



HERCULES **Offshore**

HERO Liquidating Trust
September 2018 Activity Report

October 18, 2018



Cash Receipts and Disbursements and Wind-Up Activities

Cash Receipts and Disbursements

- This report covers the activities of the HERO Liquidating Trust (“Trust”) for the period from September 1, 2018 to September 30, 2018.
- Total receipts for the period were \$11.7 million.
- Disbursements totaled approximately \$1.2 million.
- Net operating cash flow for the period was \$10.6 million. Net cash flow, after reimbursements from reserve accounts, was \$10.7 million.
- The Trust did not make distributions to holders of the Wind Down Entity Interests during the period.
- Cash as of September 30, 2018 was \$44.0 million, not including the remaining amounts in the reserve accounts established pursuant to the Plan. This amount does not reflect a \$20.0 million distribution made early in October, 2018 to holders of the Wind-Down Entity Interests. The Activity Report for October 2018, which the Trust expects to issue in November 2018, will reflect that distribution and other activity occurring in the month of October.

Liquidation and Administration Activities

- The Trust continued normal activities to collect trade and other accounts receivable.
- The Trust continued its activities to resolve pre- and post-petition claims and liabilities in accordance with the terms of the Plan.

This unaudited information is made public pursuant to the Wind-Down Entity and Distribution Agreement dated December 2, 2016 in connection with the occurrence of the Effective Date of the Joint Prepackaged Chapter 11 Plan (Incorporating Mediation Settlement) of Hercules Offshore, Inc. and its Debtor Affiliates.

(\$ in thousands)	Actuals
Beginning Cash Balance	\$ 33,369
Receipts	
Customer Collections	\$ 11,617
Other Receipts	97
Total Receipts	<u>\$ 11,714</u>
Disbursements	
Vendors and Other	405
Personnel Costs	181
Severance	109
Premise Rents	16
Taxes	7
Utilities	205
Ordinary Course Professionals	44
Liquidating Trust/Estate Professionals	139
Board of Directors	43
Total Disbursements	<u>\$ 1,150</u>
Net Operating Cash Flow	\$ 10,564
Reimbursements	
Accrued Professional Fee Reserve	\$ -
Disputed Claims Reserve	-
Allowed Claims Reserve	-
Severance Escrow	109
Total Reimbursements	<u>\$ 109</u>
Net Cash Flow	\$ 10,673
Distributions	
Wind Down Entity Interests	\$ -
Lender Wind Down Claim	-
Total Distributions	<u>\$ -</u>
Ending Cash Balance	<u>\$ 44,042</u>

