KODIAK GAS SERVICES™

Critical. Energy. Infrastructure.

Q2 2024 EARNINGS PRESENTATION

August 2024

KGS LISTED NYSE

Disclaimer

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Cautionary Note Regarding Forward-Looking Statements. This presentation contains, and our officers and representatives may from time to time make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding: (i) expected operating results, such as revenue growth and earnings, including changes due to the acquisition of CSI Compressco (the "CSI Acquisition"), and our ability to service our indebtedness; (ii) anticipated levels of capital expenditures and uses of capital; (iii) current or future volatility in the credit markets and future market conditions; (iv) potential and pending acquisition transactions or other strategic transactions, the timing thereof, the receipt of necessary approvals to close those transactions, our ability to finance such transactions and our ability to achieve the intended operational, financial and strategic benefits from any such transactions; (v) expected synergies and efficiencies to be achieved as a result of the CSI Acquisition; (vi) expectations regarding leverage and dividend profile as a result of the CSI Acquisition, including the amount and timing of future dividend payments; (vii) expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings; (viii) production and capacity forecasts for the natural gas and oil industry; (ix) strategy for customer retention, growth, fleet maintenance, market position, and financial results; (x) our interest rate hedges; and (xi) strategy for risk management.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not place undue reliance on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (i) a reduction in the demand for natural gas and oil; (ii) the loss of, or the deterioration of the financial condition of, any of our key customers; (iii) nonpayment and nonperformance by our customers, suppliers or vendors; (iv) competitive pressures that may cause us to lose market share; (v) the structure of our Contract Services contracts and the failure of our customers to continue to contract for services after expiration of the primary term; (vi) our ability to successfully integrate any acquired business, including CSI Compressco, and realize the expected benefits thereof; (vii) our ability to fund purchases of additional compression equipment; (viii) a deterioration in general economic, business, geopolitical or industry conditions, including as a result of the conflict between Russia and Ukraine, inflation, and slow economic growth in the United States; (ix) tax legislation and administrative initiatives or challenges to our tax positions; (x) the loss of key management, operational personnel or qualified technical personnel; (xi) our dependence on a limited number of suppliers; (xii) the cost of compliance with existing governmental regulations and proposed governmental regulations, including climate change legislation; (xiii) the cost of compliance with regulatory initiatives and stakeholder pressures, including environmental, social and governance scrutiny; (xiv) the inherent risks associated with our operations, such as equipment defects and malfunctions; (xv) our reliance on third-party components for use in our information technology systems; (xvi) legal and reputational risks and expenses relating to the privacy, use and security of employee and client information; (xvii) threats of cyber-attacks or terrorism; (xviii) agreements that govern our debt contain features that may limit our ability to operate our business and fund future growth and also increase our exposure to risk during adverse economic conditions; (xix) volatility in interest rates; (xx) our ability to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require; (xxi) the effectiveness of our disclosure controls and procedures; and (xxii) such other factors as discussed throughout the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of our Annual Report on Form 10-K for the year ended December 31, 2023, as filed with the U.S. Securities and Exchange Commission.

Any forward-looking statement made by us in this news release is based only on information currently available to us and speaks only as of the date on which it is made. Except as may be required by applicable law, we undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future developments or otherwise.

Non-GAAP Financial Measures. This presentation contains certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP"), including Adjusted Gross Margin, Adjusted Gross Margin Percentage, Adjusted EBITDA, Adjusted EBITDA Percentage, Discretionary Cash Flow and Free Cash Flow. Such non-GAAP measures should not be considered an alternative to, or more meaningful than, the most directly comparable measure of financial performance presented in accordance with GAAP. Moreover, such non-GAAP measures may not be comparable to similarly titled measures of other companies. However, we believe these non-GAAP financial measures provide useful information to investors because, when viewed with our GAAP results and the accompanying reconciliation, they provide a more complete understanding of our performance than GAAP results alone.

Industry & Market Data. The market data and certain other statistical information used throughout this presentation are based on independent industry publications, government publications or other published independent sources. Although we believe these third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. Some data is also based on our good faith estimates and our management's understanding of industry conditions. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in these publications.

