



# Q4 2023 Earnings

March 2024

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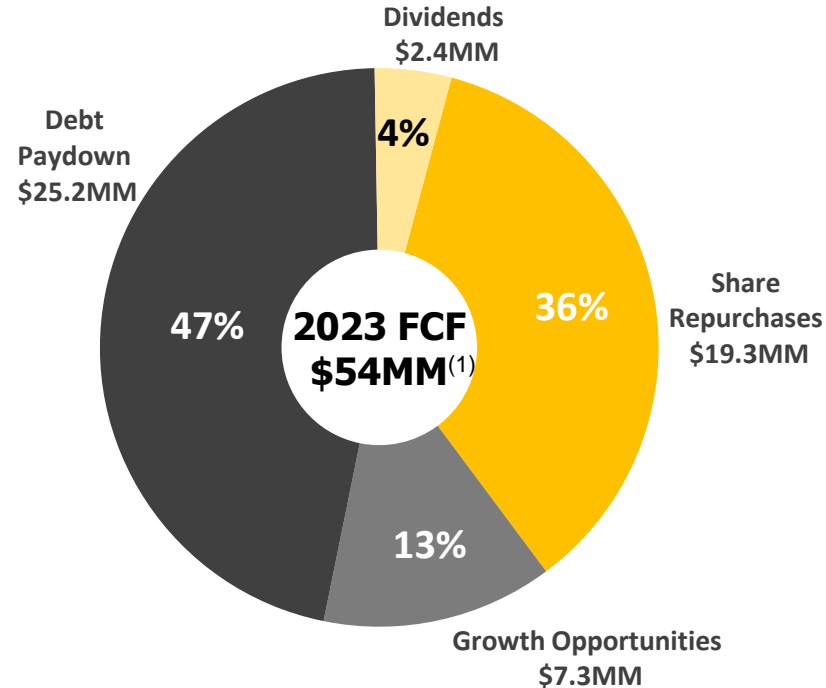
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# Delivering Returns to Shareholders

## Capital Return Update

- Repurchased \$19.3 million net of tax, or 1,805,500 shares,<sup>(2)</sup> in 2023 with repurchases continuing during 2024
- Total of 2,542,300 shares repurchased through February 29, 2024 through existing authorization representing over 10% of Ranger's outstanding shares
- Produced annual Free Cash Flow of \$54MM<sup>(1)</sup> representing 64% of Adjusted EBITDA
- Monetized and optimized another \$6MM of assets during the year through asset sales
- Returned \$21.7MM, or 40% of cashflows, to investors with remaining balance largely going toward debt paydown to strengthen balance sheet

## 2023 Cash Flow Profile

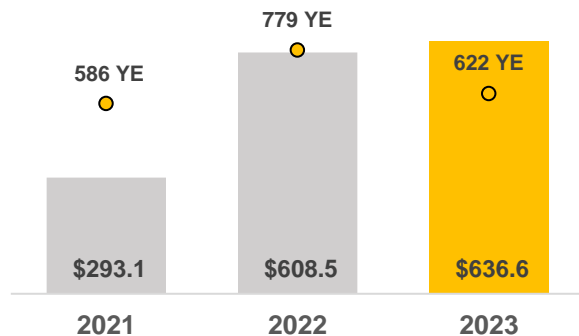


(1) Free cash flow as defined on slide 19

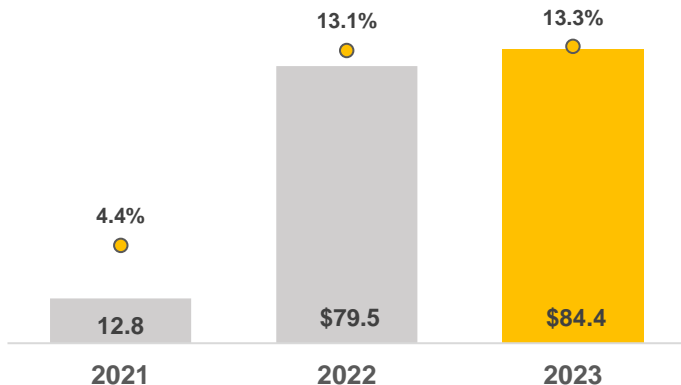
(2) 1,805,500 shares of Class A common stock purchased in 2023 at an average of \$10.58 per share

