



**Q1 2025 CONSOLIDATED FINANCIAL STATEMENTS**  
CALFRAC WELL SERVICES



Three Months Ended March 31, 2025 and 2024

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## CONSOLIDATED BALANCE SHEETS

	Note	March 31, 2025	December 31, 2024
(C\$000s)		(\$)	(\$)
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents		15,463	44,045
Accounts receivable	8	306,957	251,108
Inventories		130,596	145,506
Prepaid expenses and deposits		21,797	26,452
		<b>474,813</b>	467,111
Assets classified as held for sale	3	47,053	45,335
		<b>521,866</b>	512,446
Non-current assets			
Property, plant and equipment		684,123	673,381
Right-of-use assets	7	19,990	20,013
Deferred income tax assets		29,000	29,000
		<b>733,113</b>	722,394
<b>Total assets</b>		<b>1,254,979</b>	1,234,840
<b>LIABILITIES AND EQUITY</b>			
Current liabilities			
Accounts payable and accrued liabilities		160,129	173,974
Income taxes payable		23,301	9,700
Current portion of long-term debt	4	341,095	150,000
Current portion of lease obligations	7	9,833	9,536
		<b>534,358</b>	343,210
Liabilities directly associated with assets classified as held for sale	3	32,677	30,945
		<b>567,035</b>	374,155
Non-current liabilities			
Long-term debt	4	—	170,908
Lease obligations	7	13,209	13,948
Deferred income tax liabilities		14,473	22,499
		<b>27,682</b>	207,355
<b>Total liabilities</b>		<b>594,717</b>	581,510
Capital stock	5	911,900	911,785
Contributed surplus		76,190	77,159
Accumulated deficit		(373,875)	(379,490)
Accumulated other comprehensive income		46,047	43,876
<b>Total equity</b>		<b>660,262</b>	653,330
<b>Total liabilities and equity</b>		<b>1,254,979</b>	1,234,840

See accompanying notes to the interim consolidated financial statements.

## CONSOLIDATED STATEMENTS OF OPERATIONS

		Three Months Ended March 31,	
	Note	2025	2024
<i>(C\$000s, except per share data)</i>		<i>(\$)</i>	<i>(\$)</i>
Revenue	12	<b>370,057</b>	330,096
Cost of sales	13	<b>330,576</b>	316,208
Gross profit		<b>39,481</b>	13,888
Expenses			
Selling, general and administrative	6	<b>15,677</b>	18,011
Foreign exchange losses (gains)	8	<b>1,693</b>	(1,049)
Loss (gain) on disposal of property, plant and equipment		<b>124</b>	(6,241)
Interest, net	4, 13	<b>7,944</b>	6,032
		<b>25,438</b>	16,753
Income (loss) before income tax		<b>14,043</b>	(2,865)
Income tax expense (recovery)			
Current		<b>14,240</b>	6,414
Deferred		<b>(7,993)</b>	(6,376)
		<b>6,247</b>	38
Net income (loss) from continuing operations		<b>7,796</b>	(2,903)
Net (loss) income from discontinued operations	3	<b>(2,181)</b>	750
Net income (loss)		<b>5,615</b>	(2,153)
Earnings (loss) per share – basic	5		
Continuing operations		<b>0.09</b>	(0.03)
Discontinued operations		<b>(0.03)</b>	0.01
		<b>0.07</b>	(0.02)
Earnings (loss) per share – diluted	5		
Continuing operations		<b>0.09</b>	(0.03)
Discontinued operations		<b>(0.03)</b>	0.01
		<b>0.07</b>	(0.02)

See accompanying notes to the interim consolidated financial statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
<b>Net income (loss)</b>	<b>5,615</b>	<b>(2,153)</b>
<b>Other comprehensive income</b>		
<b>Items that may be subsequently reclassified to profit or loss:</b>		
Change in foreign currency translation adjustment	2,171	7,808
<b>Comprehensive income</b>	<b>7,786</b>	<b>5,655</b>

See accompanying notes to the interim consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

		Three Months Ended March 31,	
	Note	2025	2024
(C\$000s)		(\$)	(\$)
<b>CASH FLOWS PROVIDED BY (USED IN)</b>	2		<i>Restated</i>
<b>OPERATING ACTIVITIES</b>			
Net income (loss)		7,796	(2,903)
Adjusted for the following:			
Depreciation	13	31,922	27,995
Stock-based compensation	6	(925)	2,185
Unrealized foreign exchange losses		1,846	2,627
Loss (gain) on disposal of property, plant and equipment		124	(6,241)
Interest		7,944	6,032
Interest paid		(12,716)	(9,717)
Deferred income taxes		(7,993)	(6,376)
Changes in non-cash working capital	9	(35,048)	(1,644)
Cash flows (used in) provided by operating activities from continuing operations		(7,050)	11,958
Cash flows provided by (used in) operating activities from discontinued operations	3	10,231	(8,185)
Net cash flows provided by operating activities	2	3,181	3,773
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	9	(38,498)	(55,727)
Proceeds on disposal of property, plant and equipment		1,553	11,508
Proceeds on disposal of right-of-use assets		206	227
Cash flows used in investing activities from continuing operations		(36,739)	(43,992)
Cash flows used in investing activities from discontinued operations	3	(1,457)	(678)
Net cash flows used in investing activities	2	(38,196)	(44,670)
<b>FINANCING ACTIVITIES</b>			
Issuance of long-term debt, net of debt issuance costs	4	30,000	60,000
Long-term debt repayments	4	(10,000)	—
Lease obligation principal repayments	7	(3,244)	(2,840)
Proceeds on issuance of common shares from the exercise of stock options	5, 6	71	—
Cash flows provided by financing activities from continuing operations		16,827	57,160
Cash flows provided by financing activities from discontinued operations	3	—	—
Net cash flows provided by financing activities	2	16,827	57,160
Effect of exchange rate changes on cash and cash equivalents		550	(1,464)
(Decrease) increase in cash and cash equivalents		(17,638)	14,799
Cash and cash equivalents, beginning of period		50,776	45,190
Cash and cash equivalents, end of period		33,138	59,989
Included in the cash and cash equivalents per the balance sheet		15,463	58,239
Included in the assets held for sale/discontinued operations	3	17,675	1,750

