Calfrac Reports First Quarter 2026 Results

May 12, 2026

CALGARY, Alberta, May 12, 2026 (GLOBE NEWSWIRE) -- **Calfrac Well Services Ltd. (“Calfrac” or “the Company”) (TSX: CFW)** announces its financial and operating results for the three months ended March 31, 2026. The following press release should be read in conjunction with the management’s discussion and analysis and interim consolidated financial statements and notes thereto as at March 31, 2026. All financial amounts and measures are expressed in Canadian dollars unless otherwise indicated.

FIRST QUARTER 2026 OVERVIEW

In the first quarter of 2026, the Company:

- generated revenue of $305.4 million versus $370.1 million in the first quarter in 2025 primarily reflecting the normalization of spot pricing in Argentina to more customary market ranges following the exceptionally strong pricing realized in the prior-year quarter, combined with lower North American activity;
- reported Adjusted EBITDA of $50.1 million (16 percent) versus $55.3 million (15 percent) in the first quarter of 2025 due to lower revenue offset by improved operating results in North America resulting from improved cost management and greater utilization of active crews;
- generated cash flow from operating activities of $47.5 million, which included $3.0 million of interest paid and $11.4 million of cash provided from the release of working capital, as compared to $7.1 million of cash used in the first quarter of 2025, which included $12.7 million of interest paid and cash used for working capital purposes of $35.0 million;
- incurred capital expenditures of $14.1 million, representing approximately 16 percent of the planned spend of $85.0 million in 2026, primarily related to maintenance capital as well as approximately $3.1 million for auxiliary support equipment in Argentina largely associated with the refurbishment of fracturing pumps, and $1.1 million to expand wireline and dual fuel capabilities in Argentina;
- reported net income of $18.9 million or $0.19 per share diluted compared to a net income of $7.8 million or $0.09 per share diluted during the first quarter in 2025; and
- reported period-end long-term debt and net debt balances of $158.5 million and $157.1 million respectively, compared with $203.4 million and $196.8 million at December 31, 2025, reflecting the repayment of $45.0 million of principal during the quarter.

Subsequent to the quarter, the Company amended its credit facilities with its syndicate of Canadian-based lenders, effective May 8, 2026, to lower the variable pricing grid to better align with the Company’s improved financial condition and outlook. In addition to reducing the Company’s go-forward borrowing costs, the total capacity of the credit facilities was lowered from $370.0 million to $320.0 million, at the election of the Company, to reduce standby fees. The credit facilities are now comprised of a $50.0 million revolving operating facility, a $150.0 million revolving syndicated facility, and a $120.0 million amortizing term facility, which provide the Company with sufficient liquidity to execute its strategy.

SELECT FINANCIAL HIGHLIGHTS

Three Months Ended March 31,	**2026**	2025	Change
(C$000s, except per share amounts)	***($)***	*($)*	*(%)*
(unaudited)			
Revenue	**305,365**	370,057	(17)
Adjusted EBITDA(1)	**50,116**	55,317	(9)
Cash flows provided by (used in) operating activities	**47,469**	(7,050)	NM
Capital expenditures	**14,075**	42,132	(67)
Net income	**18,884**	7,796	142
Per share – basic	**0.19**	0.09	111
Per share – diluted	**0.19**	0.09	111

As at	**March 31 2026**	December 31 2025	Change
(C$000s)	***($)***	*($)*	*(%)*
(unaudited)			

Cash and cash equivalents	**1,397**	6,664	(79)
Working capital, calculated as:			
Excluding cash and cash equivalents and the current portion of long-term debt	**179,209**	189,304	(5)
Including cash and cash equivalents and the current portion of long-term debt	**127,273**	155,968	(18)
Long-term debt, end of period	**158,542**	203,425	(22)

(1) Refer to "Non-GAAP Measures" on page 3 for further information.

