



Q2 2025 MANAGEMENT'S DISCUSSION & ANALYSIS CALFRAC WELL SERVICES



Three and Six Months Ended June 30, 2025

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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 as of August 7, 2025 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 and six months ended June 30, 2025 and 2024. It should be read in conjunction with the interim consolidated financial statements for the three and six months ended June 30, 2025, as well as the audited consolidated financial statements and MD&A for the year ended December 31, 2024.

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 17.

CALFRAC'S BUSINESS FROM CONTINUING OPERATIONS

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 other well stimulation services in Argentina.

The Company's operating segments during the three months ended June 30, 2025, were as follows:

Segment	Active (000's hhp)	Idle (000's hhp)	Total (000's hhp)	Crewed Fleets (#)
North America	877	161	1,038	11
Argentina	168	—	168	4
Total	1,045	161	1,206	15

- 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. 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, northeast British Columbia and southeast Saskatchewan. At June 30, 2025, Calfrac's North America segment had 11 fracturing fleets utilizing combined active and total horsepower of approximately 0.9 million and 1.0 million, respectively. The Company also had six active coiled tubing fleets operating in North America.
- The Argentinean segment provides fracturing, coiled tubing, cementing and other well stimulation services to oil and natural gas companies operating in the Neuquén and Comodoro Rivadavia regions. The Company operated the equivalent of four fracturing spreads, including two large and two smaller fleets varying in size, utilizing approximately 168,000 active and total horsepower, nine active cementing units and six active coiled tubing units in its Argentinean segment at June 30, 2025.
- At June 30, 2025, Calfrac's continuing operations had 15 crewed fracturing fleets utilizing combined active horsepower of approximately 1.0 million. The Company had the ability to operate the equivalent of five Tier IV dynamic gas blending ("DGB") fleets in North America at the end of the second quarter.

HIGHLIGHTS – CONTINUING OPERATIONS

	Three Months Ended Jun. 30,			Six Months Ended Jun. 30,		
	2025	2024	Change	2025	2024	Change
(C\$000s, except per share amounts)	(\$)	(\$)	(%)	(\$)	(\$)	(%)
<i>(unaudited)</i>						
Revenue	402,291	426,047	(6)	772,348	756,143	2
Adjusted EBITDA ⁽¹⁾	76,977	65,386	18	132,294	91,443	45
Cash flows provided by operating activities	73,548	9,041	713	66,498	20,999	217
Capital expenditures	40,834	66,753	(39)	82,966	114,825	(28)
Net income	15,325	24,549	(38)	23,121	21,646	7
Per share – basic	0.18	0.29	(38)	0.27	0.25	8
Per share – diluted	0.18	0.29	(38)	0.27	0.25	8
As at			Jun. 30,	Dec. 31,		Change
			2025	2024		
(C\$000s)			(\$)	(\$)		(%)
<i>(unaudited)</i>						
Cash and cash equivalents			51,762	44,045		18
Working capital, calculated as:						
Excluding cash and cash equivalents and the current portion of long-term debt			249,751	229,856		9
Including cash and cash equivalents and the current portion of long-term debt			(51,159)	123,901		(141)
Total assets, end of period			1,279,175	1,234,840		4
Long-term debt, end of period			352,672	320,908		10
Net debt ⁽¹⁾⁽²⁾			321,315	300,347		7
Total equity, end of period			655,814	653,330		—

⁽¹⁾ Refer to “Non-GAAP Measures” on page 17 for further information.

⁽²⁾ Refer to note 10 of the consolidated interim financial statements for further information.

SECOND QUARTER OVERVIEW

In the second quarter of 2025, the Company:

- generated revenue of \$402.3 million, a decrease of 6 percent from the second quarter in 2024 resulting primarily from lower activity and pricing in North America, offset by higher revenue generated in Argentina stemming from the deployment of the Company’s second large fracturing fleet during the first quarter of 2025;
- reported Adjusted EBITDA of \$77.0 million versus \$65.4 million in the second quarter of 2024 mainly due to a larger operating scale in Argentina as the Company operated an additional unconventional fracturing fleet in the Vaca Muerta shale play during the second quarter of 2025;
- had cash flow from operating activities of \$73.5 million versus \$9.0 million in the second quarter of 2024. The majority of this increase relates to year-over-year changes in non-cash working capital;
- reported net income from continuing operations of \$15.3 million or \$0.18 per share diluted compared to net income of \$24.5 million or \$0.29 per share diluted during the second quarter in 2024. The lower net income was primarily due to an increase in current taxes arising from the improved profitability in Argentina which has a higher effective tax rate;
- recorded \$5.4 million of restructuring costs related to district and SG&A personnel across all divisions;
- amended its revolving credit facility on June 27, 2025 to change the definition of Bank EBITDA for the purposes of its financial covenant calculations. The revised Bank EBITDA definition includes EBITDA generated in North America plus any net cash flow repatriated from Argentina. The amendments also reduced the minimum net tangible assets required to be located in North America to \$700.0 million. Previously, the agreement required a minimum of \$750.0 million or 75 percent of net tangible assets from continuing operations to be located in North America;

- had a cash position of \$51.8 million of which over half was held in Argentina, primarily due to large collections of accounts receivable immediately prior to the end of the quarter. The majority of the cash in Argentina was subsequently repatriated to North America in July and used to reduce the outstanding draw on the Company's revolving credit facilities;
- increased period-end working capital, excluding cash and cash equivalents and current portion of long-term debt, to \$249.8 million from \$229.9 million at December 31, 2024, due to higher activity in Argentina; and
- incurred capital expenditures from continuing operations of \$40.8 million, which included \$24.6 million of expansion capital to support the second unconventional fracturing fleet in Argentina that commenced operations in the first quarter and to complete its fleet modernization program in North America.

