jointly Administered)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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. <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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the *Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief* (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

<b>Description</b>	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												
Operating Sales		2015 501	25015110									
Proceeds		3,047,584	35,845,140	_								38,892,724
Bitmain Coupon												
Sales		1.025	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330									3,935,308
Total Receipts	43	3,049,519	42,715,651	_	_	_	_	_	_	_	_	45,765,214
Disbursements												
Suppliers or												
vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes /		_,,										_,,,
Governmental	_	37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank												
Fees	_	521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee												
Expense		248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966	_	_	_	_	_	_	_	_	47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance												
Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation		3,092,112	(3,092,112)	_								
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
MOR Part 1 d.												
Cash Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<b>s</b> —	s —	s —	s —	s —	s —	s —	<b>\$</b>	\$77,699,385
Reversing												
Disbursement Allocation Internal Transfers	4,815,060	3,092,112 (4,768,795)	(3,092,112) (46,265)	=	=	=	=	=	_	_	_	_
Cash Balance	.,,	(.,,,,,,,,,)	(,=00)									
End of Month	\$20,431,489	\$ 477,181	\$56,790,715	<b>s</b> —	s —	s —	s —	s —	s —	s —	s —	\$77,699,385

## MOR-2: End of May 2023 Balance Sheet

ara N	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Radar		(Oklahoma)			RADAR		rty ons I,	American Property Acquisitions VII,		
(US \$) ASSETS	Inc.	LLC	Company	Relay, Inc.	LLC	LLC	LLC	LLC	LLC	LLC	_	LLC	Co	Tota
Cash and														
Equivalents	_	477,181.41	56,182,297.78	_									_	56,659,
Restricted Cash	20,234,882		805,024											21,0
Total Cash	20,234,882	477,181	56,987,322	_									_	77,6
Accounts														
receivable, net of allowance Accounts	_	_	757,945	_									_	7
receivable from														
related parties	468,755,627	143,568,425	(471,760,829)	1,166,366									(141,718,032)	
Deposits for			04.710											
equipment Digital currency	_	_	84,710	_									_	
assets	_	125,611	962,165	_									_	1,0
Prepaid expenses		,	,											-,-
and other	_	22,828,249	22,455,196	_									(22,821,500)	22,4
Total other current	1 920 757 692	(1 129 210 676)	(696 001 426)	12 724										5.6
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734										5,6
Total Current Assets	2,309,748,191	(961.211.209)	(1,077,414,916)	1,179,100									(164,539,531)	107,7
Property, plant and	2,500,740,171	(701,211,207)	(1,077,414,710)	1,177,100									(104,357,351)	107,7
equipment	_	53,693,939	577,849,769										(15,616,704)	615,9
Operating														
lease-right-of-use			20,052,882											20,0
assets Goodwill		232,587,379	(167,058,249)	(65 529 130)										20,0
Intangible assets,		232,501,517	(107,000,217)	(00,029,130)										
net	_	_	2,163,255	_									_	2,1
Other noncurrent	2 550 700	(0)	6 741 120											0.2
assets	2,558,789	(0)	6,741,120	(64.250.021)									(100 15( 225)	9,2
Total Assets LIABILITIES,	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)									(180,156,235)	755,2
PREFERRED														
STOCK & EQUITY														
Accounts Payable	_	141,728,700	83,062,592	13,250									(141,718,032)	83,0
Accrued expenses	400.000	40.445.005												
and other Deferred revenue	199,366	18,145,227	69,857,303 106,252,734	_									(38,709,697)	88,2 67,5
Derivative warrant	_	_	100,232,734	_									(38,709,097)	07,5
liabilities	_	_	_	_									_	
Operating lease														
liabilities, current			401 227											
portion Financing lease	_	_	481,327	_									_	4
liabilities, current														
portion	_	_	25,959,033	_									_	25,9
Long-term debt,														
current portion	(559,901,857)		729,495,517											169,5
Total current liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250									(180,427,729)	434,8
Operating lease	(339,702,491)	139,673,927	1,013,100,300	13,230									(100,427,729)	434,0
liabilities, net of														
current portion	_	_	14,512,840	_									_	14,5
Financing lease														
liabilities, net of current portion			43,197,679											43,1
Long-term debt, net			75,177,079											73,1
of current portion	568,258,150	_	97,908,014	_									_	666,1
Other noncurrent		10.004.055	(15 405 000	(2.507.7(2)										
liabilities Total Liabilities	8,555,659	18,084,856 177,958,783	(15,497,086)	(2,587,769)									(180,427,729)	1 150 7
Pre-Petition Subject		1//,958,/83	1,155,229,953	(2,574,519)									(100,427,729)	1,158,7
to Compromise	684,395,370	_	(684,395,370)	_									_	
Total Pre-Petition														
Subject to														
Compromise	684,395,370	_	(684,395,370)	_									_	
Preferred stock Common stock	37,478													
Additional paid-in	31,410													
capital	1,799,100,312	(15,979,141)	2,887,621										_	1,786,0
Accumulated			(1.111.200.275)	((1 777 717)									210.45	
deficit Other	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,7/5,512)									318,476	(2,189,5
Comprehensive														
Income														
Cumulative														
Translation Adjustment		46,983											(46,983)	
Total Equity	1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)									271,494	(403,5
Total Liabilities,	1,017,033,731	(032,000,073)	(1,100,300,723)	(01,773,312)									2/1,474	(+03,3
Preferred Stock &														
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)									(180,156,235)	755,2

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from											
customers	_	_	9,566,629	_							
Hosting revenue from related parties	_	_	2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties	_	_	_	_							
Digital asset mining											
income	_	3,024,740	33,071,555	_							
Network services and defi revenue	_	_	_	_							
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal		(021,100)	12,007,220								
settlements Gain (loss) from sales of											
digital currency assets Impairments of digital	_	28,610	245,157	_							
currency assets	_	(45,989)	(411,031)	_							
Impairment of goodwill		(43,767)	(411,031)								
and other intangibles	_	_	_	_							
Impairment of property, plant and equipment	_	_	_	_							
Losses on exchange or disposal of property, plant and equipment	_	_	_	_							
Operating expenses:											
Research and											
development	_	_	(773,982)	(8,500)							
Sales and marketing			(430,774)	_							
General and		(6.406)	(0.2(0.021)								
administrative Advisor Fees	_	(6,406)	(8,368,931)	_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)	=	(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_	(346,224)	3,117,005	(0,500)							
Loss on debt											
extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating			( - ) )								
expenses, net	_	_	_	_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense), net:			(8,400,324)								
Income (loss) before income											
taxes	_	(348,224)	(5,282,659)	(8,500)							
Income tax expense											
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. Core Scientific Specialty Mining (Oklahoma) LLC	§ §	Case No. 22-90345					
P.1. ()	§	Lead Case No. 22-90341					
Debtor(s)	§	☑ Jointly Administered					
Monthly Operating Report			Chapter 11				
Reporting Period Ended: 05/31/2023		Petition Date: 12/21/2022					
Months Pending: 5		Industry Classification: 3 3 4 1					
Reporting Method: Accru	al 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 mu	st be provided on a no	n-consolidated basis for each debtor)					
Statement of cash receipts and disbursements  Balance sheet containing the summary and detail of the  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 reposerription of the assets sold or transferred and the terr	porting period						
/s/ Alfredo R. Pérez		Alfredo R. Pérez					
Signature of Responsible Party		Printed Name of Responsible Party					
06/30/2023							
Date		700 Louisiana Street, Suite 1700, Houston, Texas Address	77002				

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.

Part	1: Cash Receipts and Disbursements	Current Month	Cumulative
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 Month	
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	
Dort	3: Assets Sold or Transferred	Comment Manual	Community time
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	Current Month \$ 0	Cumulative \$ 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 (Not	4: Income Statement (Statement of Operations) generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$ 0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
g.	Depreciation and/or amortization (not included in 4b)	\$ 0	
h.	Interest	\$ 0	
i.	Taxes (local, state, and federal)	\$ 0	
j.	Reorganization items	\$ 0	
k.	Profit (loss)	\$ 0	\$ 0

rt 5: Profess	ional Fees and Expenses		Approved	Approved	Paid Current	Paid
			Approved Current Month	Approved Cumulative	Month	Cumulative
Debtor'	's professional fees & expenses	(bankruptcy) Aggregate Total				
Itemize	d Breakdown by Firm					
	Firm Name	Role				
i						
ii						
iii						
iv						
v						
vi						
vii						
viii						
ix						
X						
xi						
xii						
xiii						
xiv						
XV						
xvi						
xvii						
xviii						
xix						
XX						
xxi						
xxii						
xxiii						
xxiv						
XXV						
xxvi						
xxvii						
xxviii						
xxix						
XXX						
xxxi						
xxxii						
xxxiii						
xxxiv						
XXXV						
xxxvi						

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi	 		
lxxii			
lxxiii		 	
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii			

		ı	ı	ı	1
lxxix					
lxxx					
lxxxi					
lxxxii					
lxxxii					
lxxxiv					
lxxxv					
lxxxvi					
lxxxvii					
lxxxviii					
lxxxix					
xc					
xci					
xcii					
xciii					
xciv					
xcv					
xcvi					
xcvii					
xcviii					
xcix					
С					
ci					

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's p	professional fees & expenses (	nonbankruptcy) Aggregate Total				
		Breakdown by Firm					
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						

xv			1
AV			
xvi			
xvii			
xviii			
xix			
xx			
xxi			
xxii			
xxiii			
xxiv			
XXV			
xxvi			
xxvii			
xxviii			
xxix			
XXX			
xxxi			
xxxii			
xxxiii			
xxxiv			
XXXV			
xxxvi			
xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li li			
lii			
liii			
liv			
lv			
lvi			

	1			ı	1	ı	1	
	lvii							
-	lviii							
-	lix						1	
-	lx							
-	lxi							
-	lxii							
-	lxiii							
	lxiv							
-	lxv							
-	lxvi							
-	lxvii							
-	lxviii							
-	lxix							
-	lxx							
-	lxxi							
-	lxxii							
-	lxxiii							
	lxxiv							
-	lxxv							
-	lxxvi							
-	lxxvii							
-	lxxviii							
	lxxix							
	lxxx							
	lxxxi							
	lxxxii							
-	lxxxii							
	lxxxiv							
	lxxxv							
	lxxxvi							
	lxxxvii							
	lxxxviii							
	lxxxix							
	xc							
	xci							
	xcii							
	xciii							
j	xciv							
Ī	xcv							
j	xcvi							
j	xcvii							
Ī	xcviii							
Ī	xcix							
Ī	с	_						
c.	All profession	nal fees and expenses (debtor & comm	nittees)	\$ 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

Par	t 7: Questionnaire - During this reporting period:				
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 □	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 □	$N/A \square$	(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 □		

De	btor's Name Core Scientific Specialty Mining (Oklahoma) LLC	Case No. 22-90345		
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	
l.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)?	Yes □	No ⊠	

m. If yes, have you made all Domestic Support Obligation payments?