# 2023 Financial Summary

## Revenue (\$MM) & Baker Hughes Land Rig Count



## Adjusted EBITDA (\$MM) & Adjusted EBITDA Margin



## 2023 Highlights

- Business achieved YoY growth despite 20% drop in rig count
  - Revenue up 5% Y/Y
  - Adjusted EBITDA up 6% Y/Y
  - Margin up 20 bps despite \$4.4M incremental medical costs
- Net Income of \$23.8 million, or \$0.95 per fully diluted share
- Free cash flow of \$54.3 million plus an additional \$6.8 million in proceeds from asset sales
- Achieved net debt zero goal, paying down over \$80 million in debt since March 31, 2022
- Repurchased 1,805,500 shares of Class A Common Stock for an aggregate \$19.3 million net of tax during 2023
- Paid first dividend in Ranger history of \$0.05 per share with dividends paid of \$0.10 per share for the year

# 2023 Performance Analysis

All segments demonstrated top line growth year over year despite challenging market conditions.

## 2023 Revenue Bridge (\$MM)

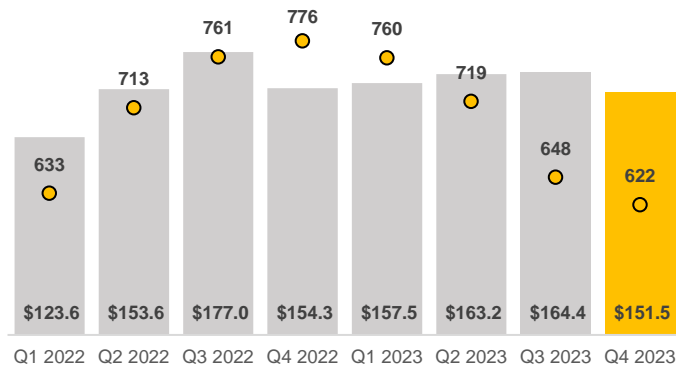


## 2023 Adjusted EBITDA Bridge (\$MM)

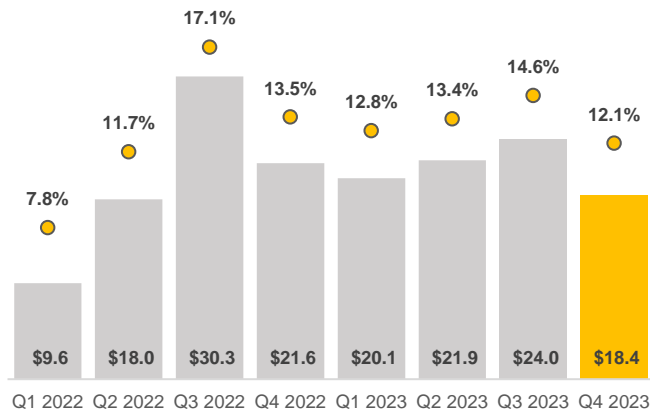


# Q4 2023 Financial Summary

## Revenue (\$MM) & Baker Hughes Land Rig Count



## Adjusted EBITDA (\$MM) & Adjusted EBITDA Margin



## Q4 2023 Highlights

- Quarterly revenue performance comparable to prior year period despite significant reduction in rig count
  - Rig count declines of 154, rigs or 20%, from Q4 2022 as compared to Q4 2023
  - Revenue declines of \$2.8M, or 2%, when comparing the same period
- Holiday impacts during Q4 caused activity to be depressed more than anticipated
- Margin in Q4 also affected by increased cost of sales in Wireline and P&A service lines