Chief Executive Officer, Tyler Dahlseide commented "I am proud of our team's disciplined execution and unwavering commitment to safety, which drove strong operational and financial results across all regions this quarter.

In North America, the Company achieved its highest first quarter margins in the past three years, despite the North American onshore rig count declining by approximately 30 percent over that same period. In addition, we have made meaningful progress strengthening our balance sheet, reducing net debt to its lowest level in recent years. This enhanced operating leverage and financial flexibility reflects the strategic actions undertaken by the Company and underscores our ability to capitalize on the strengthening demand in North America.

In addition, our Argentina operations continued to provide stable cash generation and long-term visibility, supported by multi-year contracted work in the Vaca Muerta shale play and improved macroeconomic conditions.

Moving forward, we remain focused on our core priorities: maximizing free cash flow generation, further strengthening our balance sheet, and providing industry-leading service to our customers. As we continue to enhance our financial position and meet the needs of our customers, we are committed to allocating capital in ways that create lasting value for our shareholders."

OUTLOOK

NORTH AMERICA

Entering 2026, activity levels across North America were expected to remain relatively stable, reflecting continued capital discipline among operators and pricing pressure across the broader market. Following the sudden and prolonged closure of the Strait of Hormuz, commodity prices have moved materially higher, and certain customers in the United States are reassessing completion programs for the balance of the year. To date, this has supported incremental demand for fracturing services and reduced near-term availability on our schedule.

In Canada, our customer base has been less responsive to recent commodity price increases to date, reflecting a more cautious approach to revising completion requirements. If commodity pricing remains elevated, we expect customer plans to adjust over time, consistent with historical patterns. The Company is well positioned to participate across its operating basins, supported by an established presence, technical capabilities and alignment with customers active in core resource plays.

ARGENTINA

In Argentina, the Vaca Muerta shale play continues to be recognized as a leading unconventional resource play and is expected to remain the primary driver of hydrocarbon production growth through 2026. Development activity is being supported by expanding midstream capacity and improved access to export markets over the next few quarters.

Recent industry data indicates that Neuquén Province continues to lead national oil and gas growth, with shale oil comprising an increasing share of Argentina's total output. Forecasts for unconventional activity continue to point to sustained demand for drilling and completion services, including higher stage counts and increased pumping intensity. We also expect activity to broaden beyond the basin's traditional leading operators, as we see growth from independent operators and new entrants from North America pursuing development in the Vaca Muerta.

As drilling and completion activity evolves, the Company expects its service lines to benefit from higher well counts, increasing well complexity and continued development in the Vaca Muerta. Calfrac is positioned to compete effectively in the region, supported in part by a multi-year contract for fracturing services with a large independent operator in Argentina.

Economic reforms implemented in Argentina in recent years have meaningfully improved the foreign exchange and dividend repatriation framework. These changes, together with the strong financial performance of our Argentine operations, supported the repatriation of cash in 2025 which is expected to continue into 2026 and beyond.

Overall, the combination of improving macroeconomic conditions and continued unconventional development supports a constructive outlook for our Argentina operations for the remainder of 2026.

CORPORATE

The Company remains committed to deleveraging the balance sheet through free cash flow generation, supported by the progress made on long-term debt reduction during the first quarter. Through 2026, management remains focused on free cash flow generation, strengthening our balance sheet, and providing industry-leading services to our customers. Looking ahead, the Company continues to evaluate opportunities to invest in next-generation pumping technology that would complement its existing fleet and customer base, while maintaining a returns-based approach.

NON-GAAP MEASURES

Certain supplementary measures presented in this press release, including Adjusted EBITDA, Adjusted EBITDA percentage and Net Debt do not have any standardized meaning under International Financial Reporting Standards (IFRS) and, because IFRS have been incorporated as Canadian generally accepted accounting principles (GAAP), these supplementary measures are also non-GAAP measures. These measures have been described and presented to provide shareholders and potential investors with additional information regarding the Company's financial results, liquidity and ability to generate funds to finance its operations. These measures may not be comparable to similar measures presented by other entities, and are explained below.