#### **Privacy Act Statement**

Yes □

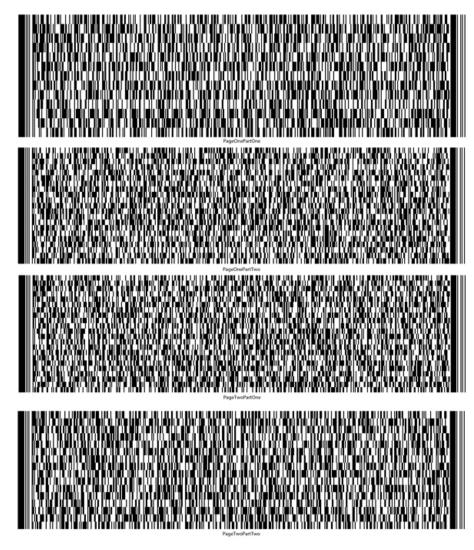
No □

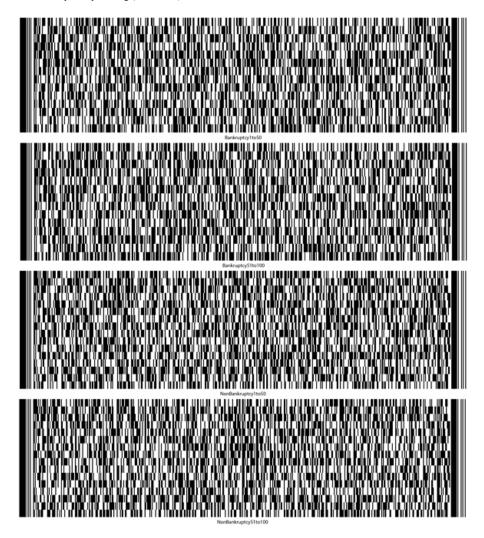
 $N\!/A \boxtimes$ 

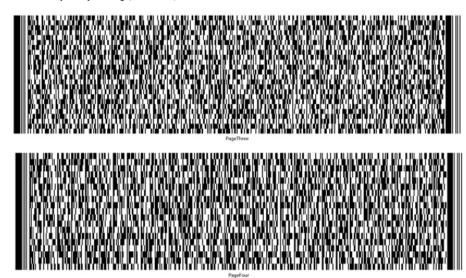
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	Date







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

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

In re:

## **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

# MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Relay,	Core Scientific Mining	(Oklahoma)	American Property Acquisition,	Starboard Capital		American Property Acquisitions		
<u>Description</u>	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330									3,935,308
Total Receipts Disbursements	43	3,049,519	42,715,651	_	_	_	_	_	_	_	_	45,765,214
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental	_	37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees	_	521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense		248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl. Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407		_				_			79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<u>s                                    </u>	<u>s</u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	\$77,699,385
Reversing Disbursement Allocation		3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)									
Cash Balance End of Month	\$20,431,489	\$ 477,181	\$56,790,715	<u>s  — </u>	<u>s</u> –	<u>s</u>	<u>s</u> —	<u>s                                    </u>	<u>s</u> —	<u>s</u> —	<u>s</u> —	\$77,699,385

## MOR-2: End of May 2023 Balance Sheet

			Core	Core		Core	Core Scientific Specialty	American			American	American		
		Core	Scientific	Scientific	D - d	Scientific	Mining	Property		DADAD	Property	Property	Elimin eti	
(US \$)		Scientific, Inc.	Acquired Mining LLC	Operating Company	Radar Relay, Inc.	LLC	(Oklahoma) LLC	Acquisition, LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS			g EEC	Company		LLC			LLC	LLC		<u> </u>		
Cash and			477 101 41	56 100 207 70										57 750 470
Equivalen Restricted Ca		20,234,882	477,181.41	56,182,297.78 805,024	_									56,659,479 21,039,
Total Cash	asii	20,234,882	477,181	56,987,322										77,699,
Accounts		20,204,002	477,101	30,707,022										77,077,
receivable				757045										
allowance Accounts	;	_	_	757,945	_								_	757,
receivable	from													
related par		468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,:
Deposits for equipment				94.710										94
Digital curre		_	_	84,710	_								_	84,
assets	-	_	125,611	962,165	_								_	1,087,
Prepaid expe	enses		22 929 240	22 455 107									(22 921 500)	22.461.4
and other Total other c	urrent	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
assets		1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Curre	ent													
Assets	mt o 1	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, pla equipment		_	53,693,939	577,849,769	_								(15,616,704)	615,927,0
Operating			,-,-,-,	2,3.15,705									(,-10,704)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
lease-right	t-of-use			20.052.992										20.052
assets Goodwill			232,587,379	20,052,882 (167,058,249)	(65 529 130)									20,052,
Intangible as	ssets,		232,361,317	(107,030,247)	(03,327,130)									
net		_	_	2,163,255	_								_	2,163,2
Other noncus	rrent	2.558.789	(0)	6 741 120										9,299,
assets Total Assets		2,312,306,980	(674,929,892)	6,741,120 (637,666,141)	(64 350 031)								(180,156,235)	755,204,
LIABILITIES,		2,312,300,700	(0/4,323,032)	(037,000,141)	(04,550,051)								(160,130,233)	733,204,
PREFERRED														
STOCK & EQ			1.41.720.700	02.0/2.502	12.250								(1.41.710.022)	02.006
Accounts Pa Accrued exp		_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
and other	enses	199,366	18,145,227	69,857,303	_								_	88,201,
Deferred rev		_	· · ·	106,252,734	_								(38,709,697)	67,543,
Derivative w liabilities	varrant													
Operating le	ase		_										_	
liabilities,														
portion		_	_	481,327	_								_	481,
Financing lea														
portion		_	_	25,959,033	_								_	25,959,
Long-term d		(550,001,057)		720 405 517										1.00.502
current po Total currer		(559,901,857)		729,495,517										169,593,
liabilities		(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lea	ase	` ' '			, i									
liabilities, current po				14 512 940										14,512,
Financing le		_	_	14,512,840	_								_	14,312,
liabilities,	net of													
current po	ortion			43,197,679										43,197,
Long-term d of current		568,258,150	_	97,908,014	_								_	666,166,
Other noncu	rrent	,,		,, , 1										,,
liabilities			18,084,856	(15,497,086)	(2,587,769)									4.450
Total Liabil Pre-Petition		8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
to Compro	. "	684,395,370	_	(684,395,370)	_								_	
Total Pre-Pe	etition	,,,,,,,,,,		(,,)										
Subject to	0	(04.207.27		((04.307.37										
Compron Preferred sto		684,395,370	=	(684,395,370)	_									
Common sto		37,478	=	=									_	37,
Additional p			(15.050.141)	0.007.40										
capital Accumulate	h	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
deficit	u	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other		. , . , , ,	,,,	. ,	· · · · · · · · · · · · · · · · · · ·									. , , , , , , , , , , ,
Compreh Income	ensive													
Cumulative	;				_									
Translatio	on													
Adjustme			46,983										(46,983)	
Total Equity		1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities, Preferred Stoc														
Equity		2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

<sup>1</sup> The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

# MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

State Revenue   Color   Colo		Core Scientific, Inc.	Core Scientific Acquired Mining LLC	Core Scientific Operating Company	Radar Relay, Inc	Core Scientific Mining LLC	American Property Acquisition, LLC	Starboard Capital LLC	RADAR LLC	American Property Acquisitions I, LLC	American Property Acquisitions VII, LLC
Hosting revenue from customers	Total Revenue										
Hosting revenue from related parties Equipment sales to customers Equipment sales to related parties Digital asset mining income Network services and defirevenue Cost of revenue Cost of revenue Cost of revenue Cain (loss) from sales of digital currency assets Impairments of digital currency assets Impairment of goodwill and other intangibles Impairment of goodwill and other intangibles Impairment of goodwill and other intangibles Cost on exchange or disposal of property, plant and equipment Losses on exchange or disposal of property, plant and equipment Copraing expenses: Research and development Sales and marketing General and administrative Advisor Fees Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Lospense), net: Copparing Income (Loss) Copparing Income (Loss) Copparing Income (Lospense), net: Copparing Income (Lospense				9 566 629							
parties		_	_	9,300,029	_						
Equipment sales to customers Equipment sales to related parties Digital asset mining income Network services and defi revenue Cost of revenue Cost of revenue Casi (loss) on legal settlements Gain (loss) from sales of digital currency assets Limpairments of digital currency assets Limpairment of goodwill and other intangibles Limpairment of property, plant and equipment Losses on exchange or disposal of property, plant and equipment Departing expenses: Research and development Sales and marketing General and administrative Advisor Fees  Total operating expenses  Cost of revenue  Sales and marketing General and administrative Advisor Fees  Total operating expenses Loss on debt extinguishment Linterest expense, net Loss on debt extinguishment Linterest expense, net Loss on debt extinguishment Linterest expense, net Loss on debt extinguishment Linterest expense, net Losy of Cost of Revolution Cost of revenue  3,024,740 3,071,555		_	_	2.831.280	_						
Equipment sales to related parties Digital asset mining income Network services and defi revenue  Total Revenue  ——————————————————————————————————		_	_		_						
Digital asset mining income											
Network services and defire revenue	parties	_	_	_	_						
Total Revenue		_	3,024,740	33,071,555	_						
Total Revenue											
Cost of revenue	revenue										
Gross Profit	Total Revenue		3,024,740								
Gain (loss) on legal settlements Gain (loss) from sales of digital currency assets	Cost of revenue	_	(3,349,178)	(32,612,238)	_						
Gain (loss) from sales of digital currency assets	Gross Profit		(324,438)	12,857,225							
Currency assets											
Impairments of digital currency assets			20 (10	245 157							
Assets		_	28,010	245,157	_						
Impairment of goodwill and other intangibles		_	(45.989)	(411.031)	_						
and equipment	Impairment of goodwill and	_	_	_	_						
property, plant and equipment Operating expenses: Research and development Sales and marketing General and administrative Advisor Fees Goveral and administrative Goveral and administrative Advisor Fees Goveral and administrative Goveral and Goverance Government Government Government Government Government Government		_	_	_	_						
Research and development	property, plant and equipment	_	_	_	_						
Sales and marketing — — (430,774) — — — — — — — — — — — — — — — — — — —				(=== 0.00)	(0.500)						
General and administrative — (6,406) (8,368,931) — ——————————————————————————————————											
Advisor Fees —											
Total operating expenses				(0,300,931)							
Operating Income (Loss)     —     (348,224)     3,117,665     (8,500)       Non-operating income (expense), net:     —     —       Loss on debt extinguishment     —     —     —       Interest expense, net     —     —     (49,346)     —       Other non-operating expenses, net     —     —     —       Reorganization items     —     —     (8,350,978)     —       Total Non-operating income (expense), net:     —     —     (8,400,324)     —       Income (loss) before income taxes     —     (348,224)     (5,282,659)     (8,500)				(0.573.697)	(9 500)						
Non-operating income (expense), net:  Loss on debt extinguishment											
Loss on debt extinguishment — — — — — — — — — — — — — — — — — — —			(348,224)	3,117,005	(8,500)						
Interest expense, net			_	_							
Other non-operating expenses, net		_	_	(49.346)	_						
net				(1,5,040)							
Total Non-operating income (expense), net:  - (8,400,324) Income (loss) before income taxes - (348,224) (5,282,659) (8,500)		_	_	_	_						
net: (8,400,324) Income (loss) before income taxes (348,224) (5,282,659) (8,500)	Reorganization items			(8,350,978)	_=						
net: (8,400,324) Income (loss) before income taxes (348,224) (5,282,659) (8,500)	Total Non-operating income (expense),										
				(8,400,324)							
	Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)						
	Income tax expense										
Net Income (Loss) (348,224) (5,282,659) (8,500)	Net Income (Loss)		(348,224)	(5,282,659)	(8,500)						

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. American Property Acquisition, LLC	§ §	Case No. 22-90346	
	§	Lead Case No. 22-90341	
Debtor(s)	§	☑ Jointly Administered	
Monthly Operating Report			Chapter 11
Reporting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Months Pending: 5		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	or relief):	0	
Supporting Documentation (check all that are attac	hed):		
For jointly administered debtors, any required sched	ules must be provided on a	non-consolidated basis for each debtor)	
Statement of cash receipts and disbursements Balance sheet containing the summary and dets 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	or the reporting period		
s/ Alfredo R. Pérez		Alfredo R. Pérez	
Signature of Responsible Party		Printed Name of Responsible Party	
06/30/2023			
Date		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.

Part	1: Cash Receipts and Disbursements	<b>Current Month</b>	Cumulative
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 Month	
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	
o.	Ending equity/net worth (e-n)	\$ 0	
	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.)	Current Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$ 0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
g.	Depreciation and/or amortization (not included in 4b)	\$ 0	
h.	Interest	\$ 0	
i.	Taxes (local, state, and federal)	\$ 0	
j.	Reorganization items	\$ 0	
k.	Profit (loss)	\$ 0	\$ 0

Pa	rt 5: Professio	onal Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's p	professional fees & expens	ses (bankruptcy) Aggregate Total				
	Itemized E	Breakdown by Firm					
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	XXV						
	xxvi						
	xxvii						
	xxviii						
	xxix	+	<del></del>				
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
		+					
	XXXV	+					-
	xxxvi						

xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi	 		
lxxii			
lxxiii		 	
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii			

lxxix			
lxxx			
lxxxi			
lxxxii			
lxxxiii			
lxxxiv			
lxxxv			
lxxxvi		 	
lxxxvii			
lxxxviii			
lxxxix			
xc			
xci			
xcii			
xciii			
xciv			
xcv			
xcvi			
xcvii			
xcviii			
xcix			
С			
ci			

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's	professional fees & exper	nses (nonbankruptcy) Aggregate Total				
		Breakdown by Firm					
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						

xv			1
AV			
xvi			
xvii			
xviii			
xix			
xx			
xxi			
xxii			
xxiii			
xxiv			
XXV			
xxvi			
xxvii			
xxviii			
xxix			
XXX			
xxxi			
xxxii			
xxxiii			
xxxiv			
XXXV			
xxxvi			
xxxvii			
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li li			
lii			
liii			
liv			
lv			
lvi			

	lvii	ı					1
	IVII						
	lviii						
	lix						
	lx						
	lxi						
	lxii						
	lxiii						
	lxiv						
	lxv						
	lxvi						
İ	lxvii						
	lxviii						
İ	lxix						
İ	lxx						
İ	lxxi						
ŀ	lxxii						
ŀ	lxxiii						
ŀ	lxxiv						
ŀ	lxxv						
ŀ	lxxvi						
ŀ	lxxvii						
ŀ	lxxviii						
ŀ	lxxix						
ŀ	lxxx						
	lxxxi						
ŀ	lxxxii						
ŀ							
	lxxxii						
ŀ	lxxxiv						
	lxxxv						
ļ	lxxxvi						
	lxxxvii						
	lxxxviii						
	lxxxix						
ļ	xc						
ļ	xci						
	xcii						
	xciii						
	xciv						
	xcv						
	xcvi						
ĺ	xcvii						
ļ	xcviii						
ļ	xcix						
	С						
c.	All profession	nal fees and expenses (debtor & comm	ittees)	\$ 0	\$ 0	\$ 0	\$ 0
		. ,	*	1			

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

Par	7: Questionnaire - During this reporting period:				
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 □	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 □	$N/A \boxtimes$	
i.	Do you have: Worker's compensation insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	Casualty/property insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	General liability insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 □		

Debtoi s Name American Froperty Acquisition, LLC		Case No. 22-90340		
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 □	No ⊠	

Debtor's Name American Property Acquisition IIC

m. If yes, have you made all Domestic Support Obligation payments?

