



TOTAL ENERGY SERVICES INC.

ATB

ATB Capital Markets™

**12th Annual Institutional
Investor Conference**
January 9 & 10, 2024 - Toronto



FOCUS DISCIPLINE GROWTH

Cautionary Statements

Forward-Looking Information

Certain information presented in these remarks and in this presentation that is not historical factual information and/or based on current views and assumptions and is subject to uncertainties may constitute forward-looking information within the meaning of securities laws. Actual results could differ materially from a conclusion, forecast or projection contained in such forward-looking information. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements about Total Energy Services Inc. or its subsidiaries ("Total Energy" or "Total"), including business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as could, "should", "can", "anticipate", "estimate", "intend", "plan", "expect", "believe", "will", "may", "continue", "project", "potential" and similar expressions and statements, or negative versions thereof. In addition, any statement that may be made concerning future financial performance, ongoing business strategies or prospects, and possible future action on our part, is also a forward-looking statement. Undue reliance should not be placed on forward-looking information and statements. Whether actual results, performance or achievements will conform to our expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from our expectations.

Certain material factors or assumptions were also applied in drawing a conclusion or making a forecast or projection as reflected in such forward-looking information. Additional information about the material factors that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward looking information, details regarding the material factors or assumptions that were applied in drawing such conclusions or making such forecasts or projections, and more exhaustive information on the risks and uncertainties can be found in Total's continuous disclosure documents, including but not limited to its most recent Annual Information Form which is available on www.sedar.com

Non-IFRS Measures

EBITDA means earnings before interest, taxes, depreciation and amortization and is equal to net income before income taxes plus finance costs plus depreciation minus finance income. Cashflow means cash provided by operations before changes in non-cash working capital items. EBITDA is not a recognized measure under International Financial Reporting Standards ("IFRS"). Management believes that in addition to net income, EBITDA is a useful supplemental measure as it provides an indication of the results generated by the Company's primary business activities prior to consideration of how those activities are financed, amortized or how the results are taxed in various jurisdictions. Readers should be cautioned, however, that EBITDA should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of Total Energy's performance. Total Energy's method of calculating EBITDA may differ from other organizations and, accordingly, EBITDA may not be comparable to measures used by other organizations.

Corporate Information

Shares outstanding <i>(at Dec 31, 2023)</i>	39.98 million
Options outstanding <i>(at Dec. 31, 2023, \$7.61 weighted avg exercise price)</i>	4.2 million
Market Capitalization <i>(basic, at \$7.80 share price)</i>	\$312 million
Working capital ⁽¹⁾ <i>(at Sept. 30, 2023)</i>	\$127.6 million
Property, plant & equipment <i>(at Sept. 30, 2023)</i>	\$564.6 million
Long-term debt, net of cash ⁽²⁾ <i>(at Sept. 30, 2023)</i>	\$73.6 million
Tangible equity value/share ⁽³⁾ <i>(at Sept. 30, 2023)</i>	\$13.21
Annual dividend yield <i>(assuming a \$7.80 share price)</i>	4.1%
Director/officer ownership <i>(basic, as at Dec. 31, 2023)</i>	7.8%

(1) Working capital equals current assets minus current liabilities

(2) Long-term debt, including current portion, minus cash

(3) Shareholders' Equity minus goodwill divided by shares outstanding (diluted)

Recent Financial Performance

(in thousands of CDN dollars, except per share amounts and shares outstanding)

	3 months ended Sept 30		9 months ended Sept 30	
	2023	2022	2023	2022
Revenue	\$ 232,016	\$ 207,678	\$ 678,638	\$ 548,334
EBITDA ⁽¹⁾	44,955	42,335	123,685	95,448
Cashflow	40,784	41,078	118,864	92,205
Net Income	19,237	17,163	49,455	25,735
Net Income, attributable to shareholders	19,231	17,179	49,472	25,764
<i>Per Share, Diluted</i>				
EBITDA ⁽¹⁾	\$ 1.10	\$ 0.98	\$ 3.00	\$ 2.21
Cashflow	1.00	0.95	2.88	2.14
Net Earnings, attributable to shareholders	0.47	0.40	1.20	0.60
Total Assets			\$894,325	\$ 897,084
Working Capital ⁽²⁾			127,566	129,354
Net Debt ⁽³⁾			-	26,075
Shareholder's Equity			542,528	515,540
Shares Outstanding (diluted, 000's) ⁽⁴⁾	40,961	43,090	41,291	43,142

(1) As defined under "Non-IFRS Measures".

