September 2026

# Investor Presentation



# Forward Looking Statements & Disclosures

This material and any oral statements made in connection with this material include "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. Statements made which provide the Company's or management's intentions, beliefs, expectations or predictions for the future are forward-looking statements and are inherently uncertain. The opinions, forecasts, projections or other statements other than statements of historical fact, including, without limitation, plans and objectives of management of the Company are forward-looking statements. It is important to note that actual results could differ materially from those discussed in such forward-looking statements. Important factors that could cause actual results to differ materially include the risk factors and other cautionary statements contained from time to time in the Company's SEC filings, which may be obtained by contacting the Company or the SEC. These filings are also available through the Company's website at http://www.patenergy.com or through the SEC's Electronic Data Gathering and Analysis Retrieval System (EDGAR) at http://www.sec.gov. We undertake no obligation to publicly update or revise any forward-looking statement.

**Reconciliation of Non-GAAP Financial Measures**

Statements made in this presentation include non-U.S. GAAP financial measures. The required reconciliations to U.S. GAAP financial measures are included on our website and/or at the end of this presentation.

# Executive Summary

## High-quality U.S. Shale asset base with strong demand for top-tier assets

Premium Tier-1 drilling rigs and natural gas-powered frac assets are in high demand with limited supply

## Investing to drive differentiation in our core businesses

Advancing core digital and automation technologies and efficiencies to deliver differentiated operating results

## Delivering best-in-class Drilling and Completions services and products

Integrated service offerings improve well delivery for customers and create value for investors

## Disciplined capital allocation strategy

Returns driven capital expenditures can be scaled to meet customer demand trends; committed to annually return at least 50% of adjusted FCF to investors

## Strong capital structure

No Senior Note maturities until 2029; Investment Grade credit rating at all 3 major rating agencies



For purposes of the shareholder return target, the Company defines adjusted free cash flow as net cash provided by operating activities less capital expenditures plus proceeds from asset sales. The shareholder return target, including the amount and timing of any dividend payments and/or share repurchases are subject to the discretion of the Company's Board of Directors and will depend upon business conditions, results of operations, financial condition, terms of the Company's debt agreements and other factors.




# Who We Are

# Patterson-UTI | Operating a Suite of Complementary Services and Products

An Integrated OFS Company

## Drilling Services

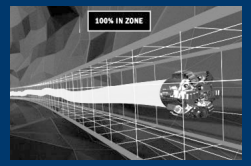
PATTERSON-UTI DRILLING COMPANY LLC | MS Directional | Superior QC | CURRENT POWER | ECOcell



APEX® Drilling Fleet



Directional Drilling




Wellbore Navigation



Electronics Manufacturing




Battery Storage Systems

**137**
Tier-1 Super-Spec Drilling Rigs[1]

## Completion Services

NEXTIER



Hydraulic Fracturing



Wireline Operations



Natural Gas Fueling



Cementing



eos™ Completions Platform

**2.7**
Million Hydraulic Horsepower[1]

## Drilling Products

ULTERRA



Torque Control Bits



High-Flow Rate Bits



Vibration-Dampening Bits



Geothermal Bits



Downhole Tools

**~30%**
Drilling Products Revenue from Non-U.S.

[1]*Reflects deployed and idle equipment capacity during the second quarter of 2026.*

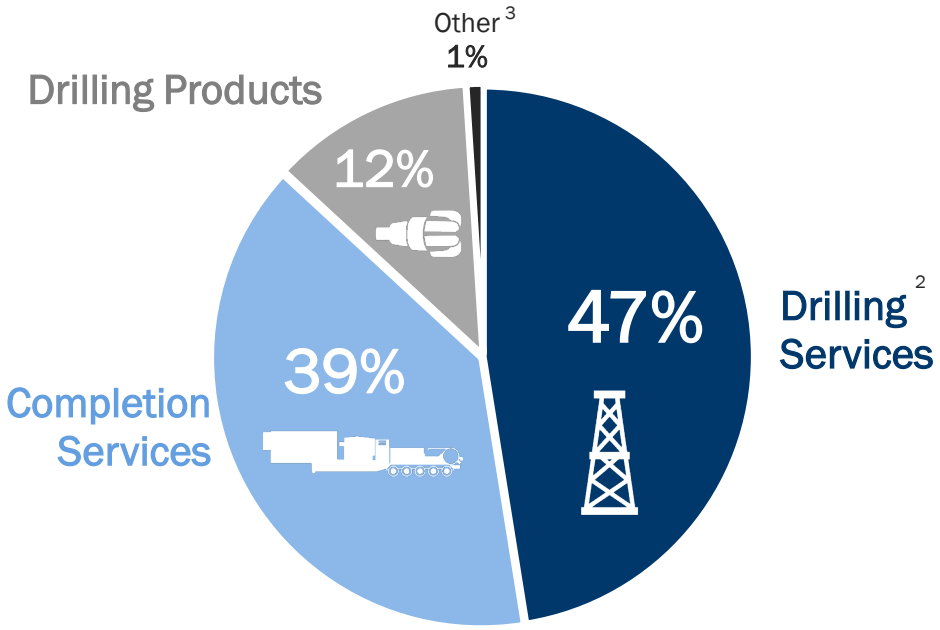
# Diversified Across Drilling and Completions Markets

