



CORPORATE UPDATE MARCH 2022

TOTAL ENERGY SERVICES INC. 



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 March 31, 2022)</i>	42.3 million
Options outstanding <i>(at March 31, 2022, \$8.30 weighted avg exercise price)</i>	3.93 million
Market capitalization <i>(basic, at \$8.50 share price)</i>	\$360.0 million
Working capital ⁽¹⁾ <i>(at December 31, 2021)</i>	\$137.3 million
Property, plant & equipment <i>(at December 31, 2021)</i>	\$575.9 million
Long-term debt ⁽²⁾ <i>(at December 31, 2021)</i>	\$187.9 million
Tangible equity value/share ⁽³⁾ <i>(at December 31, 2021)</i>	\$11.56
Director/officer ownership, % <i>(basic, as at March 31, 2022)</i>	8.3%

(1) Working capital equals current assets minus current liabilities

(2) Long-term debt, excluding current portion and lease liabilities

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

TOT Business Segments

Diversified Exposure to Global Energy Development

Contract Drilling Services (CDS)

- 95 drilling rigs
- 3rd largest Canadian drilling fleet (77 rigs)
- Operations in USA (13 rigs) and Australia (5 rigs)

Rentals and Transportation Services (RTS)

- Leading North American provider of oilfield surface equipment rentals and transportation services
- 9,420 major rental pieces and 79 heavy trucks

Well Servicing (WS)

- 80 service rigs - Canada (57), USA (11) and Australia (12)

Compression & Process Services (CPS)

- Leading Canadian natural gas compression packager with growing US and international business
- Established market presence in the oil and natural gas process equipment fabrication industry



Contract Drilling Services

Savanna Drilling

- Diversified drilling rig fleet supported by owned fleet of top drives and walking systems:

By type		By Geography	
AC triples	3		
AC doubles	13		
Mechanical doubles	35	Canada	77
Australian shallow	5	United States	13
TDS and CT1500 singles	39	Australia	5
	95		95

- Strategic alliance with Pason Systems to develop and deploy leading edge drilling enhancement and automation technologies
- AC doubles active in Montney, Duvernay and Deep Basin areas
- Australian rigs purpose built for niche onshore CSG drilling market
- TDS and CT1500 singles active in the Viking, Clearwater and oil sands regions
- Leading drilling contractor in the emerging western Canadian helium industry



Rentals and Transportation Services

Total Oilfield Rentals

- Leading provider of surface rental equipment and oilfield North American transportation services
- Provide equipment used in the drilling, completion, production and abandonment of oil and natural gas wells and other industrial processes
- Current fleet of \approx 9,420 pieces of major rental equipment (excluding access mats) and 79 heavy trucks
- >1.0 million barrels of portable tank storage capacity
- Increasing exposure to mining and other resource extraction and processing industries
- Increasing involvement in construction and maintenance of energy infrastructure



Compression and Process Services

Bidell Gas Compression/Opsco Process Corp

- Leading North American compression and process equipment manufacturer with growing international presence
- 346,000 sq ft of North American manufacturing space (Calgary, AB and Weirton, WV)
- Design and manufacture full range of gas compression equipment including patented NOMAD™ mobile packages
- Specialize in the design and fabrication of dehydration, regeneration, separation and custom engineered process equipment
- Commissioning and maintenance field support from parts and service field locations throughout North America
- 53,800 hp compression rental fleet at December 31, 2021
- \$147.5 million fabrication sales backlog at December 31, 2021



Well Servicing

Savanna Well Servicing

- Operate a fleet of 80 service rigs across Western Canada, Northwest United States and Australia

By type		By Geography	
Singles	38	Canada	57
Doubles	29	United States	11
Australian spec	9	Australia	12
Flush-by	4		
	80		80

- Competitive Canadian service rig fleet supported by extensive infrastructure
- Canadian well abandonment work increasing with government funding
- US service rigs have well established presence in the North Dakota Bakken
- Australian service rigs incorporate latest technologies and are capable of working in any existing onshore basin