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Overview

A leading provider of domestic energy infrastructure, enabling the reliable and secure flow of natural gas and oil to feed growing global demand

AT-A-GLANCE [1, 2, 3]

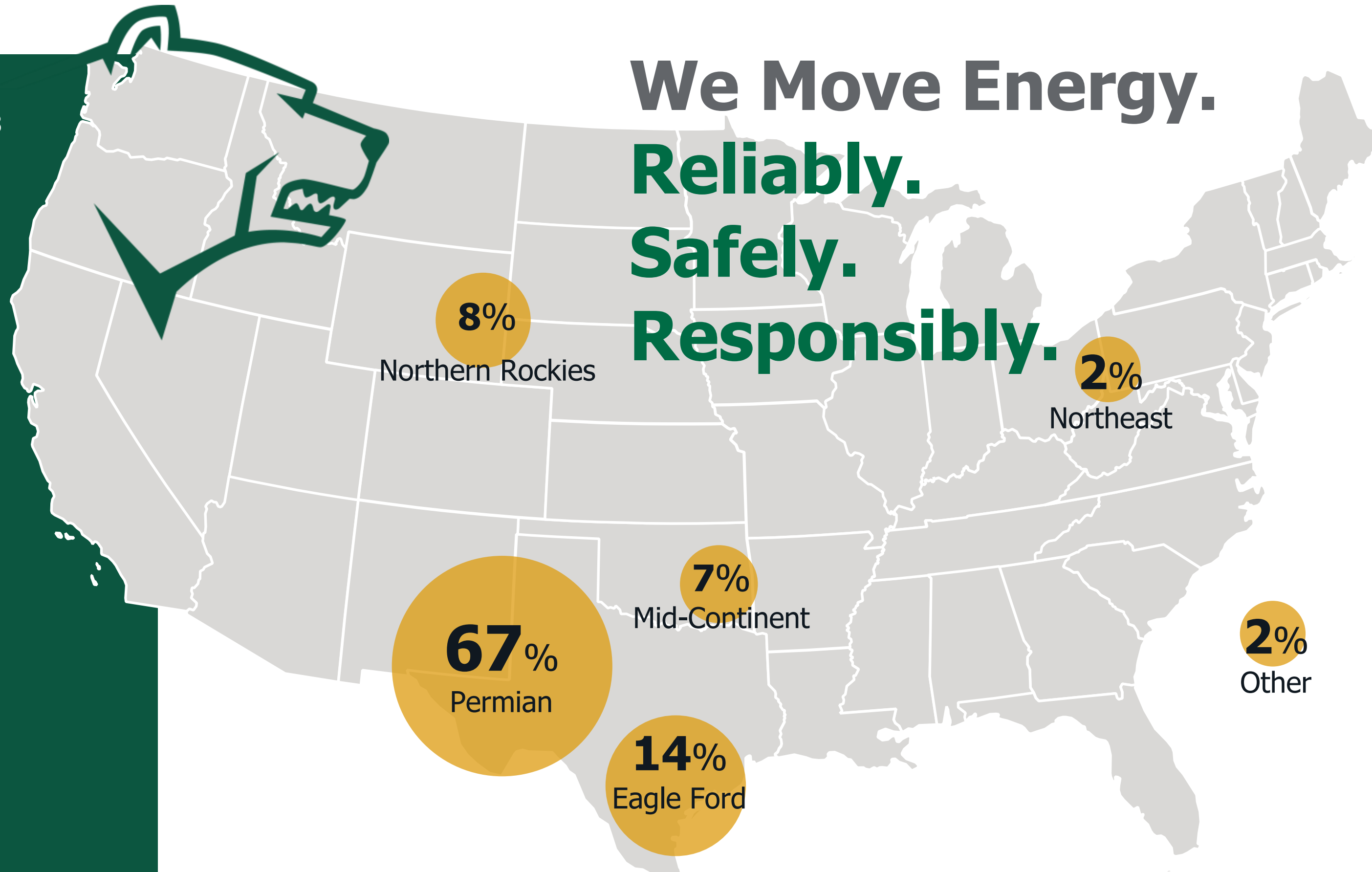
Market Cap
$2.6 billion

Enterprise Value
$5.1 billion

Dividend Yield
5.7%

Industry-Leading
4.5 million
Fleet Horsepower

We Move Energy.
Reliably.
Safely.
Responsibly.



[1] Based on KGS stock price as of August 8, 2024, dividend yield based on second quarter 2024 dividend of $0.41 per share annualized
[2] Market capitalization and enterprise value are calculated as of August 8, 2024 and debt outstanding as of June 30, 2024
[3] Fleet horsepower as of June 30, 2024

Investment Thesis

Leading Market Position

- Purpose-built fleet of 4.5 million HP[1]
- Market leader with 2.8 million of large HP compression in the Permian[1]

Industry Leader in Both Growth & Utilization

- 0 to 4.5 million horsepower in 12 years
- ~98% utilization rate on >1,000 HP units

Attractive Industry Fundamentals

- Highly visible, multi-year natural gas demand growth from LNG exports
- Evolving buildout of AI data centers driving significant natural gas-fired power demand
- Tight equipment market with industrywide capital discipline