Case No. 22-90346

No □

 $N\!/A \boxtimes$ 

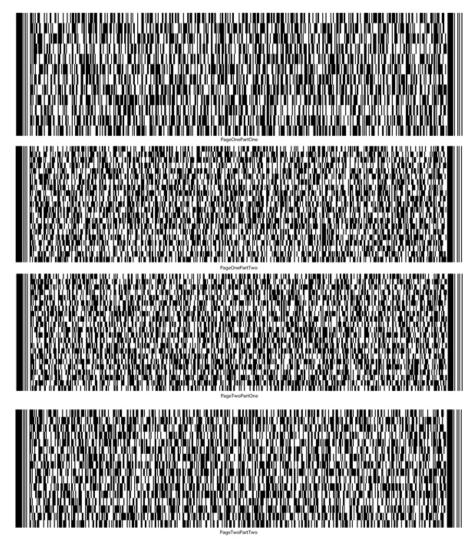
Yes  $\square$ 

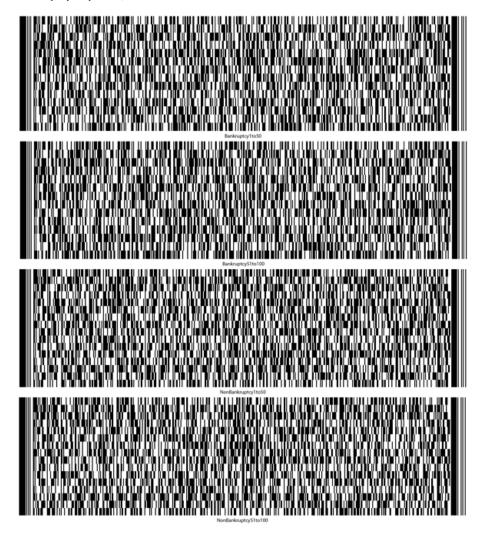
#### **Privacy Act Statement**

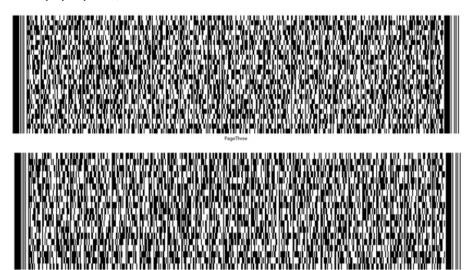
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros		
Signature of Responsible Party	Printed Name of Responsible Party		
SVP, Capital Markets and Acquisitions	06/30/2023		
Title	Date		







12

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

In re:

CORE SCIENTIFIC, INC., et al.,

Debtors.

Debtors.

S Chapter 11

Case No. 22-90341 (DRJ)

S (Jointly Administered)

## **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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").

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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

		Core Scientific	Core		Core	Core Scientific Specialty	American			American	American	
	Core Scientific,	Acquired Mining	Scientific Operating	Radar Relay,	Scientific Mining		Property Acquisition,	Starboard Capital	DADAD	Property Acquisitions	Property Acquisitions	
Description	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_	_	_	_	_	_	_	3,935,308
Total Receipts	43	3,049,519	42,715,651	_								45,765,214
•		- , ,	, -,									-,,
Disbursements		0.154.055	25.551.025									***
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental	5 110 7(2	37,900	482,298	_				_				520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees		521,495	6,636,339	_					_			7,157,834
Employee Expense		248,423	3,161,332							$\overline{}$		3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl.	15 (16 120	5 245 076	56.026.000									55 (00 205
Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl.	.,,	, . ,	, ,									.,.,
Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
MOR Part 1 d. Cash												
Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<b>s</b> —	s —	s —	s —	s —	s —	s —	s —	\$77,699,385
Reversing Disbursement												
Allocation	_	3.092.112	(3.092.112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_	_	_	_	_	_	_		
Cash Balance End of Month		\$ 477,181	\$56,790,715	s —	s –	s –	s –	s –	s –	s –	s –	\$77,699,385

## MOR-2: End of May 2023 Balance Sheet

			Core	Core		Core	Core Scientific Specialty	American			American	American		
		Core	Scientific	Scientific	D - d	Scientific	Mining	Property		DADAD	Property	Property	Elimin eti	
(US \$)		Scientific, Inc.	Acquired Mining LLC	Operating Company	Radar Relay, Inc.	LLC	(Oklahoma) LLC	Acquisition, LLC	LLC	LLC	I, LLC	VII, LLC	Co	Total <sup>1</sup>
ASSETS			g EEC	Company		LLC			LLC	LLC		<u> </u>		
Cash and			477 101 41	56 100 207 70										57 750 470
Equivalen Restricted Ca		20,234,882	477,181.41	56,182,297.78 805,024	_									56,659,479 21,039,
Total Cash	asii	20,234,882	477,181	56,987,322										77,699,
Accounts		20,204,002	477,101	30,707,022										77,077,
receivable				757045										
allowance Accounts	;	_	_	757,945	_								_	757,
receivable	from													
related par		468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,:
Deposits for equipment				94.710										94
Digital curre		_	_	84,710	_								_	84,
assets	-	_	125,611	962,165	_								_	1,087,
Prepaid expe	enses		22 929 240	22 455 107									(22 921 500)	22.461.4
and other Total other c	urrent	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
assets		1,820,757,682	(1,128,210,676)	(686,901,426)	12,734								_	5,658,
Total Curre	ent													
Assets	mt o 1	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, pla equipment		_	53,693,939	577,849,769	_								(15,616,704)	615,927,0
Operating			,-,-,-,	2,3.15,705									(,-10,704)	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
lease-right	t-of-use			20.052.992										20.052
assets Goodwill			232,587,379	20,052,882 (167,058,249)	(65 529 130)									20,052,
Intangible as	ssets,		232,361,317	(107,030,247)	(03,327,130)									
net		_	_	2,163,255	_								_	2,163,2
Other noncus	rrent	2.558.789	(0)	6 741 120										9,299,
assets Total Assets		2,312,306,980	(674,929,892)	6,741,120 (637,666,141)	(64 350 031)								(180,156,235)	755,204,
LIABILITIES,		2,312,300,700	(0/4,323,032)	(037,000,141)	(04,550,051)								(160,130,233)	733,204,
PREFERRED														
STOCK & EQ			1.41.720.700	02.0/2.502	12.250								(1.41.710.022)	02.006
Accounts Pa Accrued exp		_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
and other	enses	199,366	18,145,227	69,857,303	_								_	88,201,
Deferred rev		_	· · ·	106,252,734	_								(38,709,697)	67,543,
Derivative w liabilities	varrant													
Operating le	ase		_										_	
liabilities,														
portion		_	_	481,327	_								_	481,
Financing lea														
portion		_	_	25,959,033	_								_	25,959,
Long-term d		(550,001,057)		720 405 517										1.00.502
current po Total currer		(559,901,857)		729,495,517										169,593,
liabilities		(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lea	ase	` ' '			, i									
liabilities, current po				14 512 940										14,512,
Financing le		_	_	14,512,840	_								_	14,312,
liabilities,	net of													
current po	ortion			43,197,679										43,197,
Long-term d of current		568,258,150	_	97,908,014	_								_	666,166,
Other noncu	rrent	,,		,, , 1										,,
liabilities			18,084,856	(15,497,086)	(2,587,769)									4.450
Total Liabil Pre-Petition		8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
to Compro	. "	684,395,370	_	(684,395,370)	_								_	
Total Pre-Pe	etition	,,,,,,,,,,		(,,)										
Subject to	0	(04.207.27		((04.307.37										
Compron Preferred sto		684,395,370	=	(684,395,370)	_									
Common sto		37,478	=	=									_	37,
Additional p			(15.050.141)	0.007.40										
capital Accumulate	h	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
deficit	u	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other		. , . , , ,	,,	. ,	· · · · · · · · · · · · · · · · · · ·									. , , , , , , , , , , , ,
Compreh Income	ensive													
Cumulative	;				_									
Translatio	on													
Adjustme			46,983										(46,983)	
Total Equity		1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities, Preferred Stoc														
Equity		2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties		_	2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties				_							
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi revenue											
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit	_	(324,438)	12,857,225	_							
Gain (loss) on legal settlements											
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency											
assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing	_	_	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees											
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)	_	(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_										
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_		_							
Reorganization items			(8,350,978)								
Total Non-operating income (expense), net:	_	_	(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense	_			_							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							
()		(= .5,== 1)	(2,232,00)	(5,500)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

n Re. Starboard Capital LLC		§ §	Case No. 22-90347	
Debtor(s)		- § - §	Lead Case No. 22-90341	
Monthly Operating Report			,	Chapter 11
Reporting Period Ended: 05/31/2023			Petition Date: 12/21/2022	
Months Pending: 5			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 relief):		0	
Supporting Documentation (check all th	at are attached):			
For jointly administered debtors, any requ	uired schedules must be provi	ided on a n	on-consolidated basis for each debtor)	
Statement of cash receipts and disbused Balance sheet containing the summa Statement of operations (profit or low Accounts receivable aging Postpetition liabilities aging Statement of capital assets Schedule of payments to profession Schedule of payments to insiders All bank statements and bank recon Description of the assets sold or train	ary and detail of the assets, liants statement)  als ciliations for the reporting per	riod		
s/ Alfredo R. Pérez		_	Alfredo R. Pérez	
Signature of Responsible Party			Printed Name of Responsible Party	
06/30/2023 Date		=	700 Lauisiana Straat Suita 1700 Hauston Tauss	77002
Jaic			700 Louisiana Street, Suite 1700, Houston, Texas Address	7 / 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.

Interest

Profit (loss)

Taxes (local, state, and federal)

Reorganization items

h. i.

į.

0

0

0

0

\$

	sional Fees and Expenses		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulati
Debtor	's professional fees & expense	es (bankruptcy) Aggregate Total	Current World	Cumulative	World	Cumului
Itemize	ed Breakdown by Firm	( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( ( (				
	Firm Name	Role				
i	1 11111 1 111111	110.0				
ii						
iii						
iv						
v						
vi						
vii						
Viii						
ix						
X						<del> </del>
xi						<del> </del>
xii						
xiii						
xiv						
XV						
xvi xvii						
XVII						
xix						
XX						
xxi						
xxii						
xxiii						
xxiv						
XXV						
xxvi						
xxvii						
xxviii						
xxix						
XXX						
xxxi						
xxxii						
xxxiii						
xxxiv						
XXXV						
xxxvi						

		*	1	1	1	
	xxxvii					
	xxxviii					
	xxxix					
	xl					
	xli					
	xlii					
	xliii					
	xliv					
	xlv					
	xlvi					
	xlvii					
	xlviii					
	xlix					
	1					
	li					
Ī	lii					
	liii					
	liv					
	lv					
	lvi					
	lvii					
Ī	lviii					
	lix					
Ī	lx					
	lxi					
	lxii					
	lxiii					
	lxiv					
	lxv					
	lxvi					
	lxvii					
	lxviii					
	lxix					
	lxx					
	lxxi					
	lxxii					
	lxxiii					
	lxxiv					
	lxxv					
	lxxvi					
	lxxvii					
	lxxviii					
		1	l .	l .	l .	

lxxix				
lxxx				
lxxxi				
lxxxii				
lxxxiii				
lxxxiv				
lxxxv				
lxxxvi				
lxxxvii				
lxxxviii				
lxxxix				
xc				
xci				
xcii				
xciii				
xciv				
xcv				
xcvi				
xcvii				
xcviii				
xcix	·			
c	·			
ci	·			

