News Release

TSX - TCW
July 26, 2022

# TRICAN REPORTS SECOND QUARTER RESULTS FOR 2022

Calgary, Alberta - July 26, 2022 - Trican Well Service Ltd. (“**Trican**” or the “**Company**”) is pleased to announce its second quarter results for 2022. The following news release should be read in conjunction with Management’s Discussion and Analysis ("MD&A"), the unaudited interim consolidated financial statements and related notes of Trican for the three and six months ended June 30, 2022, as well as the Annual Information Form ("AIF") for the year ended December 31, 2021. All of these documents are available on SEDAR at www.sedar.com.

## HIGHLIGHTS

- Revenue was $152.6 million for the three months ended June 30, 2022, a 63% increase compared to the three months ended June 30, 2021 resulting from higher industry activity and pricing leading to increased revenue per job.
- Adjusted EBITDAS and adjusted EBITDA for the three months ended June 30, 2022 were $23.6 million and $19.2 million, compared to $16.2 million and $14.2 million, respectively, for the three months ended June 30, 2021. The improvement was the result of higher industry activity and a stronger pricing environment, partially offset by ongoing inflationary pressures in all major cost categories including fuel, proppant, parts and labour as the industry seeks to ramp up activity. In addition, the prior year comparative period benefited from the inclusion of $6.1 million related to the Canadian Government COVID-19 subsidy programs, Canadian Emergency Wage Subsidy ("CEWS"), Canadian Emergency Rent Subsidy ("CERS"), and together ("CES").
- Free cash flow for the three months ended June 30, 2022 was $14.6 million compared to $9.6 million for the three months ended June 30, 2021. Free cash flow was higher primarily as a result of stronger activity levels which drove increased adjusted EBITDAS and adjusted EBITDA compared to the prior year comparative period.
- Profit from continuing operations for the three months ended June 30, 2022 was $1.5 million compared to net loss from continuing operations of $8.4 million for the three months ended June 30, 2021.
- The Company's balance sheet remains in excellent shape with positive working capital, including cash, of $115.0 million at June 30, 2022 compared to $103.8 million at December 31, 2021 and no long-term debt.
- The Company continues to differentiate its equipment fleet from what is available in the industry, successfully deploying Canada's first next generation fracturing spread with CAT Tier 4 Dynamic Gas Blending (“DGB”) engine technology in early 2022. The Tier 4 DGB engine displaces up to 85% of the diesel used in a conventional pumper with cleaner burning natural gas. Combined with Trican’s idle reduction technology, these upgrades result in lower overall fuel consumption, and in turn reduce carbon dioxide and particulate matter emissions. The upgrades to our second Tier 4 DGB fleet are substantially complete with deployment expected to be in early Q3 2022. Upgrades to Trican's third Tier 4 DGB fleet have been formally approved and are now underway. The third fleet is anticipated to be field ready in Q4 2022 and will bring Trican's total Tier 4 DGB fleet to 126,000 HHP. Tier 4 upgrades are a key component of

Trican's ESG strategy and commitment to improving the sustainability of our operations and supporting our key customers to achieve their ESG goals.

- The Company continues to be active in executing on its normal course issuer bid ("NCIB") program. Trican repurchased and cancelled 2,593,074 shares during the three months ended June 30, 2022, at a weighted average price of $4.08 per share.