Strong and Stable Cash Returns

- Fixed-revenue contracts
- High-margin, predictable cash returns

[1] As of June 30, 2024

Industry Leading Shareholder Returns at an Attractive Valuation

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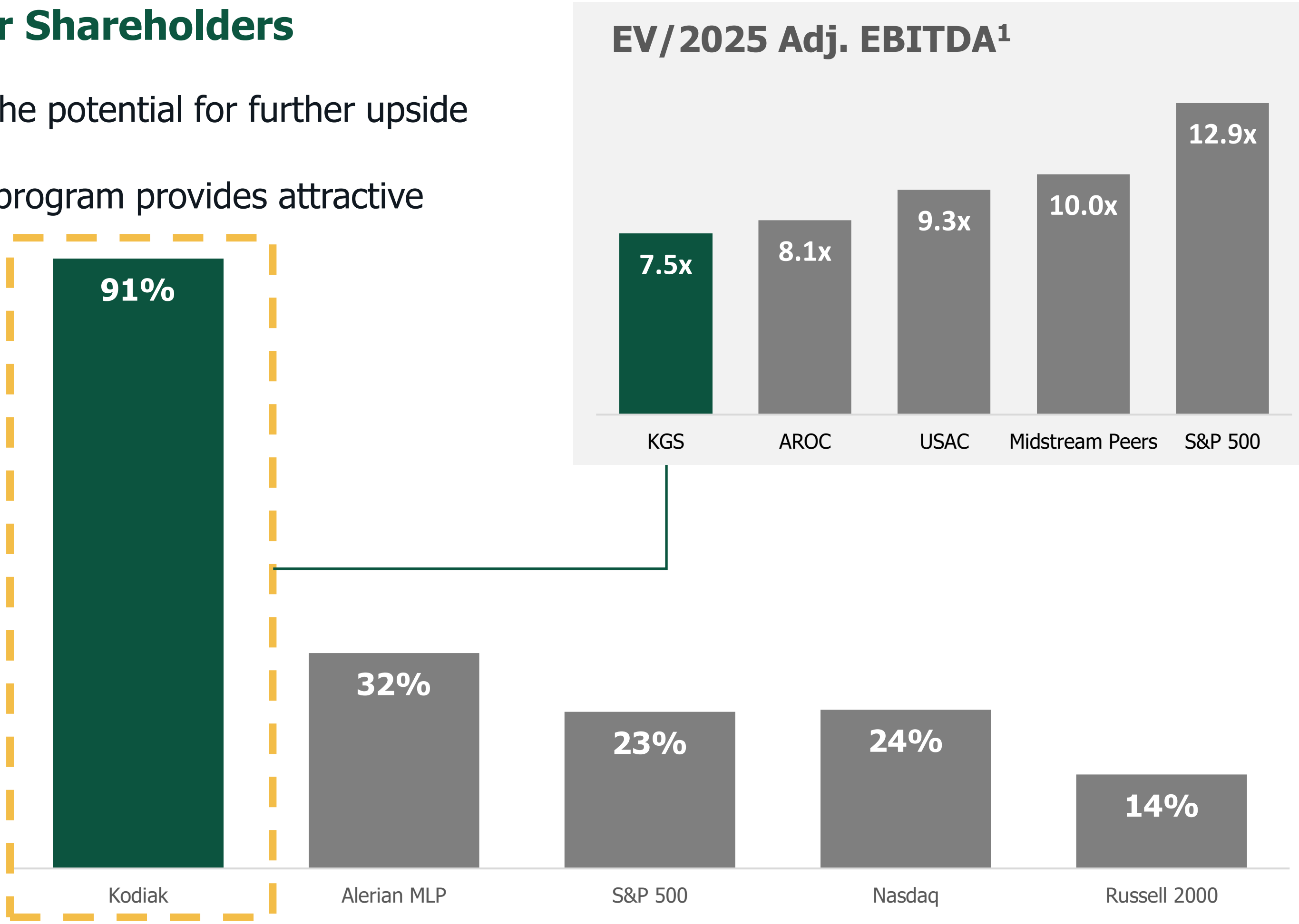
Creating Value for Shareholders

- Valuation provides the potential for further upside
- Shareholder return program provides attractive cash return

>90%

Total Shareholder Return Since KGS IPO[2]



Dividend Yield[3]	Kodiak	Alerian MLP	S&P 500	Nasdaq	Russell 2000
	5.7%	6.9%	1.4%	0.8%	1.5%

[1] Based on enterprise value and consensus estimates as of August 8, 2024; Midstream Peers consists of EPD, KMI, MPLX, OKE, TRGP, and WMB

[2] Total return based on share price change with reinvested dividends for period from June 28, 2023 to August 8, 2024