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional	fees & expenses (nonban	kruptcy) Aggregate Total				
	Itemized Breakdown	by Firm					
	Firm Nan	ne	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	х						
	xi						
	xii						
	xiii						
	xiv						

	xv			
	vari			
ŀ	xvi			
	xvii			
ŀ	xviii			
ŀ	xix			
ŀ	xx			
ļ	xxi			
	xxii			
	xxiii			
	xxiv			
	XXV			
	xxvi			
	xxvii			
	xxviii			
	xxix			
	XXX			
	xxxi			
	xxxii			
	xxxiii			
	xxxiv			
	XXXV			
	xxxvi			
	xxxvii			
	xxxvii			
	xxxix			
Ī	xl			
Ī	xli			
Ī	xlii			
Ī	xliii			
	xliv			
ı	xlv			
	xlvi			
	xlvii			
	xlviii			
ļ	xlix			
j	1			
j	li			
	lii			
	liii			
j	liv			
ŀ	lv			
ŀ	lvi			
				<u> </u>

	lvii						1
	1111						
-	lviii						
-	lix						
-	lx						
-	lxi						
-	lxii						
-	lxiii						
-	lxiv						
-	lxv						
-	lxvi						
-	lxvii						-
-	lxviii						-
-	lxix						
-	lxx						-
-	lxxi						-
}	lxxii						
-							
-	lxxiii						
-	lxxiv						
-	lxxv						
-	lxxvi						
-	lxxvii						
-	lxxviii						
-	lxxix						
Ļ	lxxx						
-	lxxxi						
-	lxxxii						
-	lxxxiii						
-	lxxxiv						
-	lxxxv						
-	lxxxvi						
-	lxxxvii						
-	lxxxviii						
-	lxxxix						
	xc						
Ĺ	xci						
	xcii						
Ĺ	xciii						
Ĺ	xciv						
	xcv						
	xcvi						
	xcvii		-				
	xcviii						
	xcix						
	С						
c.	All profess	sional fees and expenses (debtor & con	nmittees)	\$0	\$0	\$0	\$0

a. Postpetition income taxes accrued (local, state, and federal) § 0	ative
	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 \$\sqrt{5}\$	0
e. Postpetition property taxes paid \$\sqrt{\sq}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}}	0
f. Postpetition other taxes accrued (local, state, and federal)	0
g. Postpetition other taxes paid (local, state, and federal) \$ 0	0

	17: Questionnaire - During this reporting period:	<b>3</b> 7 –	<b>N</b> T —		
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 □	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 □	$N/A \boxtimes$	
i.	Do you have: Worker's compensation insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	Casualty/property insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	General liability insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 □		
	- · · · · · · · · · · · · · · · · · · ·				

	Not be that between the base of the best o	- Cui	oe 110. 22 > 05 17	
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 □	No ⊠	
m.	If yes, have you made all Domestic Support Obligation payments?	Yes □	No □ N/A 🗵	

Debtor's Name Starboard Capital LLC

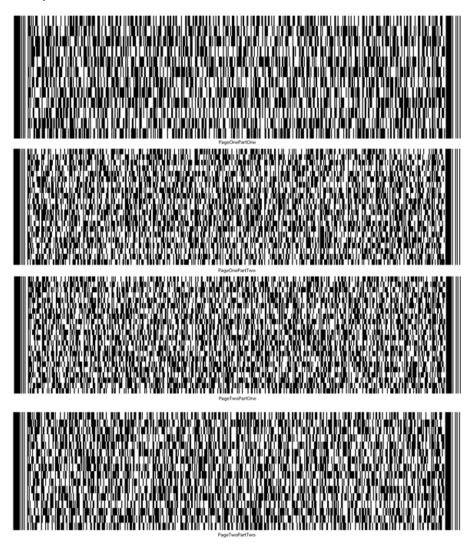
Case No. 22-90347

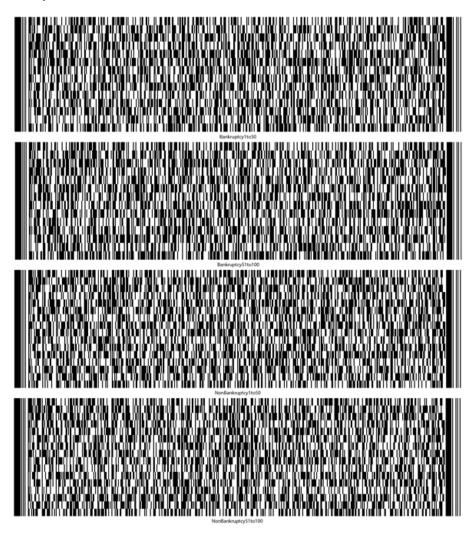
#### **Privacy Act Statement**

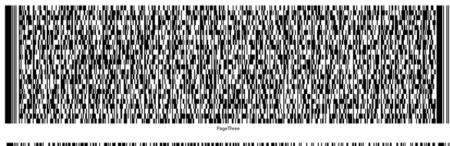
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	Date









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

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

In re:

### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Core	Core Scientific Acquired	Core Scientific	Dadar	Core Scientific	Core Scientific Specialty Mining	American Property	Starboard		American Property	American Property	
	Scientific,	Mining	Operating	Relay,	Mining	(Oklahoma)	Acquisition,	Capital		Acquisitions	Acquisitions	
<u>Description</u>	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Total
Receipts												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_		2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330									3,935,308
Total Receipts	43	3,049,519	42,715,651	_	_	_	_	_	_	_	_	45,765,214
Disbursements												
Suppliers or vendors Taxes /	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Governmental	_	37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank	., .,	, , , ,	, . ,									-, -,
Fees	_	521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense		248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966	_			_	_	_			47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
Cash Balance												
Beginning of												
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation	_	3,092,112	(3,092,112)	_		_	_	_	_	_	_	
Cash Balance End of Month (excl.												
Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of												
Month	20,727,149	2,204,597	56,562,407	_								79,494,153
Net Cash Flow (excl. Internal												
Transfers; w/	(5.110.720)	(50.722)	2.266.606									(1.504.5(0)
Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash Balance	\$15,616,429	\$ 2,153,864	\$59,929,093	<u>\$                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                    </u>	<u>s                                      </u>	<u>s                                    </u>	<u>s                                    </u>	<u> </u>	\$77,699,385
Reversing												
Disbursement												
Allocation		3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_						_		_
Cash Balance End of Month	\$20,431,489	\$ 477,181	\$56,790,715	<u>s —</u>	<u>s                                    </u>	<u> </u>	<u>s                                      </u>	<u>s — </u>	<u>s — </u>	<u>s                                    </u>	<u>s                                    </u>	\$77,699,385

## MOR-2: End of May 2023 Balance Sheet

	_	Core	Core		Core	Core Scientific Specialty	American			American	American		
	Core Scientific,	Scientific Acquired	Scientific Operating	Radar	Scientific Mining	Mining (Oklahoma)		Starboard Capital		Property Acquisitions	Property Acquisitions	Elimination	
(US \$)	Inc.	Mining LLC	Company	Relay, Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Со	Total <sup>1</sup>
ASSETS Cash and													
Equivalents	_	477,181.41	56,182,297.78	_								_	56,659,479
Restricted Cash	20,234,882		805,024										21,039,
Total Cash	20,234,882	477,181	56,987,322										77,699,
Accounts receivable, net of													
allowance	_	_	757,945	_								_	757,
Accounts receivable from													
related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,:
Deposits for			04.710										0.4.7
equipment Digital currency	_	_	84,710	_								_	84,
assets	_	125,611	962,165	_								_	1,087,
Prepaid expenses and other		22,828,249	22,455,196									(22,821,500)	22,461,
Total other current		22,020,247	22,433,170									(22,021,300)	22,401,
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734									5,658,
Total Current Assets	2,309,748,191	(961 211 209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, plant and	2,505,746,151	(901,211,209)	(1,077,414,910)	1,179,100								(104,337,331)	107,701,
equipment		53,693,939	577,849,769	_								(15,616,704)	615,927,
Operating lease-right-of-use													
assets	_	_	20,052,882	_								_	20,052,
Goodwill		232,587,379	(167,058,249)	(65,529,130)								_	
Intangible assets, net	_	_	2,163,255	_								_	2,163,
Other noncurrent		(4)											
assets	2,558,789 2,312,306,980	(0) (674,929,892)	6,741,120	((4 250 021)								(190 15( 225)	9,299,
Total Assets LIABILITIES,	2,312,306,980	(6/4,929,892)	(637,666,141)	(04,350,031)								(180,156,235)	755,204,
PREFERRED													
STOCK & EQUITY		141 729 700	92.062.502	12.250								(141 719 022)	92 096
Accounts Payable Accrued expenses	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
and other	199,366	18,145,227	69,857,303	_									88,201,
Deferred revenue Derivative warrant	_	_	106,252,734	_								(38,709,697)	67,543,
liabilities	_	_	_	_								_	-
Operating lease													
liabilities, current portion	_	_	481,327	_								_	481,
Financing lease			,										- ,
liabilities, current portion	_	_	25,959,033	_								_	25,959,
Long-term debt,													
current portion Total current	(559,901,857)	_	729,495,517	_								_	169,593,
liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lease	` ' '			Í								` ' ' '	
liabilities, net of current portion			14,512,840										14,512,
Financing lease			14,512,040										1-7,012,1
liabilities, net of			42 107 (70										42 107
current portion Long-term debt, net			43,197,679									_	43,197,
of current portion	568,258,150	_	97,908,014	_								_	666,166,
Other noncurrent liabilities	_	18,084,856	(15,497,086)	(2,587,769)								_	
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
Pre-Petition Subject													,
to Compromise  Total Pre-Petition	684,395,370		(684,395,370)										
Subject to													
Compromise	684,395,370	_	(684,395,370)	_								_	
Preferred stock Common stock	37,478			_								_	37,
Additional paid-in		/45.0=0	0.00=										
capital Accumulated	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
deficit	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other													,
Comprehensive Income	_	_	_	_								_	
Cumulative													
Translation Adjustment		46,983	_	_								(46,983)	
Total Equity	1,619,355,951		(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities,													
Preferred Stock & Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64 350 031)								(180,156,235)	755,204,
Equity	2,012,000,700	(074,727,072)	(057,000,141)	(07,030,031)								(100,130,233)	133,404,

<sup>1</sup> The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from											
customers	_	_	9,566,629	_							
Hosting revenue from related											
parties	_	_	2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related											
parties	_	_	_	_							
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi		-,- , -	,- ,								
revenue	_	_	_	_							
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit			12,857,225								
		(324,438)	12,857,225								
Gain (loss) on legal											
settlements				_							
Gain (loss) from sales of		20.640									
digital currency assets	_	28,610	245,157	_							
Impairments of digital		(45.000)	(411.021)								
currency assets		(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing			(430,774)	(0,500)							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees	_	(0,100)	(0,000,001)	_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense),		(340,224)	3,117,005	(0,500)							
net:											
Loss on debt extinguishment		_									
Interest expense, net			(49,346)								
Other non-operating			(47,540)								
expenses, net	_	_	_	_							
Reorganization items	_		(8,350,978)	_							
Total Non-operating income			(0,000,070)								
(expense), net:	_	_	(8,400,324)	_							
		(348,224)		(9.500)							
Income (loss) before income taxes	_	(348,224)	(5,282,659)	(8,500)							
Income tax expense		(2.40.22.1)	(5.202.(50)	(0.500)							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. RADAR LLC	§ .	Case No. 22-90348	
	§ §	Lead Case No. 22-90341	
Debtor(s)	§		
Monthly Operating Report			Chapter 11
Reporting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Months Pending: 5		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	relief):	0	
Supporting Documentation (check all that are attached	ed):		
(For jointly administered debtors, any required schedu	les must be provided on a non-	consolidated basis for each debtor)	
Statement of cash receipts and disbursements Balance sheet containing the summary and detai 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 reporting period		
/s/ Alfredo R. Pérez	Alfred	do R. Pérez	
Signature of Responsible Party	Printe	d Name of Responsible Party	
06/30/2023			
Date		ouisiana Street, Suite 1700, Houston, Texas 77002	2
	Addre	SS:	

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.