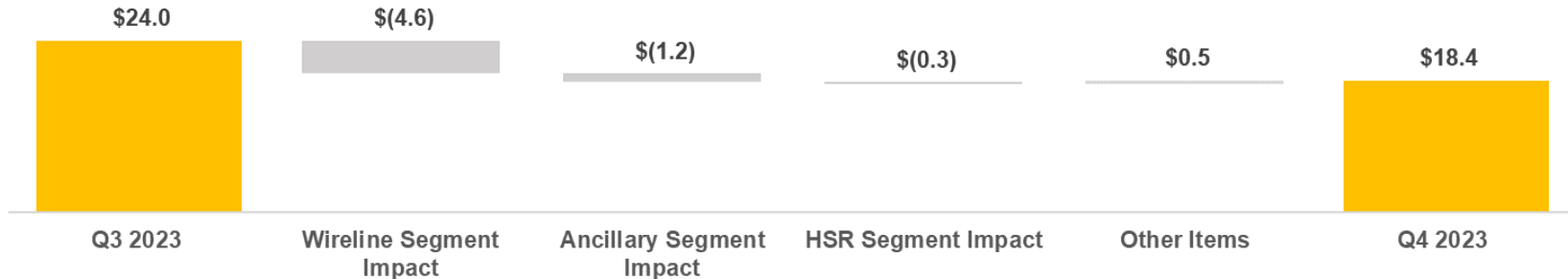
# Quarterly Performance Analysis

Revenue resiliency of HSR business shown in Q4 with decreases driven primarily by reduction in Wireline Completions activity in the South. Margin also affected by fixed cost base and higher cost of goods sold in Wireline segment