Historical Financial Performance

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

	3 months ended Dec 31		12 months ended Dec 31	
	2021	2020	2021	2020
Revenue	\$ 134,629	\$ 83,472	\$ 431,576	\$ 365,750
EBITDA ⁽¹⁾	22,567	19,546	86,015	81,204
Cashflow	22,144	18,431	80,191	73,437
Net Income (loss)	1,036	(1,732)	(428)	(30,455)
Net Income (loss), attributable to shareholders	1,049	(1,739)	(360)	(30,450)
<i>Per Share, Diluted</i>				
EBITDA ⁽¹⁾	\$ 0.52	\$ 0.43	\$ 1.93	\$ 1.80
Cashflow	0.51	0.41	1.80	1.63
Net Earnings (loss) attributable to shareholders	0.02	(0.04)	(0.01)	(0.68)
Total Assets			\$ 813,522	\$ 849,579
Working Capital ⁽²⁾			137,304	138,940
Net Debt ⁽³⁾			58,703	99,997
Shareholder's Equity			493,437	510,987
Shares Outstanding (diluted, 000's) ⁽⁴⁾	43,818	45,081	44,673	45,083

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

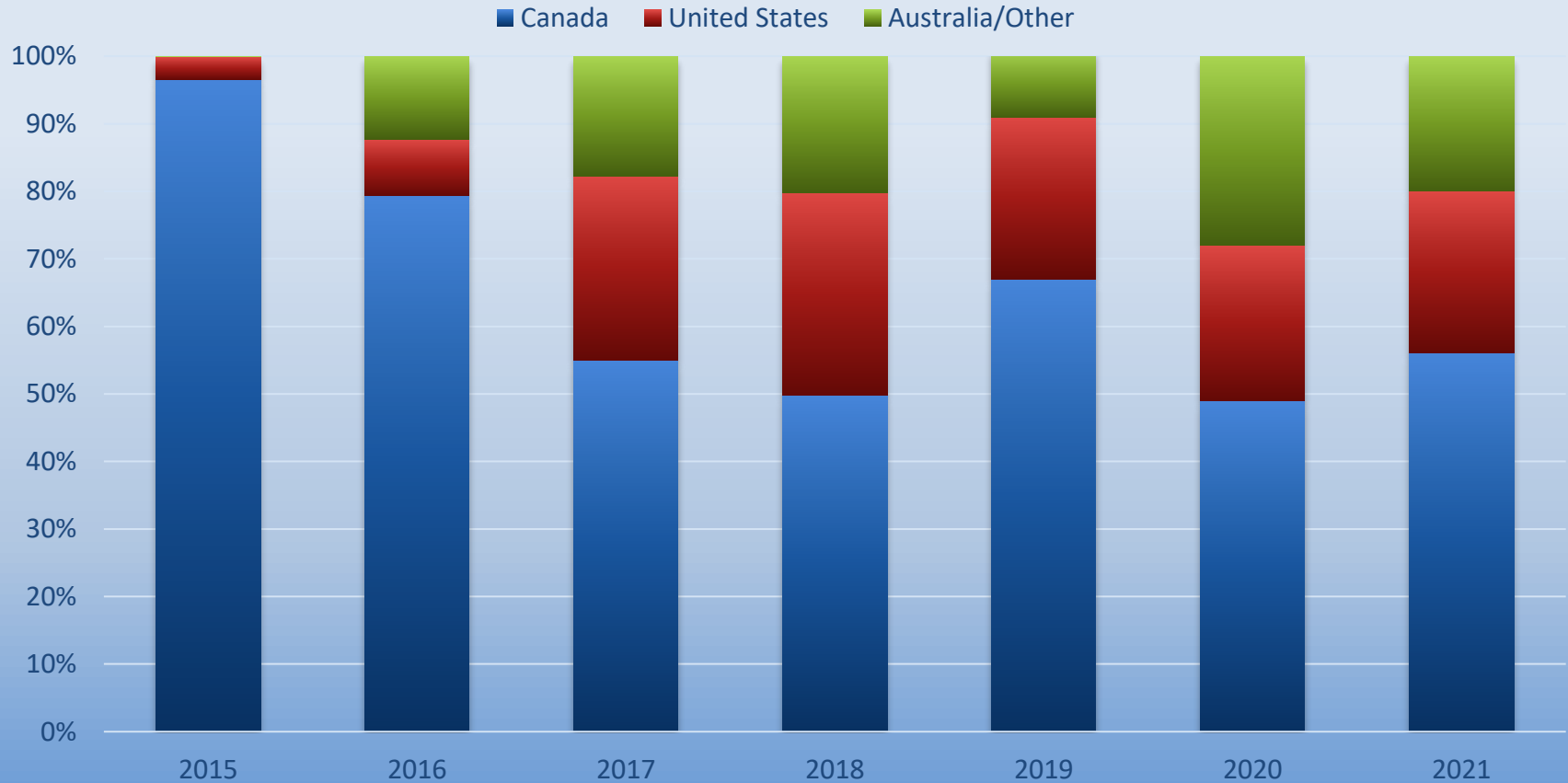
(2) Working capital equals current assets minus current liabilities.