Part 1	: Cash Receipts and Disbursements	<b>Current Month</b>	Cumulative
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
D4 2	Anna and Tabella Contra		
(Not g	: Asset and Liability Status enerally applicable to Individual Debtors. See Instructions.)	Current Month	
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	
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	
Part 3 a.	: Assets Sold or Transferred  Total cash sales price for assets sold/transferred outside the ordinary course of business	S 0	Cumulative \$ 0
	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$ 0	\$ 0
b.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0	\$ 0
c.	ivet cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$ 0	\$ 0
Part 4	: Income Statement (Statement of Operations)		
	enerally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$ 0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
g.	Depreciation and/or amortization (not included in 4b)	\$ 0	
h.	Interest	\$ 0	
i.	Taxes (local, state, and federal)	\$ 0	
j.	Reorganization items	\$ 0	
k.	Profit (loss)	\$ 0	\$ 0

Part	5: Profes	sional Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor	's professional fees & expenses (banl	kruptcy) Aggregate Total				
	Itemize	ed Breakdown by Firm					
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	XXV						
	xxvi						
	xxvii						
	xxviii						
	xxix						
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
	XXXV						
	xxxvi						

	xxxvii			
	xxxviii			
	xxxix			
	xl			
	xli			
	xlii			
	xliii			
	xliv			
	xlv			
	xlvi			
	xlvii			
	xlviii			
	xlix			
	1			
	li	 		
	lii			
	liii			
	liv			
	lv			
	lvi			
	lvii			
	lviii			
	lix			
	lx			
	lxi			
	lxii			
	lxiii			
	lxiv			
	lxv			
	lxvi			
	lxvii			
	lxviii			
	lxix			
Ī	lxx			
Ī	lxxi			
Ì	lxxii			
Ī	lxxiii	 		
Ī	lxxiv			
Ī	lxxv			
Ī	lxxvi			
ľ	lxxvii			
ľ	lxxviii			

			-	
lx	xix			
lx	XX			
lx	xxi			
	xxii			
lx	xxiii			
lx	xxiv			
lx	xxv			
	xxvi			
lx	xxvii			
lx	xxviii			
lx	xxix			
XC				
XC	ei 📗			
XC				
XC	eiii			
XC	eiv			
XC	ev			
	evi			
	evii			
XC	eviii			
XC	eix			
c				
ci				

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees &					
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
	iv					
	v					
	vi					
	vii					
	viii					
	ix					
	x					
	xi					
	xii					
	xiii					
	xiv					

	XV			
	xvi			
	xvii			
	xviii			
ĺ	xix			
	xx			
	xxi			
İ	xxii			
	xxiii			
l	xxiv			
l	XXV			
	xxvi			
	xxvii			
	xxviii			
l	xxix			
j	xxx			
l	xxxi			
İ	xxxii			
İ	xxxiii			
İ	xxxiv			
İ	xxxv			
	xxxvi			
İ	xxxvii			
İ	xxxvii			
	xxxix			
	xl			
	xli			
Ì	xlii			
ŀ	xliii			
	xliv			
	xlv			
ŀ	xlvi			
}	xlvii			
ŀ	xlviii			
ŀ	xlix			
ŀ	1			
ŀ	li li			
}	lii			
ŀ	liii			
ŀ	liv			
ŀ	lv			
ŀ	lvi			
	1V1			

lviii lviii			$^{+}$
lix			+
lx			$^{+}$
lxi			+
lxii			+
lxiii			+
lxiv			+
lxv			ł
lxvi			+
			+
lxvii			+
lxviii			+
lxix			+
lxx			1
lxxi			+
lxxii			+
lxxiii			1
lxxiv			+
lxxv			4
lxxvi			4
lxxvii			ļ
lxxviii			+
lxxix			1
lxxx			ļ
lxxxi			1
lxxxii			1
lxxxii			
lxxxiv			1
lxxxv			
lxxxvi			
lxxxvii			1
lxxxviii			Ļ
lxxxix			ļ
xc			
xci			
xcii			ļ
xciii			L
xciv			L
xcv			L
xevi			
xevii			ļ
xcviii			
xcix			
c		<u> </u>	1

Par	t 6: Postpetition Taxes	Current Mo	nth	Cumula	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

	t7: Questionnaire - During this reporting period:  Were any payments made on prepetition debt? (if yes, see Instructions)	Yes □	No ⊠		
a.					
b.	Were any payments made outside the ordinary course of business without court approval? (if	Yes □	No ⊠		
	yes, see Instructions)				
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 □	$N/A \boxtimes$	
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 □	$N/A \square$	(if no, see Instructions)
	General liability insurance?	Yes ⋈	No □		
	If yes, are your premiums current?	Yes ⋈	No □	$N/A \square$	(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 ⊠		
l.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes ⊠	No 🗆		

DC	NOI 3 IVAINE RADAR ELE	Cas	C 110. 22-70346
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
l.	Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C §	'	
	101(14A)?	Yes 🗆	No ⊠
m.	If yes, have you made all Domestic Support Obligation payments?	Yes □	No □ N/A ⊠

Case No. 22-90348

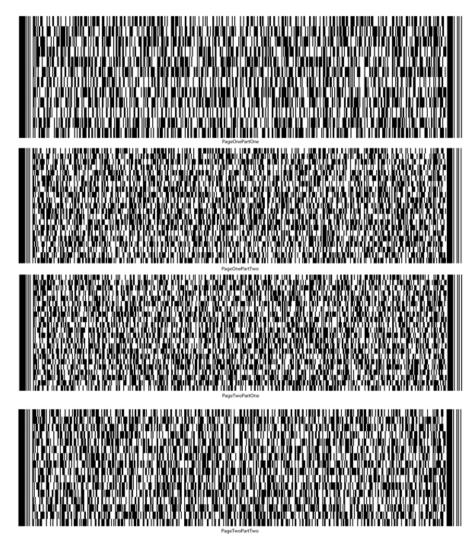
Debtor's Name RADAR LLC

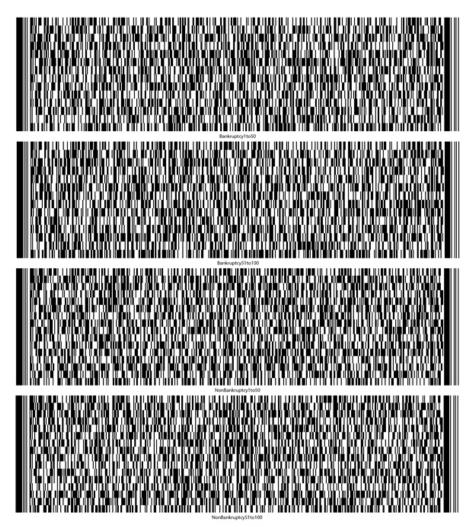
#### **Privacy Act Statement**

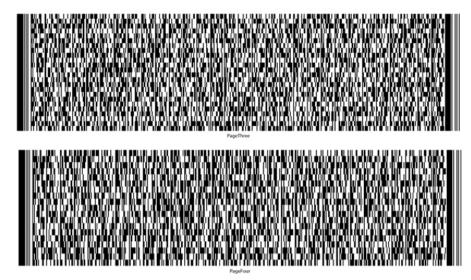
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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	Michael Bros				
Signature of Responsible Party	Printed Name of Responsible Party				
SVP, Capital Markets and Acquisitions	06/30/2023				
Title	Date				







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

In re:

\$ Chapter 11

CORE SCIENTIFIC, INC., et al.,

Debtors.1

\$ (Jointly Administered)

## MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. <u>Introduction</u>. 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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. <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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 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												
Operating Sales Proceeds Bitmain Coupon		3,047,584	35,845,140	_			_			_	_	38,892,724
Sales	_	_	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_	_	_	_	_	_	_	3,935,308
Total Receipts	43	3,049,519	42,715,651									45,765,214
•		-,,	12,110,000									10,100,00
Disbursements		0.151.055	25.554.025									******
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental Services	5.110.763	37,900 117,478	482,298 1.494.971	_								520,198 6,723,212
Financial / Bank Fees	5,110,763	521,495	6,636,339			_	_	_	_			7,157,834
Employee Expense	_	248,423	3,161,332									3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.	3,110,703	3,100,232	37,340,700						_=			47,337,762
Internal Transfers)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
Cash Balance Beginning												
of Month	20,727,149	2,204,597	56,562,407	_					_			79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement Allocation		3,092,112	(3,092,112)	_								
Cash Balance End of	_	5,092,112	(3,092,112)			_	_	_		_	_	_
Month (excl. Internal Transfers)	15.616.429	5.245.976	56.836.980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance	.,,	., .,	, ,									,,.
Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash				_	_	_	_	_	_	_	_	
Balance	<u>\$15,616,429</u>	<u>\$ 2,153,864</u>	\$59,929,093	<u>s                                    </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	<u>s — </u>	\$77,699,385
Reversing Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month		\$ 477,181	\$56,790,715	s —	s –	s –	s –	s –	s –	s –	s –	\$77,699,385
	2_0, 101, 102	,101	220,770,710			_						4,000,000

## MOR-2: End of May 2023 Balance Sheet

(I)( ()	Core Scientific,	Core Scientific Acquired	Core Scientific Operating	Radar	Core Scientific Mining	(Oklahoma)			RADAR		American Property Acquisitions		W . H
(US \$) ASSETS	Inc.	Mining LLC	Company	Relay, Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Со	Total <sup>1</sup>
Cash and													
Equivalents	_	477,181.41	56,182,297.78	_								_	56,659,47
Restricted Cash	20,234,882		805,024										21,039
Total Cash Accounts	20,234,882	477,181	56,987,322										77,699
receivable, net of allowance Accounts	_	_	757,945	_								_	757
receivable from related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11
Deposits for equipment	_	_	84,710	_								_	84
Digital currency													
assets		125,611	962,165										1,087
Prepaid expenses and other	_	22,828,249	22,455,196	_								(22,821,500)	22,461
Total other current												( )- ,- ,- ,-	
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734									5,658
Total Current Assets Property, plant and	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761
equipment	_	53,693,939	577,849,769	_								(15,616,704)	615,927
Operating													
lease-right-of-use assets	_	_	20,052,882	_								_	20,052
Goodwill	_	232,587,379	(167,058,249)	(65,529,130)								_	20,002
Intangible assets,			2 162 255										2,163
net Other noncurrent	_	_	2,163,255	_								_	2,103
assets	2,558,789	(0)	6,741,120										9,299
Total Assets LIABILITIES.	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204
PREFERRED													
STOCK & EQUITY													
Accounts Payable Accrued expenses	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086
and other  Deferred revenue	199,366	18,145,227	69,857,303 106,252,734									(38,709,697)	88,201 67,543
Derivative warrant liabilities	_	_	_	_								_	07,513
Operating lease liabilities, current			404.005										404
portion Financing lease liabilities, current	_	_	481,327	_								_	481
portion	_	_	25,959,033	_								_	25,959
Long-term debt, current portion	(559,901,857)		729,495,517										169,593
Total current	(550 502 401)	150 053 035	1 015 100 506	12.250								(100 425 520)	124.065
liabilities Operating lease	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865
liabilities, net of current portion	_	_	14,512,840	_								_	14,512
Financing lease liabilities, net of													
current portion	_	_	43,197,679	_								_	43,197
Long-term debt, net	569.259.159												
of current portion Other noncurrent	568,258,150	_	97,908,014	_								_	666,166
liabilities		18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities Pre-Petition Subject	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742
to Compromise	684,395,370	_	(684,395,370)	_								_	
Total Pre-Petition													
Subject to Compromise	684,395,370		(684,395,370)										
Preferred stock	——————————————————————————————————————		(004,373,370)										
Common stock	37,478	_	_	_								_	37
Additional paid-in capital	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008
Accumulated deficit	(179,781,838)		(1,111,388,345)									318,476	(2,189,583
Other Comprehensive	(17,701,030)	(000,730,310)	(1,111,000,043)	(31,773,312)								510,470	(2,107,303
Income	_	_		_									
Cumulative Translation													
Adjustment	_	46,983	_	_								(46,983)	
Total Equity	1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537
Total Liabilities, Preferred Stock &	2 212 204 000	(674 020 002)	(637 666 141)	(64.350.021)								(180,156,235)	755 204
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(04,550,051)								(100,130,235)	755,204

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

### MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties			2,831,280	_							
Equipment sales to customers	_	_	_	_							
Equipment sales to related parties											
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi revenue											
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit	_	(324,438)	12,857,225								
Gain (loss) on legal settlements											
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing	_	_	(430,774)	_							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees	_	· · · ·		_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_	(0.10,==1)	-,,	(0,000)							
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net	_	_		_							
Reorganization items	_	_	(8,350,978)	_							
Total Non-operating income (expense),											
net:	_	_	(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense	_										
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In Re. American Property A	Acquisitions I, LLC	§	Case No. 22-90349	
			Lead Case No. 22-90341	
Debtor	(s)	§		
Monthly Operating Repo	rt			Chapter 11
Reporting Period Ended: 0:	5/31/2023		Petition Date: 12/21/2022	
Months Pending: 5			Industry Classification: 3 3 4 1	
Reporting Method:	Accrual Basis	C	ash Basis	
Debtor's Full-Time Employ	vees (current):	0		
Debtor's Full-Time Employ	vees (as of date of order for relief):	0		
Supporting Documentation	on (check all that are attached):			
For jointly administered de	ebtors, any required schedules must be pr	ovided on a non	-consolidated basis for each debtor)	
Balance sheet contain Statement of operation Accounts receivable Postpetition liabilitie Statement of capital a Schedule of payment Schedule of payment All bank statements a	s aging assets s to professionals s to insiders and bank reconciliations for the reporting sets sold or transferred and the terms of the	period		
06/30/2023				
Date			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.