Cash flow driven by drilling services and products and completion services

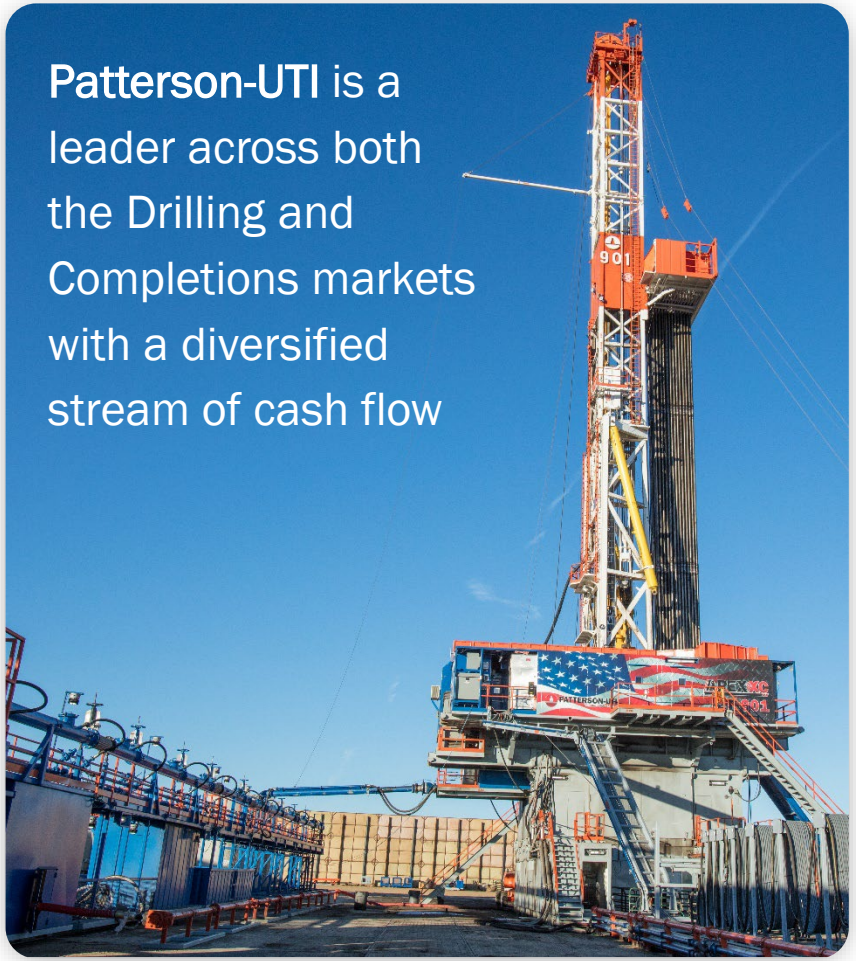
Patterson-UTI Company Profile

**Adjusted Gross Profit[1] as a % of Company Total**

Last Twelve Months Through 2Q26




**Patterson-UTI** is a leader across both the Drilling and Completions markets with a diversified stream of cash flow



[1]Adjusted Gross Profit is a non-GAAP financial measure. Please see the Appendix for reconciliation to the nearest GAAP metric.
[2]Adjusted Gross Profit for Drilling Services excludes a non-cash write-down of $20 million associated with the decision to exit our Contract Drilling operations in Colombia.
[3]Other business includes Patterson Petroleum.



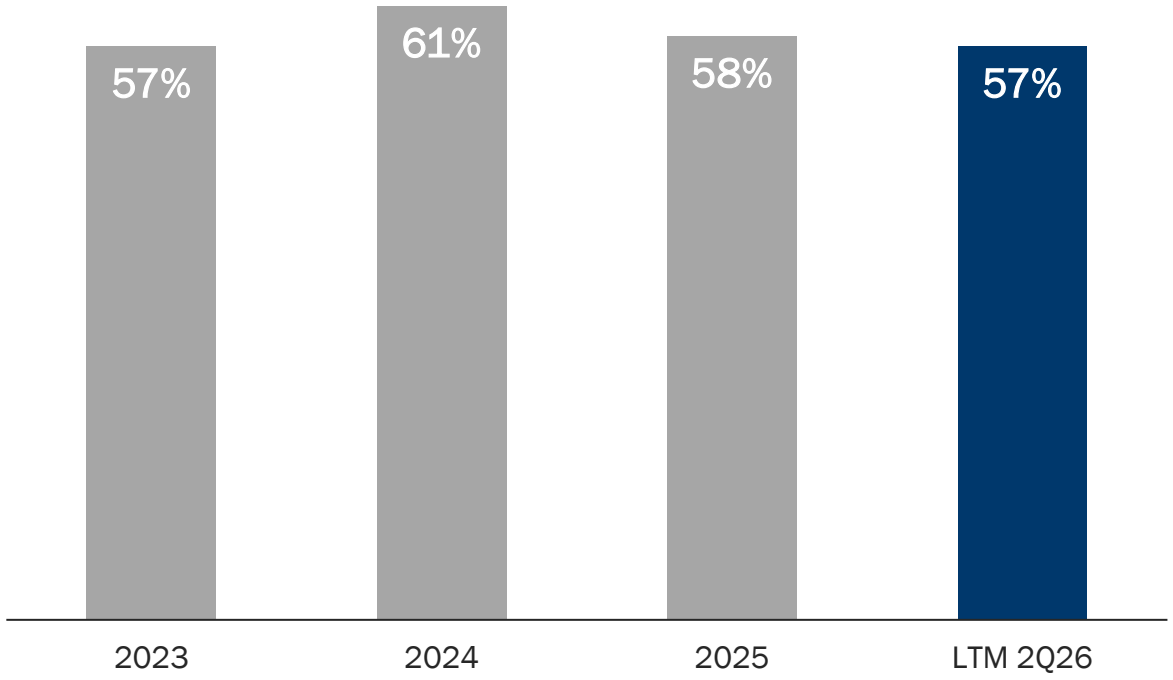
PATTERSON-UTI

# Business Overview

# Drilling Services | Reliable Cash Conversion

## Cash Conversion[1] for Drilling Services Segment

Patterson-UTI Drilling Services Segment




## Performance Drilling

- **Drilling Services Cash Conversion[1]** has remained relatively steady
- **Capital Expenditures** can be scaled to align with the opportunity set
- **Drilling Services** cash generation has remained resilient given high-quality assets and technology advantages

