



Q1 2026 MANAGEMENT'S DISCUSSION & ANALYSIS



Three Months Ended March 31, 2026

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MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (MD&A) for Calfrac Well Services Ltd. ("Calfrac" or the "Company") has been prepared by management and approved by the Board of Directors as of May 11, 2026 and is a review of the Company's financial condition and results of operations based on International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

The focus of this MD&A is a comparison of the financial performance for the three months ended March 31, 2026 and 2025. It should be read in conjunction with the audited consolidated financial statements for the three months ended March 31, 2026, as well as the audited consolidated financial statements and MD&A for the year ended December 31, 2025.

Readers should also refer to the "Forward-Looking Statements" legal advisory at the end of this MD&A. All financial amounts and measures presented are expressed in Canadian dollars unless otherwise indicated. The definitions of certain non-GAAP measures used are included on page 10.

CALFRAC'S BUSINESS

Calfrac is an independent provider of specialized oilfield services, including hydraulic fracturing and coiled tubing in North America, as well as hydraulic fracturing, coiled tubing, cementing, and wireline services in Argentina.

The Company's operating segments during the three months ended March 31, 2026, were as follows:

Segment	Active (000's hp)	Idle (000's hp)	Total (000's hp)
North America	904	146	1,050
Argentina	189	—	189
Total	1,093	146	1,239

- The Company's North America segment provides fracturing services to oil and natural gas companies operating in the Williston Basin located in North Dakota as well as the broader Rockies region, which includes the Piceance Basin in Colorado, the Uinta Basin in Utah, and the Powder River Basin in Wyoming. Additionally, the Company services customers operating in the San Juan Basin in New Mexico. Calfrac also provides fracturing services in the United States to natural gas-focused customers operating in the Appalachia Basin in Pennsylvania, Ohio, and West Virginia. The Company provides fracturing and coiled tubing services to a diverse group of oil and natural gas exploration and production companies operating in the Western Canadian Sedimentary Basin, primarily in Alberta and northeast British Columbia. At March 31, 2026, Calfrac's North America segment had active and total horsepower of approximately 0.9 million and 1.1 million, respectively. The Company also had five active coiled tubing units in North America.
- Calfrac's Argentina segment provides fracturing, coiled tubing, cementing, and wireline services to oil and natural gas companies operating in the Neuquén region. The Company closed its southern base in Comodoro Rivadavia during the first quarter and redeployed its equipment to support the operations servicing the Vaca Muerta shale play in the North. The Company operated approximately 189,000 active and total horsepower, ten active cementing units, five active coiled tubing units, and one active wireline unit in Argentina at March 31, 2026.

HIGHLIGHTS

Three Months Ended March 31, (C\$000s, except per share amounts)	2026 (\$)	2025 (\$)	Change (%)
<i>(unaudited)</i>			
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
<hr/>			
As at	March 31	December 31	Change
	2026	2025	
<i>(C\$000s)</i>			
<i>(unaudited)</i>			
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)
Total assets, end of period	1,082,320	1,047,199	3
Long-term debt, end of period	158,542	203,425	(22)
Net debt ⁽¹⁾⁽²⁾	157,145	196,761	(20)
Total equity, end of period	696,162	664,279	5

⁽¹⁾ Refer to “Non-GAAP Measures” on page 10 for further information.

⁽²⁾ Refer to note 3 of the consolidated interim financial statements for further information.

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 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; and

- 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.

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 ("Term Loan"), which provide the Company with sufficient liquidity to execute its strategy.

FINANCIAL OVERVIEW

THREE MONTHS ENDED MARCH 31, 2026 VERSUS 2025

NORTH AMERICA

Three Months Ended March 31, <i>(C\$000s, except operational and exchange rate information)</i> <i>(unaudited)</i>	2026 (\$)	2025 (\$)	Change (%)
Revenue	200,340	227,902	(12)
Adjusted EBITDA ⁽¹⁾	21,852	6,131	256
Adjusted EBITDA (%) ⁽¹⁾	10.9	2.7	304
Fracturing revenue per job (\$)	29,221	25,060	17
Number of fracturing jobs	6,584	8,709	(24)
Active pumping horsepower, end of period (000s)	904	898	1
Idle pumping horsepower, end of period (000s)	146	116	26
Total pumping horsepower, end of period (000s)	1,050	1,014	4
Active coiled tubing units, end of period (#)	5	6	(17)
Idle coiled tubing units, end of period (#)	1	—	—
Total coiled tubing units, end of period (#)	6	6	—
US\$/C\$ average exchange rate ⁽²⁾	1.3717	1.4352	(4)