## CONTINUING OPERATIONS - FINANCIAL REVIEW

| ($ millions, except per share amounts. Weighted average shares is stated in thousands) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| (unaudited) | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Revenue | **$152.6** | $93.7 | $218.9 | **$371.5** | $241.6 |
| Gross profit / (loss) | **11.6** | (0.2) | 29.4 | **40.9** | 11.0 |
| Adjusted EBITDAS[1] | **23.6** | 16.2 | 42.0 | **65.6** | 45.3 |
| Adjusted EBITDA[1] | **19.2** | 14.2 | 38.9 | **58.2** | 41.4 |
| Free cash flow[1] | **14.6** | 9.6 | 30.4 | **45.0** | 31.6 |
| Weighted average shares outstanding – basic | **245,734** | 255,422 | 247,290 | **246,508** | 255,366 |
| Weighted average shares outstanding – diluted | **251,529** | 255,422 | 252,729 | **252,294** | 255,366 |
| Profit / (loss) from continuing operations | **1.5** | (8.4) | 13.3 | **14.8** | (6.7) |
| Per share – basic and diluted | **$0.01** | ($0.03) | $0.05 | **$0.06** | ($0.03) |
| Profit / (loss) for the period | **1.5** | (8.3) | 13.3 | **14.8** | (2.4) |
| Per share – basic and diluted | **$0.01** | ($0.03) | $0.05 | **$0.06** | ($0.01) |

[1] Refer to the Non-GAAP disclosure section of this news release for further details.

| ($ millions, unaudited) | **As at June 30, 2022** | As at December 31, 2021 |
|---|---|---|
| Cash and cash equivalents | **$58.3** | $29.5 |
| Current assets – other | **$182.0** | $151.8 |
| Current portion of lease liabilities | **$2.4** | $2.4 |
| Current liabilities – other | **$122.8** | $75.2 |
| Lease liabilities – non-current portion | **$9.5** | $7.9 |
| Long-term loans and borrowings | **$—** | $— |
| Total assets | **$632.8** | $577.8 |

| | Three months ended | | | | |
|---|---|---|---|---|---|
| (Unaudited) | **June 30, 2022** | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 |
| WTI – Average Price (US$/bbl) | **$108.52** | $95.01 | $77.10 | $70.52 | $66.10 |
| AECO-C – Spot Average Price (C$/mcf) | **$6.89** | $4.53 | $4.50 | $3.39 | $2.94 |
| WCS – Average Price (C$/bbl) | **$119.00** | $103.91 | $76.57 | $72.56 | $65.42 |
| Condensate – Average Price (C$/bbl) | **$131.67** | $123.17 | $100.12 | $89.22 | $79.66 |
| Average Exchange Rate (US$/C$) | **$0.78** | $0.79 | $0.79 | $0.79 | $0.81 |
| Canadian Average Drilling Rig Count | **123** | 203 | 176 | 160 | 84 |

Source: Bloomberg, Bank of Canada, Nickle's Energy Group, Rig Locator

## OUTLOOK

Trican’s overall outlook for our services for 2022 remains very positive. Global demand for energy remains strong as the world's major economies continue to rely on petroleum products for everything from life-saving medical supplies to fuel for cars and trucks. Macroeconomic factors including continued inflationary pressures, escalation of geopolitical tension, including the conflict in Ukraine, and the lifting of COVID-19 restrictions point to continued strong commodity pricing through 2022.

At these commodity price levels we anticipate generally robust oilfield service activity levels as we move through the remainder of the year as our customers remain very positive on their current capital spending plans for the second half of 2022. Canadian rig counts are expected to track higher than 2021 which will drive an increase in demand across the oilfield services sector.

Customer drilling and completions budgets are expected to increase as we move into the second half of 2022 given the attractive returns achieved by drilling and completing wells in the current commodity pricing environment. We expect that any budgetary expansion on behalf of our customers will lead to growing demand for Trican’s services. As demand for pressure pumping services expands in the second half of 2022, we expect the market for Trican's services to move into an undersupplied position. Pressure pumping service providers have been unable to significantly increase the supply of equipment over the past several years as challenged financial returns did not incentivize capital investment in our industry. This lack of historical investment in equipment is expected to be exacerbated by labour, equipment and parts constraints even though the market has more attractive pricing.

Attracting and retaining additional personnel continues to be a challenge across the industry making it much more difficult than in past upturns to supply additional crews. However, easing of COVID-19 travel restrictions combined with aggressive recruiting efforts across the country have resulted in positive progress for Trican in this area.