Part 1	: Cash Receipts and Disbursements	Current Month	Cumulative
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
Part 2	2: Asset and Liability Status		
(Not g	enerally applicable to Individual Debtors. See Instructions.)  Accounts receivable (total net of allowance)	Current Month \$ 0	
b.	Accounts receivable (total net of allowance)  Accounts receivable over 90 days outstanding (net of allowance)	\$ 0	
c.	Inventory (Book   Market □ Other □ (attach explanation))	\$ 0	
d	Total current assets	\$ 0	
	Total assets	\$ 0	
e. f.		\$ 0	
	Postpetition payables (excluding taxes)	\$ 0	
g.	Postpetition payables past due (excluding taxes)		
h.	Postpetition taxes payable	\$ <u>0</u> \$ 0	
1.	Postpetition taxes past due  Tital postpetition data (CLE)		
j.	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	
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
		<del>*                                    </del>	<del>*                                    </del>
	l: Income Statement (Statement of Operations)	C (M 4	6 10
a.	generally applicable to Individual Debtors. See Instructions.)  Gross income/sales (net of returns and allowances)	S 0	Cumulative
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
	Depreciation and/or amortization (not included in 4b)	\$ 0	
g.	Interest	\$ 0	
h.		\$ 0	
i.	Taxes (local, state, and federal)		
j.	Reorganization items	\$ 0	Ф О
k.	Profit (loss)	\$ 0	\$ 0

Part	5: Professional	Fees and Expenses					
				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
a.	Debtor's pro	ofessional fees & expenses (b	ankruptcy) Aggregate Total	Current World	Cumulative	Worth	Camalative
	Itemized Bre	eakdown by Firm	1 27 00 0				
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						
	XV						
	xvi						
	xvii						
	xviii						
	xix						
	XX						
	xxi						
	xxii						
	xxiii						
	xxiv						
	XXV						
	xxvi						
	xxvii						
	xxviii						
	xxix						
	XXX						
	xxxi						
	xxxii						
	xxxiii						
	xxxiv						
	XXXV						
	xxxvi						

XXX				
XXX				
XXX	ix			
xl				
xli				
xlii				
xliii	i			
xliv	,			
xlv				
xlvi				
xlvi	i			
xlvi	ii			
xlix				
1				
li				
lii				
liii				
liv				
lv				
lvi				
lvii				
IV11				
lviii	l e			
lix				
lx				
lxi				
lxii				
lxiii				
lxiv				
lxv				
lxvi				
lxvi				
lxvi				
lxix				
lxx				
lxxi				
lxxi		 	 	
lxxi				
lxxi		 	 	
lxxv	V			
lxxv	vi			
lxxv				
lxxv				
		l	l	

•	1			
lxxix				
lxxx				
lxxxi				
lxxxii				
lxxxii				
lxxxiv				
lxxxv				
lxxxvi				
lxxxvi				
lxxxvi				
lxxxix				
xc				
xci				
xcii				
xciii				
xciv				
xcv				
xcvi				
xcvii				
xcviii				
xcix				
С				
ci				

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor's professional fees & expens	ses (nonbankruptcy) Aggregate Total				
	Itemized Breakdown by Firm					
	Firm Name	Role				
	i					
	ii					
	iii					
	iv					
	v					
	vi					
	vii					
	viii					
	ix					
	X					
	xi					
	xii					
	xiii					
	xiv					

	XV				
-	xvi				
ŀ	xvii				
ŀ	xviii				
ŀ					
	xix				
ļ	XX				
	xxi				
	xxii				
	xxiii				
	xxiv				
	XXV				
	xxvi				
	xxvii				
Ì	xxviii				
ľ	xxix				
ľ	XXX				
ŀ	xxxi				
	xxxii				
ŀ	xxxiii				
	xxxiv				
ŀ	XXXV				
ŀ	xxxvi				
-	xxxvii				
	xxxvii				
-	xxxix				
ŀ	xl				
ŀ	xli				
ŀ	xlii				
ŀ					
	xliii				
-	xliv				
ļ	xlv				
ļ.	xlvi				
	xlvii				
	xlviii				
	xlix				
	1				
	li			 	
	lii				
	liii				
	liv				
	lv				
ľ	lvi				
		L			

	lvii						
	IVII						
	1:::						
	lviii lix						
							-
	lx						
	lxi						
	lxii						
	lxiii						
	lxiv						<b></b>
	lxv						<b></b>
	lxvi						
	lxvii						
	lxviii						
	lxix						
	lxx						
	lxxi						
	lxxii						
	lxxiii						
	lxxiv						
	lxxv						
	lxxvi						
	lxxvii						
	lxxvii						
	lxxix						
	lxxx						
	lxxxi						
	lxxxii						
	lxxxii						
Ī	lxxxiv						
	lxxxv						
ľ	lxxxvi						
	lxxxvi						
	lxxxvi						
	lxxxix						
	xc						
	xci						
ľ	xcii						
	xciii						
	xciv						<u> </u>
	xcv						
	xcvi						<u> </u>
	xcvii						<del>                                     </del>
	xcviii						<del> </del>
	xcix						<del>                                     </del>
	C						<del>                                     </del>
c.		nal fees and expenses (debtor & com	nittees)	\$0	\$0	\$0	\$0
U.	An profession	nai ices and expenses (debiblica comi	muces)	\$0	\$0	\$0	\$0

Par	t 6: Postpetition Taxes	Current	t 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

Par	t 7: Questionnaire - During this reporting period:				
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 □	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 □	$N/A \square$	(if no, see Instructions)
	Casualty/property insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 □	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 □		

De	btor's Name American Property Acquisitions I, LLC	Case	e 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 ⊠

Yes □

No □

 $N/A \boxtimes$ 

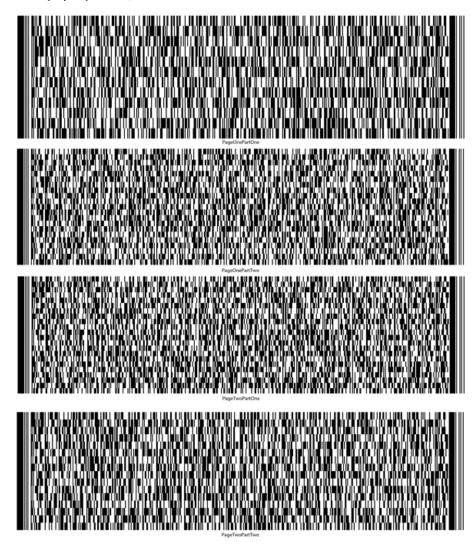
#### **Privacy Act Statement**

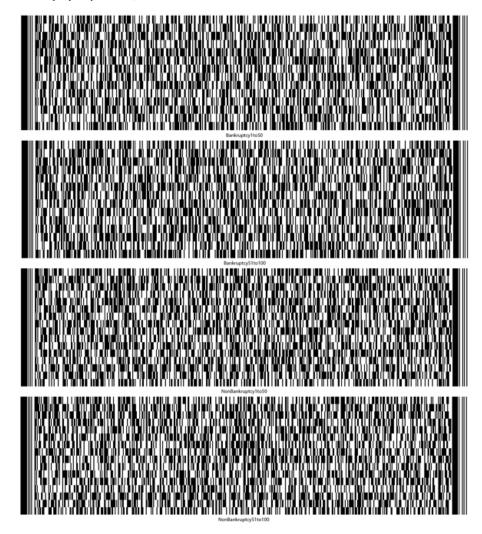
m. If yes, have you made all Domestic Support Obligation payments?

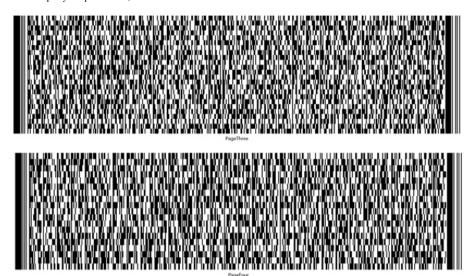
28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will 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).

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.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	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)

#### **MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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' receipt angement 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; (iii) Income Statement (profit or loss statement); (iv)Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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' 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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

<b>Description</b>	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												
Operating Sales Proceeds	_	3,047,584	35,845,140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	_	2,937,181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_	_	_	_	_	_	_	3,935,308
Total Receipts	43	3,049,519	42,715,651	_		_				_		45,765,214
Disbursements												
Suppliers or vendors	_	2,174,957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental	_	37,900	482,298	_	_	_	_	_	_	_	_	520,198
Services	5.110.763	117,478	1.494.971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees		521,495	6,636,339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense	_	248,423	3,161,332	_	_	_	_	_	_	_	_	3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
Net Cash Flow (excl.												
Internal Transfers)	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Cash Balance Beginning of	20.525.140	2 204 505	54 542 105									
Month	20,727,149	2,204,597	56,562,407		_	_	_		_			79,494,153
Net Cash Flow Disbursement	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers) Bank Cash Balance Beginning of	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash												
Balance	<u>\$15,616,429</u>	\$ 2,153,864	\$59,929,093	<u>s —</u>	<u>s — </u>	<u>s — </u>	<u>s – </u>	<u>s                                      </u>	<u>s — </u>	<u>s                                      </u>	<u>s — </u>	<u>\$77,699,385</u>
Reversing Disbursement Allocation	_	3,092,112	(3,092,112)	_	_	_	_		_	_	_	_
Internal Transfers	4,815,060	(4,768,795)	(46,265)	_	_	_	_		_	_	_	_
Cash Balance End of Month	\$20,431,489	<u>\$ 477,181</u>	\$56,790,715	<u>s — </u>	<u>s – </u>	<u>s – </u>	<u>s</u> –	<u>s</u> –	<u>s</u> —	<u>s</u>	<u>s</u>	\$77,699,385

	Core Scientific,	Core Scientific Acquired Mining	Core Scientific Operating	Radar Relay,	Core Scientific Mining	Core Scientific Specialty Mining (Oklahoma)	American Property Acquisition.	Starboard Capital	RADAR	American Property Acquisitions I,	American Property Acquisitions VII,	Elimination	
(US \$)	Inc.	LLC	Company	Inc.	LLC	LLC	LLC	LLC	LLC	LĽC	LLC	Co	Total <sup>1</sup>
ASSETS													
Cash and													
Equivalents	20.224.002	477,181.41	56,182,297.78										56,659,479
Restricted Cash	20,234,882	455 101	805,024										21,039,
Total Cash Accounts	20,234,882	477,181	56,987,322										77,699,
receivable, net of allowance	_	_	757,945	_								_	757,
Accounts receivable from related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11,
Deposits for													
equipment	_	_	84,710	_								_	84,
Digital currency assets	_	125,611	962,165	_								_	1,087,
Prepaid expenses		123,011	902,103										1,007,
and other	_	22,828,249	22,455,196	_								(22,821,500)	22,461,
Total other current		,,										( )- ,/	, , ,
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734									5,658,
Total Current													
Assets	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761,
Property, plant and		52 (02 020	555 040 560									(15 (16 50 0)	(15.005)
equipment Operating lease-right-of-use		53,693,939	577,849,769	_								(15,616,704)	615,927,
assets	_	_	20,052,882	_								_	20,052,
Goodwill	_	232,587,379	(167,058,249)	(65,529,130)								_	
Intangible assets,			2.1/2.255										2.1627
net Other noncurrent assets	2,558,789	(0)	2,163,255 6,741,120	_								_	2,163,1 9,299,1
Total Assets	2,312,306,980	(674,929,892)	(637,666,141)	(64 350 031)								(180,156,235)	755,204,
LIABILITIES,	2,312,300,980	(0/4,929,892)	(03/,000,141)	(04,330,031)								(100,130,233)	755,204,
PREFERRED STOCK & EQUITY													
Accounts Payable	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086,
Accrued expenses	100.266	10 145 227	(0.057.202										00.201
and other Deferred revenue	199,366	18,145,227	69,857,303 106,252,734									(38,709,697)	88,201, 67,543,
Derivative warrant	_	_	100,232,734	_								(38,709,097)	07,545,
liabilities	_	_	_	_								_	
Operating lease													
liabilities, current													
portion	_	_	481,327	_								_	481,
Financing lease liabilities, current													
portion	_	_	25,959,033	_								_	25,959,
Long-term debt,			23,939,033										23,939,
current portion	(559,901,857)	_	729,495,517	_								_	169,593,
Total current													
liabilities	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865,
Operating lease liabilities, net of current portion	_	_	14,512,840	_								_	14,512,
Financing lease													
liabilities, net of			10 1										40
current portion			43,197,679										43,197,
Long-term debt, net of current portion	568,258,150		97,908,014									_	666,166,
Other noncurrent	500,250,150	_	77,700,014										000,100,
liabilities		18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742,
Pre-Petition Subject													
to Compromise	684,395,370		(684,395,370)										
Total Pre-Petition													
Subject to	694 205 270		(684,395,370)										
Compromise Preferred stock	684,395,370		(084,395,370)									_	•
Common stock	37,478												37,
Additional paid-in													
capital	1,799,100,312	(15,979,141)	2,887,621	_								_	1,786,008,
Accumulated													
deficit	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583,
Other Comprehensive Income				_									
Cumulative													
Translation													
Adjustment		46,983										(46,983)	
Total Equity	1,619,355,951	(852,888,675)	(1,108,500,723)	(61,775,512)								271,494	(403,537,
Total Liabilities,													
Preferred Stock &	2 212 207 000	((74 020 002)	((27) (((14)	(64.250.024)								(100 157 225)	755 204
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204,