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

(4) Weighted Average outstanding during the period.

Geographic Diversification

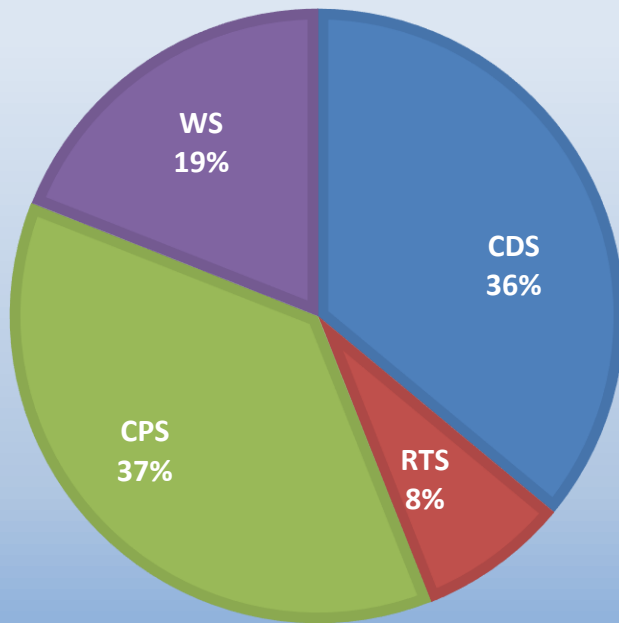
Geographic Revenue Mix



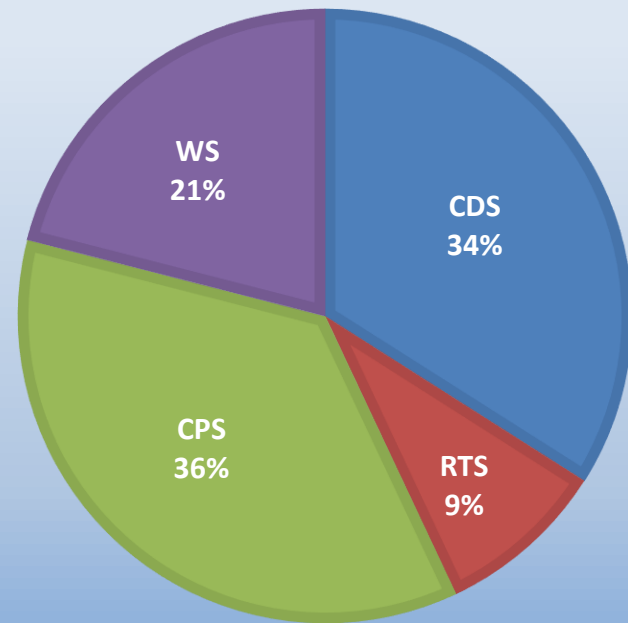
Note: 2021 relates to twelve months ended December 31, 2021

Operational Diversification

Q4 2021 REVENUE BY SEGMENT



2021 REVENUE BY SEGMENT



Proven Track Record

Capital Stewardship

- Prudent use of equity – IPO in Q1 1997 raised \$260,000 at \$0.10/share and last public equity offering completed in 2005 for gross proceeds of \$27 million
- Completed approximately 40 acquisitions since inception with no capital asset impairments ever recorded (including goodwill)
- \$242.9 million of retained earnings represents 90% of \$270.9 million of paid up share capital at December 31, 2021
- Executive compensation strongly aligned with capital discipline