Significant inflationary pressures have affected virtually all inputs and are expected to continue as we progress through the year. Trican has been successful to date in passing along these cost increases to our customers to preserve operating margins. However, industry pricing is still below the levels necessary to provide sustainable returns with further price increases required to achieve meaningful net margin improvements.

### Capital Expenditures and Hydraulic Fracturing Fleet Upgrades

Capital expenditures for the six months ended June 30, 2022 totaled $45.8 million ($17.0 million for the six months ended June 30, 2021) related to growth and upgrade capital, maintenance, and infrastructure capital. These capital expenditures were funded with available cash resources and free cash flow.

The Company successfully deployed Canada's first next generation fracturing spread with Tier 4 DGB engine technology in early 2022. The Tier 4 DGB engine displaces up to 85% of the diesel used in a conventional pumper with cleaner burning natural gas. Combined with Trican’s idle reduction technology, these upgrades result in lower overall fuel consumption and in turn reduce carbon dioxide and particulate matter emissions. The upgrades to our second Tier 4 DGB fleet are substantially complete with deployment expected to be in early Q3 2022. Upgrades to Trican's third Tier 4 DGB fleet have been formally approved and are now underway. The third fleet is anticipated to be field ready in Q4 2022 and will bring Trican's total Tier 4 DGB fleet to 126,000 HHP. Tier 4 upgrades are a key component of Trican's ESG strategy and commitment to improving the sustainability of our operations and supporting our key customers to achieve their ESG goals. Customer response has been positive and the Company is prepared to commit additional capital to the conversion of existing diesel-powered fleets to Tier 4 DGB engines if internal capital return metrics can be achieved.

Trican’s 2022 capital spending program remains as previously announced at $65 million representing maintenance capital of approximately $30 million and growth and upgrade capital of approximately $35 million, inclusive of our third Tier 4 DGB fleet upgrade. In addition to the 2022 capital spending program, $17 million related to the second

Tier 4 fleet upgrade has been carried forward from 2021 into 2022, bringing total capital spending for the year to approximately $82 million.

## Hydraulic Fracturing Fleet

Trican's hydraulic fracturing equipment is specifically designed to meet the demands of the higher intensity regions of the WCSB, including the Montney, Duvernay and Deep Basin formations. These regions account for approximately 80% of the required hydraulic horsepower demand in Canada. Additionally, Trican's fleet also includes an industry leading 170,000 HHP of conventional dual fuel engine fracturing pumps, which displace higher particulate diesel fuel with cleaner burning natural gas. The existing dual fuel fleet will be complemented by Trican's Tier 4 DGB fleet of 126,000 HHP when the third Tier 4 DGB fleet has been deployed by the end of 2022. These investments reflect Trican's commitment to becoming an industry leader in ESG practices by reducing the environmental footprint of our operations.

## Financial Position

We continue to focus on maintaining a strong balance sheet with significant positive working capital and a building cash position. Our ability to generate strong free cash flow and our financial flexibility will allow us to execute our strategic plans including continued investment in our Tier 4 DGB upgrade program and continued participation in our NCIB program as a form of returning capital to our shareholders.

## Sustainability Report

Trican issued its first sustainability report in 2021 and expects to publish the next report in Q3 2022. The report outlines our commitment to sustainability, including a strong focus on safety, minimizing the environmental impacts of our operations and creating positive relationships with stakeholders in the communities where we live and work. Trican will remain focused on the evolving standards with respect to sustainability reporting and required disclosures.

## Primary Objectives

Our goal remains to achieve top quartile return on invested capital in our sector. Our primary objectives to achieve this are:

- *Strengthen Existing Businesses*: Maintain our market leading position in the fracturing and cementing divisions and grow our market share in the coiled tubing division.
- *Environmental, Social, and Governance*: Deepen the integration of ESG into our business to improve value for our stakeholders. We will differentiate with new technologies that reduce our environmental impact. We will build strong community relationships in the areas we live and work in.
- *Shareholder Return*: Continue our disciplined investment philosophy ensuring full-cycle return hurdles can be met before investing in new equipment or upgrades to existing equipment, and sell surplus or obsolete capital equipment whenever possible. Continue to focus on a strong balance sheet and return capital to shareholders.
- *Cost Control and Efficiency Gains*: Control and reduce costs for ourselves and our clients through efficiency improvements and scale.