⁽¹⁾ Refer to "Non-GAAP Measures" on page 10 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Revenue from Calfrac's operations in North America was \$200.3 million during the first quarter of 2026 versus \$227.9 million in the respective quarter of 2025. During the quarter, the Company prioritized larger, more complex fracturing projects executed with fewer crews, which supported improved fleet utilization and profitability despite lower overall activity. In response to the outlook for oil and gas directed completions in its operating areas, the Company operated a lower number of fracturing fleets, and activity was further impacted by extreme cold weather early in the quarter, resulting in a 24 percent decrease in the number of jobs completed compared to the same period last year. Larger average job sizes were driven by a higher proportion of sand and chemicals sourced and supplied by the Company, rather than customer-provided materials, partially offsetting the decline in overall activity. Coiled tubing revenue was lower by 18 percent from the first quarter of 2025, primarily due to lower activity levels and demand.

ADJUSTED EBITDA

The Company's operations in North America generated Adjusted EBITDA of \$21.9 million or 11 percent of revenue during the first quarter of 2026 compared to \$6.1 million or three percent of revenue in the same period in 2025. This significant improvement was achieved despite lower revenue, a reduced fleet count, and weather-related disruptions earlier in the quarter, and reflects stronger operating execution and cost discipline. Higher Adjusted EBITDA was driven primarily by increased operating days per fleet, improved utilization resulting from the completion of larger jobs, and the benefits of support-personnel reductions implemented in North America during the second and third quarters of 2025.

ARGENTINA

Three Months Ended March 31,	2026	2025	Change
<i>(C\$000s, except operational and exchange rate information)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
<i>(unaudited)</i>			
Revenue	105,025	142,155	(26)
Adjusted EBITDA ⁽¹⁾	33,377	53,265	(37)
Adjusted EBITDA (%) ⁽¹⁾	31.8	37.5	(15)
Fracturing revenue per job (\$)	69,209	124,874	(45)
Number of fracturing jobs	857	741	16
Active pumping horsepower, end of period (000s)	189	153	24
Idle pumping horsepower, end of period (000s)	—	—	—
Total pumping horsepower, end of period (000s)	189	153	24
Active coiled tubing units, end of period (#)	5	6	(17)
Idle coiled tubing units, end of period (#)	—	—	—
Total coiled tubing units, end of period (#)	5	6	(17)
Active cementing units, end of period (#)	10	9	11
Idle cementing units, end of period (#)	1	—	—
Total cementing units, end of period (#)	11	9	22
US\$/C\$ average exchange rate ⁽²⁾	1.3717	1.4352	(4)

⁽¹⁾ Refer to "Non-GAAP Measures" on page 10 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Calfrac's Argentinean operations generated revenue of \$105.0 million during the first quarter of 2026 versus \$142.2 million in the comparable quarter in 2025 primarily due to completion of the redeployment of equipment from the southern region initiated in the first quarter of 2025 and completed in the first quarter of 2026 with the closure of the base in Comodoro Rivadavia. The results from 2025 include \$27.7 million in revenue compared with \$2.5 million earned in the current year from these areas. Excluding the southern region, the revenue was influenced by record highs in fleet operating days and high utilization of the Company's fracturing fleets in the Vaca Muerta shale play during the quarter. This result was offset by the normalization of spot pricing to more customary market ranges following the exceptionally strong pricing realized in the prior year quarter. Revenue from coiled tubing and cementing operations in the Vaca Muerta generated 15 percent higher revenue than the comparable period of 2025 reflecting the completion of a higher proportion of coiled tubing jobs with increased complexity and requirements, and a shift in cementing activity toward customers with higher pricing.

ADJUSTED EBITDA

The Company's operations in Argentina generated Adjusted EBITDA of \$33.4 million during the first quarter of 2026 compared with \$53.3 million in the same quarter of 2025. This reflects the factors discussed above, together with the closure of bases in the southern region (\$13.5 million) which contributed to the reduction in Adjusted EBITDA.