In the six months ended June 30, 2025, the Company:

- generated revenue of \$772.3 million, an increase of 2 percent from the first six months in 2024, resulting from higher revenue in Argentina due to addition of a second large fracturing fleet, offset partially by lower pricing in North America;
- reported Adjusted EBITDA of \$132.3 versus \$91.4 million in the comparable period in 2024 mainly as a result of a larger operating scale in Argentina, offset partially by lower utilization in North America; and
- incurred capital expenditures of \$83.0 million, which included approximately \$56.5 million of expansion capital in Argentina and the Company's fracturing fleet modernization program in North America, including auxiliary support equipment.

Subsequent to the end of the quarter, the Company amended and restated its revolving credit facility agreement to include a new \$120.0 million delay draw term facility ("Term Loan"), which included an expansion of its lending syndicate to five Canadian financial institutions. This Term Loan is available in a single drawdown until January 15, 2026, and is repayable commencing in the third quarter following the drawdown on the Term Loan in quarterly principal payments in the amount equivalent to equal payments that fully amortize the Term Loan to zero prior to maturity. The Company may also prepay principal without penalty, however, any principal repaid may not be re-drawn. The interest rates for the Term Loan range from 3.75 percent to 4.25 percent above the base rates for CORRA-based loans, and a standby fee of 0.75 percent applies from closing date until the date of the drawdown.

The maturity date of the revolving credit facilities, inclusive of the \$215.0 million syndicated facility, \$35.0 million operating facility and \$120.0 million Term Loan, have been amended and the facilities are now due the earlier of (i) January 15, 2026, the date that is two months prior to the maturity date of the Second Lien Notes, and (ii) July 1, 2028. The drawdown of the Term Loan is subject to certain conditions.

FINANCIAL OVERVIEW – CONTINUING OPERATIONS

THREE MONTHS ENDED JUNE 30, 2025 VERSUS 2024

NORTH AMERICA

Three Months Ended June 30, <i>(C\$000s, except operational and exchange rate information)</i> <i>(unaudited)</i>	2025 <i>(\$)</i>	2024 <i>(\$)</i>	Change <i>(%)</i>
Revenue	260,012	333,521	(22)
Adjusted EBITDA ⁽¹⁾	31,902	54,399	(41)
Adjusted EBITDA (%) ⁽¹⁾	12.3	16.3	(25)
Fracturing revenue per job (\$)	30,874	37,348	(17)
Number of fracturing jobs	8,208	8,709	(6)
Active pumping horsepower, end of period (000s)	877	964	(9)
Idle pumping horsepower, end of period (000s)	161	156	3
Total pumping horsepower, end of period (000s)	1,038	1,120	(7)
Active coiled tubing units, end of period (#)	6	6	—
Idle coiled tubing units, end of period (#)	—	1	(100)
Total coiled tubing units, end of period (#)	6	7	(14)
US\$/C\$ average exchange rate ⁽²⁾	1.3841	1.3683	1

⁽¹⁾ Refer to “Non-GAAP Measures” on page 17 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Revenue from Calfrac’s North American operations decreased to \$260.0 million during the second quarter of 2025 from \$333.5 million in the comparable quarter of 2024. The Company’s customers in North America deferred some of their completion programs due to uncertainty around oil prices and tariffs, with the Company’s operations in the Rockies region being the most affected. The Company operated 11 fracturing fleets during the second quarter compared to 13 fleets in the comparable quarter in 2024, and made the decision to further reduce its operating footprint to 10 fleets for the third quarter to match anticipated activity levels. Pricing in North America was lower relative to the comparable quarter in 2024, which contributed to the 22 percent reduction in revenue. Coiled tubing revenue was also lower by 20 percent from the second quarter in 2024 due to a decline in activity and the completion of smaller jobs.

ADJUSTED EBITDA

The Company’s operations in North America generated Adjusted EBITDA of \$31.9 million or 12 percent of revenue during the second quarter of 2025 compared to \$54.4 million or 16 percent of revenue in the same period in 2024. This decrease was primarily due to the decline in fracturing fleet utilization in the Rockies region and lower pricing. In addition, the Company operated two fewer fleets during the second quarter in 2025 compared to the same quarter in 2024. At the end of the second quarter, the Company took measures to reduce its divisional, district and corporate support personnel in North America to align with the planned reductions to its operating fleet. The costs savings associated with these reductions are expected to materialize beginning in the third quarter.