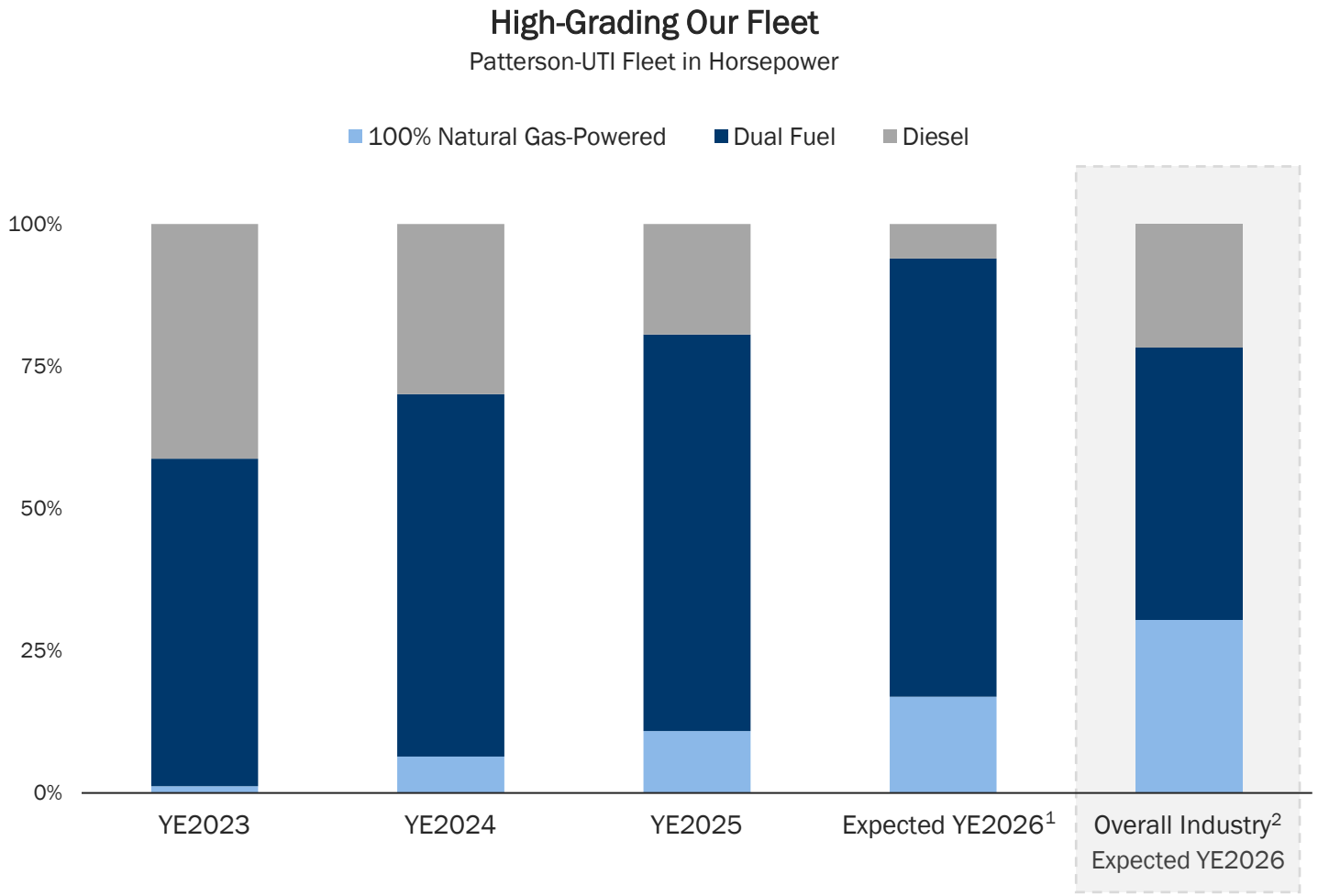
**Patterson-UTI's Drilling Services** investments in 2026 position the business to continue generating strong cash conversion through the cycle



[1]Cash Conversion for our Drilling Services segment is defined as (Drilling Services Adjusted EBITDA less Drilling Services Capital Expenditures) as a percentage of Drilling Services Adjusted EBITDA. Cash Conversion and Adjusted EBITDA are non-GAAP financial measures. Please see the Appendix for reconciliation to the nearest GAAP metrics.

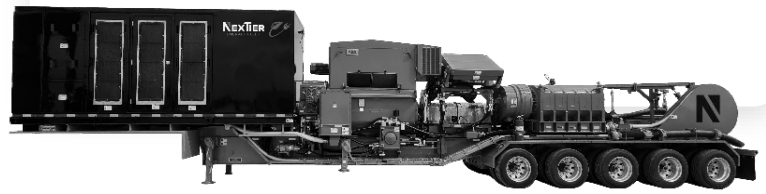
# **Completion Services** | Operating One of the Highest Quality Fleets in the Industry

Invested in technology that will drive future completion demand




## Responsibly High-Grading

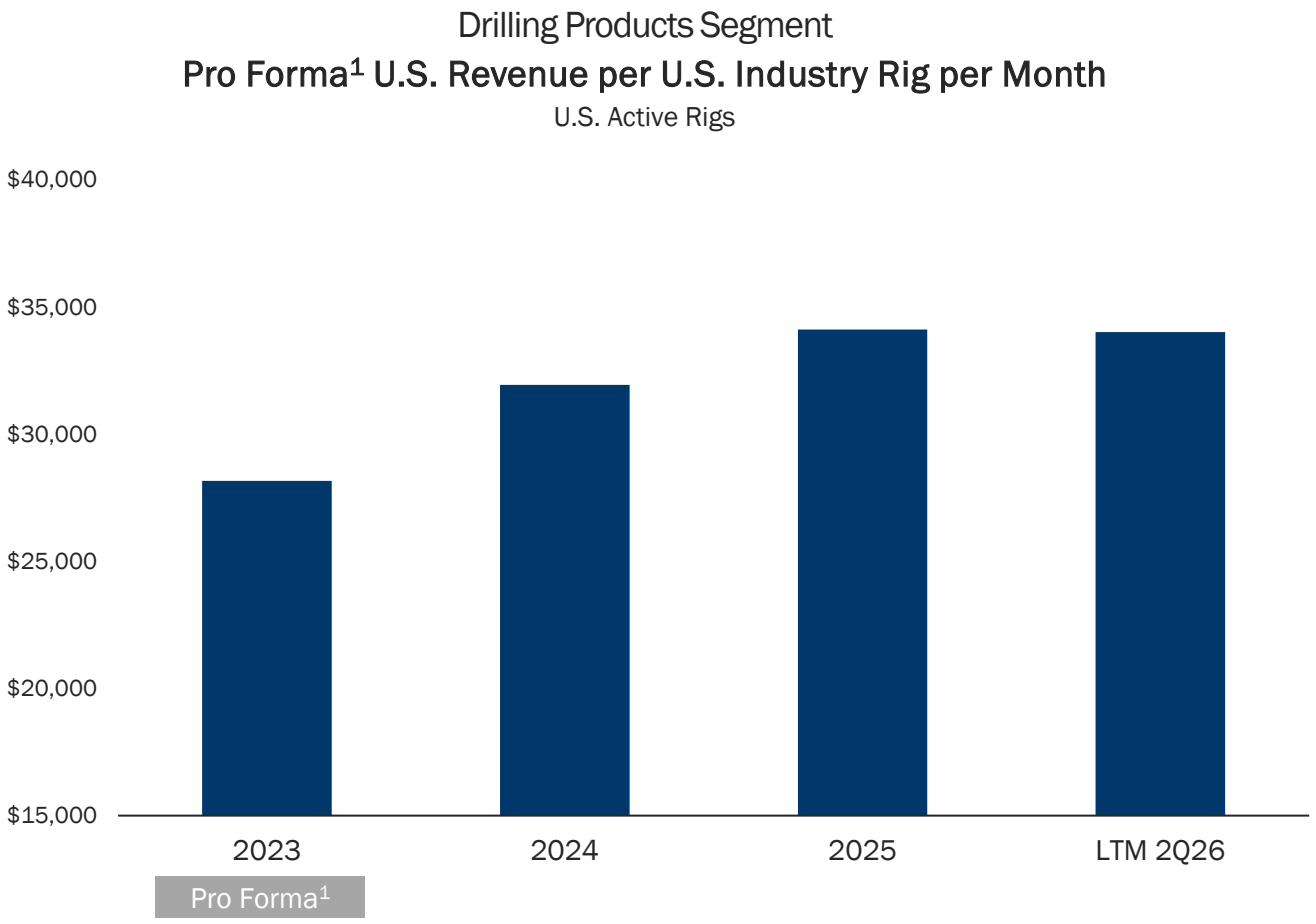
- **Fleet high grading** has been responsibly paced, and we expect fleet quality to improve again in 2027
- **Natural gas-powered fleets** are increasingly favored by customers as momentum shifts towards new technologies
- **Industry total horsepower** is expected to see the impact of attrition of diesel and some older Tier II dual fuel assets, and we expect to continue to retire lower return assets




[1]Includes equipment orders in progress and pending final delivery. [2]Patterson-UTI estimates for U.S. Land.