[3] KGS yield based on 2nd quarter dividend annualized and stock price as of August 8, 2024

Capital Allocation – Exceeding Expectations

	Growth	Improving Balance Sheet	Returning Capital to Shareholders
Target	Increasing fleet capacity that exceeds internal hurdle rate	Reduce leverage and strengthen the balance sheet	Target payout of ~35% of discretionary cash flow
Results	► **1.1 Million** – Horsepower added through CSI acquisition ► **0.2 Million** – Horsepower increased organically[1]	► Issued $750 million in senior unsecured notes, extending maturities ► >$400 million of available liquidity	► Increased Q2 '24 dividend by 8% to $0.41 per share ► Q2 '24 dividend coverage ratio of >2.5x

[1] Represents increase in horsepower from June 30, 2023 to June 30, 2024

[2] Represents the decrease from June 30, 2023 to June 30, 2024 and is calculated on a last quarter annualized basis

Kodiak Standalone Q2 2024 Financial & Operational Highlights

Total Revenues

$310 million

+44% vs Q1 2024

Contract Services Revenue

$276 million

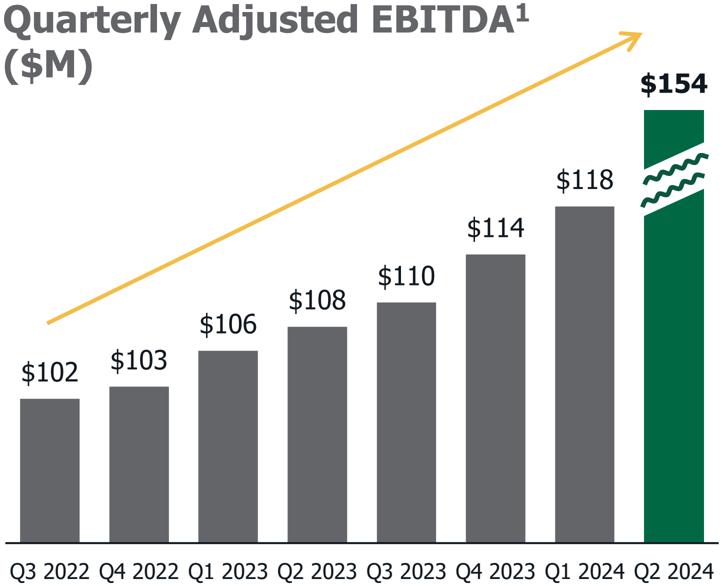
+43% vs Q1 2024

Discretionary Cash Flow[1]

$91 million

+26% vs Q1 2024

Quarterly Adjusted EBITDA[1] ($M)



Operational Statistics

41,500 HP

Increase in fleet horsepower during the second quarter

98%

Large horsepower utilization at end of Q2 2024[2]

[1] Discretionary Cash Flow and Adjusted EBITDA are non-GAAP financial measures, see Supplement Slides for reconciliations

[2] Large horsepower units are defined as having >1,000 HP

Synergy Estimate Raised to $30M+

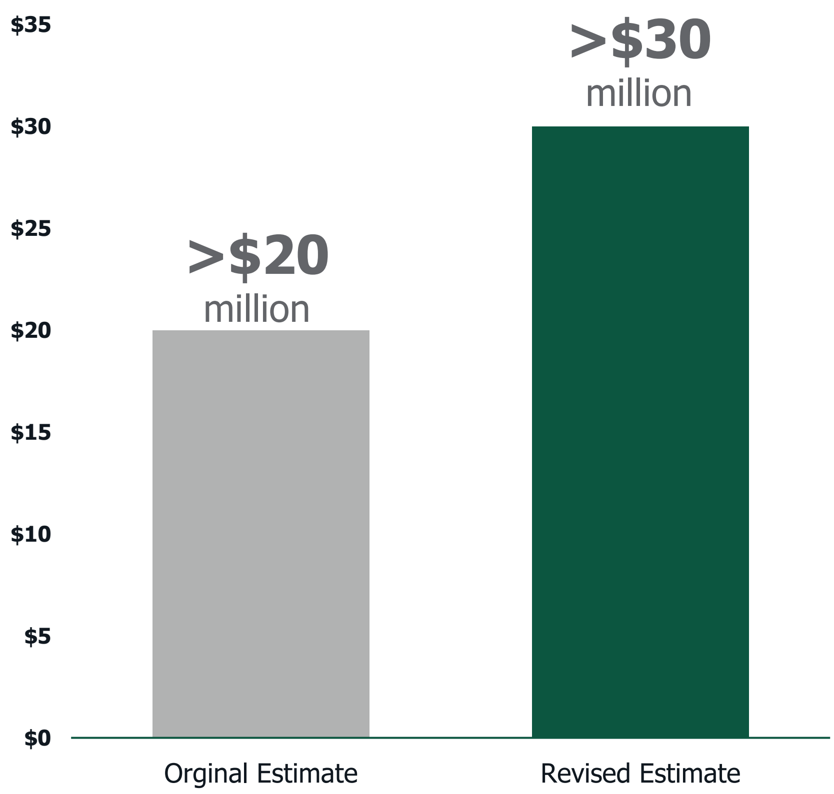
Operations / Supply Chain

- Optimized labor force and real estate footprint
- Consolidated supply contracts (lube oil, spare parts, telemetry)
- In-sourced certain repair & maintenance costs