CORPORATE

Three Months Ended March 31,	2026	2025	Change
(C\$000s)	(\$)	(\$)	(%)
(unaudited)			
Adjusted EBITDA ⁽¹⁾	(5,113)	(4,079)	25
% of revenue	(1.7)	(1.1)	55

⁽¹⁾ Refer to "Non-GAAP Measures" on page 10 for further information.

ADJUSTED EBITDA

Corporate expenses during the first quarter of 2026 were \$5.1 million, an increase of \$1.0 million from the first quarter of 2025 mainly due to the impact of the increase in the Company's share price driving a \$2.1 million increase in share based compensation, offset by lower personnel costs.

DEPRECIATION

For the three months ended March 31, 2026, depreciation expense of \$30.2 million was \$1.7 million lower than the corresponding quarter in 2025. The decrease is primarily due to the mix and timing of major component capital expenditures.

FOREIGN EXCHANGE GAINS AND LOSSES

The Company recorded a foreign exchange gain of \$2.7 million during the first quarter of 2026 versus a loss of \$1.7 million in the comparative three-month period of 2025. Foreign exchange gains and losses arise primarily from the revaluation of net monetary assets or liabilities that were held in pesos in Argentina and net monetary assets or liabilities that were held in U.S. dollars in Canada. The foreign exchange gain during the first quarter was mainly the result of the unrealized gain attributed to the revaluation of net U.S. dollar intercompany assets in Canada during the quarter as the U.S. dollar experienced a two percent decline in value against the Canadian dollar during this period.

NET INTEREST

The Company recorded net interest expense of \$3.2 million for the first quarter of 2026 compared to \$7.9 million in the comparable period in 2025. Reported net interest expense was lower than the comparable period primarily due to the 54 percent year-over-year reduction in the Company's long-term debt as a result of the redemption of the US\$120.0 million 10.875 percent senior secured second lien notes combined with lower overall net debt which is now comprised of the Company's extendible revolving operating and syndicated facilities and the Term Loan as further described under the heading "Liquidity" below.

INCOME TAXES

The Company had a current income tax expense of \$8.4 million during the first quarter of 2026, attributed to the Company's operations in Argentina. Calfrac also recorded a deferred tax recovery of \$9.4 million, which consisted of \$5.9 million recorded in Argentina relating to the effect of inflation adjustments on the tax basis of fixed assets combined with \$3.5 million recorded in the United States resulting from the loss incurred during the quarter.

LIQUIDITY AND CAPITAL RESOURCES

	Three Months Ended Mar. 31,	
	2026	2025
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
<i>(unaudited)</i>		
Cash provided by (used in):		
Operating activities	47,469	(7,050)
Investing activities	(14,398)	(36,739)
Financing activities	(41,978)	16,827
Effect of exchange rate changes on cash and cash equivalents	3,640	3,407
Decrease in cash and cash equivalents	(5,267)	(23,555)

OPERATING ACTIVITIES

The Company's cash provided by operating activities for the three months ended March 31, 2026, was \$47.5 million versus cash used of \$7.1 million during the comparable period of 2025. This increase was primarily due to a working capital release totaling \$11.4 million during the period versus a \$35.0 million funding of working capital requirements in the first quarter of 2025, combined with improved operating results in Argentina. The change in working capital was the result of lower revenue during the first quarter of 2026 as compared to the same quarter in 2025 combined with improved inventory management practices specifically related to spare parts inventory within the Company's operating segments in North America and Argentina.

INVESTING ACTIVITIES

Calfrac's net cash used in investing activities was \$14.4 million during the quarter ended March 31, 2026, which included \$14.1 million of capital expenditures for the quarter ended March 31, 2026, versus \$42.1 million in the comparable period of 2025. Capital expenditures for the first three months of 2026 were focused primarily on maintenance capital in North America whereas the capital expenditures in the same quarter of 2025 included \$22.3 million related to expansion of the fracturing, coiled tubing, and wireline capabilities in Argentina along with \$9.3 million of expenditures related to the Company's fleet modernization program in North America.

Calfrac's Board of Directors approved a 2026 capital budget totalling approximately \$75.0 million. An additional \$10.0 million of capital expenditures that were committed to but unspent from the Company's 2025 capital program are also expected to be incurred in 2026.

