

PROPETRO®

Investor Presentation Third Quarter 2023

November 1, 2023



Forward-Looking Statements

Except for historical information contained herein, the statements and information in this presentation, including the oral statements made in connection herewith, are forward-looking statements that are made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Statements that are predictive in nature, that depend upon or refer to future events or conditions or that include the words “may,” “could,” “plan,” “project,” “budget,” “predict,” “pursue,” “target,” “seek,” “objective,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” and other expressions that are predictions of, or indicate, future events and trends and that do not relate to historical matters identify forward-looking statements. Our forward-looking statements include, among other matters, statements about the supply of and demand for hydrocarbons, our business strategy, industry, projected financial results and future financial performance, expected fleet utilization, sustainability efforts, the future performance of newly improved technology, expected capital expenditures, the impact of such expenditures on our performance and capital programs, our fleet conversion strategy, and our share repurchase program, the projected timing, purchase price and number of shares purchased under such program, the sources of funds under the repurchase program and the impacts of the repurchase program. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable.

Although forward-looking statements reflect our good faith beliefs at the time they are made, forward-looking statements are subject to a number of risks and uncertainties that may cause actual events and results to differ materially from the forward-looking statements. These risks and uncertainties include the timing and amount of any repurchases made pursuant to the share repurchase program. Factors that could cause actual results to differ materially from those in the forward-looking statements include the volatility of and recent declines in oil prices, the operational disruption and market volatility resulting from the global macroeconomic uncertainty related to the conflict in the Israel-Gaza region and the Russia-Ukraine war, general economic conditions, including impact of continued inflation, central bank policy actions, bank failures and the risk of a global recession and other factors described in our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, particularly the “Risk Factors” sections of such filings, and other filings with the Securities and Exchange Commission (the “SEC”). In addition, we may be subject to currently unforeseen risks that may have a materially adverse impact on us, including matters related to shareholder litigation.

Accordingly, no assurances can be given that the actual events and results will not be materially different from the anticipated results described in the forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements and are urged to carefully review and consider the various disclosures made in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings made with the SEC from time to time that disclose risks and uncertainties that may affect our business. The forward-looking statements in this presentation are made as of the date of this presentation. We do not undertake, and expressly disclaim, any duty to publicly update these statements, whether as a result of new information, new developments, or otherwise, except to the extent that disclosure is required by law.

This presentation contains certain measures that are not determined in accordance with GAAP. For a definition of these measures and a reconciliation to the most directly comparable GAAP measure on a historical basis, please see the reconciliation on slide 3.

Non-GAAP Reconciliations

This presentation references “Adjusted EBITDA” and “Free Cash Flow,” which are non-GAAP financial measures. We define EBITDA as net income plus (i) depreciation and amortization, (ii) interest expense and (iii) income tax expense (benefit). We define Adjusted EBITDA as EBITDA, plus (i) loss/(gain) on disposal of assets, (ii) stock-based compensation, (iii) other expense (income), (iv) other general and administrative expense (net) and (v) retention bonus and severance expense. Free cash flow (FCF) is defined as net cash provided by operating activities minus net cash used in investing activities. These non-GAAP financial measures are not intended to be an alternative to any measure calculated in accordance with GAAP. We believe the presentation of Adjusted EBITDA and Free Cash Flow provide useful information to investors in assessing our financial condition and the results of operations. Net income is the GAAP measure most directly comparable to Adjusted EBITDA. Net cash provided by operating activities is the GAAP measure most directly comparable to Free Cash Flow. Non-GAAP financial measures have important limitations as analytical tools because they exclude some, but not all, items that affect the most directly comparable GAAP financial measures. You should not consider these non-GAAP financial measures in isolation or as a substitute for an analysis of our results as reported under GAAP. Further, Adjusted EBITDA and Free Cash Flow may be defined differently by other companies in our industry, and our definitions of Adjusted EBITDA and Free Cash Flow may not be comparable to similarly titled measures of other companies, thereby diminishing their utility. Adjusted EBITDA in the periods prior to 2023 does not include the impact of expensing fluid ends.