# Drilling Products | Outpacing Industry Activity

Rapid deployment of incremental design improvements create a demonstrable & sustainable advantage




## Drill Bit Outperformance

- **Rapid Innovation and Customization:** Ulterra leverages proprietary software to analyze drilling data and optimize product design, resulting in consistent market outperformance
- **Realizing Operational Synergies:** Drilling Products market share on PTEN operated rigs is up more than 10% since we closed the acquisition, with revenue per industry rig up 40% since the beginning of 2023




**More than just drill bits**
Downhole tools and new product innovation revenue continues to outpace the industry

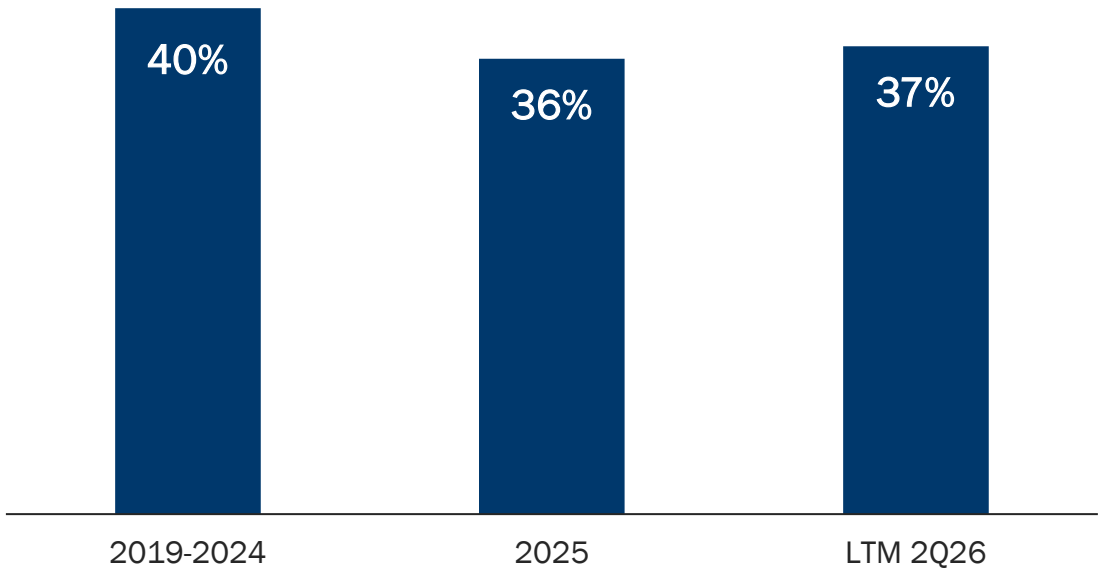
[1]On August 14, 2023, we formed our drilling products segment through the acquisition of Ulterra Drilling Technologies. The table includes revenue and activity that predates the close of that acquisition, which presents the information as if the acquisition occurred on January 1, 2023.
[2]Enverus U.S. Active Rigs

# Patterson-UTI Enterprise | Delivering Strong and Consistent Cash Conversion

Wellsite Efficiency Delivered *with* Capital Efficiency

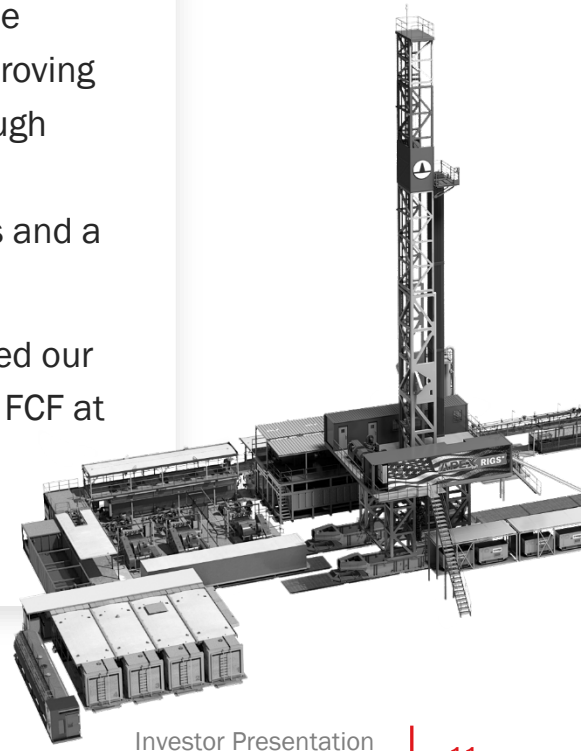
**Unlevered Cash Conversion[1]**

Patterson-UTI Consolidated




**Patterson-UTI has benefited in the era of improving U.S. shale capital efficiency**

- A key contributor to improved U.S. shale drilling and completion efficiency—improving drilling and completion efficiency through technology investments, driving better adjusted FCF[2] returns for our investors and a better process for our customers
- Patterson-UTI has successfully managed our capital to focus on sustained adjusted FCF at all points in the cycle



[1]The Company defines Unlevered Free Cash Flow as adjusted EBITDA less capital expenditures. Unlevered Cash Conversion is defined as Unlevered Free Cash Flow as a percent of adjusted EBITDA. Unlevered Free Cash Flow and Unlevered Cash Conversion are non-GAAP financial measures. Please see the Appendix for reconciliation to the nearest GAAP metric.
[2]For purposes of the shareholder return target, the Company defines adjusted free cash flow as net cash provided by operating activities less capital expenditures plus proceeds from asset sales.