Adjusted EBITDA is defined as net income or loss for the period less interest, 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 gives an indication of the results from the Company's principal business activities prior to consideration of how its activities are financed and the impact of foreign exchange, taxation and depreciation and amortization charges. Adjusted EBITDA is used by management to evaluate the performance of the Company and is also used as a basis for monitoring the Company's compliance with covenants under the credit facility. Adjusted EBITDA for the period was calculated as follows:

	Three Months Ended Mar. 31,	
	2026	2025
(C$000s)	***($)***	*($)*

(unaudited)		
Net income	**18,884**	7,796
Add back (deduct):		
Depreciation	**30,193**	31,922
Foreign exchange (gains) losses	**(2,671)**	1,693
(Gain) loss on disposal of property, plant and equipment	**(496)**	124
Restructuring charges	**1,787**	516
Stock-based compensation	**156**	(925)
Interest, net	**3,224**	7,944
Income taxes	**(961)**	6,247
Adjusted EBITDA	**50,116**	55,317

Adjusted EBITDA percentage is a non-GAAP financial ratio that is determined by dividing Adjusted EBITDA by revenue for the corresponding period.

Net Debt is defined as long-term debt less unamortized debt issuance costs less cash and cash equivalents. The calculation of net debt is disclosed in note 6 to the Company's annual consolidated financial statements for the corresponding period.

OTHER NON-STANDARD FINANCIAL TERMS

WORKING CAPITAL

Working capital is calculated as total current assets less total current liabilities. The Company has also provided a separate calculation of working capital that excludes cash and cash equivalents as well as the current portion of long-term debt as management believes this is a useful liquidity measure for investors and other stakeholders.

BUSINESS RISKS

The business of Calfrac is subject to certain risks and uncertainties. Prior to making any investment decision regarding Calfrac, investors should carefully consider, among other things, the risk factors set forth in the Company's most recently filed Annual Information Form under the heading "Risk Factors" which is available on the SEDAR+ website at www.sedarplus.ca under the Company's profile. Copies of the Annual Information Form may also be obtained on request without charge from Calfrac at Suite 601, 407 - 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E5, or at www.calfrac.com.

ADDITIONAL INFORMATION

Calfrac's common shares are publicly traded on the Toronto Stock Exchange under the trading symbol "CFW".

Calfrac provides specialized oilfield services to exploration and production companies designed to increase the production of hydrocarbons from wells with operations focused throughout North America and Argentina.

Further information regarding Calfrac Well Services Ltd., including the most recently filed Annual Information Form, can be accessed on the Company's website at www.calfrac.com or under the Company's profile at www.sedarplus.ca.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended March 31,	
	2026	2025
(C$000s, except per share data)	***($)***	*($)*
Revenue	**305,365**	370,057
Cost of sales	**273,103**	330,576
Gross profit	**32,262**	39,481
Expenses		
Selling, general and administrative	**14,282**	15,677
Foreign exchange (gains) losses	**(2,671)**	1,693
(Gain) loss on disposal of property, plant and equipment	**(496)**	124
Interest, net	**3,224**	7,944
	14,339	25,438
Income before income tax	**17,923**	14,043
Income tax expense (recovery)		
Current	**8,442**	14,240
Deferred	**(9,403)**	(7,993)
	(961)	6,247
Net income from continuing operations	**18,884**	7,796
Net loss from discontinued operations	**—**	(2,181)
Net income	**18,884**	5,615
Earnings (loss) per share – basic		*Restated*
Continuing operations	**0.19**	0.09
Discontinued operations	**—**	(0.03)
	0.19	0.07
Earnings (loss) per share – diluted		
Continuing operations	**0.19**	0.09
Discontinued operations	**—**	(0.03)