	Three Months Ended	
	September 30, 2023	June 30, 2023
<i>(in thousands)</i>		
Net income	\$34,753	\$39,257
Depreciation and amortization	53,769	52,889
Interest expense	1,169	1,180
Income tax expense	10,644	12,118
Loss on disposal of assets	4,265	3,065
Stock-based compensation	3,310	3,758
Other income	(1,883)	(72)
Other general and administrative expenses (net)	450	263
Retention bonus and severance expense	1,237	355
Adjusted EBITDA	\$107,714	\$112,813

	Three Months Ended	
	September 30, 2023	June 30, 2023
<i>(in thousands)</i>		
Net Cash provided by Operating Activities	\$118,057	\$113,954
Net Cash used in Investing Activities	(91,040)	(107,981)
Free Cash Flow	\$27,017	\$5,973



PROPETRO

DGB

Company Snapshot

Premium oilfield services leader in the Permian Basin providing complementary completions services in Hydraulic Fracturing, Cementing, and Wireline to leading upstream oil and gas producers



PROPETRO

NYSE

PUMP

3Q 2023 Revenue

\$424 million

3Q 2023 Net Income

\$35 million

3Q 2023 Adjusted EBITDA⁽¹⁾

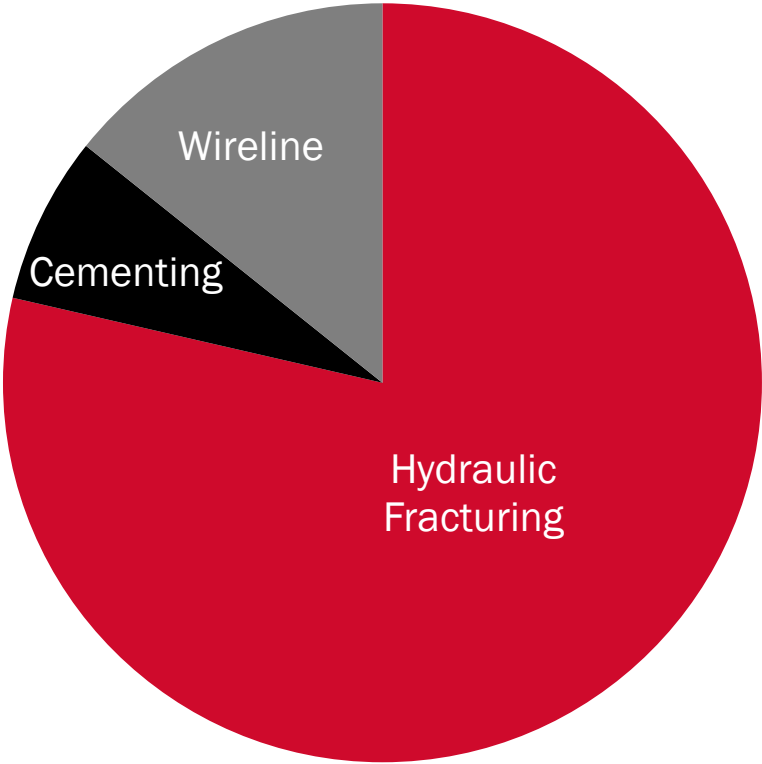
\$108 million

Headquartered in

Midland, Texas

(1) Adjusted EBITDA is a non-GAAP financial measure; see the reconciliation to Net Income on the "Non-GAAP Reconciliations" slide.

2023e REVENUE MIX BY SERVICE LINE



NOTE: "e" indicates management estimate.



Recent Highlights & Our Strategy

- ✓ Repurchased and retired 4.2 million shares since May 2023 representing approximately 4% of outstanding shares
- ✓ Published our first ProPetro ProEnergy ProPeople Sustainability Report for 2023
- ✓ Successful FORCESM electric frac fleet commissioning in August
- ✓ Cementing record performance with the highest revenue and EBITDA in company history
- ✓ Silvertip acquisition producing 80% EBITDA to FCF conversion YTD
- ✓ Fifth consecutive quarter of Net Income
- ✓ Strong quarterly FCF⁽¹⁾ of \$27 million

(1) Free cash flow is a non-GAAP financial measure; see the reconciliation to Net Cash provided by Operating Activities on the "Non-GAAP Reconciliations" slide.