FINANCING ACTIVITIES

Net cash used by financing activities for the quarter ended March 31, 2026, was \$42.0 million compared to cash provided of \$16.8 million in the same period of 2025. During the quarter, the Company received net proceeds of \$5.2 million from the issuance of common shares upon the exercise of stock options, repaid \$45.0 million of its credit facilities and paid lease principal payments of \$2.1 million.

LIQUIDITY

As at March 31, 2026, the Company had revolving credit facilities with a syndicate of Canadian-based lenders comprised of a \$215.0 million syndicated facility and a \$35.0 million operating facility. At the end of the first quarter, the Company had \$202.0 million in available liquidity under its credit facilities with a maturity date of July 1, 2028.

As at March 31, 2026, the Company also had \$120.0 million outstanding under the Term Loan. The full amount of the Term Loan was drawn on December 23, 2025 with required repayments commencing June 30, 2026, in equal quarterly principal payments of \$13.3 million.

The Company is subject to certain financial covenants relating to leverage and the generation of cash flow in respect of its available credit facilities under the credit agreement. The Company was in compliance with its financial covenants associated with its credit facilities at March 31, 2026.

At March 31, 2026, the Company had a cash position of \$1.4 million. The current stability of the Argentine peso and the reformed cash repatriation regime, including the ability declare and remit dividends related to profitability from 2025, has

enhanced the Company's flexibility to repay new and historical intercompany liabilities and repatriate excess cash. The Company repatriated US\$4.2 million during the first quarter of 2026.

With its working capital position, available credit facilities, access to debt and equity markets, and anticipated funds provided by operations, the Company expects to have adequate resources to fund its financial obligations and planned capital expenditures.

EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS

Changes in foreign exchange rates resulted in a \$3.6 million gain on cash and cash equivalents for the quarter ended March 31, 2026, compared to a \$3.4 million gain in the comparable period of 2025, primarily due to movements affecting U.S. dollar and Argentinean peso-denominated cash, working capital, and monetary liabilities held by the Company.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares. Certain employees have been granted options to purchase common shares under the Company's shareholder-approved omnibus incentive plan. As at May 11, 2026, the Company had issued and outstanding 100,418,271 common shares and 1,537,332 stock options.

SUMMARY OF QUARTERLY RESULTS

Three Months Ended	Jun. 30,	Sep. 30,	Dec. 31,	Mar. 31,	Jun. 30,	Sep. 30,	Dec. 31,	Mar. 31,
	2024	2024	2024	2025	2025	2025	2025	2026
<i>(C\$000s, except per share and operating data)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(\$)</i>
<i>(unaudited)</i>								
Financial								
Revenue	426,047	430,109	381,230	370,057	402,291	323,408	292,177	305,365
Adjusted EBITDA ⁽¹⁾	65,386	65,039	34,512	55,317	76,977	48,468	43,943	50,116
Net income (loss)	24,549	(6,687)	(6,424)	7,796	15,325	4,295	14,517	18,884
Per share – basic ⁽²⁾	0.28	(0.08)	(0.07)	0.09	0.17	0.05	0.16	0.19
Per share – diluted ⁽²⁾	0.28	(0.08)	(0.07)	0.09	0.17	0.05	0.16	0.19
Capital expenditures	66,753	22,509	32,955	42,132	40,834	32,815	16,744	14,075
Working capital (end of period) ⁽³⁾	260,234	289,456	229,856	266,087	249,751	257,601	189,304	179,209
Working capital (end of period) ⁽⁴⁾	303,889	307,139	123,901	(59,545)	(51,159)	(51,851)	155,968	127,273
Total equity (end of period)	653,498	643,776	653,330	660,262	655,814	667,899	664,279	696,162
Operating (end of period)								
Active pumping horsepower (000s)	1,103	1,148	1,155	1,051	1,045	1,047	1,032	1,093
Idle pumping horsepower (000s)	156	111	—	116	161	168	189	146
Total pumping horsepower (000s)	1,259	1,259	1,155	1,167	1,206	1,215	1,221	1,239
Active coiled tubing units (#)	11	12	12	12	12	12	10	10
Idle coiled tubing units (#)	1	1	—	—	—	—	1	1
Total coiled tubing units (#)	12	13	12	12	12	12	11	11
Active cementing units (#)	10	10	10	9	9	9	9	10
Idle cementing units (#)	1	1	1	—	—	—	—	1
Total cementing units (#)	11	11	11	9	9	9	9	11

⁽¹⁾ Refer to "Non-GAAP Measures" on page 10 for further information.