	0.19	0.07

CONSOLIDATED BALANCE SHEETS

	March 31, 2026	December 31, 2025
(C$000s)	***($)***	*($)*
ASSETS		
Current assets		
Cash and cash equivalents	**1,397**	6,664
Accounts receivable	**284,672**	242,348
Inventories	**94,297**	98,291
Prepaid expenses and deposits	**14,668**	10,084
	395,034	357,387
Non-current assets		
Property, plant and equipment	**648,898**	656,096
Right-of-use assets	**14,886**	16,247
Deferred income tax assets	**23,502**	17,469
	687,286	689,812
Total assets	**1,082,320**	1,047,199
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	**178,521**	134,110
Income taxes payable	**27,743**	18,778
Current portion of long-term debt	**53,333**	40,000
Current portion of lease obligations	**8,164**	8,531
	267,761	201,419
Non-current liabilities		
Long-term debt	**105,209**	163,425
Lease obligations	**8,515**	9,982
Deferred income tax liabilities	**4,673**	8,094
	118,397	181,501
Total liabilities	**386,158**	382,920
Total equity	**696,162**	664,279
Total liabilities and equity	**1,082,320**	1,047,199

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	2026	2025
(C$000s)	***($)***	*($)*
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Net income	**18,884**	7,796
Adjusted for the following:		
Depreciation	**30,193**	31,922
Stock-based compensation	**156**	(925)
Unrealized foreign exchange (gains) losses	**(3,418)**	1,846
(Gain) loss on disposal of property, plant and equipment	**(496)**	124
Interest, net	**3,224**	7,944
Interest paid	**(3,033)**	(12,716)
Deferred income taxes	**(9,403)**	(7,993)
Changes in non-cash working capital	**11,362**	(35,048)
Cash flows provided by (used in) operating activities from continuing operations	**47,469**	(7,050)
Cash flows provided by operating activities from discontinued operations	**—**	10,231
Net cash flows provided by operating activities	**47,469**	3,181
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(15,006)**	(38,498)
Proceeds on disposal of property, plant and equipment	**—**	1,553
Proceeds on disposal of right-of-use assets	**608**	206
Cash flows used in investing activities from continuing operations	**(14,398)**	(36,739)
Cash flows used in investing activities from discontinued operations	**—**	(1,457)
Net cash flows used in investing activities	**(14,398)**	(38,196)
FINANCING ACTIVITIES		
Issuance of long-term debt, net of debt issuance costs	**(45)**	30,000
Long-term debt repayments	**(45,000)**	(10,000)
Lease obligation principal repayments	**(2,131)**	(3,244)

Net proceeds on issuance of common shares	**5,198**	71
Cash flows (used in) provided by financing activities from continuing operations	**(41,978)**	16,827
Cash flows provided by financing activities from discontinued operations	**—**	—
Net cash flows (used in) provided by financing activities	**(41,978)**	16,827
Effect of exchange rate changes on cash and cash equivalents	**3,640**	550
Decrease in cash and cash equivalents	**(5,267)**	(17,638)
Cash and cash equivalents, beginning of period	**6,664**	50,776
Cash and cash equivalents, end of period	**1,397**	33,138

ADVISORIES

FORWARD-LOOKING STATEMENTS

In order to provide Calfrac shareholders and potential investors with information regarding the Company and its subsidiaries, including management's assessment of Calfrac's plans and future operations, certain statements contained in this press release, including statements that contain words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "forecast" or similar words suggesting future outcomes, are forward-looking statements or forward-looking information within the meaning of applicable securities laws (collectively, "forward-looking statements").

