

RANGER ENERGY SERVICES, INC.
SUPPLEMENTAL NON-GAAP FINANCIAL MEASURES
(UNAUDITED)

Note Regarding Non-GAAP Financial Measure

The Company utilizes certain non-GAAP financial measures that management believes to be insightful in understanding the Company's financial results. These financial measures, which include Adjusted EBITDA, Adjusted Net Debt, and Free Cash Flow, should not be construed as being more important than, or as an alternative for, comparable U.S. GAAP financial measures. Detailed reconciliations of these Non-GAAP financial measures to comparable U.S. GAAP financial measures have been included below and are available in the Investor Relations sections of our website at www.rangerenergy.com. Our presentation of Adjusted EBITDA, Adjusted Net Debt, and Free Cash Flow should not be construed as an indication that our results will be unaffected by the items excluded from the reconciliations. Our computations of these Non-GAAP financial measures may not be identical to other similarly titled measures of other companies.

Adjusted EBITDA

We believe Adjusted EBITDA is a useful performance measure because it allows for an effective evaluation of our operating performance when compared to our peers, without regard to our financing methods or capital structure. We exclude the items listed above from net income or loss in arriving at Adjusted EBITDA because these amounts can vary substantially within our industry depending upon accounting methods, book values of assets, capital structures and the method by which the assets were acquired. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are reflected in Adjusted EBITDA.

We define Adjusted EBITDA as net income or loss before net interest expense, income tax provision or benefit, depreciation and amortization, equity-based compensation, acquisition-related, severance and reorganization costs, gain or loss on disposal of assets, and certain other non-cash and certain items that we do not view as indicative of our ongoing performance.

The following tables are a reconciliation of net income or loss to Adjusted EBITDA for the respective periods:

Three Months Ended December 31, 2022					
	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
	(in millions)				
Net income (loss)	\$ 9.8	\$ 2.0	\$ 4.6	\$ (8.8)	\$ 7.6
Interest expense, net	—	—	—	1.6	1.6
Income tax expense (benefit)	—	—	—	(0.1)	(0.1)
Depreciation and amortization	5.4	2.7	2.0	0.5	10.6
EBITDA	15.2	4.7	6.6	(6.8)	19.7
Equity based compensation	—	—	—	1.0	1.0
Gain on disposal of property and equipment	—	—	—	(0.7)	(0.7)
Acquisition related costs	—	—	—	1.4	1.4
Legal fees and settlements	—	—	—	0.2	0.2
Adjusted EBITDA	\$ 15.2	\$ 4.7	\$ 6.6	\$ (4.9)	\$ 21.6

Three Months Ended September 30, 2022					
	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
	(in millions)				
Net income (loss)	\$ 10.7	\$ 8.6	\$ 9.2	\$ (14.9)	\$ 13.6
Interest expense, net	—	—	—	1.8	1.8
Income tax expense (benefit)	—	—	—	3.4	3.4
Depreciation and amortization	6.3	2.8	1.3	0.4	10.8
EBITDA	17.0	11.4	10.5	(9.3)	29.6
Impairment of fixed assets	—	—	—	0.2	0.2
Equity based compensation	—	—	—	1.1	1.1
Gain on disposal of property and equipment	—	—	—	(1.1)	(1.1)
Bargain purchase gain, net of tax	—	—	—	(0.8)	(0.8)
Severance and reorganization costs	—	—	—	1.1	1.1
Legal fees and settlements	—	—	—	0.2	0.2
Adjusted EBITDA	\$ 17.0	\$ 11.4	\$ 10.5	\$ (8.6)	\$ 30.3

Year Ended December 31, 2022					
	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
	(in millions)				
Net income (loss)	\$ 34.3	\$ 7.6	\$ 20.2	\$ (47.0)	\$ 15.1
Interest expense, net	—	—	—	7.3	7.3
Income tax expense (benefit)	—	—	—	0.9	0.9
Depreciation and amortization	26.2	11.0	5.3	1.9	44.4
EBITDA	60.5	18.6	25.5	(36.9)	67.7
Impairment of fixed assets	—	—	—	1.3	1.3
Equity based compensation	—	—	—	3.8	3.8
Gain on disposal of property and equipment	—	—	—	(0.7)	(0.7)
Bargain purchase gain, net of tax	—	—	—	(3.6)	(3.6)
Severance and reorganization costs	—	—	—	1.6	1.6
Acquisition related costs	—	—	—	7.9	7.9
Legal fees and settlements	—	—	—	1.5	1.5
Adjusted EBITDA	\$ 60.5	\$ 18.6	\$ 25.5	\$ (25.1)	\$ 79.5

Three Months Ended December 31, 2021

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
	(in millions)				
Net income (loss)	\$ 38.1	\$ (3.0)	\$ 2.4	\$ (13.1)	\$ 24.4
Interest expense, net	—	—	—	2.3	2.3
Income tax expense (benefit)	—	—	—	(6.3)	(6.3)
Depreciation and amortization	7.9	2.6	1.2	0.2	11.9
EBITDA	46.0	(0.4)	3.6	(16.9)	32.3
Equity based compensation	—	—	—	1.1	1.1
Gain on disposal of property and equipment	—	—	—	(1.2)	(1.2)
Bargain purchase gain, net of tax	(37.2)	—	—	—	(37.2)
Severance and reorganization costs	—	—	—	0.2	0.2
Acquisition related costs	—	—	—	7.2	7.2
TRA termination expense	—	—	—	3.8	3.8
Allowance for AR write-off	—	—	—	1.5	1.5
Inventory reclassification	—	1.4	—	—	1.4
Adjusted EBITDA	\$ 8.8	\$ 1.0	\$ 3.6	\$ (4.3)	\$ 9.1

Year Ended December 31, 2021

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
	(in millions)				
Net income (loss)	\$ 37.0	\$ (5.8)	\$ 0.3	\$ (33.6)	\$ (2.1)
Interest expense, net	—	—	—	5.0	5.0
Income tax expense (benefit)	—	—	—	(6.2)	(6.2)
Depreciation and amortization	21.5	8.1	5.9	1.3	36.8
EBITDA	58.5	2.3	6.2	(33.5)	33.5
Equity based compensation	—	—	—	3.2	3.2
Gain on disposal of property and equipment	—	—	—	(1.1)	(1.1)
Bargain purchase gain, net of tax	(37.2)	—	—	—	(37.2)
Severance and reorganization costs	—	—	—	(0.4)	(0.4)
Acquisition related costs	—	—	—	8.6	8.6
Legal fees and settlements	—	—	—	0.9	0.9
TRA termination expense	—	—	—	3.8	3.8
Allowance for AR write-off	—	—	—	1.5	1.5
Adjusted EBITDA	\$ 21.3	\$ 2.3	\$ 6.2	\$ (17.0)	\$ 12.8