ARGENTINA

Three Months Ended June 30,	2025	2024	Change
<i>(C\$000s, except operational and exchange rate information)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
<i>(unaudited)</i>			
Revenue	142,279	92,526	54
Adjusted EBITDA ⁽¹⁾	48,579	14,659	231
Adjusted EBITDA (%) ⁽¹⁾	34.1	15.8	116
Fracturing revenue per job (\$)	82,667	84,510	(2)
Number of fracturing jobs	1,009	581	74
Active pumping horsepower, end of period (000s)	168	140	20
Idle pumping horsepower, end of period (000s)	—	—	—
Total pumping horsepower, end of period (000s)	168	140	20
Active coiled tubing units, end of period (#)	6	5	20
Idle coiled tubing units, end of period (#)	—	—	—
Total coiled tubing units, end of period (#)	6	5	20
Active cementing units, end of period (#)	9	10	(10)
Idle cementing units, end of period (#)	—	1	(100)
Total cementing units, end of period (#)	9	11	(18)
US\$/C\$ average exchange rate ⁽²⁾	1.3841	1.3683	1

⁽¹⁾ Refer to “Non-GAAP Measures” on page 17 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Calfrac’s Argentinean operations generated revenue of \$142.3 million during the second quarter of 2025 versus \$92.5 million in the comparable quarter in 2024. The 54 percent increase in revenue was driven by the Company’s expanded operating scale in the Vaca Muerta shale play as it deployed a second unconventional fracturing fleet in the first quarter of 2025. The Company’s coiled tubing and cementing service lines also experienced year-over-year growth in activity and, as a result, Calfrac permanently transferred equipment from Las Heras to Neuquén following the completion of a long-term contract to further expand its capabilities in the Vaca Muerta.

ADJUSTED EBITDA

The Company’s operations in Argentina generated Adjusted EBITDA of \$48.6 million during the second quarter of 2025 compared to \$14.7 million in the same quarter of 2024, while the Company’s Adjusted EBITDA margins increased to 34 percent from 16 percent. This increase was primarily due to the significant revenue growth and efficiencies resulting from operating two unconventional fracturing fleets simultaneously during the second quarter as well as slightly higher pricing for spot work. In addition, the Company received a non-recurring payment of \$3.4 million related to a temporary sub-contracting arrangement.

CORPORATE

Three Months Ended June 30,	2025	2024	Change
(C\$000s)	(\$)	(\$)	(%)
(unaudited)			
Adjusted EBITDA ⁽¹⁾	(3,504)	(3,672)	(5)
% of revenue from continuing operations	(0.9)	(0.9)	—

⁽¹⁾ Refer to "Non-GAAP Measures" on page 17 for further information.

ADJUSTED EBITDA

Corporate expenses during the second quarter of 2025 were \$3.5 million or \$0.2 million lower than the second quarter of 2024.

DEPRECIATION

For the three months ended June 30, 2025, depreciation expense from continuing operations of \$32.5 million was \$4.4 million higher than the corresponding quarter in 2024. This increase was primarily due to the higher asset base resulting from the Company's fleet modernization program and fracturing fleet expansion in Argentina.

FOREIGN EXCHANGE GAINS AND LOSSES

The Company recorded a foreign exchange loss from continuing operations of \$6.5 million during the second quarter of 2025 versus a gain of \$0.4 million in the comparative three-month period of 2024. Foreign exchange gains and losses arise primarily from the translation 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 loss during the second quarter was mainly due to the revaluation of net monetary assets that were held in U.S. dollars in Canada as the Canadian dollar strengthened relative to the U.S. dollar, combined with net monetary assets that were held in pesos in Argentina as the peso devalued against the U.S. dollar during this period.

INTEREST

The Company recorded net interest expense from continuing operations of \$8.0 million for the second quarter of 2025 compared to \$7.9 million in the comparable period in 2024. Reported interest expense was consistent with the comparable period as lower interest expense related to the Company's long-term debt was offset by lower interest income. The Company's interest expense during the second quarter of 2025 included \$0.5 million of interest income generated primarily in Argentina compared to \$1.7 million in the comparable quarter in 2024.

INCOME TAXES

The Company had a current income tax expense from continuing operations of \$13.0 million during the second quarter of 2025, which mainly related to the Company's profitability in Argentina. Calfrac also recorded a deferred tax recovery of \$4.6 million in the United States due to the net loss incurred in that country during the quarter.

LIQUIDITY AND CAPITAL RESOURCES – CONTINUING OPERATIONS

	Three Months Ended Jun. 30,		Six Months Ended Jun. 30,	
	2025	2024	2025	2024
(C\$000s)				
(unaudited)				
Cash provided by (used in):				
Operating activities	73,548	9,041	66,498	20,999
Investing activities	(41,370)	(64,657)	(78,109)	(108,649)
Financing activities	17,447	42,443	34,274	99,603
Effect of exchange rate changes on cash and cash equivalents	(13,322)	1,503	(9,915)	(22)
Increase (decrease) in cash and cash equivalents	36,303	(11,670)	12,748	11,931

⁽¹⁾ All amounts in the table above exclude the results from the Company's Russia operations.

OPERATING ACTIVITIES

The Company's cash provided by operating activities for the three months ended June 30, 2025 was \$73.5 million versus cash provided of \$9.0 million in 2024. The increase was primarily due to \$16.5 million of working capital inflows during the quarter versus a cash outflow of \$50.4 million in the comparable quarter in 2024 combined with improved operating results in Argentina. The changes in non-cash working capital requirements during the quarter were mainly due to the decrease in year-over-year revenue, timing of collections and a different customer mix in North America.