See accompanying notes to the interim consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Note	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income	Accumulated Deficit	Total Equity
(C\$000s)		(\$)	(\$)	(\$)	(\$)	(\$)
<b>Balance – January 1, 2025</b>		<b>911,785</b>	<b>77,159</b>	<b>43,876</b>	<b>(379,490)</b>	<b>653,330</b>
Net income		—	—	—	5,615	5,615
Other comprehensive income:						
Cumulative translation adjustment		—	—	2,171	—	2,171
Comprehensive income		—	—	2,171	5,615	7,786
Stock options:						
Stock-based compensation recognized	6	—	(925)	—	—	(925)
Proceeds from issuance of shares	5, 6	115	(44)	—	—	71
<b>Balance – March 31, 2025</b>		<b>911,900</b>	<b>76,190</b>	<b>46,047</b>	<b>(373,875)</b>	<b>660,262</b>
Balance – January 1, 2024		910,908	78,667	16,200	(389,872)	615,903
Net loss		—	—	—	(2,153)	(2,153)
Other comprehensive income (loss):						
Cumulative translation adjustment		—	—	7,808	—	7,808
Comprehensive income (loss)		—	—	7,808	(2,153)	5,655
Stock options:						
Stock-based compensation recognized	6	—	1,520	—	—	1,520
Performance share units:						
Stock-based compensation recognized	6	—	665	—	—	665
<b>Balance – March 31, 2024</b>		<b>910,908</b>	<b>80,852</b>	<b>24,008</b>	<b>(392,025)</b>	<b>623,743</b>

See accompanying notes to the interim consolidated financial statements.

## NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

As at and for the three months ended March 31, 2025 and 2024

*(Amounts in text and tables are in thousands of Canadian dollars, except share data and certain other exceptions as indicated)*

### 1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Calfrac Well Services Ltd. (the “Company”) was formed through the amalgamation of Calfrac Well Services Ltd. (predecessor company was originally incorporated on June 28, 1999 and amalgamated with Denison Energy Inc. on March 24, 2004) and Dominion Land Projects Ltd. on January 1, 2011 under the Business Corporations Act (Alberta). The Company was continued under the Canada Business Corporations Act on December 17, 2020. The Company’s principal place of business is at Suite 500, 407 – 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E5. The Company provides specialized oilfield services, including hydraulic fracturing, coiled tubing, cementing and other well completion services to the oil and natural gas industries in North America and Argentina.

These condensed interim consolidated financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards), applicable to the preparation of the interim consolidated financial statements, under International Accounting Standard (IAS) 34 *Interim Financial Reporting* (together IFRS). They should be read in conjunction with the annual financial statements for the year ended December 31, 2024. Unless otherwise noted, the Company has consistently applied the same accounting policies throughout all periods presented, as if these policies were always in effect.

These financial statements were approved for issuance by the Board of Directors on May 14, 2025.

### 2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Except as noted below, these condensed interim consolidated financial statements follow the same accounting policies and methods of application as the most recent annual financial statements.

#### (a) Income Taxes

For purposes of calculating income taxes during interim periods, the Company utilizes estimated annualized income tax rates. Current income tax expense is only recognized when taxable income is such that current income tax becomes payable.

#### (b) Change in Accounting Policy Disclosure

Effective January 1, 2025, the Company changed its statement of cash flows presentation to disclose the cash flow categories (operating, investing and financing) between continuing and discontinued operations. Prior period comparatives have been restated to conform with the current presentation. Management believes this change in presentation provides users of the financial statements with more relevant information about the Company’s cash flow activities and a clearer understanding of the cash flow generated from continuing operations.

### 3. ASSETS HELD FOR SALE

During the first quarter of 2022, management committed to a plan to sell its Russian division. The associated assets and liabilities were consequently presented as held for sale in the Company’s financial statements, effective March 31, 2022, in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

In addition to monitoring and addressing, as applicable, the evolving laws and sanctions from the governments of Canada, the U.S., and other western nations, the Company’s efforts to divest of its Russian operations have been impacted by domestic laws and sanctions of the Russian Federation, including without limitation, that any sale or any other transfer or alienation of its Russian subsidiary must be approved by the President of the Russian Federation pursuant to applicable decrees and rules setting out the requirements for exits of foreign investors from Russia (which are updated on a periodic basis). Within this dynamic context, the Company remains committed to the sale of its Russian subsidiary and is seeking to complete this transaction as soon as possible while complying with all applicable laws and sanctions.