## COMPARATIVE QUARTERLY INCOME STATEMENTS

### Continuing Operations

| ($ thousands, except total job count, revenue per job and crews; unaudited)<br>**Three months ended** | **June 30, 2022** | **Percentage of revenue** | June 30, 2021 | Percentage of revenue | March 31, 2022 | Percentage of revenue |
|---|---|---|---|---|---|---|
| **Revenue** | **$152,636** | **100 %** | $93,654 | 100 % | $218,911 | 100 % |
| **Cost of sales** | | | | | | |
| Cost of sales | **123,172** | **81 %** | 72,800 | 78 % | 170,046 | 78 % |
| Cost of sales – depreciation and amortization | **17,905** | **12 %** | 21,056 | 22 % | 19,514 | 9 % |
| Gross profit / (loss) | **11,559** | **8 %** | (202) | — % | 29,351 | 13 % |
| Administrative expenses | **10,503** | **7 %** | 7,116 | 8 % | 10,338 | 5 % |
| Administrative expenses – depreciation | **796** | **1 %** | 953 | 1 % | 880 | — % |
| Other income | **(2,437)** | **(2)%** | (409) | — % | (181) | — % |
| Results from operating activities | **2,697** | **2 %** | (7,862) | (8)% | 18,314 | 8 % |
| Finance costs | **680** | **— %** | 486 | 1 % | 337 | — % |
| Foreign exchange (gain) / loss | **(93)** | **— %** | 67 | — % | (131) | — % |
| **Profit / (loss) before income tax** | **2,110** | **1 %** | (8,415) | (9)% | 18,108 | 8 % |
| Income tax expense | **643** | **— %** | 3 | — % | 4,771 | 2 % |
| **Profit / (loss) from continuing operations** | **$1,467** | **1 %** | ($8,418) | (9)% | $13,337 | 6 % |
| **Adjusted EBITDA**[1] | **$19,236** | **13 %** | $14,182 | 15 % | $38,949 | 18 % |
| Total job count | **1,305** | | 1,317 | | 2,257 | |
| Revenue per job | **116,962** | | 71,112 | | 96,992 | |
| Total proppant pumped (tonnes) | **277,000** | | 260,000 | | 375,000 | |
| Hydraulic pumping capacity (HHP) | **537,000** | | 570,000 | | 576,000 | |
| Hydraulic fracturing – active crews | **7.0** | | 6.0 | | 7.0 | |
| Hydraulic fracturing – parked crews | **5.0** | | 6.0 | | 5.0 | |

[1] Refer to the Non-GAAP disclosure section of this news release for further details.

### Sales Mix - % of Total Revenue

| Three months ended (unaudited) | **June 30, 2022** | June 30, 2021 | March 31, 2022 |
|---|---|---|---|
| Fracturing | **73 %** | 70 % | 77 % |
| Cementing | **16 %** | 16 % | 15 % |
| Coiled Tubing | **9 %** | 11 % | 8 % |
| Other | **2 %** | 3 % | — % |
| Total | **100 %** | 100 % | 100 % |