INVESTING ACTIVITIES

Calfrac's net cash used in investing activities was \$41.4 million during the three months ended June 30, 2025, which included \$24.6 million of expansion capital to support the second unconventional fracturing fleet in Argentina that commenced operations in the first quarter and to complete its fleet modernization program in North America. Capital expenditures from continuing operations were \$40.8 million for the three months ended June 30, 2025 versus \$66.8 million in the comparable quarter in 2024.

Calfrac's Board of Directors approved a 2025 capital budget totalling approximately \$135.0 million plus an additional \$30.0 million of capital commitments that were delayed from the Company's 2024 capital program. As a result of reductions to the Company's North American operating footprint made during the second quarter, capital expenditures in 2025 are expected to decrease from \$165.0 million to \$145.0 million due to lower maintenance capital requirements.

FINANCING ACTIVITIES

Net cash provided by financing activities for the three months ended June 30, 2025 was \$17.4 million compared to \$42.4 million in the comparable quarter in 2024. During the quarter, the Company borrowed an additional \$20.0 million on its revolving credit facilities and paid lease principal payments of \$2.6 million.

As at June 30, 2025, the Company had credit facilities with a syndicate of lenders comprised of a \$215.0 million syndicated facility and a \$35.0 million operating facility. At the end of the second quarter, the Company had used \$2.7 million of its credit facilities for letters of credit and had \$190.0 million of borrowings under its credit facilities, leaving \$57.3 million in available liquidity.

The Company amended its revolving credit facilities on June 27, 2025 to change the definition of Bank EBITDA for the purposes of its financial covenant calculations. The previous definition of Bank EBITDA restricted Adjusted EBITDA derived from the Company's Argentina operations to a maximum of 25 percent of total Adjusted EBITDA from continuing operations. The revised Bank EBITDA definition includes EBITDA generated in North America plus any net cash flow repatriated from Argentina. The amendments also reduced the minimum net tangible assets required to be located in North America to \$700.0 million. Previously, the agreement required a minimum of \$750.0 million or 75 percent of net tangible assets from continuing operations to be located in North America.

Subsequent to the end of the quarter, the Company amended and restated its revolving credit facility agreement to include a new \$120.0 million Term Loan, which included an expansion of its lending syndicate to five Canadian financial institutions. This Term Loan is available in a single drawdown until January 15, 2026, and is repayable commencing in the third quarter following the drawdown on the Term Loan in quarterly principal payments in the amount equivalent to equal payments that fully amortize the Term Loan to zero prior to maturity. The drawdown of the Term Loan is subject to certain conditions

as set out in the amended and restated revolving credit facility agreement, which is available on the Company's SEDAR+ profile at www.sedarplus.ca. The maturity date of the amended credit facilities is the earlier of: (a) July 1, 2028; or (b) two months prior to the maturity of the Second Lien Notes on March 15, 2026 (see Note 4 of the interim consolidated financial statements).

The Company may prepay principal on its credit facilities without penalty, however, any principal repaid on the Term Loan may not be re-drawn. 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. The interest rates for the Term Loan range from 3.75 percent to 4.25 percent above the base rates for CORRA-based loans, and a standby fee of 0.75 percent applies from closing date until the date of the drawdown.

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 June 30, 2025.

	Covenant	Actual
As at June 30,	2025	2025
Interest coverage ratio not to fall below ⁽¹⁾	2.75x	3.43x
Funded Debt to Bank EBITDA not to exceed ⁽²⁾⁽³⁾	3.00x	1.50x
Total Debt to Bank EBITDA not to exceed ⁽²⁾⁽³⁾	4.00x	2.94x

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

⁽²⁾ 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.

⁽³⁾ Bank EBITDA is defined in non-GAAP measures section on page 17.

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 of the interim consolidated financial statements for further details.

The Company continues to evaluate various financing options to address the maturity of its Second Lien Notes. Although the Company is still exploring options on the optimal path forward for refinancing as of the approval date of this MD&A, management believes that the recent successful amendment of the Company's revolving credit facility agreement, including the addition of a \$120.0 million delay draw term facility, provides Calfrac with the flexibility to repay its Second Lien Notes prior to the springing maturity date of the revolving credit facility.

EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS

The effect of changes in foreign exchange rates on the Company's cash and cash equivalents during the three months ended June 30, 2025 was a loss of \$13.3 million versus a gain of \$1.5 million in the comparable period in 2024. The loss was due to the impact of foreign exchange rate movements on cash, working capital and monetary liabilities held by the Company in U.S. dollars and Argentinean pesos during the quarter.

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.

At June 30, 2025, the Company had a cash position of \$51.8 million from continuing operations, of which over half was held in Argentina. The majority of the cash in Argentina was subsequently repatriated to North America in July and used to reduce the outstanding draw on the Company's revolving credit facilities. The Company faces certain restrictions on the amount and timing of cash that can be repatriated out of Argentina. While the rules are expected to continue to moderate favourably, the current stability of the Argentine peso and the reformed cash repatriation regime has allowed for the repayment of intercompany liabilities on an accelerated timeline. As the Argentinean economy and operations continue to improve, the Company will repatriate excess funds generated in Argentina, to the extent allowed, in order to reduce its debt position. The Company's cash balance excludes all cash held in Russia (see note 3 of the interim consolidated financial

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

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 and performance share units under the Company's shareholder-approved omnibus incentive plan. The number of shares reserved for issuance under the plan is equal to 10 percent of the Company's issued and outstanding common shares. As at August 7, 2025, the Company had issued and outstanding 85,889,459 common shares, 798,672 performance share units, 1,863,569 performance stock options, and 2,054,991 stock options.