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

## MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

	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											
(dollars in thousands)											
Hosting revenue from customers	_	_	9,566,629	_							
Hosting revenue from related											
parties			2,831,280	_							
Equipment sales to customers Equipment sales to related parties			_	_							
Digital asset mining income		3,024,740	33,071,555								
Network services and defi revenue		J,024,740									
Total Revenue		3,024,740	45,469,463								
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal settlements	_=	(324,436)	12,037,223								
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency			,								
assets	_	(45,989)	(411,031)	_							
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	_	_	(773,982)	(8,500)							
Sales and marketing			(430,774)	(0,500)							
General and administrative	_	(6,406)	(8,368,931)	_							
Advisor Fees	_			_							
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net:	_	` ',	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,,,,,							
Loss on debt extinguishment	_	_	_	_							
Interest expense, net	_	_	(49,346)	_							
Other non-operating expenses, net			(0.250.050)								
Reorganization items			(8,350,978)								
Total Non-operating income (expense),			(0.400.224)								
net:		(2.49.22.4)	(8,400,324)	(0.500)							
Income (loss) before income taxes	_	(348,224)	(5,282,659)	(8,500)							
Income tax expense		(348,224)	(5,282,659)	(0.500)							
Net Income (Loss)		(348,224)	(3,282,059)	(8,500)							

# UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF TEXAS HOUSTON

In F	Re. American Property Acquisitions VII, LLC	§	Case No. 22-90350	
	Dulata of c)	§ §	Lead Case No. 22-90341	
	Debtor(s)	<b>§</b>	☑ Jointly Administered	
Mo	nthly Operating Report			Chapter 11
Rep	porting Period Ended: 05/31/2023		Petition Date: 12/21/2022	
Mo	nths Pending: 5		Industry Classification: 3 3 4 1	
Rep	porting Method:	Accrual Basis 🛛	Cash Basis □	
Del	otor's Full-Time Employees (current):		0	
Del	otor's Full-Time Employees (as of date of order f	or relief):	0	
Sup	oporting Documentation (check all that are attack	ched):		
(Fo	r jointly administered debtors, any required sched	dules must be provided on a n	on-consolidated basis for each debtor)	
	Statement of cash receipts and disbursements Balance sheet containing the summary and de 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 of Description of the assets sold or transferred and	or the reporting period		
	Alfredo R. Pérez		Alfredo R. Pérez	
Sig	nature of Responsible Party		Printed Name of Responsible Party	
	30/2023			
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.  $\S$  1320.4(a)(2) applies.

Part 1	1: Cash Receipts and Disbursements	Current Month	Cumulative
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
Dont 1	2: Asset and Liability Status		
	generally applicable to Individual Debtors. See Instructions.)	Current Month	
a.	Accounts receivable (total net of allowance)	\$ 0	
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$ 0	
c.	Inventory (Book $\boxtimes$ Market $\square$ Other $\square$ (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	
Don't 1	De Levels Californ Transform I		
a.	3: Assets Sold or Transferred  Total cash sales price for assets sold/transferred outside the ordinary course of business	Current Month \$ 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
٥.	The table proceeds from assets sortal name relation and oralliarly course of outsiness (a o)	<del>*************************************</del>	<del>*************************************</del>
Part 4	4: Income Statement (Statement of Operations)	C (M 4	6 14
a.	generally applicable to Individual Debtors. See Instructions.)  Gross income/sales (net of returns and allowances)	Current Month \$ 0	Cumulative
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$ 0	
c.	Gross profit (a-b)	\$ 0	
d.	Selling expenses	\$ 0	
e.	General and administrative expenses	\$ 0	
f.	Other expenses	\$ 0	
	Depreciation and/or amortization (not included in 4b)	\$ 0	
g. h.	Interest	\$ 0	
n. i.	Taxes (local, state, and federal)	\$ 0	
	Reorganization items	\$ 0	
j.		\$ 0	¢ 0
k.	Profit (loss)	<b>3</b> 0	\$ 0

	essional Fees and Expenses		Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulativ
Debto	or's professional fees & expens	ses (bankruptcy) Aggregate Total				
Itemiz	zed Breakdown by Firm					
	Firm Name	Role				
i						
ii						
iii						
iv						
v						
vi						
vii						
viii						
ix					1	
X						
xi					1	
xii						
xiii						
xiv						
XV						
xvi						
xvii						
xviii						
xix						
XX						
xxi						
xxii						
xxiii						
xxiv						
XXIV						
xxvi					1	
xxvii					1	
XXVII						
xxix	1					
XXX						
xxxi					<del>                                     </del>	
xxxii						
xxxiii						
xxxiv					-	
XXXV						
xxxvi	1				<u> </u>	

xxxvii			1
xxxviii			
xxxix			
xl			
xli			
xlii			
xliii			
xliv			
xlv			
xlvi			
xlvii			
xlviii			
xlix			
1			
li			
lii			
liii			
liv			
lv			
lvi			
lvii			
lviii			
lix			
lx			
lxi			
lxii			
lxiii			
lxiv			
lxv			
lxvi			
lxvii			
lxviii			
lxix			
lxx			
lxxi			
lxxii			
lxxiii			
lxxiv			
lxxv			
lxxvi			
lxxvii			
lxxviii			

	lxxix			
	lxxx			
	lxxxi			
	lxxxii			
	lxxxii			
	lxxxiv			
	lxxxv			
	lxxxvi			
Ī	lxxxvii			
	lxxxviii			
	lxxxix			
	xc			
Ī	xci			
	xcii			
Γ	xciii			
Ī	xciv			
Г	xcv			
	xcvi			
	xcvii			
Ī	xeviii			
	xcix			
	c			
Π	ci			

				Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
b.	Debtor	's professional fees & expens	ses (nonbankruptcy) Aggregate Total				
	Itemize	d Breakdown by Firm					
		Firm Name	Role				
	i						
	ii						
	iii						
	iv						
	v						
	vi						
	vii						
	viii						
	ix						
	X						
	xi						
	xii						
	xiii						
	xiv						

	XV			
ŀ	xvi			
	xvii			
ŀ	xviii			
ŀ				
	xix			
	XX			
	xxi			
	xxii			
	xxiii			
	xxiv			
	XXV			
	xxvi			
	xxvii			
j	xxviii			
Ī	xxix			
j	XXX			
Ī	xxxi			
	xxxii			
Ī	xxxiii			
l	xxxiv			
	XXXV			
	xxxvi			
l	xxxvii			
	xxxvii			
	xxxix			
l	xl			
l	xli			
l	xlii			
	xliii			
l	xliv			
	xlv			
l	xlvi			
ľ	xlvii			
ľ	xlviii			
ŀ	xlix			
ŀ	1			
ŀ	li			
}	lii			
ŀ	liii			
ŀ	liv			
}	lv			
ŀ	lvi			
	IVI			

	lvii						
-	lviii						
-	lix						
-	lx						
-	lxi						
-	lxii						
-	lxiii						
-							
-	lxiv lxv						
-	lxvi						
-	lxvii						
-							
-	lxviii						
-	lxix						
ļ	lxx						
}-	lxxi						
-	lxxii						
-	lxxiii						
	lxxiv						
	lxxv						
	lxxvi						
	lxxvii						
	lxxviii						
	lxxix						
	lxxx						
	lxxxi						
	lxxxii						
Ī	lxxxii						
Ī	lxxxiv						
Ī	lxxxv						
Ī	lxxxvi						
	lxxxvii						
Ī	lxxxviii						
j	lxxxix						
j	xc						
j	xci						
j	xcii						
j	xciii						
j	xciv						
j	xcv						
ļ	xcvi						
ľ	xcvii						
j	xcviii						
}	xcix						
}	С						
c.	All profe	essional fees and expenses (debtor & cor	nmittees)	\$0	\$0	\$0	\$0
	p. 510	and onpenses (acotor & cor		Ψ0	Ψ0	Ψ0	ΨΟ

Par	t 6: Postpetition Taxes	Current	t Month	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

_					
	Wyre one property made on properties delet? (if you are Instructions)	Vac =	No ⊠		
a.	Were any payments made on prepetition debt? (if yes, see Instructions)	res 🗆	INO 🗵		
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 □	$N/A \square$	(if no, see Instructions)
	Casualty/property insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(if no, see Instructions)
	General liability insurance?	Yes ⊠	No □		
	If yes, are your premiums current?	Yes ⊠	No □	$N/A \square$	(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 ⊠		
l.	Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930?	Yes ⊠	No □		

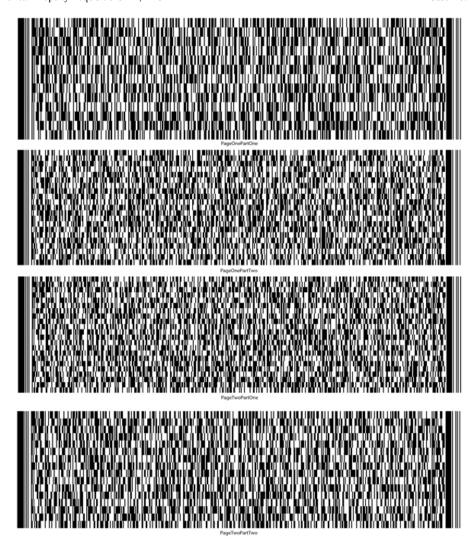
De	Debtor's Name American Property Acquisitions VII, LLC  Case No. 22-90350									
Par	t 8: Individual Chapter 11 Debtors (Only)									
a.	Gross income (receipts) from salary and wages	\$	0							
b.	Gross income (receipts) from self-employment	\$	0							
c.	Gross income from all other sources	\$	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 ⊠							
m.	If yes, have you made all Domestic Support Obligation payments?	Yes $\square$	No □	$N/A \boxtimes$						

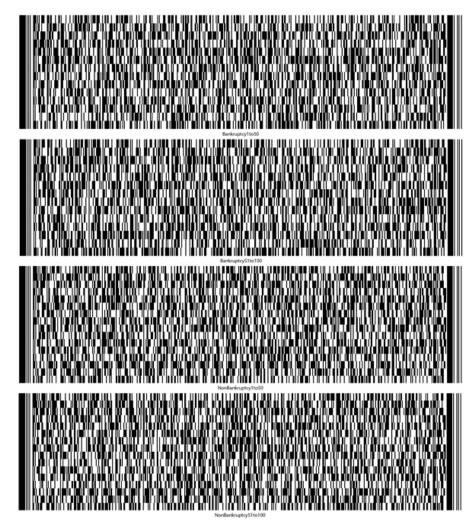
#### **Privacy Act Statement**

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).

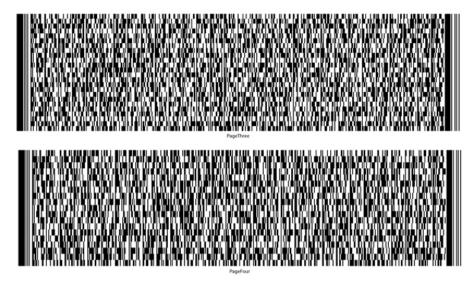
I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Michael Bros	Michael Bros
Signature of Responsible Party	Printed Name of Responsible Party
SVP, Capital Markets and Acquisitions	06/30/2023
Title	Date





11



#### 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. <sup>1</sup>	§ (Jointly Administered)

#### MONTHLY OPERATING REPORT NOTES FOR MAY 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 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. On March 23, 2023, the U.S. Trustee appointed an official equity committee (the "Equity 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

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 (6074); 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.

accurate to the best of the Debtors' knowledge, information, and belief, based on 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 May 1, 2023 and ending May 31, 2023, or for the full year, and may not necessarily reflect the Debtors' future consolidated results of operations and financial position.

- 2. Reservation of Rights. This MOR is limited in scope, covers the period beginning on May 1, 2023 and ending May 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 May 31, 2023, the end of the Debtors' reporting period. This MOR covers the period beginning May 1, 2023 and ending May 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. <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; (iii) Income Statement (profit or loss statement); (iv) Schedule of Asset Sales; and (v) Schedule of Payments to Insiders.

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.

Schedule of Asset Sales This schedule, as requested by the U.S. Trustee, provides the total cash sales price for assets sold/transferred outside the ordinary course of business for the period on page 1 of the MOR.

Schedule of Payments to Insiders. This schedule provides additional detail for the period on page 1 of the MOR. For each insider payment made during the reporting period the following information is provided: Recipient; Date of payment or benefit provided; Amount of cash payment or market value of non-cash payment; and Reason for each payment made.