## COMPARATIVE YEAR-TO-DATE INCOME STATEMENTS

### Continuing Operations

| ($ thousands, except total job count, revenue per job and crews; unaudited)<br>**Six months ended** | **June 30, 2022** | **Percentage of revenue** | June 30, 2021 | Percentage of revenue | Year-over year change | Percentage change |
|---|---|---|---|---|---|---|
| **Revenue** | **$371,547** | **100 %** | $241,641 | 100 % | $129,906 | 54 % |
| **Cost of sales** | | | | | | |
| Cost of sales | **293,218** | **79 %** | 186,520 | 77 % | 106,698 | 57 % |
| Cost of sales – depreciation and amortization | **37,419** | **10 %** | 44,146 | 18 % | (6,727) | (15)% |
| Gross profit | **40,910** | **11 %** | 10,975 | 5 % | 29,935 | 273 % |
| Administrative expenses | **20,841** | **6 %** | 14,868 | 6 % | 5,973 | 40 % |
| Administrative expenses – depreciation | **1,676** | **— %** | 2,016 | 1 % | (340) | (17)% |
| Other income | **(2,618)** | **(1)%** | (305) | — % | (2,313) | 758 % |
| Results from operating activities | **21,011** | **6 %** | (5,604) | (2)% | 26,615 | 475 % |
| Finance costs | **1,017** | **— %** | 1,023 | — % | (6) | (1)% |
| Foreign exchange (gain) / loss | **(224)** | **— %** | 42 | — % | (266) | 633 % |
| **Profit / (loss) before income tax** | **20,218** | **5 %** | (6,669) | (3)% | 26,887 | 403 % |
| Income tax expense | **5,414** | **1 %** | 77 | — % | 5,337 | 6,931 % |
| **Profit / (loss) from continuing operations** | **$14,804** | **4 %** | ($6,746) | (3)% | $21,550 | 319 % |
| **Adjusted EBITDA**[1] | **$58,185** | **16 %** | $41,449 | 17 % | $16,736 | 40 % |
| Total job count | **3,562** | | 3,309 | | | |
| Revenue per job | **104,309** | | 73,025 | | | |
| Total proppant pumped (tonnes) | **652,000** | | 594,000 | | | |
| Hydraulic pumping capacity (HHP) | **537,000** | | 570,000 | | | |
| Hydraulic fracturing – active crews | **7.0** | | 6.0 | | | |
| Hydraulic fracturing – parked crews | **5.0** | | 6.0 | | | |

[1] Refer to the Non-GAAP disclosure section of this news release for further details.

### Sales Mix - % of Total Revenue

| Six months ended (unaudited) | **June 30, 2022** | June 30, 2021 |
|---|---|---|
| Fracturing | **76 %** | 74 % |
| Cementing | **15 %** | 16 % |
| Coiled Tubing | **8 %** | 9 % |
| Other | **1 %** | 1 % |
| Total | **100 %** | 100 % |

## NON-GAAP MEASURES

Certain terms in this News Release, including adjusted EBITDA, adjusted EBITDAS, adjusted EBITDA percentage, adjusted EBITDAS percentage and free cash flow, do not have any standardized meaning as prescribed by IFRS and therefore, are considered non-GAAP measures and may not be comparable to similar measures presented by other issuers.

### Adjusted EBITDA and Adjusted EBITDAS

Adjusted EBITDA is a non-GAAP term and has been reconciled to profit / (loss) for the applicable financial periods, being the most directly comparable measure calculated in accordance with IFRS. Management utilizes adjusted EBITDA to translate historical variability in the Company's principal business activities into future financial expectations. By isolating incremental items from net income, including income / expense items related to how the Company chooses to manage financing elements of the business, taxation strategy and non-cash charges, management can better predict future financial results from our principal business activities.

Adjusted EBITDAS is a non-GAAP term and has been reconciled to profit / (loss) for the applicable financial periods, being the most directly comparable measure calculated in accordance with IFRS. Management utilizes adjusted EBITDAS as a useful measure of operating performance, cash flow to complement profit / (loss) and to provide meaningful comparisons of operating results.

The items included in this calculation of adjusted EBITDA have been specifically identified as they are non-cash in nature, subject to significant volatility between periods, and / or not relevant to our principal business activities. Items adjusted in the non-GAAP calculation of adjusted EBITDA, are as follows:

- Non-cash expenditures, including depreciation, amortization, impairment of non-financial assets, and equity-settled share-based compensation;
- Consideration as to how the Company chose to generate financial income and incur financial expenses, including foreign exchange expenses and finance costs;
- Taxation in various jurisdictions; and
- Other income / expense which generally results from the disposition of equipment, as these transactions generally do not reflect quarterly operational field activity.