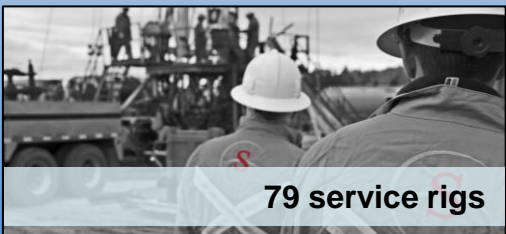
(2) Working capital equals current assets minus current liabilities.

(3) Net Debt equals long-term debt plus lease liabilities minus working capital.

(4) Weighted average outstanding during the period.

TOT Business Segments

Diversified Exposure to Global Energy Development



Contract Drilling Services (CDS)

- ✓ Onshore drilling operations in Western Canada (77 rigs), Texas (12 rigs) and Australia (5 rigs)
- ✓ Strategic alliance with Pason Systems to develop and deploy leading edge drilling enhancement and automation technologies

Rentals and Transportation Services (RTS)

- ✓ Leading Canadian provider of industrial surface equipment rentals and transportation services with growing U.S. presence
- ✓ >1.0 million barrels of portable tank storage capacity
- ✓ Increasing exposure to construction and maintenance of energy infrastructure

Compression and Process Services (CPS)

- ✓ Engineer, design, manufacture, service and rent full range of gas compression and O&G process equipment including patented NOMAD™ mobile packages
- ✓ Five North American manufacturing plants and 13 parts and service locations support increasing global business

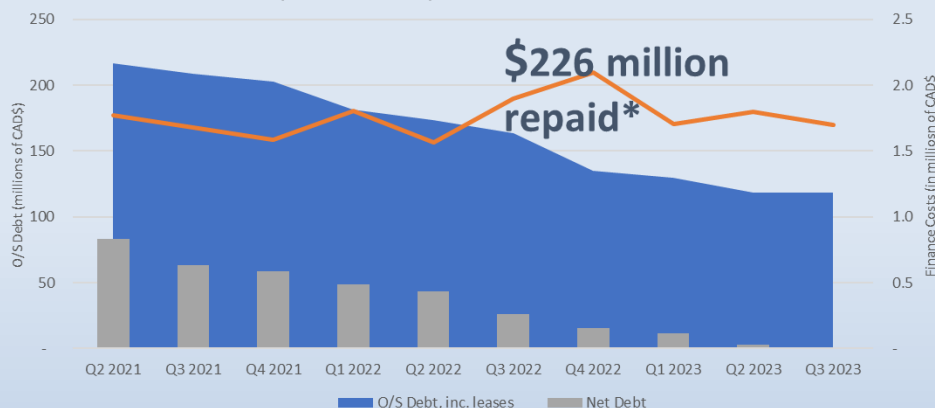
Well Servicing (WS)

- ✓ Service rig operations in Western Canada (56 rigs), NW U.S. (11 rigs) and Australia (12 rigs)
- ✓ Extensive exposure to energy production and well abandonment activities