## QoQ Revenue Bridge (\$MM)

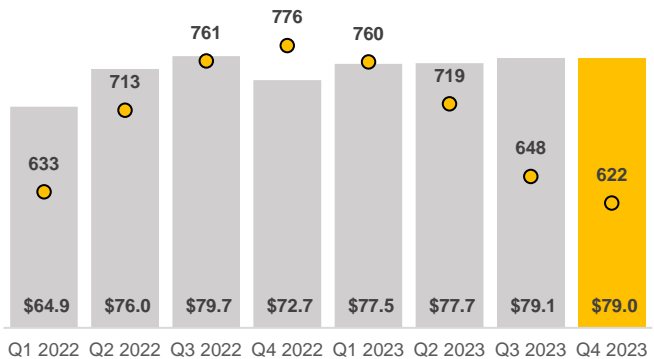


## QoQ Adjusted EBITDA Bridge (\$MM)

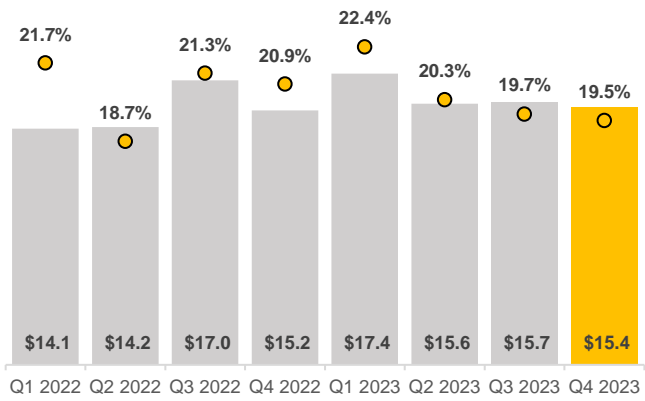


# High-Specification Rigs Segment Highlights

## Revenue (\$MM) & Baker Hughes Land Rig Count



## Adjusted EBITDA (\$MM)

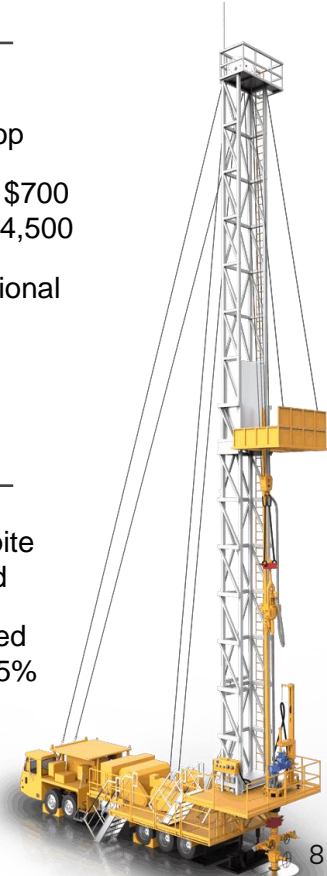


## Q4 Operational Results

- Resilient revenue performance quarter over quarter despite seasonality and rig count drop
- Revenue per rig hour increased by 5% from \$700 to \$733, offset by a reduction in rig hours of 4,500
- Adj. EBITDA decreased slightly due to additional maintenance and repairs on equipment

## 2023 vs 2022 Operational Results

- Revenue increased 7% for the full year despite 20% drop in rig count from the prior year end
- Year over year revenue per rig hour increased by 12% from \$625 to \$703 and hours down 5% from prior year
- Adj. EBITDA improved 6% due to pricing improvements and operating leverage



Source: Reported numbers and BH North American Rig Count weekly average

# Wireline Services Segment Highlights

## Q4 Operational Results

- Rig activity declines felt more acutely with 14% reduction from Q4 2022 and 22% quarter-over-quarter due to declining frac activity levels
- Lower margins due to fixed cost base along with higher equipment repairs and maintenance

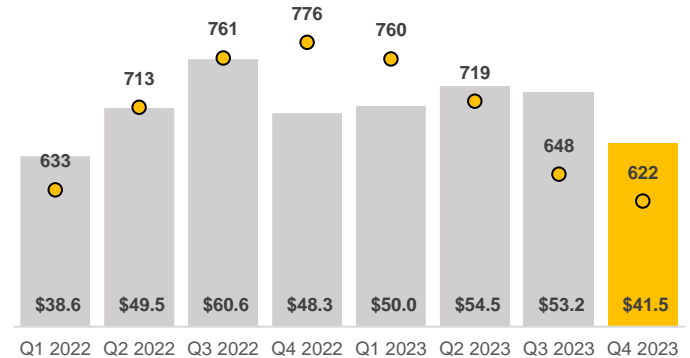
## 2023 vs 2022 Operational Results

- Revenue increased year-over-year with associated improvement in Adj. EBITDA of \$1.5 million driven by incremental pricing and activity levels in production and pump down service lines
- Margin improvement expected in 2024 as business focus continues to shift to production related work