⁽²⁾ Basic and diluted shares outstanding have been restated to show the comparative impact of the rights offering that was completed in December 2025.

⁽³⁾ Working capital excludes cash and cash equivalents and the current portion of long-term debt.

⁽⁴⁾ Working capital calculated as current assets minus current liabilities.

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 MD&A, including Adjusted EBITDA, Adjusted EBITDA percentage and Net Debt do not have any standardized meaning under 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 agreement. Adjusted EBITDA for the period was calculated as follows:

	Three Months Ended Mar. 31,	
	2026	2025
<i>(C\$000s)</i>	<i>(\$)</i>	<i>(\$)</i>
<i>(unaudited)</i>		
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 9 to the Company's interim consolidated financial statements for the corresponding period.

OTHER NON-STANDARD FINANCIAL TERMS

MAINTENANCE AND EXPANSION CAPITAL

Maintenance capital refers to expenditures in respect of capital additions, replacements or improvements required to maintain ongoing business operations. Expansion capital refers to expenditures primarily for new items, upgrades and/or equipment that will expand the Company's revenue and/or reduce its expenditures through operating efficiencies. The determination of what constitutes maintenance capital expenditures versus expansion capital involves judgement by management.

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.

CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

Calfrac has various contractual lease commitments related to vehicles, equipment and facilities as well as purchase obligations for products, services and property, plant and equipment as disclosed in the Company's 2025 annual consolidated financial statements.

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, 2026 was \$0.2 million (three months ended March 31, 2025 – \$0.2 million), 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.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

This MD&A is based on the Company's interim consolidated financial statements for the three months ended March 31, 2026, which were prepared in accordance with IFRS. Management is required to make assumptions, judgments and estimates in the application of IFRS. Calfrac's material accounting policies are described in note 2 to the Company's 2025 annual consolidated financial statements.

The preparation of the consolidated financial statements requires that certain estimates and judgments be made concerning the reported amount of revenue and expenses and the carrying values of assets and liabilities. These estimates are based on historical experience and management's judgment. The estimation of anticipated future events involves uncertainty and, consequently, the estimates used by management in the preparation of the consolidated financial statements may change as future events unfold, additional experience is gained or the environment in which the Company operates changes. The accounting policies and practices requiring estimates that have a significant impact on the Company's financial results include the allowance for doubtful accounts receivable, depreciation, the fair value of financial instruments, impairment of property, plant and equipment, income taxes, stock-based compensation expenses, functional currency and cash-generating units.

Judgment is also used in the determination of the functional currency of each subsidiary and in the determination of cash-generating units.

LOSS ALLOWANCE PROVISION

The Company performs ongoing credit evaluations of its customers and grants credit based on a review of historical collection experience, current aging status, financial condition of the customer and anticipated industry conditions. In situations where the creditworthiness of a customer is uncertain, services are typically provided on receipt of cash in advance or services are declined. Customer payments are regularly monitored and a provision for doubtful accounts has been established based on the impairment model under IFRS 9, which requires the recognition of impairment provisions based on expected and incurred credit losses rather than only incurred credit losses. The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss model to its trade accounts receivable. Lifetime expected credit losses are the result of all possible default events over the expected life of the financial instrument. Calfrac's management believes that the loss allowance provision for accounts receivable, which was \$0.6 million at March 31, 2026, is adequate.

DEPRECIATION

Depreciation of the Company's property, plant and equipment incorporates estimates of useful lives and residual values. These estimates may change as more experience is obtained or as general market conditions change, thereby affecting the value of the Company's property, plant and equipment.

FINANCIAL INSTRUMENTS

Financial instruments included in the Company's consolidated balance sheets are cash and cash equivalents, accounts receivable, deposits, accounts payable and accrued liabilities, long-term debt and lease obligations.

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 carrying values of the revolving credit facilities and Term Loan approximate their fair values as the interest rates are not significantly different from current interest rates for similar loans.