PATTERSON-UTI

# Operational Excellence

# Harnessing Data to Enable Higher Impact Drilling & Completion Operations

Patterson-UTI creates sustainable value with our end-to-end digital integration and data-driven optimization strategy



## Integrate Critical Applications

Simplify workflows to increase scalability of the workforce



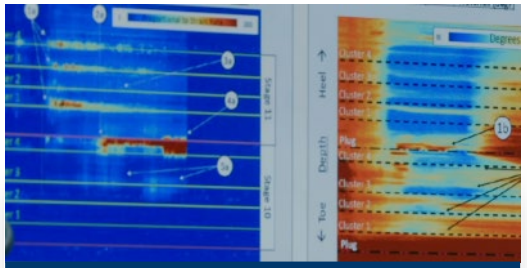
## Streamline Digital Products

Reduce third party costs, processing, and reliance



## Quality Data for Operations

Access to high quality, consistent and real-time data to run remote operations



## Automation-Enabled Decisions

Edge processing for AI/ML deployments and job management

PTEN™ DIGITAL PERFORMANCE CENTER

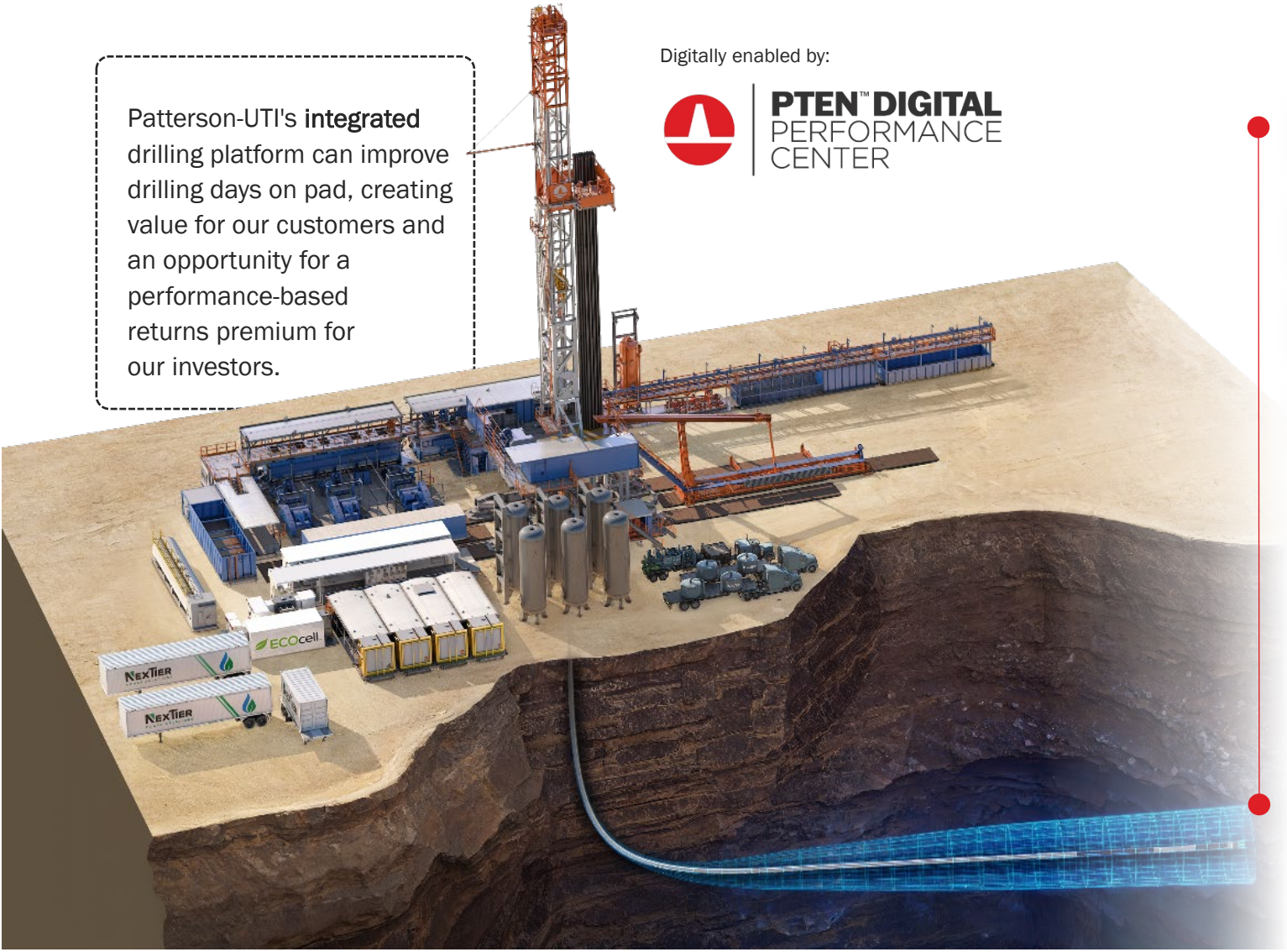
**Delivering powerful digital integration throughout the Drilling & Completion operations lifecycle**

# **Integration Advantage:** Drilling Services and Products

Patterson-UTI's **integrated** drilling platform can improve drilling days on pad, creating value for our customers and an opportunity for a performance-based returns premium for our investors.

Digitally enabled by:

PTEN™ DIGITAL PERFORMANCE CENTER




## Fully integrated throughout the drill site

**Drill Bits** | Ulterra
*Leading provider of PDC drill bits in North America*

**Directional Services** | MS Directional
*Directional drilling, MWD, well planning and downhole motors*

**Survey Correction** | Superior QC
*Leader in survey management technology and wellbore placement*

**Contract Drilling** | Patterson-UTI Drilling
*Tier-1 rig fleet complete with innovative software solutions*

**Rig Equipment Design and Manufacturing** | Patterson-UTI Drilling
*Design and manufacture advanced pipe-handling equipment*

**Controls and Energy Management** | Current Power
*Engineer electrical and automation equipment*

**Natural Gas Fueling, Well Cementing** | NexTier
*Integrated solutions for operational and cost synergies*

**Power Generation** | Patterson-UTI
*>1gW of mobile power generation capacity across our rig fleet*

# **Integration Advantage:** Completion Services

Patterson-UTI **integrates** industry-leading equipment and technology at scale to deliver unique completions value to the wellsite and improve performance per fleet for our investors.