- 8. Part 1, Cash Receipts and Disbursements. Cumulative quarter-to-date for Q2 2023 disbursements are reported in the Cumulative figures in the MOR. Cumulative case to date total disbursements through May 31, 2023 are \$212,962,913.
- 9. Part 2: Asset and Liability Status. Long-term lease liabilities resulting from the Debtors' office / location leases and equipment / fixed asset leases are reported as prepetition unsecured debt. Beginning with the April MOR, the (i) April 2022 \$60 million Bridge Promissory Note with BRF Finance Co, LLC and (ii) April 2022 \$15 million Bridge Promissory Note with B. Riley Commercial Capital, LLC (collectively, the "Unsecured Bridge Notes"), are also reported as prepetition unsecured debt, whereas the Unsecured Bridge Notes were inadvertently included in prepetition priority debt on previous monthly operating reports.
- 10. Part 3, Assets Sold or Transferred. The Company regularly receives credits and/or coupons from Bitmain Technologies Ltd.'s reward and price protection programs. The Company subsequently redeems these credits and/or coupons for new ASIC miner acquisitions or sells them to third parties when they are not able to be utilized by the Company. The Company may recognize other income when the credits and/or coupons are redeemed in noncash acquisitions or sold to third parties.

On February 1, 2023, the Bankruptcy Court entered the Order (I) Authorizing and Approving Sale of Bitmain Coupons, Free and Clear of All Liens, Claims, Interests, and Encumbrances, and (II) Granting Related Relief (Docket No. 429) (the "Bitmain Sale Order"). For more information on the sales made pursuant to the Bitmain Sale Order, please see MOR-4: Total Cash Sales Price for Assets Sold/Transferred Outside the Ordinary Course of Business.

- 11. Part 5: Professional Fees and Expenses. For purposes of the MORs, bankruptcy professional fees are considered approved if the applicable monthly fee statement has been served and the objection deadline with regard to such monthly fee statement has expired prior to the end date of the MOR period. In addition, one ordinary course professional, Carey Olsen Cayman Limited, was inadvertently paid \$2,239 prior to the expiration of the Objection Deadline (as defined in the Order Authorizing Debtors to Employ Professionals Used in Ordinary Course of Business Effective as of Petition Date (Docket No. 543) (the "OCP Order")). Pursuant to the OCP Order, payment to Carey Olsen Cayman Limited will be authorized absent objection served by July 6, 2023 to the retention, employment, or compensation of Carey Olsen Cayman Limited based on the contents of the Declaration and Disclosure Statement of Nicholas Bullmore on Behalf of Carey Olsen Cayman Limited (Docket No. 993). To the extent there is any such objection, the Debtors will request a refund of the inadvertent \$2,239 payment.
- 12. 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.

In the ordinary course of business, the Debtors' tax filings may extend past the normal deadlines and become late in some instances. When this happens, the Debtors arrange to complete the filings and address any related fines and/or penalties. There are no tax filings that are currently late where the Debtors are not also in dialog with the related taxing authority to become compliant.

All postpetition borrowings since the inception of the case, other than trade credit, are borrowings made under the Initial DIP Facility or the Replacement DIP Facility.

## MOR-1: 5/1/2023 - 5/31/2023 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												
Operating Sales												
Proceeds	_	3,047,584	35.845.140	_	_	_	_	_	_	_	_	38,892,724
Bitmain Coupon Sales	_	3,047,304	2.937.181	_	_	_	_	_	_	_	_	2,937,181
Other Receipts	43	1,935	3,933,330	_	_		_					3,935,308
	43	3,049,519	42,715,651							$\overline{}$		45,765,214
Total Receipts	43	3,049,519	42,/15,051	_	_	_	_	_	_	_	_	45,/05,214
Disbursements												
Suppliers or vendors	_	2.174.957	27,574,025	_	_	_	_	_	_	_	_	29,748,982
Taxes / Governmental	_	37,900	482,298		_	_	_	_	_	_	_	520,198
Services	5,110,763	117,478	1,494,971	_	_	_	_	_	_	_	_	6,723,212
Financial / Bank Fees		521.495	6.636.339	_	_	_	_	_	_	_	_	7,157,834
Employee Expense	_	248,423	3,161,332	_	_	_	_	_	_	_	_	3,409,755
Total Disbursements	5,110,763	3,100,252	39,348,966									47,559,982
	3,110,703	3,100,232	37,546,700									47,555,762
Net Cash Flow (excl.	(5.110.530)	(50.533)	2.266.606									(1.504.5(0)
Internal Transfers)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
Cash Balance												
Beginning of Month	20,727,149	2,204,597	56,562,407	_	_		_			_	_	79,494,153
Net Cash Flow	(5,110,720)	(50,733)	3,366,686	_	_	_	_	_	_	_	_	(1,794,768)
Disbursement												
Allocation	_	3,092,112	(3,092,112)	_	_	_	_	_	_	_	_	_
Cash Balance End of Month (excl. Internal Transfers)	15,616,429	5,245,976	56,836,980	_	_	_	_	_	_	_	_	77,699,385
Bank Cash Balance Beginning of Month	20,727,149	2,204,597	56,562,407	_	_	_	_	_	_	_	_	79,494,153
Net Cash Flow (excl. Internal Transfers; w/ Allocation)	(5,110,720)	(50,733)	3,366,686									(1,794,768)
MOR Part 1 d. Cash Balance	\$ 15,616,429	\$ 2,153,864	\$ 59,929,093	<u>s  — </u>	<u>s                                    </u>	s —	s —	<u>s                                    </u>	<u>s                                    </u>	<u> </u>	<u>s — </u>	\$ 77,699,385
Reversing Disbursement Allocation Internal Transfers		3,092,112 (4,768,795)	(3,092,112) (46,265)	_	_	=	=	_	_	=	=	=
Cash Balance End of Month	\$ 20,431,489	\$ 477,181	\$ 56,790,715	<u>s —</u>	<u>s — </u>	<u>s</u>	<u>s</u> _	<u>s – </u>	<u>s</u> _	<u>s – </u>	<u>s – </u>	\$ 77,699,38 <u>5</u>

## MOR-2: End of May 2023 Balance Sheet

(IIC e)	Core Scientific,	Core Scientific Acquired	Core Scientific Operating	Radar	Core Scientific Mining	(Oklahoma)			RADAR	American Property Acquisitions			Takall
(US \$) ASSETS	Inc.	Mining LLC	Company	Relay, Inc.	LLC	LLC	LLC	LLC	LLC	I, LLC	VII, LLC	Со	Total <sup>1</sup>
Cash and													
Equivalents	_	477,181.41	56,182,297.78	_								_	56,659,47
Restricted Cash	20,234,882		805,024										21,039
Total Cash	20,234,882	477,181	56,987,322										77,699
Accounts receivable, net of allowance Accounts	_	_	757,945	_								_	757
receivable from related parties	468,755,627	143,568,425	(471,760,829)	1,166,366								(141,718,032)	11
Deposits for equipment		_	84,710									_	84
Digital currency			04,710										04
assets		125,611	962,165										1,087
Prepaid expenses and other		22,828,249	22,455,196									(22,821,500)	22,461
Total other current		22,020,247	22,433,170									(22,021,300)	22,401
assets	1,820,757,682	(1,128,210,676)	(686,901,426)	12,734									5,658
Total Current Assets	2,309,748,191	(961,211,209)	(1,077,414,916)	1,179,100								(164,539,531)	107,761
Property, plant and equipment	_	53,693,939	577,849,769	_								(15,616,704)	615,927
Operating		33,073,737	311,042,102									(13,010,704)	013,727
lease-right-of-use			20.052.002										20.052
assets Goodwill		232,587,379	20,052,882 (167,058,249)	(65 529 130)									20,052
Intangible assets,		232,301,317	(107,030,247)	(05,527,150)									
net	_	_	2,163,255	_								_	2,163
Other noncurrent assets	2,558,789	(0)	6,741,120	_								_	9,299
Total Assets	2,312,306,980	(674,929,892)		(64,350,031)								(180,156,235)	755,204
LIABILITIES,													
PREFERRED													
STOCK & EQUITY Accounts Payable	_	141,728,700	83,062,592	13,250								(141,718,032)	83,086
Accrued expenses		141,720,700	05,002,572	13,230								(141,710,032)	05,000
and other Deferred revenue	199,366 —	18,145,227 —	69,857,303 106,252,734	_								(38,709,697)	88,201 67,543
Derivative warrant liabilities Operating lease	_	_	_										
liabilities, current portion	_	_	481,327	_								_	481
Financing lease liabilities, current portion			25,959,033	_									25,959
Long-term debt,	_		23,939,033										23,737
current portion	(559,901,857)		729,495,517										169,593
Total current liabilities Operating lease	(559,702,491)	159,873,927	1,015,108,506	13,250								(180,427,729)	434,865
liabilities, net of current portion Financing lease	_	_	14,512,840	_								_	14,512
liabilities, net of													
current portion			43,197,679										43,197
Long-term debt, net of current portion Other noncurrent	568,258,150	_	97,908,014	_								_	666,166
liabilities		18,084,856	(15,497,086)	(2,587,769)									
Total Liabilities	8,555,659	177,958,783	1,155,229,953	(2,574,519)								(180,427,729)	1,158,742
Pre-Petition Subject	694 305 370		(694 205 270)										
to Compromise  Total Pre-Petition	684,395,370		(684,395,370)										
Subject to Compromise	684,395,370	_	(684,395,370)	_								_	
Preferred stock	_	_		_									
Common stock Additional paid-in	37,478	_	_	_								_	37
capital  Accumulated	1,799,100,312	(15,979,141)	2,887,621										1,786,008
deficit Other	(179,781,838)	(836,956,516)	(1,111,388,345)	(61,775,512)								318,476	(2,189,583
Comprehensive Income	_	_	_	_								_	
Cumulative Translation		46.002										(46,002)	
Adjustment Total Equity	1,619,355,951	46,983 (852,888,675)	(1,108,500,723)	(61 775 512)								(46,983) 271,494	(403,537
Total Liabilities, Preferred Stock &	1,012,000,701	(032,888,0/5)	(1,100,300,723)	(61,775,512)								2/1,494	(403,537
Equity	2,312,306,980	(674,929,892)	(637,666,141)	(64,350,031)								(180,156,235)	755,204

The 'Elimination Co' column addresses the accounting of intercompany balances to enable consolidated reporting in the 'Total' column

### MOR-3: 5/1/2023 - 5/31/2023 Profit & Loss

						Core					
		Core Scientific	Core		Core	Scientific Specialty	American			American	American
	Core	Acquired	Scientific	Radar	Scientific	Mining	Property	Starboard		Property	Property
	Scientific, Inc.	Mining LLC	Operating Company	Relay, Inc	Mining LLC	(Oklahoma) LLC	Acquisition, LLC	Capital LLC	RADAR LLC	Acquisitions I, LLC	Acquisitions VII, LLC
Total Revenue	IIIC.	LLC	Сопрану	IIIC	LLC	LLC	LLC	LLC	LLC	i, LLC	VII, LLC
(dollars in thousands)											
, ,			0.5((.(30								
Hosting revenue from customers Hosting revenue from related	_	_	9,566,629	_							
parties		_	2,831,280	_							
Equipment sales to customers			2,031,200	_							
Equipment sales to customers											
parties	_	_	_	_							
Digital asset mining income	_	3,024,740	33,071,555	_							
Network services and defi		-,,	,,								
revenue	_	_	_	_							
Total Revenue		3,024,740	45,469,463	_							
Cost of revenue		(3,349,178)	(32,612,238)								
Gross Profit		(324,438)	12,857,225								
Gain (loss) on legal settlements											
Gain (loss) from sales of digital											
currency assets	_	28,610	245,157	_							
Impairments of digital currency		,	_ 10,101								
assets	_	(45,989)	(411,031)	_							
Impairment of goodwill and		, , ,									
other intangibles Impairment of property, plant	_	_	_	_							
and equipment	_	_	_	_							
Losses on exchange or disposal of											
property, plant and equipment	_	_	_	_							
Operating expenses:			(==== 0.00)	(0.500)							
Research and development	_	_	(773,982)	(8,500)							
Sales and marketing General and administrative		(6,406)	(430,774)	=							
Advisor Fees		(0,400)	(8,368,931)								
			(0.553 (05)								
Total operating expenses		(6,406)	(9,573,687)	(8,500)							
Operating Income (Loss)		(348,224)	3,117,665	(8,500)							
Non-operating income (expense), net: Loss on debt extinguishment	_										
Interest expense, net	_		(49,346)	_							
Other non-operating expenses,	_	_	(49,340)	_							
net	_	_	_	_							
Reorganization items	_	_	(8,350,978)	_							
Total Non-operating income			(0,000,70)								
(expense), net:	_	_	(8,400,324)	_							
Income (loss) before income taxes		(348,224)	(5,282,659)	(8,500)							
Income tax expense		(540,224)	(3,202,039)	(0,500)							
Net Income (Loss)		(348,224)	(5,282,659)	(8,500)							
ret meome (1033)		(5-15,224)	(3,202,037)	(0,300)							