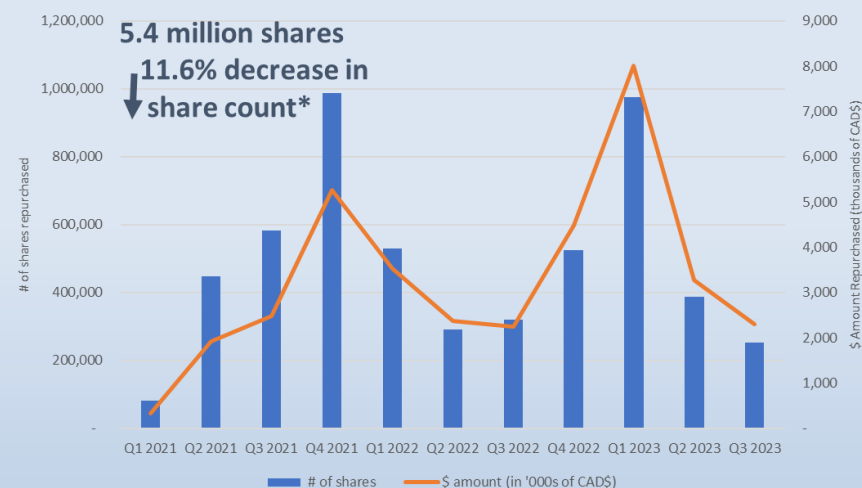


Creating Sustainable Shareholder Value

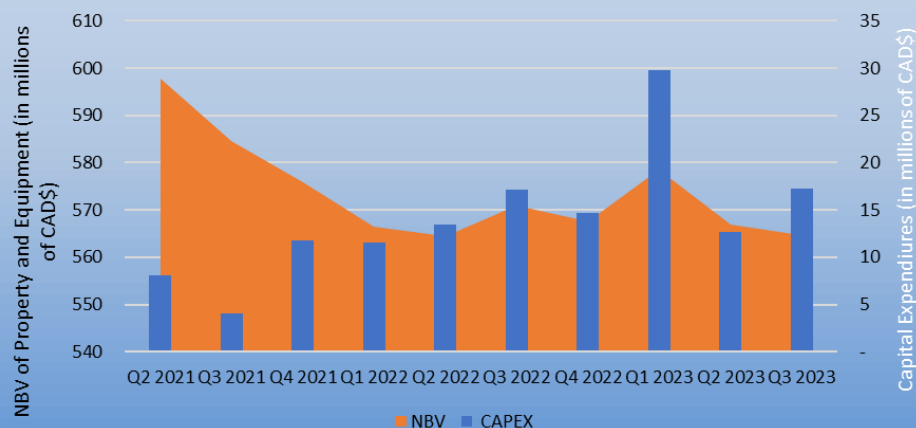
REDUCTION OF DEBT (in millions of CAD\$)



SHARE BUYBACKS



CAPITAL INVESTMENT (in millions of CAD\$)

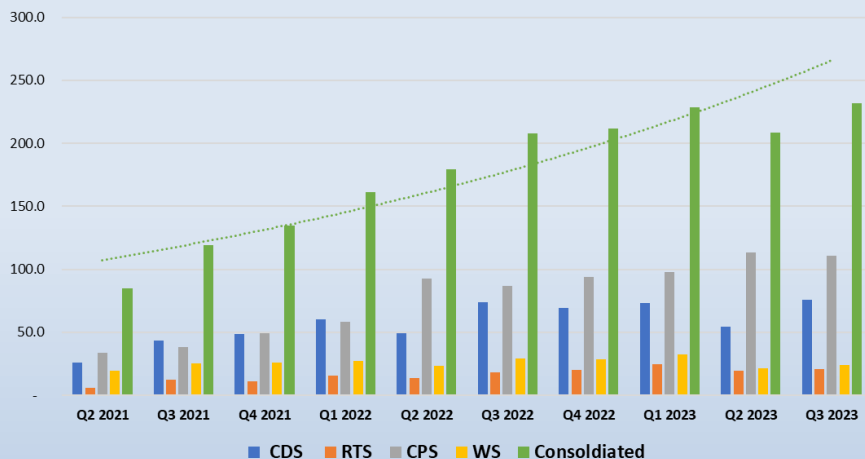


- ✓ Disciplined approach to capital investment = no recorded impairments of equipment or goodwill since inception
- ✓ Returned \$290 million to shareholders through dividends and share buy backs from inception to September 30, 2023
- ✓ Quarterly dividend of \$0.08 per common share