Optimize
operations
and
industrialize our
business



Pursue a more capital-
light asset profile
and next-generation fleet



Develop and
integrate innovative
technologies



Pursue opportunistic
strategic transactions
to accelerate value
creation and
distribution



Maintain a strong
balance sheet

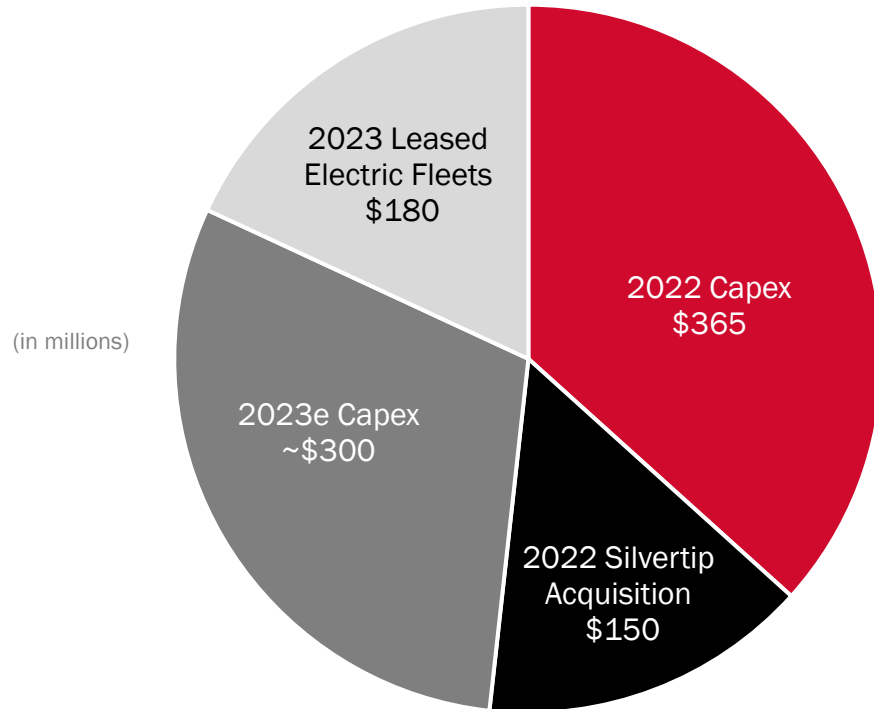


Generate robust
earnings, increasing
free cash flow, and
build towards
enhanced shareholder
returns and value
distribution

Investing in Our Future

NEARLY \$1 BILLION IN INVESTMENT IN 2022 THROUGH YE 2023

- Expected to transition 65% of our frac fleet to Next-Generation Tier IV DGB dual-fuel and **FORCESM** electric by first half of 2024 to create the youngest and most desirable fleet in the industry
- Acquired high cash flow conversion business in 2022
- Executing strategy while maintaining a strong balance sheet, healthy liquidity, and executing share repurchases



NOTE: Capex represents 2022 actual incurred and 2023e incurred guidance; 2022 Silvertip Acquisition price at the time of the announcement; 2023 Leased Electric Fleets represents management estimate of equipment cost; "e" represents management estimate.

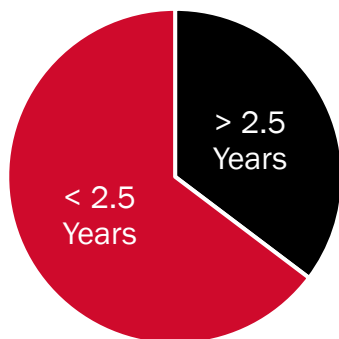


Our New Next-Generation Fleet Transformation – Dual-Fuel and FORCESM Electric

TRANSFORMATION OF OUR FLEET

- Since the start of 2022, we have transitioned over 45% of our frac fleet to Tier IV DGB dual-fuel that displaces up to ~70% of diesel with cleaner-burning natural gas (substitution)
- Bringing youth to our fleet through our 2022 through 2023 investment cycle

Fleet Age (1H24e)



- Using natural gas to power frac fleets can result in annualized savings of \$10 million to \$20+ million due to the diesel/natural gas cost differences
- Customers are willing to pay a premium for fuel savings and lower emissions