In conjunction with the ongoing sale process and in light of the Canadian sanctions and restrictions that were issued in relation to the Russian oil and gas industry and the foreign investor exit rules of the Russian Federation, the Company has adjusted the Russian division’s current and long-term assets to reflect their revised expected recoverable amount as at

March 31, 2025. Management will continue to revisit the fair value of the net assets at each reporting period and upon the close of the transaction.

It is management's judgement, that based on the facts and circumstances, the Company continues to control and therefore consolidate the Russian subsidiary.

The functional currency of the Russian subsidiary is the Russian rouble.

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Impairment of property, plant and equipment	1,461	693
Impairment of inventory	3,330	2,414
Impairment of other assets	340	235
	<b>5,131</b>	<b>3,342</b>

(a) Financial Information

The financial performance and cash flow information of the Russia operating division are:

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Revenue	30,984	36,799
Expenses	27,832	31,999
Impairment	5,131	3,342
(Loss) income before income tax	(1,979)	1,458
Income tax expense	202	708
Net (loss) income	<b>(2,181)</b>	<b>750</b>

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Net cash provided by (used in) operating activities	10,231	(8,185)
Net cash used in investing activities	(1,457)	(678)
Effect of exchange rate changes on cash and cash equivalents	(2,857)	61
Increase (decrease) in cash and cash equivalents	<b>5,917</b>	<b>(8,802)</b>

## (b) Assets and Liabilities of Disposal Group Held for Sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operations:

	March 31, 2025	December 31, 2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
<b>Assets classified as held for sale</b>		
Cash and cash equivalents	17,675	6,731
Accounts receivable	29,378	38,604
	<b>47,053</b>	<b>45,335</b>
<b>Liabilities directly associated with assets classified as held for sale</b>		
Accounts payable and accrued liabilities	32,513	30,031
Income taxes payable	164	914
	<b>32,677</b>	<b>30,945</b>

The Company is not expecting to repatriate any material cash amounts from Russia other than through any proceeds received through the sale of its Russian business.

No deferred tax asset is recognized for the assets held for sale/discontinued operations.

The cumulative foreign exchange gains recognized in other comprehensive income in relation to the discontinued operations as at March 31, 2025 was \$5,255 (December 31, 2024 – \$8,114).

#### 4. LONG-TERM DEBT

	March 31, 2025	December 31, 2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
\$250,000 extendible revolving term loan facility due the earlier of: (a) July 1, 2026 or (b) six months prior to the maturity of the Company's Second Lien Notes, secured by the Canadian and U.S. assets of the Company on a first priority basis	170,000	150,000
US\$120,000 Second Lien Notes due March 15, 2026, bearing interest at 10.875% payable semi-annually, secured by the Canadian and U.S. assets of the Company on a second priority basis	172,512	172,668
Less: unamortized debt issuance costs	(1,417)	(1,760)
	<b>341,095</b>	320,908
Current portion	<b>341,095</b>	150,000
Long-term portion	—	170,908
	<b>341,095</b>	320,908

The carrying value of the revolving term loan facility approximates its fair value as the interest rate is not significantly different from current interest rates for similar loans. The fair value of the Second Lien Notes (as defined below), as measured based on the quoted market price at March 31, 2025 was \$172,616 (December 31, 2024 – \$171,561).

Debt issuance costs related to the Company's long-term debt are amortized over their respective term.

Interest on long-term debt (including the amortization of debt issuance costs and debt discount) for the three months ended March 31, 2025 was \$7,585 (three months ended March 31, 2024 – \$7,576).

## (a) Revolving Credit Facility

On June 25, 2024, the Company amended and restated its revolving credit facility agreement in anticipation of the benchmark rate reforms that occurred on June 28, 2024. The Canadian Dollar Offered Rate (CDOR) ceased publication on June 28, 2024 and was replaced by the Canadian Overnight Repo Rate Average (CORRA). In addition, the amendments included a change to the Company's Adjusted EBITDA definition for financial covenant calculation purposes. The revised

definition of Bank EBITDA restricts Adjusted EBITDA derived from its Argentina operations to a maximum of 25 percent of total Adjusted EBITDA from continuing operations. The amendments also included the additional requirement that the Company maintain a minimum of \$750,000 of net tangible assets in North America or, as previously applied, have 75 percent of its net tangible assets from continuing operations located in North America.

The credit agreement can be extended by one or more years at the Company's request and lenders' acceptance. The Company may also prepay principal without penalty. The interest rates are based on the parameters of certain bank covenants. For prime-based loans and U.S. base-rate loans, the rate ranges from prime or U.S. base rate plus 1.25 percent to prime plus 3.00 percent. For SOFR-based loans and CORRA-based loans, the margin thereon ranges from 2.25 percent to 4.00 percent above the respective base rates.

On March 11, 2025, an amendment to the revolving credit facility agreement was executed with the Company's lending syndicate to change the springing maturity date to January 15, 2026.

As at March 31, 2025, the Company was in full compliance with the financial covenants related to its revolving credit facilities. See note 10 for further details on the covenants in respect of the Company's long-term debt.

