

**Report of Organizational Actions
Affecting Basis of Securities**

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
PROFRAC HOLDING CORP.		87-2424964	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Investor Relations	254-776-3722	Investors@Profrac.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
333 Shops Boulevard, Suite 301		Willow Park, TX 76087	
8 Date of action		9 Classification and description	
11/1/2022		ACQUISITION OF USWS	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
74319N100		ACDC	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► SEE ATTACHMENT.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► SEE ATTACHMENT.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► SEE ATTACHMENT.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► SEE ATTACHMENT.

18 Can any resulting loss be recognized? ► SEE ATTACHMENT.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► SEE ATTACHMENT.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ►



Date ►

12-15-2022

Print your name ► Lance Turner

Title ► CFO

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

ProFrac Holding Corp.
Attachment to Form 9937, Part II
Report of Organizational Actions Affecting Basis of Securities

Form 9937, Part II, Box 14

On June 21, 2022, ProFrac Holding Corp. ("ProFrac") entered into an Agreement and Plan of Merger (the "Merger Agreement") by and among ProFrac, U.S. Well Services, Inc. ("USWS"), and Thunderclap Merger Sub I, Inc. ("Merger Sub"), an indirect subsidiary of ProFrac. On November 1, 2022, pursuant to the terms and conditions of the Merger Agreement, Merger Sub merged with and into USWS, with USWS surviving the merger, becoming an indirect, wholly owned subsidiary of ProFrac (the "Merger"). At the effective time of the Merger, each share of Class A Common Stock of USWS was converted automatically into the right to receive 0.3366 shares of Class A Common Stock of ProFrac. Cash was paid in lieu of any fractional shares of ProFrac Class A Common Stock that otherwise would have been issued.

The Merger is expected to be treated as a taxable transaction for U.S. federal income tax purposes.

Form 9937, Part II, Box 15

Each former U.S. USWS shareholder's aggregate tax basis in ProFrac Class A Common Stock received in the Merger generally is equal to the fair market value of such stock as of the effective time of the Merger, subject to the application of Section 304 (see item 19).

Form 9937, Part II, Box 16

A USWS Stockholder that is a U.S. holder generally will recognize gain or loss, if any, in an amount equal to the difference between (i) the sum of the fair market value as of the effective time of the Merger of any ProFrac Class A Common Stock received by such U.S. holder in the Merger and any cash received by such U.S. holder in the Merger in lieu of fractional shares of ProFrac Class A Common Stock, and (ii) such U.S. holder's adjusted tax basis in the USWS Common Stock exchanged therefor. Such gain or loss will generally be capital gain or loss, and will be long-term capital gain or loss only if the U.S. holder's holding period for the USWS Common Stock exceeds one year at the time of the Merger.

U.S. federal income tax law does not specify how the fair market value of the ProFrac Common Stock received in the Merger should be determined. One possible approach is to take the closing trading price of the ProFrac Common Stock on NASDAQ on the effective date of the Merger, which was \$22.08. However, other approaches may be reasonable. ProFrac is not taking a position as to the fair market value of the ProFrac Common Stock on this Form 9937. Former holders of USWS Common Stock should consult their own tax advisors as to the fair market value of the ProFrac Common Stock received in the Merger.

Form 9937, Part II, Box 17

Sections 301, 302, 304, 1001, and 1012.

Form 9937, Part II, Box 18

Losses may generally be realized and recognized in the Merger, subject to the discussion of Section 304 (see item 19).

Form 8937, Part II, Box 19

The reportable year for the Merger for a former USWS U.S. shareholder is the taxable year of the holder that includes November 1, 2022.

Section 304 may apply to the Merger if one or more persons control USWS and ProFrac prior to the Merger. It is not possible for ProFrac to calculate with certainty the exact percentage of ProFrac Common Stock that was owned by former holders of USWS Common Stock immediately after the Merger due to the incompleteness of the information reasonably available to ProFrac. If Section 304 applies to the Merger, then if a holder of USWS Common Stock also actually or constructively owns ProFrac stock (other than ProFrac Class A Common Stock received pursuant to the Merger), instead of recognizing gain or loss, such holder may recognize dividend income depending on the application of the tests set forth in Section 302. Former holders of USWS Common Stock should consult their own tax advisors regarding the potential application of Section 304 of the Code to their particular circumstances, including any effect thereof on the tax basis of any ProFrac Common Stock received in the Merger.

ProFrac is providing this information notwithstanding that the Merger may not constitute an "organizational action" or that the information is not required to be provided on Form 8937. The information contained in this Form 8937 is being provided pursuant to the requirements of Section 6045B of the Code and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations relating to the effects of the Merger on the tax basis of ProFrac Common Stock issued in connection therewith. It does not constitute tax advice and does not purport to be complete or to describe the consequences that may be relevant to particular persons or categories of persons. Former holders of USWS Common Stock are encouraged to consult their tax advisors regarding the particular consequences of the Merger to them (including the applicability and effect of all federal, state, local and non-U.S. laws) and should read the Joint Proxy Statement/Prospectus, noting the discussion under the heading "Material United States Federal Income Tax Consequences of The Merger." The information provided here remains subject to the Joint Proxy Statement/Prospectus in all respects. The Joint Proxy Statement/Prospectus may be accessed at www.sec.gov.