G&A

- Eliminated duplicate public company and financial reporting costs
- Consolidated IT and payroll systems
- Reduced insurance premiums

Run-Rate Cost Synergies Exceed Expectations



New Segment Revenue Breakout

Contract Services
contracted, fixed-fee recurring revenues

- **Contract compression** – provide turnkey compression services with Kodiak-owned HP
- **Contract operations** – operate customer-owned HP for a fee
- **Gas Treating** – fee-based amine treating, dehydration and gas cooling using Kodiak-owned equipment

64%
Q2 2024 Adjusted Gross Margin[1]

Other Services
project and call-out work that generates strong free cash flow with minimal capital investment

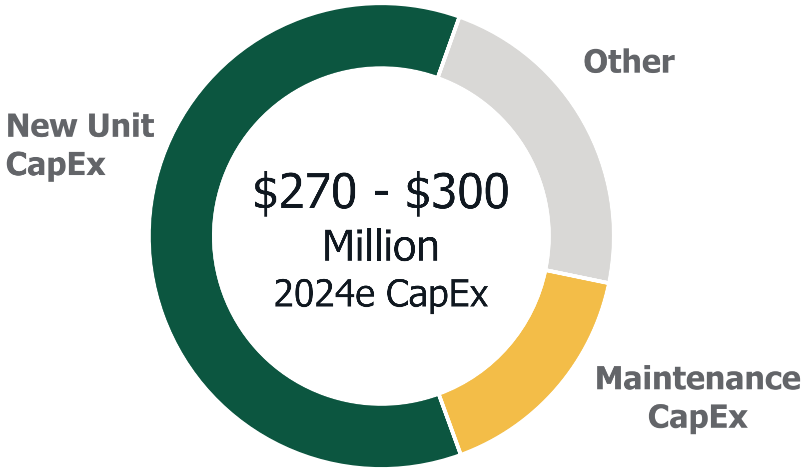
- **Station construction** – design, procurement and construction management of customer compressor stations
- **Shop services** – 3rd party compressor repair and overhauls performed in Kodiak facilities
- **Field services** – 3rd party compressor repairs performed at customer locations
- **Part sales** – full line of engine and compressor repair parts

16%
Q2 2024 Adjusted Gross Margin[1]

[1] Adjusted Gross Margin is a non-GAAP financial measure, see Supplement Slides for reconciliations

2024 Capital Plan

Full Year Capital Spending[1]

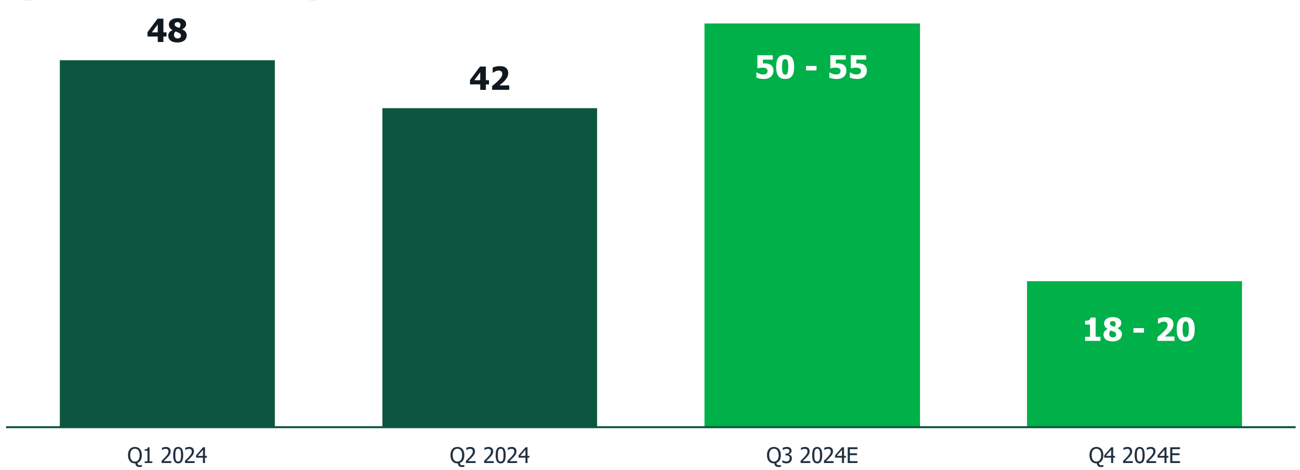


2024 New Units

>95%
Permian focused

>2,000 HP
Average horsepower per unit

New Unit Horsepower (in thousands)