The item adjusted in the non-GAAP calculation of adjusted EBITDAS from adjusted EBITDA, is as follows:

- Cash-settled share-based compensation.

| ($ thousands; unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Profit / (loss) from continuing operations (IFRS financial measure) | **$1,467** | ($8,418) | $13,337 | **$14,804** | ($6,746) |
| Adjustments: | | | | | |
| Cost of sales – depreciation and amortization | **17,905** | 21,056 | 19,514 | **37,419** | 44,146 |
| Administrative expenses – depreciation | **796** | 953 | 880 | **1,676** | 2,016 |
| Income tax expense | **643** | 3 | 4,771 | **5,414** | 77 |
| Finance costs and amortization of debt issuance costs | **680** | 486 | 337 | **1,017** | 1,023 |
| Foreign exchange (gain) / loss | **(93)** | 67 | (131) | **(224)** | 42 |
| Other income | **(2,437)** | (409) | (181) | **(2,618)** | (305) |
| Administrative expenses – Other: equity-settled share-based compensation | **275** | 444 | 422 | **697** | 1,196 |
| **Adjusted EBITDA** | **$19,236** | $14,182 | $38,949 | **$58,185** | $41,449 |
| Administrative expenses – Other: cash-settled share-based compensation | **4,377** | 1,986 | 3,041 | **$7,418** | $3,840 |
| **Adjusted EBITDAS** | **$23,613** | $16,168 | $41,990 | **$65,603** | $45,289 |

Certain financial measures in this news release - namely adjusted EBITDA, adjusted EBITDAS, adjusted EBITDA percentage, adjusted EBITDAS percentage and free cash flow are not prescribed by IFRS and are considered non-GAAP measures. These measures may not be comparable to similar measures presented by other issuers and should not be viewed as a substitute for measures reported under IFRS. These financial measures are reconciled to IFRS measures in the Non-GAAP disclosure section of this news release. Other non-standard measures are described in the Non-Standard Measures section of this news release. Stainless steel fluid ends were historically expensed as depreciation prior to December 2017. Not all hydraulic fracturing companies apply the accounting policy for stainless steel fluid ends consistently.

## Adjusted EBITDA % and Adjusted EBITDAS %

Adjusted EBITDA % and adjusted EBITDAS % is determined by dividing adjusted EBITDA and adjusted EBITDAS, respectively, by revenue from continuing operations. The components of the calculations are presented below:

| ($ thousands; unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Adjusted EBITDA | **$19,236** | $14,182 | $38,949 | **$58,185** | $41,449 |
| Revenue | **152,636** | 93,654 | 218,911 | **371,547** | 241,641 |
| **Adjusted EBITDA %** | **13%** | 15% | 18% | **16%** | 17% |

| ($ thousands, unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Adjusted EBITDAS | **$23,613** | $16,168 | $41,990 | **$65,603** | $45,289 |
| Revenue | **152,636** | 93,654 | 218,911 | **371,547** | 241,641 |
| **Adjusted EBITDAS %** | **15%** | 17% | 19% | **18%** | 19% |

## Free Cash Flow

Free cash flow is a non-GAAP term and has been reconciled to cash flow from continuing operations for the applicable financial periods, being the most directly comparable measure calculated in accordance with IFRS. Management believes free cash flow to be a key measure of capital management as it demonstrates the Company's ability to generate monies available to fund future growth through capital investments and return capital to our shareholders.

Management believes that such a measure provides an insightful assessment of the Company's operations on a continuing basis by adjusting for other (income) / loss, realized (gain) / loss, maintenance capital expenditures included within purchase of property and equipment from the statement of cash flows and change in non-cash operating working capital.