Digitally enabled by:

PTEN™ DIGITAL PERFORMANCE CENTER



## Fully integrated throughout the completions site

**Natural Gas-Enabled Frac Fleet**
*Leading fleet of Tier 4 dual fuel and 100% natural gas equipment*

**Wireline Plug, Perforate, and Pump Down Service**
*Integrated and digitally controlled to enable operational efficiency*

**Proppant Storage and Handling**
*Maximum volume, precision blending*

**Last-Mile Logistics**
*Automation-enabled to lower landed cost, leveraged by scale*

**Power Generation**
*Powering 250k HHP of electric frac with 100% natural gas*

**Compressed Natural Gas Fueling**
*Highest volume capability for optimal displacement*

**Field Gas Conditioning**
*Intelligent blending to maximize fuel cost savings*

**Engineering Solutions**
*Create better completion designs for better wells*

**eos™ Digital Completions Platform**
*Operations optimization in real-time*



PATTERSON-UTI

# Capital Allocation Framework

# Capital Allocation Framework

Maximize Shareholder Value and Financial Returns

## Allocation Strategy

### Repeatable Shareholder Return Program

Commit to return at least 50% of adjusted Free Cash Flow annually to shareholders[1] through dividends and repurchases

### Strategic Allocation

Target strategic high-return investments that drive returns accretion for PTEN shareholders

## Winning Foundation

### Strong Balance Sheet

Investment Grade Credit Rating; Low Leverage and Strong Liquidity; No Senior Note maturities until 2029

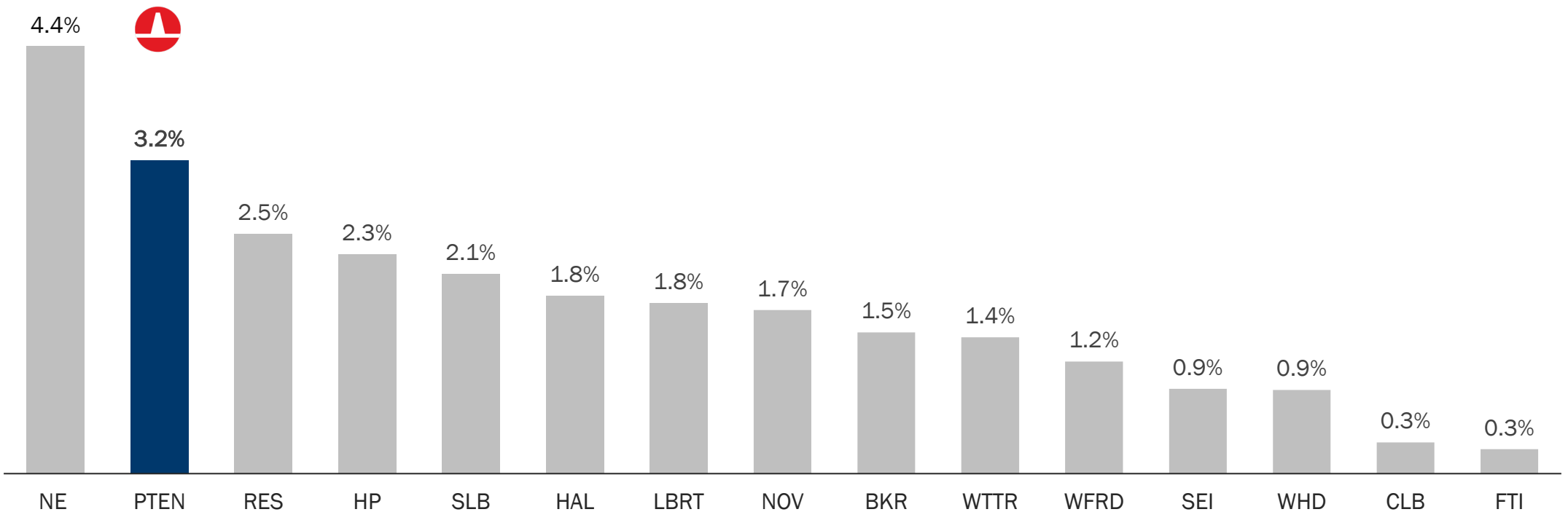
### Organic Investing Strategy Targets Strong FCF Conversion

Invest in core markets to protect and extend our operational advantage

[1]For purposes of the shareholder return target, the Company defines adjusted free cash flow as net cash provided by operating activities less capital expenditures plus proceeds from asset sales. The shareholder return target, including the amount and timing of any dividend payments and/or share repurchases are subject to the discretion of the Company's Board of Directors and will depend upon business conditions, results of operations, financial condition, terms of the Company's debt agreements and other factors

# Competitive Dividend Yield in the OFS Sector

## Dividend Yield
Based on Annualized Dividend[1]




[1]*Data sourced from Bloomberg as of 09/04/2026, includes a select group of dividend-paying stocks in the oilfield services sector.*

# Investment Grade Capital Structure

## Financially Positioned for Through-Cycle Resilience

**LOW LEVERAGE**

~1 X

Net Debt[1] as of 6/30/2026 to LTM Adjusted EBITDA[1]

**CASH BALANCE**

$203 M

Cash Position as of 6/30/2026

**TOTAL LIQUIDITY**

$701 M

Includes cash and revolver as of 6/30/2026

**INTEREST COVERAGE**

14 X

LTM Adjusted EBITDA[1] to Net Interest Expense

**NEAREST SENIOR NOTE MATURITY**

2029

**CREDIT RATING**

Investment Grade

Moody's, S&P, and Fitch



[1]Net Debt and Adjusted EBITDA are non-GAAP financial measures. Please see the Appendix for reconciliation to the nearest GAAP metrics.

# Patterson-UTI Delivers a Repeatable Shareholder Return Program

**Since the beginning of 2024**, we have returned **more than 85%** of our adjusted FCF[1] to investors through dividends and share repurchases

- We commit to return **at least 50%** of our adjusted FCF to shareholders **annually through the cycle**
- We raised our dividend 25% to **$0.10 per share per quarter** during the first quarter of 2026
- We plan to **remain flexible** with our method of distribution over time to maximize shareholder value

[1]For purposes of the shareholder return target, the Company defines adjusted free cash flow as net cash provided by operating activities less capital expenditures plus proceeds from asset sales. The shareholder return target, including the amount and timing of any dividend payments and/or share repurchases are subject to the discretion of the Company's Board of Directors and will depend upon business conditions, results of operations, financial condition, terms of the Company's debt agreements and other factors.

# Sustainability as a Strategy

Patterson-UTI has demonstrated a resilient commitment to long-term sustainability

## Our Timeline of Innovation in Sustainability

**2006** Introduced High-Line Power

**2010** First Dual Fuel Engine on Drilling Rig

**2012** Developed and Fielded First Dual Fuel Frac Spread

**2013** First Natural Gas Generator on Drilling Rig

**2018** Acquired Controls and Automation Specialists, Current Power

**2019** Introduced Automated Engine Management System for Rigs

**2019** Deployed Industry's First Tier-4 Dual Fuel Frac Spread

**2020** Deployed EcoCell® Lithium Hybrid Power Management System

**2021** Launched Power Solutions Natural Gas Fuel Service

**2021** Real-Time Fuel and Emissions Monitoring

**2022** First Demonstration of Hydrogen Blending on Drilling Rig

**2023** Deployed First Electric Frac Spread

**2023** Deployed GridAssist®

**2023** Deployed EcoCell® with Natural Gas Generators

**2024** Launched iFGS Intelligent Field Gas Solutions

**2025** Deployed Emerald™ 100% Natural Gas Direct Drive Frac Pump

**Our Vision:** *To safely and responsibly help provide the world with oil and gas for the products that make people's lives better in a sustainable and profitable manner*