During the first quarter of 2025, the Company reclassified its Second Lien Notes from long-term debt to current liabilities to reflect the maturity date of March 15, 2026. In addition, the Company's draw on its revolving credit facilities was reclassified from long-term debt to current liabilities, in accordance with the two-month springing maturity provision under the revolving credit facility agreement. See note 8 for further details.

#### (b) Second Lien Notes

The Company issued US\$120,000 of new 10.875% second lien secured notes ("Second Lien Notes") due March 15, 2026. The Second Lien Notes may be redeemed, in whole or in part, at redemption prices (expressed as a percentage of principal amount) at any time on or after March 15, 2024 at 100.000%, plus accrued and unpaid interest, if any, to, but not including the redemption date.

The following table sets out an analysis of long-term debt and the movements in long-term debt:

	March 31, 2025	December 31, 2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Balance, beginning of period	320,908	250,777
Issuance of long-term debt, net of debt issuance costs	30,000	119,966
Long-term debt repayments	(10,000)	(65,000)
Amortization of debt issuance costs and debt discount	342	1,321
Foreign exchange adjustments	(155)	13,844
Balance, end of period	341,095	320,908

At March 31, 2025, the Company had utilized \$2,898 of its loan facility for letters of credit, had \$170,000 outstanding under its revolving term loan facility, leaving \$77,102 in available credit. See note 10 for further details on the covenants in respect of the Company's long-term debt.

## 5. CAPITAL STOCK

Authorized capital stock consists of an unlimited number of common shares.

	Three Months Ended		Year Ended	
	March 31, 2025		December 31, 2024	
Continuity of Common Shares	Shares	Amount	Shares	Amount
	<i>(#)</i>	<i>(\$000s)</i>	<i>(#)</i>	<i>(\$000s)</i>
Balance, beginning of period	85,869,460	911,785	85,716,129	910,908
Issued upon exercise of stock options (note 6)	19,999	115	153,331	877
Balance, end of period	85,889,459	911,900	85,869,460	911,785

	Three Months Ended March 31,	
	2025	2024
	(#)	(#)
Weighted average number of common shares outstanding – Basic	85,886,075	85,712,745
Dilutive effect of stock options and other equity-based awards	154,442	526,518
Weighted average number of common shares outstanding – Diluted	86,040,517	86,239,263

The dilutive effect of stock options (as disclosed in note 6) has been included in the determination of the weighted average number of common shares outstanding. The performance stock options and performance share units have not been included in the determination of weighted average number of common shares outstanding as they are contingently issuable and the multi-year cumulative EBITDA target is currently not expected to be met.

## 6. SHARE-BASED PAYMENTS

	Three Months Ended March 31,	
	2025	2024
	(\$)	(\$)
Stock options	(925)	1,520
Performance share units	—	665
Deferred share units	166	4
Total stock-based compensation expense	(759)	2,189

Stock-based compensation expense is included in selling, general and administrative expenses.

### (a) Stock Options

Three Months Ended March 31,	2025		2024	
	Options	Average Exercise Price	Options	Average Exercise Price
	(#)	(\$)	(#)	(\$)
Balance, beginning of period	3,084,990	5.11	3,251,654	5.03
Exercised for common shares	(19,999)	3.54	—	—
Forfeited	(333,332)	8.39	—	—
Balance, end of period	2,731,659	4.72	3,251,654	5.03

Three Months Ended March 31,	2025		2024	
	Options	Average Exercise Price	Options	Average Exercise Price
	(#)	(\$)	(#)	(\$)
Balance, beginning of period	2,560,203	5.74	2,842,895	5.74
Granted	111,058	5.74	—	—
Forfeited	(807,692)	5.74	—	—
Balance, end of period	1,863,569	5.74	2,842,895	5.74

In 2023, the Company granted performance stock options to certain eligible employees. Subject to the performance vesting condition described below, the options will vest on April 1, 2026 and expire five years after the grant date. The performance vesting condition requires achieving a three-year cumulative Adjusted EBITDA target for 2023 to 2025 as set by the Board of Directors. If this target is not met, vesting of the options (or a portion thereof) will be at the discretion of the Board of Directors. In 2024, the Company reversed all of its performance stock option expense as the multi-year cumulative EBITDA target is not expected to be met.

Previously granted stock options are unaffected and vest equally over three years and expire five years from the date of grant.

The exercise price of outstanding options ranges from \$3.41 to \$10.00 with a weighted average remaining life of 2.91 years. When stock options are exercised, the proceeds together with the compensation expense previously recorded in contributed surplus, are added to capital stock.

Expected volatility is estimated by considering historical average share price volatility.

(b) Share Units

Three Months Ended March 31,	2025	2024	2025	2024
	Performance Share Units (#)	(#)	Deferred Share Units (#)	(#)
Balance, beginning of period	1,097,230	1,218,384	421,000	379,000
Granted	47,596	—	—	—
Exercised	—	—	(20,000)	(20,000)
Forfeited	(346,154)	—	—	—
Balance, end of period	798,672	1,218,384	401,000	359,000

The Company grants deferred share units (DSUs) to its outside directors. Each DSU represents the right to receive a gross payment equal to the fair market value at the date of redemption, which date will be determined by the holder of the DSUs, subject to certain conditions. The fair market value is defined as the weighted average trading price of a common share of the Company on the Toronto Stock Exchange during the last five trading days prior to the date of redemption. The DSUs vest on or about the first anniversary of the date of grant and are settled in cash. The DSUs expire at a date determined by the Board of Directors, which shall not be later than three years following the end of the year in which the grant occurred. The fair value of the DSUs is recognized equally over the vesting period, based on the quoted market price of the Company's shares. At March 31, 2025, the liability pertaining to deferred share units was \$1,497 (December 31, 2024 – \$1,410).