SUMMARY OF QUARTERLY RESULTS – CONTINUING OPERATIONS

Three Months Ended	Sep. 30, 2023	Dec. 31, 2023	Mar. 31, 2024	Jun. 30, 2024	Sep. 30, 2024	Dec. 31, 2024	Mar. 31, 2025	Jun. 30, 2025
<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	483,093	421,402	330,096	426,047	430,109	381,230	370,057	402,291
Adjusted EBITDA ⁽¹⁾	91,286	62,591	26,057	65,386	65,039	34,512	55,317	76,977
Net income (loss)	97,523	13,202	(2,903)	24,549	(6,687)	(6,424)	7,796	15,325
Per share – basic	1.20	0.16	(0.03)	0.29	(0.08)	(0.07)	0.09	0.18
Per share – diluted	1.09	0.15	(0.03)	0.29	(0.08)	(0.07)	0.09	0.18
Capital expenditures	50,825	49,397	48,072	66,753	22,509	32,955	42,132	40,834
Working capital (end of period) ⁽²⁾	260,372	202,252	215,474	260,234	289,456	229,856	266,087	249,751
Working capital (end of period) ⁽³⁾	283,680	236,392	273,712	303,889	307,139	123,902	(59,545)	(51,159)
Total equity (end of period)	596,141	615,903	623,743	653,498	643,776	653,330	660,262	655,814
Operating (end of period)								
Active pumping horsepower (000s)	1,174	1,173	1,090	1,103	1,148	1,155	1,051	1,045
Idle pumping horsepower (000s)	70	72	156	156	111	—	116	161
Total pumping horsepower (000s)	1,244	1,245	1,246	1,259	1,259	1,155	1,167	1,206
Active coiled tubing units (#)	11	11	11	11	12	12	12	12
Idle coiled tubing units (#)	2	1	1	1	1	—	—	—
Total coiled tubing units (#)	13	12	12	12	13	12	12	12
Active cementing units (#)	10	10	10	10	10	10	9	9
Idle cementing units (#)	1	1	1	1	1	1	—	—
Total cementing units (#)	11	11	11	11	11	11	9	9

⁽¹⁾ Refer to "Non-GAAP Measures" on page 17 for further information.

⁽²⁾ Working capital excludes cash and cash equivalents and the current portion of long-term debt.

⁽³⁾ Working capital calculated as current assets minus current liabilities.

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 (refer to "Business Risks" below).

SEASONALITY OF BUSINESS

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 (refer to “Business Risks” below). 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 the first quarter. 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 the first quarter into the second quarter, and appears to be normalizing the impacts of spring-up break-up that had previously been significant. 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 from Calfrac’s continuing operations are directly affected by fluctuations in the United States and Argentinean foreign currency exchange rates (refer to “Business Risks” below).

FINANCIAL OVERVIEW – CONTINUING OPERATIONS

SIX MONTHS ENDED JUNE 30, 2025 VERSUS 2024

NORTH AMERICA

Six Months Ended June 30,	2025	2024	Change
<i>(C\$000s, except operational and exchange rate information)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
<i>(unaudited)</i>			
Revenue	487,914	582,480	(16)
Adjusted EBITDA ⁽¹⁾	38,033	69,271	(45)
Adjusted EBITDA (%) ⁽¹⁾	7.8	11.9	(34)
Fracturing revenue per job (\$)	27,881	35,618	(22)
Number of fracturing jobs	16,917	15,885	6
Active pumping horsepower, end of period (000s)	877	964	(9)
Idle pumping horsepower, end of period (000s)	161	156	3
Total pumping horsepower, end of period (000s)	1,038	1,120	(7)
Active coiled tubing units, end of period (#)	6	6	—
Idle coiled tubing units, end of period (#)	—	1	(100)
Total coiled tubing units, end of period (#)	6	7	(14)
US\$/C\$ average exchange rate ⁽²⁾	1.4094	1.3586	4

⁽¹⁾ Refer to "Non-GAAP Measures" on page 17 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Revenue from Calfrac's North American operations decreased to \$487.9 million during the first six months of 2025 from \$582.5 million in the comparable period in 2024. The Company's North American activity was impacted by extreme cold weather during the first quarter and lower activity during the second quarter due to customers deferring work in response to uncertainty around tariffs and commodity prices. The Company's client mix was different than the comparable period in 2024 as a larger number of smaller jobs were completed which impacted the reported fracturing revenue per job. The Company reduced its operating footprint to 11 active fracturing fleets to begin the first quarter to address the seasonal challenges experienced in the Rockies region. The Company recommenced operations in the Appalachian basin in January with an additional fracturing crew, which partially offset the lower revenue experienced in the Rockies. Pricing in North America was lower relative to the comparable period in 2024, which contributed to the 16 percent reduction in revenue. Coiled tubing revenue was consistent with the first half in 2024 as slightly higher activity was offset by the completion of smaller jobs.

ADJUSTED EBITDA

The Company's operations in North America generated Adjusted EBITDA of \$38.0 million during the first six months of 2025 compared to \$69.3 million in the comparable period in 2024. This decrease in Adjusted EBITDA was largely driven by lower overall fracturing fleet utilization on a reduced operating footprint, as well as lower overall pricing levels. While utilization improved sequentially from the first quarter of 2025, it was not to the same level as the comparable quarter in 2024.