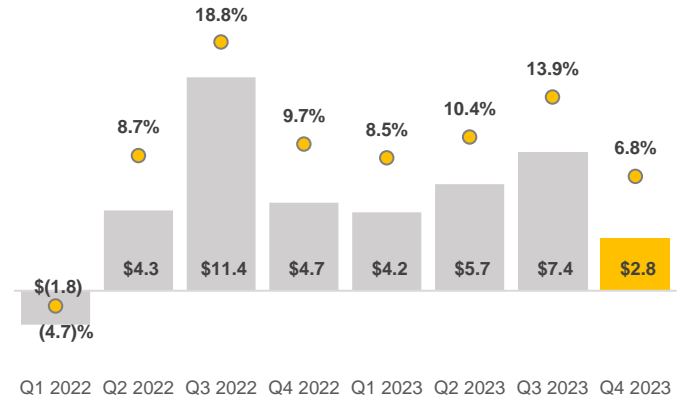


Source: BH North American Rig Count weekly average

## Revenue (\$MM) & Baker Hughes Land Rig Count

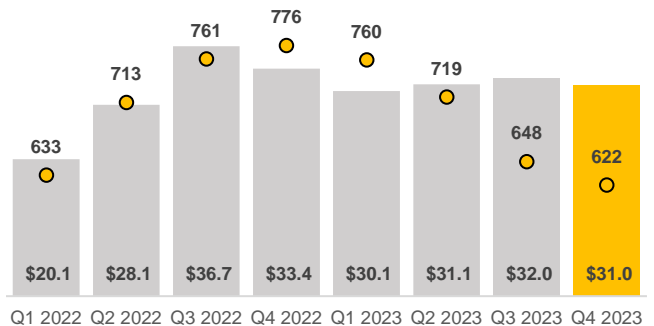


## Adjusted EBITDA (\$MM)

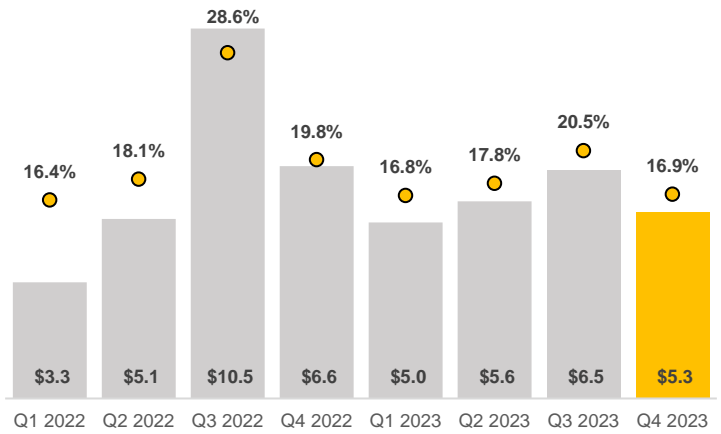


# Processing Solutions & Ancillary Services Segment Highlights

## Revenue (\$MM) & Baker Hughes Land Rig Count



## Adjusted EBITDA (\$MM)

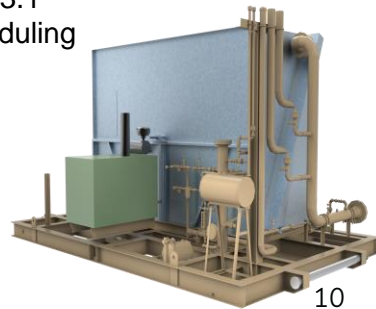


## Q4 Operational Results

- Revenue flat from previous quarters despite effects of equipment outages in November
- Segment Adjusted EBITDA declines from prior quarter driven by higher operating cost

## 2023 vs 2022 Operational Results

- Revenue increased year-over-year across most business lines
  - Plug and abandonment services (+\$7.0m)
  - Coil tubing (+\$4.1m)
  - Logistics (+\$1.3m)
- Segment Adjusted EBITDA decreased by \$3.1 million year-over-year primarily due to scheduling inefficiencies during 2023 and higher costs
- Segment has shown consistent revenue profile since Q4 2022 despite dropping rig count



Source: BH North American Rig Count weekly average

# A Compelling Investment

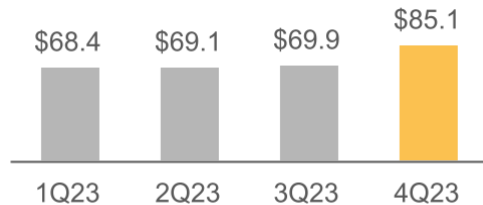
## Attractive free cash flow generation creates multiple value creation opportunities

- Shareholder Returns: Sustainable quarterly dividend program, supplemented by \$85 million share repurchase authorization
- Self-Funded M&A: Allows for pursuit of opportunistic M&A to create value through consolidation within existing end-markets

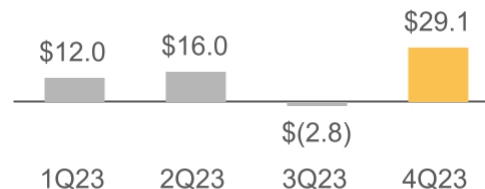
## Dynamic Business Model with Production-Focused Exposure and Completion Upside

- Exposure to operators across major basins allows for strategic deployment in response to changes in activity
- Capital efficient business model further maximizes operating leverage to drive above-industry returns through the cycle