Changes in the Company's obligations under the DSU grants, which arise from fluctuations in the market value of the Company's shares, are recorded as the share value changes.

In 2023, performance share units (PSUs) were granted to certain eligible employees. The PSUs vest on April 1, 2026, subject to both market and non-market conditions: (i) satisfaction of the same Adjusted EBITDA performance condition or Board of Directors discretion as the stock options; and (ii) a proration factor based on the fair market value of the common shares on April 1, 2026. The PSUs shall be settled in common shares issued from treasury within 30 days of the vesting date, and in any event prior to the expiry date of the PSUs of December 15, 2026.

In 2024, the Company reversed all of its PSU expense as the multi-year cumulative EBITDA target is not expected to be met.

## 7. LEASES

The Company's leasing activities comprise of buildings and various field equipment including railcars and motor vehicle leases. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any financial covenants other than the security interests in the leased assets that are held by the lessor.

The recognized right-of-use assets relate to the following types of assets:

	March 31, 2025	December 31, 2024
(C\$000s)	(\$)	(\$)
Field equipment	14,311	14,846
Buildings	5,679	5,167
	19,990	20,013

The following table sets out the movement in the lease obligation:

	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Balance, beginning of period	23,484	24,428
Additions	3,452	10,275
Disposals/retirements	(634)	(945)
Principal portion of payments	(3,244)	(11,564)
Foreign exchange adjustments	(16)	1,290
Balance, end of period	23,042	23,484

## 8. FINANCIAL INSTRUMENTS

The Company's financial instruments included in the consolidated balance sheets are comprised of cash and cash equivalents, accounts receivable, deposits, accounts payable and accrued liabilities, and long-term debt.

### (a) Fair Values of Financial Assets and Liabilities

The fair values of financial instruments included in the consolidated balance sheets, except long-term debt, approximate their carrying amounts due to the short-term maturity of those instruments. The fair value and carrying value of the Second Lien Notes, as measured based on the quoted market price at March 31, 2025 was \$172,616 and \$172,512, respectively (December 31, 2024 – \$171,561 and \$172,668).

The fair values of the remaining long-term debt approximate their carrying values, as described in note 4.

### (b) Credit Risk

Substantial amounts of the Company's accounts receivable are with customers in the oil and natural gas industry and are subject to normal industry credit risks. The Company mitigates this risk through its credit policies and practices including the use of credit limits and approvals, and by monitoring the financial condition of its customers. At March 31, 2025, the Company had a loss allowance provision for accounts receivable of \$1,311 (December 31, 2024 – \$1,311).

IFRS 9 *Financial Instruments* requires an entity to estimate its expected credit loss for all trade accounts receivable even when they are not past due based on the expectation that certain receivables will be uncollectible. Based on the Company's assessment using the lifetime expected credit loss model, no loan loss allowance was recorded during the three months ended March 31, 2025. The expected credit loss rates are based on actual credit loss experience over the past several years for each operating segment.

The loss allowance provision for trade accounts receivable as at March 31, 2025 reconciles to the opening loss allowance provision as follows:

	2025
<i>(C\$000s)</i>	<i>(\$)</i>
At January 1, 2025	1,311
Increase in loan loss allowance recognized in statement of operations	—
Foreign exchange adjustments	—
At March 31, 2025	1,311

### (c) Liquidity Risk

The principal sources of liquidity for the Company are operating cash flows, existing or new credit facilities, new secured or unsecured debt, and new share equity. The Company mitigates its liquidity risk by maintaining adequate banking and credit facilities, in conjunction with monitoring its forecast against actual cash flows. The Company manages its liquidity to ensure that it has sufficient funds to address its debt obligations, planned capital expenditures, and other expenses. The Company has the ability to adjust or modify its future capital spending plans based on market conditions. See note 10 for further details on the Company's capital structure.

The Company is in discussion with its lending syndicate on amending and extending its existing revolving credit facility and on obtaining a new term loan facility and/or other financing, which will be used to retire the Company's Second Lien Notes due in March 2026. Although the Company is still exploring options on the optimal path forward for refinancing as of the approval date of the interim consolidated financial statements, management believes that it will refinance and/or repay its Second Lien Notes prior to maturity.

The failure of the Company to refinance or repay its debt obligations would have a material adverse impact on the Company's business, financial condition, results from operations and cash flows.

(d) Foreign Exchange Risk

The Company is exposed to foreign exchange risk associated with foreign operations where assets, liabilities, revenue and costs are denominated in currencies other than Canadian dollars. These currencies include the U.S. dollar and Argentinean peso. The Company is also exposed to the impact of foreign currency fluctuations in its Canadian operations on purchases of products and property, plant and equipment from vendors in the United States. In addition, the Company's Second Lien Notes and related interest expense are denominated in U.S. dollars.