90K

Organic increase horsepower in 1H24

[1] Full year capital spending excludes approximately $30 million related to the CSI acquisition and $20 million in Q2 '24 accruals related to potential Texas sales and use taxes spanning several years; Other includes all non-new unit-related growth capital expenditures.

Full-year 2024 Guidance

(All amounts below are in thousands except per share amounts and percentages)

	Low	High
Adjusted EBITDA (1)	$ 590,000	$ 610,000
Discretionary Cash Flow (1)(2)	$ 365,000	$ 385,000
Segment Information		
Contract Services revenues	$ 1,000,000	$ 1,040,000
Contract Services Adjusted Gross Margin Percentage	64%	66%
Other Services revenues	$ 120,000	$ 140,000
Other Services Adjusted Gross Margin Percentage	14%	17%
Capital Expenditures		
Growth capital expenditures, net (3)	$ 210,000	$ 230,000
Maintenance capital expenditures	$ 60,000	$ 70,000

[1] The Company is unable to reconcile projected Adjusted EBITDA to projected net income (loss) and Discretionary Cash Flow to projected net cash provided by operating activities, the most comparable financial measures calculated in accordance with GAAP, respectively, without unreasonable efforts because components of the calculations are inherently unpredictable, such as changes to current assets and liabilities, unknown future events, and estimating certain future GAAP measures. The inability to project certain components of the calculation would significantly affect the accuracy of the reconciliations.

[2] Discretionary Cash Flow assumes no change to Secured Overnight Financing Rate futures.

[3] Growth capital expenditures guidance excludes (i) approximately $30 million in one-time capital expenditures related to the CSI Acquisition, (ii) a $20 million Q2 ’24 non-cash accrual for sales taxes on compression units purchased in prior years and (iii) proceeds from the pending sale of small horsepower compression units.