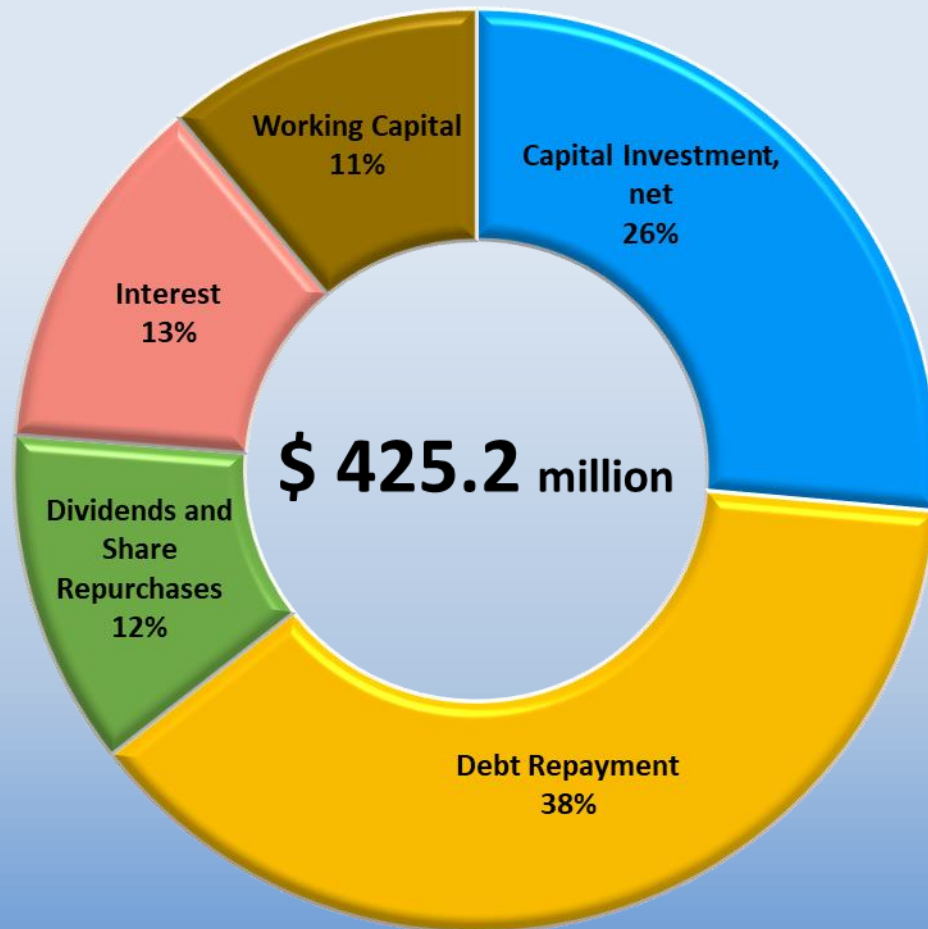
Shareholder Returns

- Returned over \$247 million to shareholders through dividends and share buy backs to December 31, 2021 (\$5.61/share in dividends/trust distributions)
- Actively repurchasing shares under NCIB
- Geographically and operationally diversified - provides stability and future growth opportunities



Significant Free Cashflow Post SVY Acquisition

\$425.2 million of cashflow (before changes in non-cash working capital items) from July 1, 2017 to December 31, 2021 allocated as follows:



ESG Highlights

- Deployment of NOMAD mobile compressors to non-oil and gas industrial applications – reduced site disturbance relative to conventional skid unit
- Increasing acceptance of RTS Odessey pumps as an alternative to truck and trailer for transport of liquids – reduced road traffic and emissions
- 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
- 2022 recipient of the Globe and Mail's Report on Business Women Lead Here recognition
- Numerous Indigenous Partnerships and Marketing Alliances
- Established partnership with the Aboriginal Skilled Workers Association to increase effectiveness of indigenous recruiting efforts

2022 Capital Budget

\$ 26.1 million preliminary 2022 capital budget:

- \$ 19.4 million for equipment maintenance and upgrades
 - Includes \$6.8 million of upgrades to the Canadian drilling rig fleet
- \$ 6.7 million of expansion capital:
 - Parts and services expansion and compression rental fleet additions in CPS segment
- \$2.0 million of 2021 capital expenditure commitments to carry forward into 2022
- Capex budget to be funded by cash on hand and cashflow from operations



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