In particular, forward-looking statements in this press release include, but are not limited to, statements with respect to the expectations regarding trends in, and growth prospects of, the global oil and gas industry, including the impacts of the sudden and unexpected closure of the Strait of Hormuz on global energy commodity prices; the supply and demand fundamentals of the pressure pumping industry; activity, demand, utilization and outlook for the Company's North America and Argentina operating segments, including (a) the strong outlook in Argentina for the remainder of 2026 and over the longer-term due to expanding midstream capacity, improving access to export markets, higher stage counts and increased pumping intensity in the Vaca Muerta shale play, (b) increasing customer demand and activity in the U.S. and, potentially, Canada as a result of strengthened commodity prices; operating and financing strategies, performance, priorities, metrics and estimates, including the Company's plans to continue evaluating investments in next-generation pumping technologies; capital investment plans; the Company's debt, liquidity and financial position, including the Company's focus on further debt repayment; input costs, margin and service pricing trends and strategies; the Company's ability and intentions to repatriate cash from Argentina; the Company's service quality, safety record and competitive position; and the Company's expectations and intentions with respect to the foregoing.

These statements are derived from certain assumptions and analyses made by the Company based on its experience and perception of historical trends, current conditions, expected future developments and other factors that it believes are appropriate in the circumstances, including, but not limited to, the economic and political environment in which the Company operates, including the continued implementation of Argentina economic reforms and liberalization of its oil and gas industry as well as the current state of the trade relations between Canada and the U.S. and its expected impact on the pressure pumping market in North America; the Company's expectations for its customers' capital budgets, demand for services and geographical areas of focus; the anticipated effects of artificial intelligence power requirements and the commissioning of liquefied natural gas export terminals on supply and demand fundamentals for oil and natural gas; industry equipment levels, including the number of active fracturing fleets marketed by the Company's competitors; the continued effectiveness of cost reduction measures instituted by the Company; the Company's existing contracts and the status of current negotiations with key customers and suppliers; the likelihood that the current tax and regulatory regime will remain substantially unchanged; the level of merger and acquisition activity among oil and gas producers and its impact on the demand for well completion services; the effect of environmental, social and governance factors on customer and investor preferences and capital deployment; and the current status of the military conflicts in Ukraine and the Middle East (including its impact on shipping in the Strait of Hormuz), U.S. and Venezuelan energy policies, and OPEC+ production decisions—and their effect on global oil and natural gas demand.

Forward-looking statements are subject to a number of known and unknown risks and uncertainties that could cause actual results to differ materially from the Company's expectations. Such risk factors include but are not limited to: (A) industry risks, including but not limited to, global economic conditions and the level of exploration, development and production for oil and natural gas in North America and Argentina; an intensely competitive oilfield services industry; a shift in strategy by exploration and production companies prioritizing shareholder returns over production growth; excess equipment levels; and hazards inherent in the industry; (B) geopolitical risks, including but not limited to, international conflict; changes to the global trading system; shifts in government policy; foreign operations exposure, including risks relating to repatriation of cash from foreign jurisdictions, unsettled political conditions, war, foreign exchange rates and controls and sanctions; (C) business operations risks, including but not limited to, fleet reinvestment risk; a concentrated customer base; cybersecurity risks; risks related to artificial intelligence and technology; constraint on demand for the Company's services due to mergers and acquisition activities; seasonal volatility; failure to maintain Company's safety standards and record; and impacts of extreme weather and drought; (D) financial risks, including but not limited to, restrictions on the Company's access to capital; direct and indirect exposure to volatile credit markets, including interest rate risk; fluctuations in currency exchange rates; and price escalation and availability of raw materials, diesel fuel and component parts; and (E) legal and regulatory risks, including but not limited to, health, safety and environmental laws and regulations; legal and administrative proceedings; federal, provincial and state legislative and regulatory initiatives and laws; and the direct and indirect costs of various existing and proposed climate change regulations. Further information about these and other risks and uncertainties may be found under the heading "Business Risks" above.

Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and there can be no assurance that actual results or developments anticipated by the Company will be realized, or that they will have the expected consequences or effects on the Company or its business or operations. These statements speak only as of the respective date of this press release or the document incorporated by reference herein. The Company assumes no obligation to update publicly any such forward-looking statements, whether as a result of new information, future events or otherwise, except as required pursuant to applicable securities laws.

For further information, please contact:

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