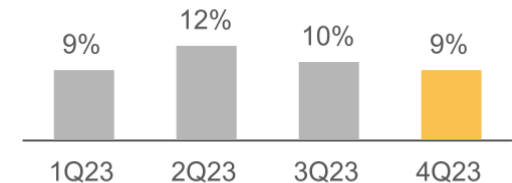
**Liquidity** (\$MM)



**Free Cash Flow** (\$MM)<sup>(1)</sup>



**TTM Return on Invested Capital**<sup>(2)</sup>



1. See slide 19 for a reconciliation of Non-GAAP financial measure Free Cash Flow

2. TTM Return on Invested Capital is defined as Trailing Twelve-Month Net Income divided by the statistical mean value of combined debt and shareholders' equity for the beginning and end of the trailing twelve-month period

# APPENDIX: SUPPLEMENTAL INFORMATION





## WELL SERVICES

- High-Spec Service Rigs
- Rig-Assist Snubbing
- Coiled Tubing
- Rental and Fishing
- Plug and Abandonment



## WIRELINER SERVICES

- Plug and Perf
- Pump-Down Services
- Cement and Casing Evaluation
- Intervention Services
- Pumping Services



## ANCILLARY SERVICES

- Fishing and Rentals
- Plug and Abandonment
- Natural Gas Processing & Conditioning

# RANGER BUSINESS OVERVIEW

# Non-GAAP Reconciliation: Adjusted EBITDA (in millions)

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
<b>Three Months Ended December 31, 2023</b>					
<b>Net income (loss)</b>	<b>\$ 10.0</b>	<b>\$ (1.8)</b>	<b>\$ 3.4</b>	<b>\$ (9.5)</b>	<b>\$ 2.1</b>
Interest expense, net	—	—	—	0.7	0.7
Income tax expense	—	—	—	1.8	1.8
Depreciation and amortization	5.4	2.9	1.9	0.4	10.6
<b>EBITDA</b>	<b>15.4</b>	<b>1.1</b>	<b>5.3</b>	<b>(6.6)</b>	<b>15.2</b>
Equity based compensation	—	—	—	1.2	1.2
Gain on disposal of property and equipment	—	—	—	(0.2)	(0.2)
Severance and reorganization costs	—	1.7	—	—	1.7
Acquisition related costs	—	—	—	0.5	0.5
<b>Adjusted EBITDA</b>	<b>\$ 15.4</b>	<b>\$ 2.8</b>	<b>\$ 5.3</b>	<b>\$ (5.1)</b>	<b>\$ 18.4</b>

# Non-GAAP Reconciliation: Adjusted EBITDA (in millions)

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
<b>Three Months Ended September 30, 2023</b>					
<b>Net income (loss)</b>	<b>\$ 10.6</b>	<b>\$ 4.3</b>	<b>\$ 4.5</b>	<b>\$ (10.0)</b>	<b>\$ 9.4</b>
Interest expense, net	—	—	—	0.7	0.7
Income tax expense	—	—	—	1.6	1.6
Depreciation and amortization	5.1	3.1	2.0	0.4	10.6
<b>EBITDA</b>	<b>15.7</b>	<b>7.4</b>	<b>6.5</b>	<b>(7.3)</b>	<b>22.3</b>
Impairment of fixed assets	—	—	—	0.4	0.4
Equity based compensation	—	—	—	1.3	1.3
Gain on disposal of property and equipment	—	—	—	(0.1)	(0.1)
Acquisition related costs	—	—	—	0.1	0.1
<b>Adjusted EBITDA</b>	<b>\$ 15.7</b>	<b>\$ 7.4</b>	<b>\$ 6.5</b>	<b>\$ (5.6)</b>	<b>\$ 24.0</b>