Management alternatively reconciles free cash flow from adjusted EBITDA for the applicable financial periods as it believes that such a measure provides an insightful assessment of the Company's operating performance by adjusting for interest paid, income tax received, and maintenance capital expenditures included within purchase of property and equipment from the statement of cash flows.

Free cash flow is not a standardized measure and therefore may not be comparable with the calculation of similar measures by other entities.

| ($ thousands, unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Cash flow from continuing operations | **$49,615** | $43,044 | $1,328 | **$50,943** | $44,763 |
| Other income | **(154)** | (543) | (142) | **(296)** | (519) |
| Realized foreign exchange (gain) / loss | **(22)** | 297 | (211) | **(233)** | 433 |
| Maintenance capital expenditures | **(3,983)** | (4,204) | (9,176) | **(13,159)** | (9,081) |
| Change in non-cash operating working capital | **(30,859)** | (28,982) | 38,634 | **7,775** | (4,034) |
| **Free cash flow** | **$14,597** | $9,612 | $30,433 | **$45,030** | $31,562 |

| ($ thousands, unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Adjusted EBITDA | **$19,236** | $14,182 | $38,949 | **$58,185** | $41,449 |
| Interest paid | **(656)** | (366) | (313) | **(969)** | (806) |
| Income tax received | **—** | — | 973 | **973** | — |
| Maintenance capital expenditures | **(3,983)** | (4,204) | (9,176) | **(13,159)** | (9,081) |
| **Free cash flow** | **$14,597** | $9,612 | $30,433 | **$45,030** | $31,562 |

| ($ thousands, unaudited) | Three months ended | | | Six months ended | |
|---|---|---|---|---|---|
| | **June 30, 2022** | June 30, 2021 | March 31, 2022 | **June 30, 2022** | June 30, 2021 |
| Purchase of property and equipment | **$24,722** | $10,153 | $21,093 | **$45,815** | $17,012 |
| Growth capital expenditures | **20,739** | 5,949 | 11,917 | **32,656** | 7,931 |
| Maintenance capital expenditures | **$3,983** | $4,204 | $9,176 | **$13,159** | $9,081 |

## OTHER NON-STANDARD FINANCIAL TERMS

In addition to the above non-GAAP financial measures, this News Release makes reference to the following non-standard financial terms. These terms may differ and may not be comparable to similar terms used by other companies.

### Revenue Per Job

Calculation is determined based on total revenue from continuing operations divided by total job count. This calculation is significantly impacted by factors such as the relative revenue contribution by service line, changes in pricing and the magnitude of customer supplied consumables and inputs.

### Maintenance and Growth Capital

Term that refers to capital additions as maintenance or growth capital. Maintenance capital are capital expenditures in respect of capital additions, replacements or improvements required to maintain ongoing business operations. Growth capital refers to capital expenditures primarily for new items and/or equipment that will expand our revenue and / or reduce our expenditures through operating efficiencies. The determination of what constitutes maintenance capital expenditures versus growth capital involves judgement by management.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this document constitute forward-looking information and statements (collectively "forward-looking statements"). These statements relate to future events or our future performance. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "estimate", "expect", "intend", "plan", "planned", and other similar terms and phrases. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. We believe the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this document should not be unduly relied upon. These statements speak only as of the date of this document.

In particular, this document contains forward-looking statements pertaining to, but not limited to, the following:

- we will advance our business;
- we have sufficient liquidity to invest in new opportunities, improve our competitive position and drive profitable growth;
- that Trican will continue to adapt to the current economic environment;
- the impact of escalated geopolitical tensions, the conflict in Ukraine and the associated effect on worldwide demand for oil and gas;
- the impact of COVID-19 and the associated effect on world-wide demand for oil and gas;
- anticipated industry activity levels, rig counts and outlook as well as expectations regarding our customers' work and capital programs and the associated impact on the Company's equipment utilization levels and demand for our services in Q3 and throughout 2022;
- the impact of inflation and existence of inflationary pressures;
- expectation as to the type of pressure pumping equipment required and which operating regions the equipment is appropriate to operate in;
- expectations regarding supply and demand fundamentals and strong commodity pricing levels;
- expectations regarding credit risk and that we have an adequate provision for trade receivables;
- expectation that we are adequately staffed for current industry activity levels, that we will be able to retain and attract staff and that we will maintain the Company’s lean cost structure;
- expectations regarding the Company's ability to work with customers to achieve long-term pricing objectives;
- expectations regarding the Company’s financial results, working capital levels, liquidity and profits;
- expectations regarding Trican's capital spending plans, sources of capital, and specifically the timing and cost of the roll out of Trican's Tier 4 DGB pumpers;

- expectations regarding Trican's utilization of its NCIB program;
- expectations that adjusted EBITDA will help predict future earnings;
- expectations regarding customer performance and financial flexibility;
- expectations regarding the impact of inflation;
- anticipated compliance with debt and other covenants under our revolving credit facilities;
- expectations that the Company can maintain its market leading position in the fracturing and cementing services lines and strengthen auxiliary services;
- expectations that the Company will deepen the integration of ESG into its business and be supported by its customers in doing so;
- expectations regarding the timing of release of our next sustainability report;
- expectations regarding the nature and focus of our share-based compensation programs;
- expectations regarding provincial income tax rates and ongoing tax evaluations; and
- expectations surrounding weather and seasonal slowdowns.

Our actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth herein and in the “Risk Factors” section of our AIF for the year ended December 31, 2021, available on SEDAR (www.sedar.com).

Readers are cautioned that the foregoing lists of factors are not exhaustive. Forward-looking statements are based on a number of factors and assumptions, which have been used to develop such statements and information, but which may prove to be incorrect. Although management of Trican believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because Trican can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: crude oil and natural gas prices; the impact of increasing competition; the general stability of the economic and political environment; the timely receipt of any required regulatory approvals; industry activity levels; Trican's policies with respect to acquisitions; the ability of Trican to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability to operate our business in a safe, efficient and effective manner; the ability of Trican to obtain capital resources and adequate sources of liquidity; the performance and characteristics of various business segments; the regulatory framework; the timing and effect of pipeline, storage and facility construction and expansion; and future commodity, currency, exchange and interest rates.

The forward-looking statements contained in this document are expressly qualified by this cautionary statement. We do not undertake any obligation to publicly update or revise any forward-looking statements except as required by applicable law.

Additional information regarding Trican including Trican’s most recent AIF, is available under Trican’s profile on SEDAR (www.sedar.com).

## CONFERENCE CALL AND WEBCAST DETAILS

The Company will host a conference call on Wednesday, July 27, 2022 at 10:00 a.m. MT (12:00 p.m. ET) to discuss its results for the Second Quarter 2022.

To listen to the webcast of the conference call, please enter the following URL in your web browser: http://www.gowebcasting.com/11833.

You can also visit the "Investors" section of our website at www.tricanwellservice.com/investors and click on "Reports".

To participate in the Q&A session, please call the conference call operator at 1-800-319-4610 (North America) or 1-403-351-0324 (outside North America) 10 minutes prior to the call's start time and ask for the "Trican Well Service Ltd. Second Quarter 2022 Earnings Results Conference Call."

The conference call will be archived on Trican's website at www.tricanwellservice.com/investors.

## ABOUT TRICAN

Headquartered in Calgary, Alberta, Trican supplies oil and natural gas well servicing equipment and solutions to our customers through the drilling, completion and production cycles. Our team of technical experts provide state-of-the-art equipment, engineering support, reservoir expertise and laboratory services through the delivery of hydraulic fracturing, cementing, coiled tubing, nitrogen services and chemical sales for the oil and gas industry in Western Canada. Trican is the largest pressure pumping service company in Canada.

Requests for further information should be directed to:

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**Scott Matson**
*Chief Financial Officer*

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