The amount of this debt and related interest expressed in Canadian dollars varies with fluctuations in the US\$/Cdn\$ exchange rate. The risk is mitigated, however, by the Company's U.S. operations and related revenue streams.

The Company reviews its net U.S. dollar foreign exchange exposures on a quarterly basis across all operating segments, and as a result, the Company may enter into forward foreign exchange contracts to purchase U.S. dollars, subject to Board approval. These contracts do not qualify for hedge accounting and are accounted for as held for trading, with gains and losses recognized in profit or loss.

The following amounts were recognized in the statement of operations:

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Net gain/(loss) on foreign currency forwards not qualifying as hedges included in foreign exchange gains/(losses)	—	893

There were no derivative financial instruments recorded in the balance sheet as at March 31, 2025.

(e) Country Risk

The ongoing conflict between Russia and Ukraine has added a level of risk and uncertainty and additional restrictions around the operations of the Company's Russian subsidiary. As a result of these evolving circumstances, the risks, restrictions, and uncertainties surrounding, among other things, banking, the Company's ownership and control over its Russian subsidiary, the physical security of property, plant and equipment in Russia, the regulatory approvals to complete a sale transaction and overall business and operational risks are being monitored and addressed as the situation evolves. The impact of these risks will be reflected in the financial statements as required.

The situation in Russia remains dynamic and additional sanctions or restrictions may be issued against or by Russia as the conflict evolves. Additional sanctions or restrictions could have a material impact on the Company's assets, business, financial condition and cash flows in Russia and the Company has determined that it will sell its Russian operations as noted in note 3.

## 9. SUPPLEMENTAL CASH FLOW INFORMATION

Changes in non-cash operating assets and liabilities are as follows:

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Accounts receivable	<b>(55,848)</b>	46,164
Inventory	<b>14,910</b>	(18,971)
Prepaid expenses and deposits	<b>4,655</b>	(3,360)
Accounts payable and accrued liabilities	<b>(12,366)</b>	(31,257)
Income taxes recoverable	<b>13,601</b>	5,780
	<b>(35,048)</b>	(1,644)

Purchase of property, plant and equipment is comprised of:

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Property, plant and equipment additions	<b>(42,132)</b>	(48,072)
Change in liabilities related to the purchase of property, plant and equipment	<b>3,634</b>	(7,655)
	<b>(38,498)</b>	(55,727)

## 10. CAPITAL STRUCTURE

The Company's capital structure is comprised of shareholders' equity and debt. The Company's objectives in managing capital are to maintain flexibility so as to preserve its access to capital markets and its ability to meet its financial obligations.

The Company manages its capital structure and makes adjustments in light of changing market conditions and new opportunities, while remaining cognizant of the cyclical nature of the oilfield services sector. To maintain or adjust its capital structure, the Company may revise its capital spending, issue new shares or new debt or repay existing debt.

The Company monitors its capital structure and financing requirements using, amongst other parameters, the ratio of net debt to Adjusted EBITDA. Adjusted EBITDA for this purpose is calculated on a 12-month trailing basis and is defined as follows:

	March 31,	December 31,
For the Twelve Months Ended	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Net income from continuing operations	<b>19,234</b>	8,535
Adjusted for the following:		
Depreciation	<b>139,813</b>	135,886
Foreign exchange gains	<b>(1,403)</b>	(4,145)
Loss on disposal of property, plant and equipment	<b>7,228</b>	863
Write-off of property, plant and equipment	<b>12,690</b>	12,690
Restructuring charges	<b>11,133</b>	10,617
Stock-based compensation	<b>(4,283)</b>	(1,173)
Interest, net	<b>33,118</b>	31,206
Income taxes	<b>2,724</b>	(3,485)
Adjusted EBITDA from continuing operations	<b>220,254</b>	190,994

Net debt for this purpose is calculated as follows:

	March 31, 2025	December 31, 2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Long-term debt, net of debt issuance costs and debt discount	341,095	320,908
Lease obligations	23,042	23,484
Deduct: cash and cash equivalents	(15,463)	(44,045)
<b>Net debt</b>	<b>348,674</b>	<b>300,347</b>

The ratio of net debt to Adjusted EBITDA does not have a standardized meaning under IFRS and may not be comparable to similar measures used by other companies.

At March 31, 2025, the net debt to Adjusted EBITDA ratio was 1.58:1 (December 31, 2024 – 1.57:1) calculated on a 12-month trailing basis as follows:

	March 31, 2025	December 31, 2024
<i>(C\$000s, except ratio)</i>	<i>(\$)</i>	<i>(\$)</i>
For the Twelve Months Ended		
Net debt	348,674	300,347
Adjusted EBITDA	220,254	190,994
<b>Net debt to Adjusted EBITDA ratio</b>	<b>1.58</b>	<b>1.57</b>

The Company is subject to certain financial covenants relating to leverage and the generation of cash flow in respect of its operating and revolving credit facilities. These covenants are monitored on a monthly basis. As shown in the table below, the Company was in compliance with its financial covenants associated with its credit facilities at March 31, 2025.

As at March 31,	Covenant	Actual
	2025	2025
Interest coverage ratio not to fall below <sup>(1)</sup>	2.75x	<b>3.46x</b>
Funded Debt to Bank EBITDA not to exceed <sup>(2)(3)</sup>	3.00x	<b>1.48x</b>
Total Debt to Bank EBITDA not to exceed <sup>(2)(3)</sup>	4.00x	<b>2.99x</b>

<sup>(1)</sup> Interest Coverage is defined as the ratio of Bank EBITDA for the trailing twelve months to net interest expense as reported under IFRS.