ARGENTINA

Six Months Ended June 30,	2025	2024	Change
<i>(C\$000s, except operational and exchange rate information)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
<i>(unaudited)</i>			
Revenue	284,434	173,663	64
Adjusted EBITDA ⁽¹⁾	101,844	30,759	231
Adjusted EBITDA (%) ⁽¹⁾	35.8	17.7	102
Fracturing revenue per job (\$)	100,539	79,064	27
Number of fracturing jobs	1,750	1,253	40
Active pumping horsepower, end of period (000s)	168	140	20
Idle pumping horsepower, end of period (000s)	—	—	—
Total pumping horsepower, end of period (000s)	168	140	20
Active coiled tubing units, end of period (#)	6	5	20
Idle coiled tubing units, end of period (#)	—	—	—
Total coiled tubing units, end of period (#)	6	5	20
Active cementing units, end of period (#)	9	10	(10)
Idle cementing units, end of period (#)	—	1	(100)
Total cementing units, end of period (#)	9	11	(18)
US\$/C\$ average exchange rate ⁽²⁾	1.4094	1.3586	4

⁽¹⁾ Refer to "Non-GAAP Measures" on page 17 for further information.

⁽²⁾ Source: Bank of Canada.

REVENUE

Calfrac's Argentinean operations generated revenue of \$284.4 million during the first six months of 2025 versus \$173.7 million in the comparable period in 2024. The 64 percent increase in revenue was primarily due to the commencement of the Company's second unconventional fracturing fleet in the Vaca Muerta shale play during the first quarter of 2025. This new fracturing fleet in Argentina operated on a spot basis during the first six months of the year and delivered strong operating and financial performance. The Company also demonstrated growth in activity across its other service lines as the Company permanently transferred equipment from Las Heras to Neuquén to meet growing demand from unconventional completions activity in the Vaca Muerta shale play.

ADJUSTED EBITDA

The Company's operations in Argentina generated Adjusted EBITDA of \$101.8 million or 36 percent of revenue during the first six months of 2025 versus \$30.8 million or 18 percent of revenue in the comparable period in 2024. This increase was primarily due to the change in operating scale in the Vaca Muerta shale play and higher spot pricing during the first six months of 2025.

CORPORATE

Six Months Ended June 30, (C\$000s) (unaudited)	2025	2024	Change
	(\$)	(\$)	(%)
Adjusted EBITDA ⁽¹⁾	(7,583)	(8,587)	(12)
% of revenue from continuing operations	(1.0)	(1.1)	(9)

⁽¹⁾ Refer to "Non-GAAP Measures" on page 17 for further information.

ADJUSTED EBITDA

Corporate expenses from continuing operations were \$7.6 million during the first six months in 2025 versus \$8.6 million in the comparable period in 2024. This decrease in corporate expenses was primarily due to a restructuring of the Corporate division and other cost savings initiatives that were implemented during the first six months of 2025 combined with a decrease in performance-based compensation.

DEPRECIATION

Depreciation expense from continuing operations increased by \$8.4 million from \$56.0 million in 2024 to \$64.4 million during the first six months of 2025. This increase was primarily due to the higher asset base resulting from the Company's fleet modernization program and fracturing fleet expansion in Argentina.

FOREIGN EXCHANGE GAINS AND LOSSES

The Company recorded a foreign exchange loss from continuing operations of \$8.2 million during the first six months of 2025 versus a gain of \$1.5 million in the comparative period of 2024. Foreign exchange gains and losses arise primarily from the translation 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 loss during the first half of 2025 was mainly due the revaluation of net monetary assets that were held in U.S. dollars in Canada as the Canadian dollar strengthened relative to the U.S. dollar, combined with net monetary assets that were held in pesos in Argentina as the peso devalued against the U.S. dollar during this period.

INTEREST

The Company's interest expense from continuing operations of \$15.9 million during the first six months of 2025 was \$2.0 million higher than the comparable period in 2024. The increase in reported interest expense was primarily due to lower interest income. The Company's reported interest expense included \$0.8 million of interest income generated in Argentina versus \$3.9 million of interest income in the comparable period in 2024.

INCOME TAXES

The Company recorded an income tax expense from continuing operations of \$14.7 million during the first six months in 2025 compared to an expense of \$2.0 million in the comparable period in 2024. The Company had current tax expense of \$27.2 million which was primarily related to Argentina. The Company recorded a deferred tax recovery of approximately \$12.6 million in the United States due to the loss incurred during the period.

OUTLOOK

NORTH AMERICA

The uncertainty caused by geopolitical tensions, OPEC+ supply increases, and shifting United States trade and tariff policies, have resulted in mixed signals regarding the outlook for the global economy, which continues to weigh on near-term crude oil prices. Although these events have not yet triggered a meaningful North American supply response, oil-weighted completion activity is expected to be lower year-over-year, but more resilient than past cycles as a focus on capital discipline by the E&P sector has resulted in activity that only supports the maintenance of current production levels. Completions activity within natural gas producing regions in North America is anticipated to be slightly higher than the previous year given the relative strength in natural gas prices.

The Company continues to evaluate the implication of tariffs across its North American operations. The Company has applied for or received tariff exemptions for certain critical items that are sourced from the United States.