IMPAIRMENT

Assessment of impairment is based on management's judgment of whether there are internal and external factors that would indicate that an asset or CGU is impaired.

As described in note 5 to the 2025 annual consolidated financial statements, the Company reviews the carrying value of its property, plant and equipment at each reporting period for indicators of impairment. As well, the Company assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for an asset or CGU may no longer exist or may have decreased. If any such indication exists, the Company estimates the recoverable amount of that CGU to determine if the reversal of impairment loss is supported. As at March 31, 2026, the Company determined there were no changes in the indicators of impairment or any new indicators of impairment since the last impairment assessment that was carried out as at December 31, 2025.

INCOME TAXES

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement amounts of existing assets and liabilities and their respective tax bases. The realizability of deferred income tax assets is an estimate and requires judgments to be made by management. Estimates of the Company's future taxable income are considered in assessing the utilization of available tax losses. The Company's business is complex and the calculation of income taxes involves many factors as well as the Company's interpretation of relevant tax legislation and regulations.

STOCK-BASED COMPENSATION

The fair value of stock options and performance share units are estimated at the grant date using the Black-Scholes option pricing model, which includes underlying assumptions related to the risk-free interest rate, average expected option life, estimated forfeitures, estimated volatility of the Company's shares and anticipated dividends.

The fair value of the deferred share units is recognized based on the market value of the Company's shares underlying such compensation program.

FUNCTIONAL CURRENCY

Management applies judgment in determining the functional currency of its foreign subsidiaries. Judgment is made with regard to the currency that influences and determines sales prices, labour, material and other costs as well as financing and receipts from operating activities.

CASH-GENERATING UNITS

The determination of CGUs is based on management's judgment regarding shared equipment, mobility of equipment, geographical proximity and materiality.

CHANGES IN ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

The Company's IFRS accounting policies and future accounting pronouncements are provided in note 2 of the Company's 2025 annual consolidated financial statements.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company is required to comply with National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings (the "instrument") which obligates an issuer's chief executive officer (CEO) and chief financial officer (CFO), referred to as the "certifying officers", to make interim and annual certifications and MD&A disclosures concerning the issuer's disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR). The Instrument requires that any change in ICFR that occurred during the most recent interim period that has materially affected, or is reasonably likely to materially affect, the Company's ICFR be disclosed in the Company's interim MD&A. The Company confirms that no such changes occurred during the three month period ended March 31, 2026.

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, which are specifically incorporated by reference herein.

The Annual Information Form is available through the Internet on the Canadian System for Electronic Data Analysis and Retrieval (SEDAR+), which can be accessed at www.sedarplus.ca under the Company's issuer 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, or by facsimile at 403-266-7381.

VOLATILITY OF INDUSTRY CONDITIONS

The demand, pricing and terms for the Company's services largely depend upon the level of expenditures made by oil and gas companies on exploration, development and production activities in North America and Argentina. Expenditures by oil and gas companies are typically directly related to the demand for, and price of, oil and gas. Generally, when commodity prices and demand are predicted to be, or are relatively, high, demand for the Company's services is high. The converse is also true.

SEASONALITY OF BUSINESS

The Company's North American business is seasonal. Historically, the lowest activity was 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. However, 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 the first quarter. This trend, coupled with well site access enhancements, longer pad completions and the focus of core customers in Canada, has caused a shifting of activity levels for the Company from the first quarter into the second quarter, and appears to be normalizing the impacts of spring break-up that had previously been significant. Activity in the fourth quarter is typically impacted by customer budget exhaustion and seasonal holidays in North America. The cadence of quarterly activity has a direct influence on the amount of working capital required by the business.

FOREIGN EXCHANGE FLUCTUATIONS

The Company's financial statements are reported in Canadian dollars. Accordingly, the quarterly results are directly affected by fluctuations in the United States and Argentinean foreign currency exchange rates.

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 MD&A, 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 MD&A 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; future financial resources and performance; future costs or potential liabilities; the Company's service quality, safety record and competitive position; accounting policies, practices, standards and judgments of the Company; treatment under government regulatory regimes; 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 MD&A 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 MD&A 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.

ADDITIONAL INFORMATION

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 issuer profile on SEDAR+ (www.sedarplus.ca).