<sup>(2)</sup> Funded Debt is defined as Total Debt excluding all outstanding Second Lien Notes and lease obligations. Total Debt includes bank loans and long-term debt (before unamortized debt issuance costs and debt discount) plus outstanding letters of credit. For the purposes of the Funded Debt to Bank EBITDA ratio and the Total Debt to Bank EBITDA ratio, the amount of Total Debt or Funded Debt, as applicable, is reduced by the amount of the Company's cash held on hand with the lenders and certain accounts of its U.S. operating subsidiary.

<sup>(3)</sup> Bank EBITDA is defined in note 15.

## 11. RELATED-PARTY TRANSACTIONS

The Company leases certain premises from a company controlled by Ronald P. Mathison. The rent charged for these premises during the three months ended March 31, 2025 was \$239 (three months ended March 31, 2024 – \$239), as measured at the exchange amount, which is based on market rates at the time the lease arrangements were made and is under the normal course of business.

## 12. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company derives revenue from the provision of goods and services for the following major service lines and geographical regions:

	North America	Argentina	Continuing Operations
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>
<b>Three Months Ended March 31, 2025</b>			
Fracturing	218,232	92,532	310,764
Coiled tubing	9,670	21,617	31,287
Cementing	—	12,275	12,275
Subcontractor	—	15,731	15,731
	<b>227,902</b>	<b>142,155</b>	<b>370,057</b>
<b>Three Months Ended March 31, 2024</b>			
Fracturing	240,523	49,966	290,489
Coiled tubing	8,436	11,357	19,793
Cementing	—	9,981	9,981
Subcontractor	—	9,833	9,833
	248,959	81,137	330,096

The Company recognizes all its revenue from contracts with customers and no other sources (such as lease rental income).

The Company does not incur material costs to obtain contracts with customers and consequently, does not recognize any contract assets. The Company does not have any contract liabilities associated with its customer contracts.

## 13. PRESENTATION OF EXPENSES

The Company presents its expenses on the consolidated statements of operations using the function of expense method whereby expenses are classified according to their function within the Company. This method was selected as it is more closely aligned with the Company's business structure. The Company's functions under IFRS are as follows:

- operations (cost of sales); and
- selling, general and administrative.

Cost of sales includes direct operating costs (including product costs, direct labour and overhead costs) and depreciation on assets relating to operations.

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Product costs	78,728	85,155
Personnel costs	98,646	90,870
Depreciation on property, plant and equipment	29,486	24,047
Depreciation on right-of-use assets	2,436	3,948
Other operating costs <sup>(1)</sup>	121,280	112,188
Cost of sales from continuing operations	<b>330,576</b>	<b>316,208</b>

<sup>(1)</sup> Other operating costs consists of equipment repairs, subcontractor costs, fleet operating costs, field costs, occupancy costs and other district overhead costs.

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Interest expense	8,286	8,307
Interest income	(342)	(2,275)
Interest, net	7,944	6,032

## 14. EMPLOYEE BENEFITS EXPENSE

Employee benefits include all forms of consideration given by the Company in exchange for services rendered by employees.

	Three Months Ended March 31,	
	2025	2024
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
Salaries and short-term employee benefits	98,156	93,139
Post-employment benefits (group retirement savings plan)	1,954	2,164
Share-based payments	(759)	2,189
Termination benefits	833	214
	<b>100,184</b>	<b>97,706</b>

## 15. SEGMENTED INFORMATION

The Company's activities in its continuing operations are conducted in two geographical segments: North America and Argentina. All activities are related to hydraulic fracturing, coiled tubing, cementing and other well completion services for the oil and natural gas industry.

The business segments presented reflect the Company's management structure and the way its management reviews business performance. The Company evaluates the performance of its operating segments primarily based on Adjusted EBITDA, as defined below.

The following tables present select financial items that management deems are material items to be disclosed at a segment level:

	North America	Argentina	Corporate	Continuing Operations
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>
<b>Three Months Ended March 31, 2025</b>				
Revenue <sup>(1)</sup>	227,902	142,155	—	370,057
Product costs	72,078	6,650	—	78,728
Personnel costs	74,641	28,709	3,406	106,756
Depreciation on property, plant and equipment	27,651	1,835	—	29,486
Depreciation on right-of-use assets	2,377	59	—	2,436
Stock-based compensation	—	—	(759)	(759)
Other operating and SG&A expenses	75,168	53,931	507	129,606
Adjusted EBITDA	6,131	53,265	(4,079)	55,317
Segmented assets <sup>(2)</sup>	876,199	331,727	—	1,207,926
Capital expenditures	12,941	29,191	—	42,132

## Three Months Ended March 31, 2024

Revenue <sup>(1)</sup>	248,959	81,137	—	330,096
Product costs	79,006	6,149	—	85,155
Personnel costs	77,516	17,479	3,538	98,533
Depreciation on property, plant and equipment	23,317	730	—	24,047
Depreciation on right-of-use assets	3,868	80	—	3,948
Stock-based compensation	—	—	2,189	2,189
Other operating and SG&A expenses	77,566	41,409	1,372	120,347
Adjusted EBITDA	14,872	16,100	(4,915)	26,057
Segmented assets <sup>(2)</sup>	891,033	228,882	—	1,119,915
Capital expenditures	37,174	10,898	—	48,072

<sup>(1)</sup> Revenue generated in the United States for the three months ended March 31, 2025 and 2024 was 30% and 35% of the total amount of revenue from continuing operations, respectively.