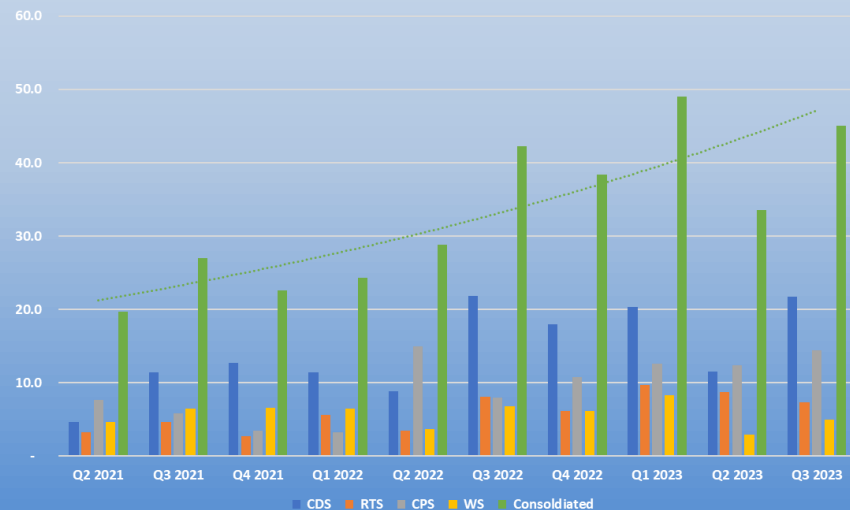
* from July 1, 2017 to June 30, 2023

Operational Diversification

REVENUE BY SEGMENT (in millions of CAD\$)

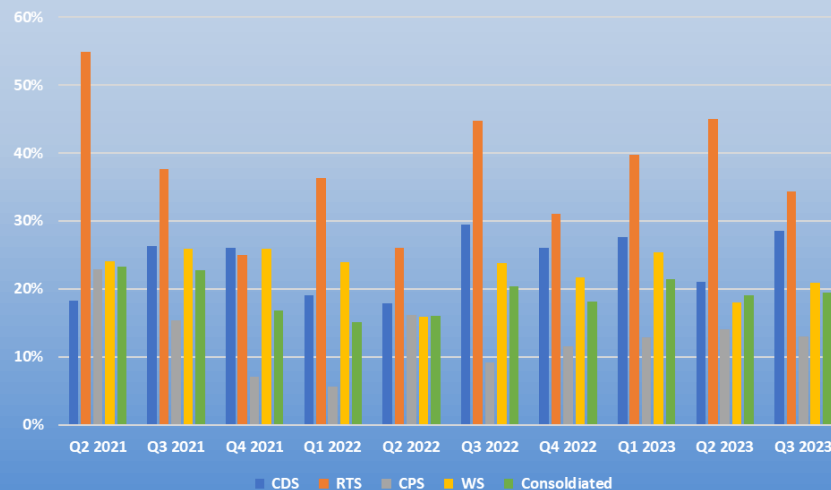


EBITDA BY SEGMENT (in millions of CAD\$)



- ✓ **Diversified** energy services platform provides stability and future growth opportunities
- ✓ **Leading** market positions in all business segments