No Near-Term Maturities

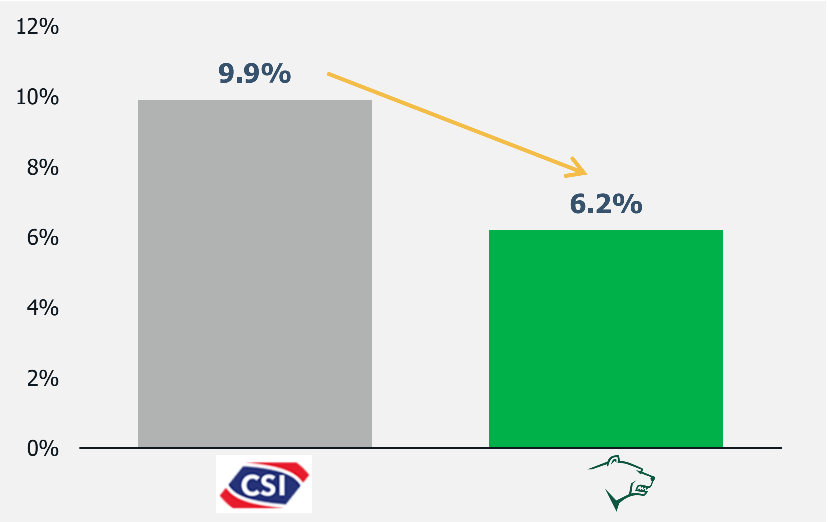
≤3.5x

Leverage ratio by year-end 2025

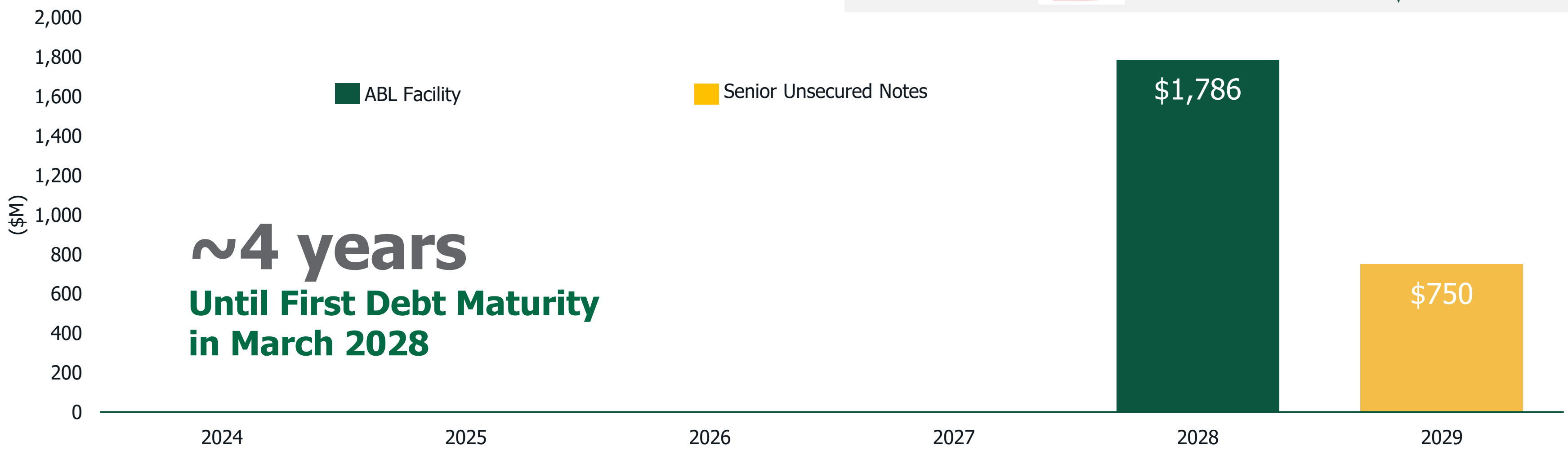
6.5%

Weighted average borrowing cost[1]

Reduced High Yield Borrowing Costs[2]



Kodiak's Debt Maturity Profile[3]



[1] Weighted average borrowing cost as of June 30, 2024; includes the effect of interest rate swaps
[2] CSI Compressco weighted average yield to maturity as of December 18, 2023 vs. Kodiak yield to worst as of August 12, 2024
[3] As of June 30, 2024

Kodiak's Value Proposition

- Leading Market Position
- Industry Leader in Both Growth & Utilization
- Attractive Industry Fundamentals
- Strong and Stable Cash Returns

SUPPLEMENTAL SLIDES

Reconciliation of Non-GAAP Financial Measures

Gross Margin to Adjusted Gross Margin

(in thousands)	2Q 2023	2Q 2024
Total revenues	**$203,306**	**$309,653**
Cost of operations (exclusive of D&A)	(83,116)	(127,269)
Depreciation and amortization	(45,430)	(69,463)
Gross margin	**$74,760**	**$112,921**
Depreciation and amortization	45,430	69,463
Adjusted Gross Margin	**$120,190**	**$182,384**

Net Cash Provided by Operating Activities to DCF and FCF

(in thousands)	2Q 2023	2Q 2024
Net cash provided by operating activities	**$94,678**	**$121,082**
Maintenance capital expenditures	(10,940)	(19,147)
Severance expense[2]	-	8,969
Transaction expenses[3]	1,072	17,387
Gain on sale of capital assets	(738)	(1,173)
Change in operating assets and liabilities	(18,800)	(32,372)
Other[3]	(399)	(4,129)
Discretionary Cash Flow	**$64,873**	**$90,617**
Growth capital expenditures[4,5,6]	(32,529)	(90,390)
Proceeds from sale of capital assets	1,023	411
Free Cash Flow	**$33,367**	**$638**

Net Income to Adjusted EBITDA

(in thousands)	2Q 2023	2Q 2024
Net income (loss)	**$17,517**	**$6,713**
Interest expense, net	73,658	52,133
Income tax expense	5,851	2,336
Depreciation and amortization	45,430	69,463
Gain on derivatives	(34,934)	(6,797)
Equity compensation expense[1]	29	5,311
Severance expense[2]	-	8,969
Transaction expenses[3]	1,072	17,387
Gain on sale of capital assets	(738)	(1,173)
Adjusted EBITDA	**$107,885**	**$154,342**

Net Income to DCF and FCF

(in thousands)	2Q 2023	2Q 2024
Net income (loss)	**$17,517**	**$6,713**
Depreciation and amortization	45,430	69,463
Change in fair value of derivatives	3,595	(52)
Deferred tax provision	3,282	843
Amortization of debt issuance costs	5,626	2,303
Equity compensation expense[1]	29	5,311
Severance expense[2]	-	8,969
Transaction expenses[3]	1,072	17,387
Gain on sale of property, plant and equipment	(738)	(1,173)
Maintenance capital expenditures	(10,940)	(19,147)
Discretionary Cash Flow	**$64,873**	**$90,617**
Growth capital expenditures[4,5,6]	(32,529)	(90,390)
Proceeds from sale of capital assets	1,023	411
Free Cash Flow	**$33,367**	**$638**