<sup>(2)</sup> Assets in the United States as at March 31, 2025 and 2024 was 42% and 49% of the total amount of assets from continuing operations, respectively.

Adjusted EBITDA is defined in the Company's credit facilities for covenant purposes as net income or loss for the period adjusted for interest, income taxes, depreciation and amortization, foreign exchange losses (gains), non-cash stock-based compensation, and gains and losses that are extraordinary or non-recurring. Adjusted EBITDA is presented because it is used in the calculation of the Company's bank covenants. Adjusted EBITDA for the period was calculated as follows:

	Three Months Ended March 31,	
	2025	2024
(C\$000s)	(\$)	(\$)
Net income (loss) from continuing operations	7,796	(2,903)
Add back (deduct):		
Depreciation	31,922	27,995
Foreign exchange losses (gains)	1,693	(1,049)
Loss (gain) on disposal of property, plant and equipment	124	(6,241)
Restructuring charges	516	—
Stock-based compensation	(925)	2,185
Interest, net	7,944	6,032
Income taxes	6,247	38
Adjusted EBITDA from continuing operations	55,317	26,057
Less: IFRS 16 lease payments	(3,679)	(3,235)
Less: Argentina EBITDA threshold adjustment (note 4)	(45,397)	(5,428)
Bank EBITDA for covenant purposes	6,241	17,394

## 16. SEASONALITY OF OPERATIONS

The Company's North American business is seasonal. Historically, the lowest activity is typically experienced during the second quarter of the year when road weight restrictions are in place due to "spring break-up" weather conditions and access to well sites may be reduced in Canada and the broader Rockies region in the United States where the Company operates. Activity in the fourth quarter is typically impacted by customer budget exhaustion and seasonal holidays in North America. Over the last few years, a trend has been developing in North Dakota and the broader Rockies region in the United States for customers to delay the ramp-up of their completion programs in the early part of the year due to increased costs and challenges operating in extreme cold weather that can prevail in the region in January and February. This trend, coupled with wellsite access enhancements, longer pad completions and the focus of core customers in Canada, has caused a shifting of activity levels for the Company from Q1 into Q2, and appears to be normalizing the impacts of spring-up break-up that had previously been significant.

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Ronald P. Mathison

Alberta, Canada

- Chairman

Douglas R. Ramsay

Alberta, Canada

- Vice Chairman
- Compensation, Governance and Nominating Committee
- Chair of the Health, Safety and Environment Committee

George S. Armoyan

Quebec, Canada

- Compensation, Governance and Nominating Committee

Holly A. Benson

Alberta, Canada

- Chair of the Audit Committee

Anuroop Duggal

Ontario, Canada

- Audit Committee
- Chair of the Compensation, Governance and Nominating Committee

Chetan R. Mehta

Maryland, United States

- Audit Committee
- Health, Safety and Environment Committee

Charles Pellerin

Quebec, Canada

- Lead Director
- Audit Committee
- Compensation, Governance and Nominating Committee

### OFFICERS

Michael D. Olinek

Chief Financial Officer

Marco A. Aranguren

President, United States Operations

Adrian Martinez

Director General, Argentina Division

Gordon T. Milgate

President, Canadian Operations

Mark R. Ellingson

Vice President, Sales & Marketing, United States

Jon Koop

Vice President, Human Resources

Brent W. Merchant

Vice President, Sales & Marketing, Canada

Alif H. Noorani

Vice President, Finance

Jeffrey I. Ellis

General Counsel and Corporate Secretary

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### AUDITORS

PricewaterhouseCoopers LLP

Calgary, Alberta

### BANKERS

Royal Bank of Canada

ATB Financial

The Toronto-Dominion Bank

National Bank of Canada

### LEGAL COUNSEL

Bennett Jones LLP

Calgary, Alberta

### STOCK EXCHANGE LISTINGS

Toronto Stock Exchange

Common Share Trading Symbol: CFW

### REGISTRAR & TRANSFER AGENT

For information concerning lost share certificates and estate transfers, or for a change in share registration or address, please contact the transfer agent and registrar:

Odyssey Trust Company

Stock Exchange Tower, 1230 - 300 5th Avenue SW

Calgary, AB T2P 3C4

1-888-290-1175

clients@odysseytrust.com

## FACILITIES & OPERATING BASES CONTINUING OPERATIONS

### CANADA

#### ALBERTA

Calgary - Corporate Head Office

Calgary - Technology Centre

Grande Prairie

Red Deer

### UNITED STATES

#### ARKANSAS

Beebe

#### COLORADO

Denver - Regional Office

Grand Junction

#### NORTH DAKOTA

Williston

#### PENNSYLVANIA

Smithfield

#### UTAH

Vernal

#### WYOMING

Gillette

### ARGENTINA

Buenos Aires - Regional Office

Comodoro Rivadavia

Neuquén