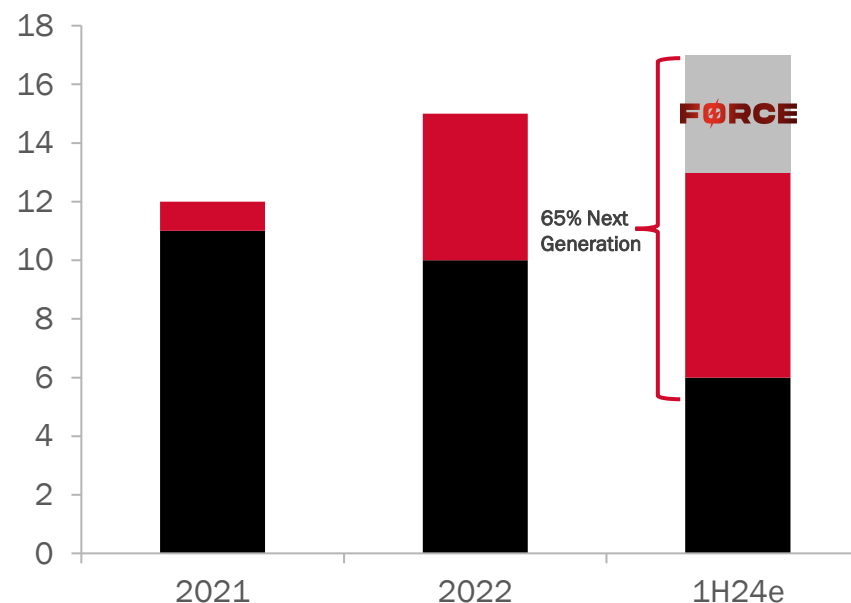
NOTE: "e" indicates management estimate.

DUAL-FUEL AND ELECTRIC FLEETS

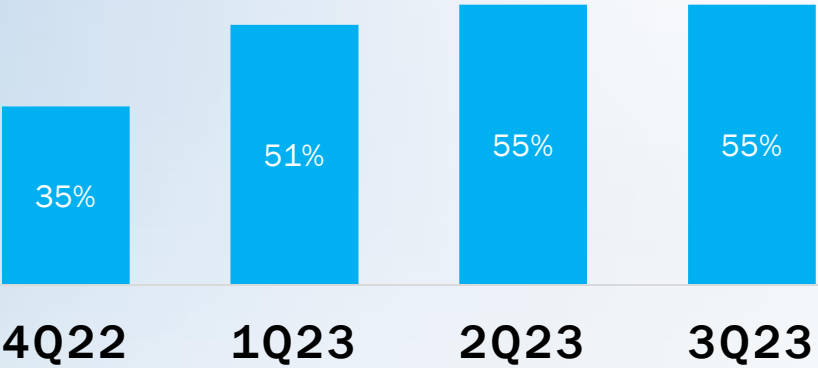
- 7 Tier IV DGB dual-fuel (all currently active)
- Two **FORCESM** electric-powered frac fleet deployments in 2H23 with two additional fleet deployments expected in 1H24
- Capital-light electric fleet lease program minimizes capital requirements