Source: Company filings; [1]For the three months ended June 30, 2024 and 2023, there were $5.3 million and $29.0 thousand of non-cash adjustments for equity compensation expense. [2]For the three months ended June 30, 2024 there was $9.0 million of severance expenses related to the CSI Acquisition. [3]Represents certain costs associated with non-recurring professional services, primarily related to the CSI Acquisition for the three months ended June 30, 2024, and other costs. [4] For the three months ended June 30, 2024 and 2023, growth capital expenditures include a $12.6 million and a $2.0 million decrease in accrued capital expenditures. [5] For the three months ended June 30, 2024 and 2023, there were $7.2 million and $4.8 million of non-unit growth capital expenditures. [6]For the three months ended June 30, 2024 and 2023, growth capital expenditures include a $19.8 million and $0.3 million, respectively. These accruals amounts are estimated based on the best known information as it relates to open audit periods with the state of Texas.

Reconciliation of Non-GAAP Financial Measures (cont'd)

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Gross Margin to Adjusted Gross Margin for Contract Services

(in thousands)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Total Revenues	$131,616	$123,499	$128,355	$132,259	$137,445	$142,622	$148,595	$154,408	$157,495	$162,808	$163,662	$170,992	$177,697	$181,619	$186,673	$189,616	$193,399	$276,250
Cost of Operations (excluding D&A)	(45,899)	(39,045)	(39,897)	(43,110)	(43,269)	(47,929)	(51,124)	(50,491)	(52,937)	(58,336)	(55,872)	(58,570)	(62,770)	(65,017)	(65,470)	(63,835)	(65,882)	(99,333)
Depreciation and Amortization	(32,751)	(38,147)	(37,567)	(37,167)	(38,049)	(39,126)	(40,789)	(42,081)	(42,405)	(43,397)	(44,111)	(44,550)	(44,897)	(45,430)	(46,087)	(46,455)	(46,944)	(69,463)
Gross Margin	$52,966	$46,307	$50,891	$51,982	$56,127	$55,567	$56,682	$61,836	$62,153	$61,075	$63,679	$67,872	$70,030	$71,172	$75,116	$79,326	$80,573	$107,454
Depreciation and Amortization	32,751	38,147	37,567	37,167	38,049	39,126	40,789	42,081	42,405	43,397	44,111	44,550	44,897	45,430	46,087	46,455	46,944	69,463
Adjusted Gross Margin	$85,717	$84,454	$88,458	$89,149	$94,176	$94,693	$97,471	$103,917	$104,558	$104,472	$107,790	$112,422	$114,927	$116,602	$121,203	$125,781	$127,517	$176,917
Adjusted Gross Margin %	65.1%	68.4%	68.9%	67.4%	68.5%	66.4%	65.6%	67.3%	66.4%	64.2%	65.9%	65.7%	64.7%	64.2%	64.9%	66.3%	65.9%	64.0%

Net income to Adjusted EBITDA

(in thousands)	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024
Net income (loss)	$8,901	$45,900	$1,909	$(12,343)	$17,517	$21,766	$(6,874)	$30,232	$6,713
Interest expense, net	33,713	49,859	61,251	68,662	73,658	39,710	40,484	39,740	52,133
Tax (benefit) expense	2,781	14,337	596	(3,990)	5,851	7,904	5,305	9,875	2,336
Depreciation and amortization	43,397	44,111	44,550	44,897	45,430	46,087	46,455	46,944	69,463
Loss on extinguishment of debt	-	-	-	-	-	6,757	-	-	-
Loss (gain) on derivatives	6,502	(51,862)	(6,144)	7,995	(34,934)	(15,141)	21,814	(19,757)	(6,797)
Equity compensation expense[1]	-	-	352	879	29	2,544	2,462	2,848	5,311
Severance expense[2]	-	-	-	-	-	-	-	-	8,969
Transaction expenses[3]	1,600	-	770	201	1,072	440	4,288	7,880	17,387
Loss (gain) on sale of capital assets	-	(818)	(49)	17	(738)	-	(56)	-	(1,173)
Adjusted EBITDA	$96,894	$101,527	$103,235	$106,318	$107,885	$110,067	$113,878	$117,762	$154,342

Source: Company filings; [1]For the three months ended June 30, 2024, there were $5.3 million of non-cash adjustments for equity compensation expense. [2]For the three months ended June 30, 2024 there was $9.0 million of severance expenses related to the CSI Acquisition. [3]Represents certain costs associated with non-recurring professional services, primarily related to the CSI Acquisition for the three months ended June 30, 2024, and other costs.

THANK YOU!

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