**Find out more in our Sustainability Report at:**
https://esg.patenergy.com/

PATTERSON-UTI

PATTERSON-UTI DRILLING COMPANY LLC | NEXTIER | ULTERRA | MS Directional | Superior QC | CURRENT POWER



# Reconciliation of Non-GAAP Financial Measures

## Adjusted Gross Profit

(dollars in thousands)

| | Drilling Services | Completion Services | Drilling Products | Other |
|---|---|---|---|---|
| **For the Twelve Months Ended June 30, 2026** | | | | |
| Revenues | $ 1,466,195 | $ 2,840,063 | $ 340,784 | $ 25,023 |
| Less direct operating costs | (952,313) | (2,396,977) | (200,973) | (11,946) |
| Less depreciation, amortization and impairment | (338,578) | (448,309) | (82,165) | (6,260) |
| GAAP gross profit | 175,304 | (5,223) | 57,646 | 6,817 |
| Depreciation, amortization and impairment | 338,578 | 448,309 | 82,165 | 6,260 |
| Adjusted gross profit[1] | 513,882 | 443,086 | 139,811 | 13,077 |
| Colombia contract drilling exit costs | 20,011 | - | - | - |
| Adjusted gross profit excluding Colombia contract drilling exit costs[2] | $ 533,893 | $ 443,086 | $ 139,811 | $ 13,077 |
| % of Company Total | 47% | 39% | 12% | 1% |

(1) We define "Adjusted gross profit" as revenues less direct operating costs (excluding depreciation, depletion, amortization and impairment expense). Adjusted gross profit is included as a supplemental disclosure because it is a useful indicator of our operating performance.

(2) Colombia contract drilling exit costs represent inventory and other asset write-downs recorded in direct operating expenses within the consolidated statements of operations. These costs were excluded as they relate to our decision to exit our Colombia contract drilling operations and are not considered representative of ongoing operating performance.

# Reconciliation of Non-GAAP Financial Measures

## Cash Conversion, Drilling Services

(dollars in thousands)

| | Six Months Ended June 30, 2026 | Twelve Months Ended June 30, 2026 | Six Months Ended June 30, 2025 | Twelve Months Ended December 31, 2025 | Twelve Months Ended December 31, 2024 | Twelve Months Ended December 31, 2023 |
|---|---|---|---|---|---|---|
| Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization[1] | $ 256,485 | $ 512,749 | $ 309,950 | $ 566,214 | $ 681,717 | $ 786,314 |
| Less capital expenditures | (114,569) | (222,454) | (128,632) | (236,517) | (264,667) | (334,780) |
| | $ 141,916 | $ 290,295 | $ 181,318 | $ 329,697 | $ 417,050 | $ 451,534 |
| Cash Conversion[2] | 55% | 57% | 58% | 58% | 61% | 57% |

(1) Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") is not defined by accounting principles generally accepted in the United States of America ("GAAP"). We define Adjusted EBITDA as net income (loss) plus income tax expense (benefit), net interest expense, depreciation, depletion, amortization and impairment expense, exit costs, noncontrolling investment write-down, legal accruals and settlements, impairment of goodwill and merger and integration expense. We present Adjusted EBITDA as a supplemental disclosure because we believe it provides to both management and investors additional information with respect to the performance of our fundamental business activities and a comparison of the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income (loss) in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be construed as an alternative to the GAAP measure of net income (loss). Our computations of Adjusted EBITDA may not be the same as similarly titled measures of other companies.

(2) We define Cash Conversion for our Drilling Services segment as Drilling Services Adjusted EBITDA less Drilling Services capital expenditures, expressed as a percentage of Drilling Services Adjusted EBITDA. We present Cash Conversion as a supplemental measure because we believe it is a meaningful indicator of the segment's ability to convert earnings into cash after reinvesting in the business. This measure is useful to investors and management in evaluating the efficiency of capital deployment and the segment's capacity to generate cash flow that may be available for financing activities or other corporate purposes. Our calculation of Cash Conversion may not be comparable to similarly titled measures used by other companies. Cash Conversion is a non-GAAP financial measure and should be considered in addition to, not as a substitute for or superior to, measures prepared in accordance with GAAP.

# Reconciliation of Non-GAAP Financial Measures

## Adjusted EBITDA

(dollars in thousands)

| | Twelve Months Ended June 30, 2026 | Six Months Ended June 30, 2026 | Twelve Months Ended December 31, 2025 | Six Months Ended June 30, 2025 | Twelve Months Ended December 31, 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization[1]** | | | | | | | | | | |
| Net income (loss) | $ (89,398) | $ (43,751) | $ (93,054) | $ (47,407) | $ (966,399) | $ 245,952 | $ 154,658 | $ (657,079) | $ (803,692) | $ (425,703) |
| Income tax expense (benefit) | (24,764) | (12,243) | (9,937) | 2,584 | 9,453 | 61,152 | 13,204 | (62,702) | (127,326) | (104,675) |
| Net interest expense | 63,469 | 32,216 | 63,859 | 32,606 | 66,234 | 46,748 | 39,896 | 41,756 | 39,516 | 69,191 |
| Depreciation, depletion, amortization and impairment | 882,715 | 436,175 | 940,264 | 493,724 | 1,171,873 | 731,416 | 483,945 | 849,178 | 670,910 | 1,003,873 |
| Colombia contract drilling exit costs[2] | 20,011 | 20,011 | - | - | - | - | - | - | - | - |
| Noncontrolling investment write-down[3] | 4,520 | 4,520 | - | - | - | - | - | - | - | - |
| Legal accruals and settlements[4] | 20,000 | - | 15,415 | (4,585) | (17,792) | - | - | - | (4,185) | - |
| Impairment of goodwill | - | - | - | - | 885,240 | - | - | - | 395,060 | 17,800 |
| Merger and integration expense | 96 | - | 1,016 | 920 | 33,037 | 98,077 | 2,069 | 12,060 | - | - |
| Adjusted EBITDA | $ 876,649 | $ 436,928 | $ 917,563 | $ 477,842 | $1,181,646 | $1,183,345 | $ 693,772 | $ 183,213 | $ 170,283 | $ 560,486 |

(1) Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") is not defined by accounting principles generally accepted in the United States of America ("GAAP"). We define Adjusted EBITDA as net income (loss) plus income tax expense (benefit), net interest expense, depreciation, depletion, amortization and impairment expense, exit costs, noncontrolling investment write-down, legal accruals and settlements, impairment of goodwill and merger and integration expense. We present Adjusted EBITDA as a supplemental disclosure because we believe it provides to both management and investors additional information with respect to the performance of our fundamental business activities and a comparison of the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income (loss) in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be construed as an alternative to the GAAP measure of net income (loss). Our computations of Adjusted EBITDA may not be the same as similarly titled measures of other companies.