# Non-GAAP Reconciliation: Adjusted EBITDA (in millions)

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
Year Ended December 31, 2023					
<b>Net income (loss)</b>	<b>\$ 44.0</b>	<b>\$ 7.1</b>	<b>\$ 15.5</b>	<b>\$ (42.8)</b>	<b>\$ 23.8</b>
Interest expense, net	—	—	—	3.5	3.5
Income tax expense	—	—	—	7.2	7.2
Depreciation and amortization	20.1	11.3	6.9	1.6	39.9
<b>EBITDA</b>	<b>64.1</b>	<b>18.4</b>	<b>22.4</b>	<b>(30.5)</b>	<b>74.4</b>
Impairment of fixed assets	—	—	—	0.4	0.4
Equity based compensation	—	—	—	4.8	4.8
Loss on retirement of debt	—	—	—	2.4	2.4
Gain on disposal of property and equipment	—	—	—	(1.8)	(1.8)
Severance and reorganization costs	—	1.7	—	0.4	2.1
Acquisition related costs	—	—	—	2.1	2.1
<b>Adjusted EBITDA</b>	<b>\$ 64.1</b>	<b>\$ 20.1</b>	<b>\$ 22.4</b>	<b>\$ (22.2)</b>	<b>\$ 84.4</b>

# Non-GAAP Reconciliation: Adjusted EBITDA (in millions)

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
<b>Three Months Ended December 31, 2022</b>					
<b>Net income (loss)</b>	<b>\$ 9.8</b>	<b>\$ 2.0</b>	<b>\$ 4.6</b>	<b>\$ (8.8)</b>	<b>\$ 7.6</b>
Interest expense, net	—	—	—	1.6	1.6
Income tax benefit	—	—	—	(0.1)	(0.1)
Depreciation and amortization	5.4	2.7	2.0	0.5	10.6
<b>EBITDA</b>	<b>15.2</b>	<b>4.7</b>	<b>6.6</b>	<b>(6.8)</b>	<b>19.7</b>
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
<b>Adjusted EBITDA</b>	<b>\$ 15.2</b>	<b>\$ 4.7</b>	<b>\$ 6.6</b>	<b>\$ (4.9)</b>	<b>\$ 21.6</b>

# Non-GAAP Reconciliation: Adjusted EBITDA (in millions)

	High Specification Rigs	Wireline Services	Processing Solutions and Ancillary Services	Other	Total
<b>Twelve Months Ended December 31, 2022</b>					
<b>Net income (loss)</b>	<b>\$ 34.3</b>	<b>\$ 7.6</b>	<b>\$ 20.2</b>	<b>\$ (47.0)</b>	<b>\$ 15.1</b>
Interest expense, net	—	—	—	7.3	7.3
Income tax expense	—	—	—	0.9	0.9
Depreciation and amortization	26.2	11.0	5.3	1.9	44.4
<b>EBITDA</b>	<b>60.5</b>	<b>18.6</b>	<b>25.5</b>	<b>(36.9)</b>	<b>67.7</b>
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
<b>Adjusted EBITDA</b>	<b>\$ 60.5</b>	<b>\$ 18.6</b>	<b>\$ 25.5</b>	<b>\$ (25.1)</b>	<b>\$ 79.5</b>

# Non-GAAP Reconciliation: Free Cash Flows (in millions)

	Three Months Ended		Year Ended	
	December 31, 2023	December 31, 2023	December 31, 2023	December 31, 2022
Net cash provided by operating activities	\$ 37.7	\$ 90.8	\$ 44.5	
Purchase of property and equipment	(8.6)	(36.5)	(13.8)	
<b>Free cash Flow</b>	<b>\$ 29.1</b>	<b>\$ 54.3</b>	<b>\$ 30.7</b>	
Add back:				
Purchase of property and equipment related to asset acquisition	1.5	8.7		
<b>Modified Free cash Flow</b>	<b>\$ 30.6</b>	<b>\$ 63.0</b>		
EBITDA	\$ 18.4	\$ 84.4	\$ 79.5	
<b>Free cash Flow conversion - Free cash flow as a percentage of EBITDA</b>	<b>158 %</b>	<b>64 %</b>	<b>39 %</b>	
<b>Modified Free cash Flow conversion - Modified Free cash Flow as a percentage of EBITDA</b>	<b>166 %</b>	<b>75 %</b>		