Calfrac's previously announced Tier IV fleet modernization program was completed during the second quarter. These strategic investments in next-generation Dynamic Gas Blending ("DGB") pumping technology have resulted in the Company exiting the quarter with the equivalent of five Tier IV DGB fleets operating in the field. Calfrac's dual-fuel capable fracturing fleets in North America are expected to remain in high demand during the third quarter, despite the current headwinds. Furthermore, the Company's go-forward capital expenditure requirements are expected to decrease significantly as growth capital expenditures will be replaced with minimal maintenance capital.

At the end of the second quarter, the Company made the decision to reduce its operating footprint to 10 fleets in North America to align with anticipated activity levels for the remainder of the year. Calfrac also took corresponding measures to reduce its divisional, district and corporate support personnel in North America.

ARGENTINA

Argentina continued to demonstrate year-over-year operational and financial improvement by achieving record six-month financial performance during the first half of 2025. Calfrac expects its full-year financial results in Argentina will be very strong, but activity levels are anticipated to decline in the second half of the year due to budget exhaustion in the Vaca Muerta shale play. The Company performed spot work with its second large fracturing fleet in Neuquén during the first half of 2025; however, utilization of this fleet is expected to be lower during the remainder of the year.

The completion of the Company's 2025 capital program in Argentina will add in-house wireline capabilities that were previously subcontracted and will further bolster Calfrac's service offering in the Vaca Muerta shale play. The stability of the Argentine peso and the reformed cash repatriation regime has allowed Calfrac to transfer approximately US\$24.0 million to North America in July, which has been used to repay a portion of the draw on the Company's revolving credit facilities.

CORPORATE

Calfrac remains committed to its strategic priorities of maximizing net income and deploying excess free cash flows to reduce its long-term debt. While the Company continues to evaluate the optimal financing strategy, the successful amendment of the revolving credit facility agreement enhances Calfrac's flexibility to repay its Second Lien Notes prior to their maturity. Management also continues to maintain a stringent focus on cost management and prudent capital allocation throughout the current cycle to deliver on its strategic priorities, including the reduction of long-term debt over the next couple of years.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

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 these financial statements 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 June 30, 2025 (see note 3 of the interim consolidated financial statements). 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.

	Three Months Ended Jun. 30,			Six Months Ended Jun. 30,		
	2025	2024	Change	2025	2024	Change
<i>(C\$000s, except per share amounts)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>	<i>(\$)</i>	<i>(\$)</i>	<i>(%)</i>
<i>(unaudited)</i>						
Revenue	43,131	41,651	4	74,115	78,450	(6)
Adjusted EBITDA	7,859	9,922	(21)	10,510	14,628	(28)
Adjusted EBITDA (%)	18.2	23.8	(24)	14.2	18.6	(24)

For additional information related to Calfrac's assets held for sale, see note 3 of the interim consolidated financial statements for the three and six months ended June 30, 2025 and the Company's Annual Information Form for the year ended December 31, 2024 under the heading "Discontinued Operations" which are available on the Company's SEDAR+ profile at www.sedarplus.ca.

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 revolving credit facility. Adjusted EBITDA for the period was calculated as follows:

	Three Months Ended Jun. 30,		Six Months Ended Jun. 30,	
	2025	2024	2025	2024
(C\$000s)	(\$)	(\$)	(\$)	(\$)
(unaudited)				
Net income from continuing operations	15,325	24,549	23,121	21,646
Add back (deduct):				
Depreciation	32,451	28,033	64,373	56,028
Foreign exchange losses (gains)	6,543	(435)	8,236	(1,484)
Loss (gain) on disposal of property, plant and equipment	901	(143)	1,025	(6,384)
Restructuring charges	5,380	1,407	5,896	1,407
Stock-based compensation	—	2,118	(925)	4,303
Interest, net	7,961	7,894	15,905	13,926
Income taxes	8,416	1,963	14,663	2,001
Adjusted EBITDA from continuing operations	76,977	65,386	132,294	91,443
Less: IFRS 16 lease payments	(2,990)	(3,216)	(6,669)	(6,451)
Less: Bank EBITDA adjustments ⁽¹⁾	(42,317)	(3,148)	(81,761)	(8,576)
Bank EBITDA for covenant purposes	31,670	59,022	43,864	76,416

⁽¹⁾ Refer to note 4 of the Company's interim consolidated financial statements for the three and six months ended June 30, 2025.

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 plus lease obligations, less cash and cash equivalents from continuing operations. The calculation of net debt is disclosed in note 10 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 2024 annual consolidated financial statements.

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

This MD&A is based on the Company's interim consolidated financial statements for the three and six months ended June 30, 2025, 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 2024 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 new 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 \$1.9 million at June 30, 2025, 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 fair value of the Second Lien Notes, as measured based on the quoted market price at June 30, 2025 was \$163.0 million, which approximated their face value

(December 31, 2024 – \$171.6 million). 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.

ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets that are carried at fair value, which are specifically exempt from this requirement.

An impairment loss is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the asset is recognized at the date of derecognition.

Assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized.

Assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities directly associated with assets classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

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 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, the Company has adjusted the Russian division's current and long-term assets to reflect their revised expected recoverable amount as at June 30, 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.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
(C\$000s)	(\$)	(\$)	(\$)	(\$)
Impairment of property, plant and equipment	4,844	484	6,305	1,177
Impairment of inventory	2,749	4,954	6,079	7,368
Impairment of other assets	743	5,240	1,083	5,475
	8,336	10,678	13,467	14,020

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 2024 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.