(2) Colombia contract drilling exit costs represent inventory and other asset write-downs recorded in direct operating expenses within the consolidated statements of operations. These costs were excluded from Adjusted EBITDA as they relate to our decision to exit our Colombia contract drilling operations and are not considered representative of ongoing operating performance.

(3) Noncontrolling investment write-down represents an impairment charge of certain minority equity investments. The charge was excluded from Adjusted EBITDA as it represents a non-operating item.

(4) Legal accruals and settlements represent net expenses (income) arising from certain significant legal matters, including settlement activity and reserve adjustments related to prior-year claims. Unlike routine legal costs incurred in the ordinary course of business, these infrequent items are excluded from Adjusted EBITDA because management does not consider them representative of our current period operating performance.

# Reconciliation of Non-GAAP Financial Measures

## Unlevered Cash Conversion

(dollars in thousands)

| | Twelve Months Ended June 30, 2026 | Six Months Ended June 30, 2026 | Twelve Months Ended December 31, 2025 | Six Months Ended June 30, 2025 | 2019-2024 | Twelve Months Ended December 31, 2024 | 2023 | 2022 | 2021 | 2020 | 2019 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Adjusted EBITDA | $ 876,649 | $ 436,928 | $ 917,563 | $ 477,842 | $ 3,972,745 | $ 1,181,646 | $ 1,183,345 | $ 693,772 | $ 183,213 | $ 170,283 | $ 560,486 |
| Less capital expenditures | $ (555,544) | $ (272,552) | $ (589,029) | $ (306,037) | $ (2,390,186) | $ (678,386) | $ (615,690) | $ (436,797) | $ (166,320) | $ (145,481) | $ (347,512) |
| | $ 321,105 | $ 164,376 | $ 328,534 | $ 171,805 | $ 1,582,559 | $ 503,260 | $ 567,655 | $ 256,975 | $ 16,893 | $ 24,802 | $ 212,974 |
| **Unlevered Cash Conversion** [1] | 37% | 38% | 36% | 36% | 40% | 43% | 48% | 37% | 9% | 15% | 38% |

(1) We define Unlevered Free Cash Flow as adjusted EBITDA less capital expenditures. Unlevered Cash Conversion is defined as Unlevered Free Cash Flow as a percent of Adjusted EBITDA. We present Unlevered Cash Conversion as a supplemental disclosure because we believe that it is an important liquidity measure and that it is useful to investors and management as a measure of the company's ability to generate cash flow, after reinvesting in the company, that could be available for financing cash flows, such as dividend payments, share repurchases and/or repurchases of long-term indebtedness. Our computations of Unlevered Free Cash Flow may not be the same as similarly titled measures of other companies. Adjusted Unlevered Free Cash Flow is not intended to represent our residual cash flow available for discretionary expenditures. Unlevered Free Cash Flow is a non-GAAP financial measure that should be considered in addition to, not as a substitute for or superior to, cash flows from operations reported in accordance with GAAP.

# Reconciliation of Non-GAAP Financial Measures

## Leverage Ratio

(dollars in thousands)

| Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization[1] | Six Months Ended June 30, 2026 | Twelve Months Ended December 31, 2025 | Six Months Ended June 30, 2025 |
|---|---|---|---|
| Net income (loss) | $ (43,751) | $ (93,054) | $ (47,407) |
| Income tax expense (benefit) | (12,243) | (9,937) | 2,584 |
| Net interest expense | 32,216 | 63,859 | 32,606 |
| Depreciation, depletion, amortization and impairment | 436,175 | 940,264 | 493,724 |
| Colombia contract drilling exit costs[2] | 20,011 | - | - |
| Noncontrolling investment write-down[3] | 4,520 | - | - |
| Legal accruals and settlements[4] | - | 15,415 | (4,585) |
| Merger and integration expense | - | 1,016 | 920 |
| Adjusted EBITDA | $ 436,928 | $ 917,563 | $ 477,842 |

| | |
|---|---|
| Last Twelve Months Adjusted EBITDA | $ 876,649 |
| Last Twelve Months Net Interest Expense | $ 63,469 |

| | June 30, 2026 |
|---|---|
| Debt (excluding deferred financing costs and discounts) | $ 1,244,895 |
| Lease liabilities | 51,408 |
| Total Debt | 1,296,303 |
| Less cash | (203,169) |
| Net Debt[5] | $ 1,093,134 |

| Ratio calculation: | |
|---|---|
| Debt-to-Adjusted EBITDA | 1.42x |
| Net Debt-to-Adjusted EBITDA | 1.25x |
| Adjusted EBITDA-to-Interest Coverage | 13.81x |

(1) Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") is not defined by accounting principles generally accepted in the United States of America ("GAAP"). We define Adjusted EBITDA as net income (loss) plus income tax expense, net interest expense, depreciation, depletion, amortization and impairment expense, exit costs, noncontrolling investment write-down, legal accruals and settlements, impairment of goodwill and merger and integration expense. We present Adjusted EBITDA as a supplemental disclosure because we believe it provides to both management and investors additional information with respect to the performance of our fundamental business activities and a comparison of the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be construed as an alternative to the GAAP measure of net income (loss). Our computations of Adjusted EBITDA may not be the same as similarly titled measures of other companies.

(2) Colombia contract drilling exit costs represent inventory and other asset write-downs recorded in direct operating expenses within the consolidated statements of operations. These costs were excluded from Adjusted EBITDA as they relate to our decision to exit our Colombia contract drilling operations and are not considered representative of ongoing operating performance.

(3) Noncontrolling investment write-down represents an impairment charge of certain minority equity investments. The charge was excluded from Adjusted EBITDA as it represents a non-operating item.

(4) Legal accruals and settlements represent net expenses (income) arising from certain significant legal matters, including settlement activity and reserve adjustments related to prior-year claims. Unlike routine legal costs incurred in the ordinary course of business, these infrequent items are excluded from Adjusted EBITDA because management does not consider them representative of our current period operating performance.

(5) We define Net Debt as total debt, which excludes deferred financing costs and discounts and includes operating and finance lease liabilities, less cash and cash equivalents. This non-GAAP financial measure has inherent limitations and should not be considered in isolation or as a substitute for amounts reported in accordance with GAAP. We present both total debt and Net Debt because we believe these measures provide management and investors with additional useful information to assess our liquidity position. Our method of calculating Net Debt may differ from similarly titled measures used by other companies.