EBITDA MARGIN

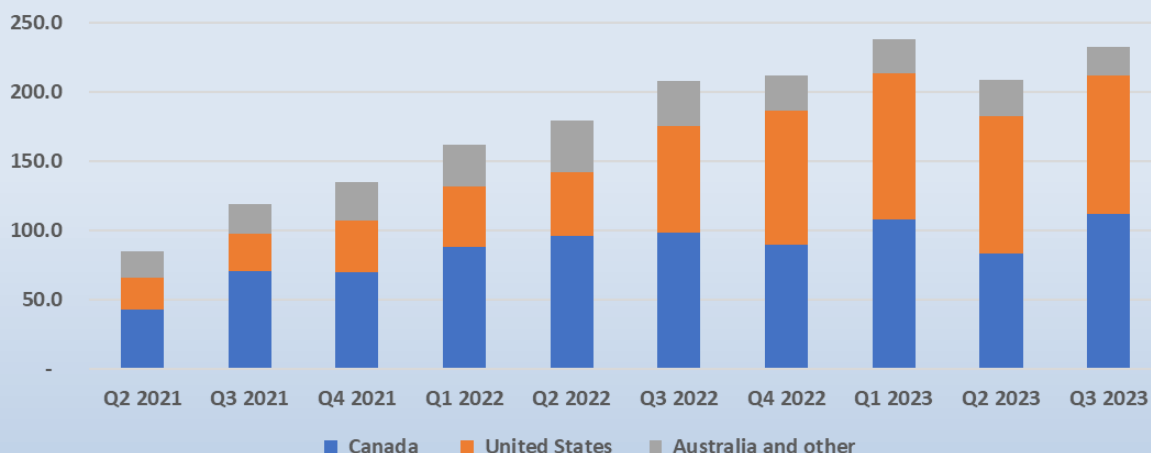


Geographical Diversification

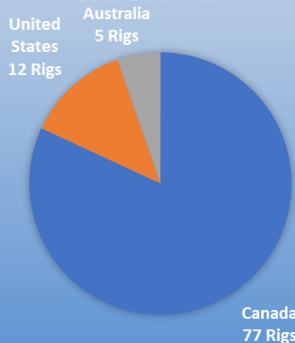


- ✓ Geographically positioned for continued international growth
- ✓ Resiliency in the face of global market volatility

REVENUE BY GEOGRAPHIC REGION (in millions of CAD\$)

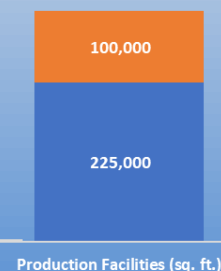
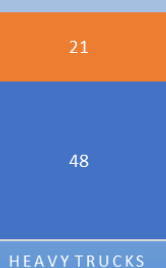
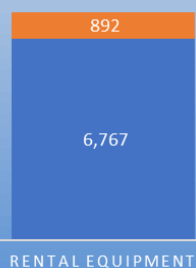


CDS SEGMENT



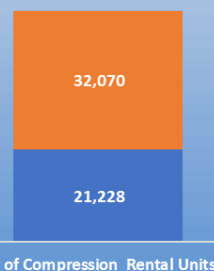
RTS SEGMENT

Canada United States

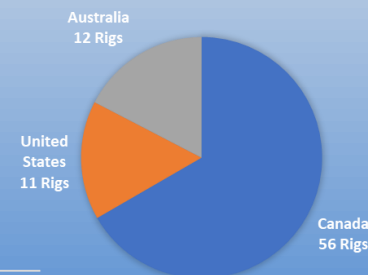


CPS SEGMENT

Canada United States

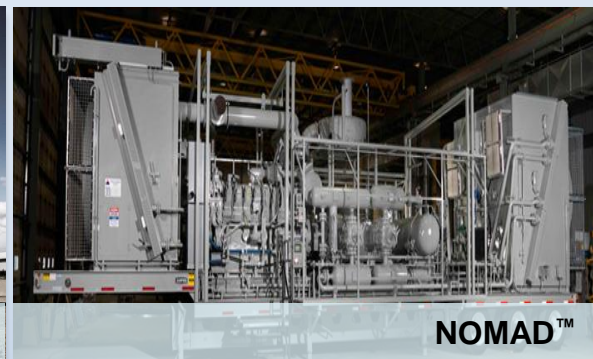


WS SEGMENT



ESG Highlights

- ✓ Deployment of NOMAD mobile compressors to oil and gas and other industrial applications – reduced site disturbance relative to conventional skid unit
- ✓ RTS Odyssey pumps offer alternative to truck and trailer for liquids transport = lower emissions + significant cost savings
- ✓ Opsco working with a third party to commercialize small-scale LNG plant
- ✓ Continued upgrade of drilling rig fleet with bi-fuel and walking systems



- ✓ WS and RTS segments engaged in well abandonment and restoration work
- ✓ 2023 recipient of the Globe and Mail's Report on Businesswomen Lead Here recognition
- ✓ Numerous Indigenous Partnerships and Marketing Alliances
- ✓ Established partnership with the Aboriginal Skilled Workers Association to increase effectiveness of indigenous recruiting efforts

2024 Capital Budget



\$46.5 million preliminary 2024 capital budget

\$22.4 million of Growth Capital:

- \$17.4 million of rig upgrades in CDS and WS segments
- \$5.0 million for CPS segment compression rental fleet growth

\$24.1 million for equipment maintenance and recertifications

- equipment recertifications in all business segments
- includes purchase of new drilling rig tubulars

\$14.2 million of \$92.1 million 2023 capital expenditure budget carried into 2024

Capital budget to be funded by cash on hand and cashflow from operations



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