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.

RELATED-PARTY TRANSACTIONS

The Company leases certain premises from a company controlled by Ronald P. Mathison. The rent charged for these premises during the six months ended June 30, 2025 was \$0.5 million (six months ended June 30, 2024 – \$0.5 million), as measured at the exchange amount, which is based on market rates at the time these lease arrangements were made.

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 2024 consolidated annual financial statements.

INTERNAL CONTROL OVER FINANCIAL REPORTING

There have been no changes in the Company's internal control over financial reporting that occurred during the interim period ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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. Copies of the Annual Information Form may also be obtained on request without charge from Calfrac at Suite 500, 407 – 8th Avenue S.W., Calgary, Alberta, Canada, T2P 1E5, or at www.calfrac.com, or by facsimile at 403-266-7381.

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 prospects of, the global oil and gas industry; activity, demand, utilization and outlook for the Company’s continuing operations, including the potential impacts of, and mitigation strategies for, the trade tariffs implemented by the U.S. and Canada on the Company’s North American segment and the strong activity and profitability outlook for the Argentina segment; the Company’s debt, liquidity and financial position, including with respect to a refinancing of the Company’s revolving credit facility agreement and the Company’s ability to repay its Second Lien Notes; the Company’s capital structure, restrictions under its lending documents and ability to raise capital; the supply and demand fundamentals of the pressure pumping industry; input costs, margin and service pricing trends and strategies; operating and financing strategies, performance, priorities, metrics and estimates, such as the Company’s strategic priorities to reduce debt, to manage its cost structure and prudently deploy capital to maximize long-term returns to shareholders; the Company’s ability to repatriate cash from Argentina and the timing thereof; the Company’s Russian segment, including the planned sale of the Russian division, the ongoing risks, uncertainties and restrictions relating to its business and operations, the regulatory approvals to complete a sale transaction and the Company’s compliance with applicable laws and sanctions; future financial resources and performance; future costs or potential liabilities; the Company’s service quality; capital investment plans, including the impacts of the Company’s fleet modernization plan in North America and wireline investments in Argentina and an expected reduction in growth and maintenance capital; accounting policies, practices, standards and judgements of the Company; and 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 war 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 level of merger and acquisition activity among oil and gas producers and its impact on the demand for well completion services; the anticipated effects of artificial intelligence power requirements and the commissioning of liquified natural gas terminals on supply and demand fundamentals for oil and natural gas; the ability of newly deployed Tier IV DGB pumping units to achieve manufacturer claims with respect to operational performance, diesel displacement and costs savings in the field; the effect of environmental, social and governance factors on customer and investor preferences and capital deployment; the status of the military conflict in the Ukraine and related Canadian, United States and international sanctions and restrictions involving Russia and counter-sanctions, restrictions, and political measures that may be undertaken in respect of the Company’s ownership and planned sale of the Russian division; industry equipment levels including the number of active fracturing fleets marketed by the Company’s competitors and the timing of deployment of the Company’s fleet upgrades; 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; and the likelihood that the current tax and regulatory regime will remain substantially unchanged.

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; a shift in strategy by exploration and production companies prioritizing shareholders returns over production growth; excess equipment levels; impacts of conservation measures and technological advances on the demand for the Company’s services; an intensely competitive oilfield services industry; and hazards inherent in the industry; (B) geopolitical risks, including but not limited to, the continued impacts of the trade war between Canada and United States; foreign operations exposure, including risks relating to repatriation of cash from foreign jurisdictions, unsettled political conditions, war, foreign exchange rates and controls; and risks that the sale of the discontinued operations in Russia may not occur or may be delayed; (C) financial risks, including but not limited to, restrictions on the Company’s access to capital, including the impacts of covenants under the Company’s lending documents; direct and indirect exposure to volatile credit markets, including interest rate risk; fluctuations in currency exchange rates; price escalation and availability of raw materials, diesel fuel and component parts; actual results which are materially different from management estimates and assumptions; the Company’s access to capital and common share price given a significant number of common shares are controlled by two directors of the Company; possible dilution from outstanding stock-based compensation, additional equity or debt securities; and changes in tax rates or reassessment risk

by tax authorities; (D) business operations risks, including but not limited to, fleet reinvestment risk, including the ability of the Company to finance the capital necessary for equipment upgrades to support its operational needs while meeting government and customer requirements and preferences; risks of delays and quality of equipment due to Company's reliance on equipment manufacturers, suppliers and fabricators; seasonal volatility; constrained demand for the Company's services due to merger and acquisition activity; a concentrated customer base; cybersecurity risks; difficulty retaining, replacing or adding personnel; failure to continuously improve equipment, proprietary fluid chemistries and other products and services; climate change; failure to maintain safety standards and records; improper access to confidential information; failure to effectively and timely address the energy transition; risks of various types of activism; and failure to realize anticipated benefits of acquisitions and dispositions; (E) legal and regulatory risks, including but not limited to, federal, provincial and state legislative and regulatory initiatives and laws; health, safety and environmental laws and regulations; the direct and indirect costs of various existing and proposed climate change regulations; and legal and administrative proceedings. 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 public filings found at www.sedarplus.ca.