Fleet Configuration

■ Tier II Diesel ■ Tier IV Dual-Fuel ■ **FORCE**Electric



Tier IV DGB Natural Gas
Substitution Rates⁽¹⁾



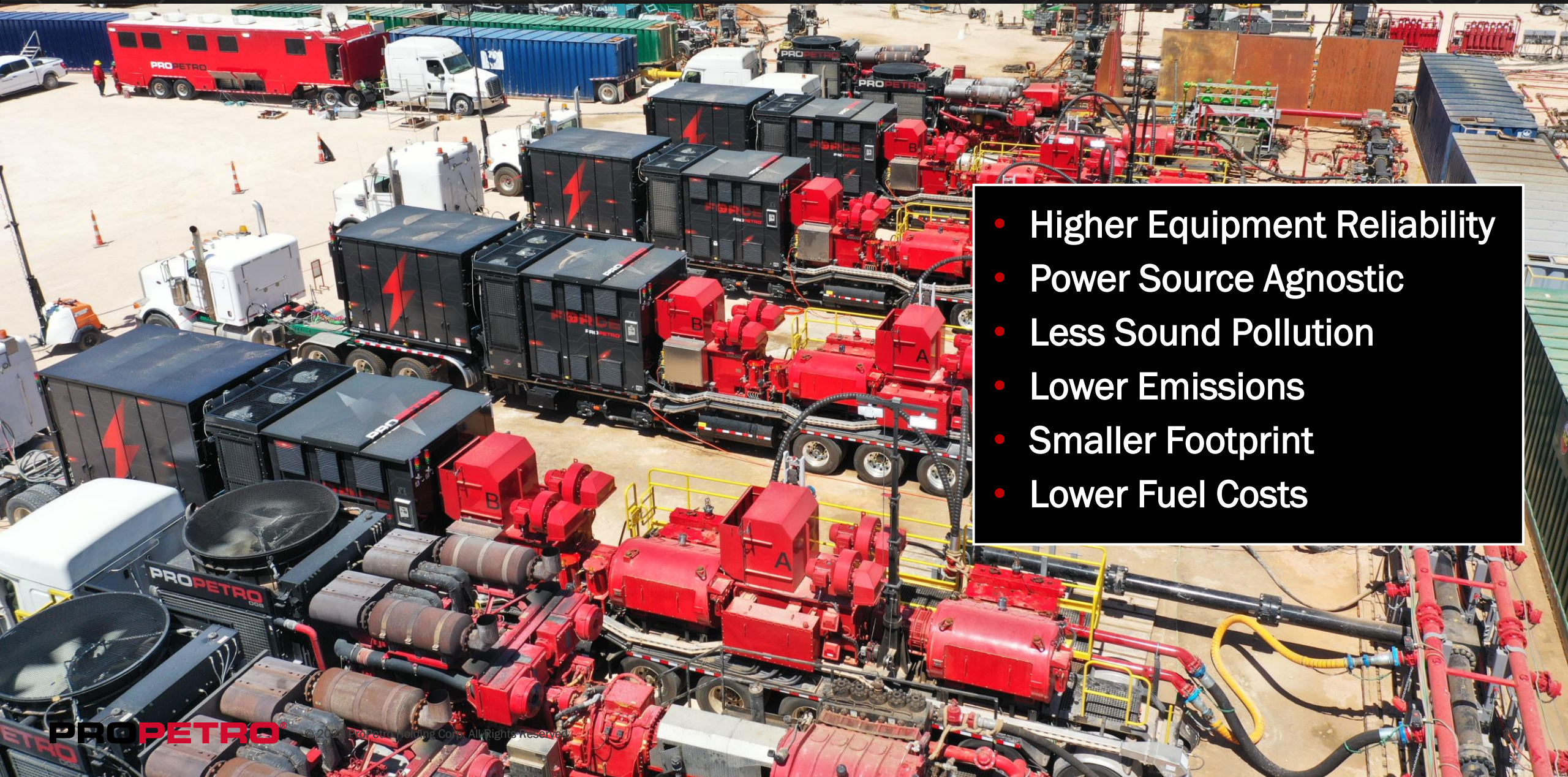
(1) Represents the substitution rate of gallons of diesel displaced in the ProPetro fleet. Calculated as (natural gas consumption * 7.8) / (diesel displaced + diesel consumed).

- Using more natural gas to reduce costs and lower emissions for our customers
- 6.6 million gallons of diesel displaced in 3Q23 vs. 6.1 million gallons in 2Q23
- Fleets utilizing CNG are regularly delivering 60-70% substitution rates
- 7 Tier IV DGB dual-fuel fleets



FORCESM electric-powered and dual-fuel equipment on location

FORCE



- Higher Equipment Reliability
- Power Source Agnostic
- Less Sound Pollution
- Lower Emissions
- Smaller Footprint
- Lower Fuel Costs

Acquisition of Silvertip Completion Services completed in November 2022

SILVERTIP COMPLETION SERVICES



Provider of wireline
perforating and
pumpdown services
in the Permian Basin



Headquarters
Midland, TX



~320
employees

Wireline Services

- Owns and operates 24 wireline units, all of which have been recently refurbished

Pumpdown Services

- Owns and operates 16 pumpdown spreads

Note: Adjusted EBITDA is a non-GAAP financial measure. The Company is unable to provide a reconciliation of the forward-looking non-GAAP financial measure, Adjusted EBITDA, to its most directly comparable GAAP financial measure, net income, as the information necessary for a quantitative reconciliation is not available to the Company without unreasonable efforts due to the inherent difficulty and impracticability of predicting certain amounts required by GAAP with a reasonable degree of accuracy.

(1) Inclusive of \$30 million cash plus equity (deducting assumed debt and other transaction fees and adjustments) divided by the volume-weighted average share price for the 15-day period ending October 27, 2022.

(2) Management forecast. Such data is illustrative and should not be relied upon as an indication of future financial performance or the operating results.

Purchase Price ⁽¹⁾

\$150 million

2023 Estimated
Adjusted EBITDA ⁽²⁾

\$60-70 million

Equity Consideration ⁽¹⁾

**10.1 million
Shares of PUMP**

Adjusted EBITDA-to-Cash
Flow Conversion Rate ⁽²⁾

~80%



Highly Complementary Completions Service Offering



Substantial Free Cash Flow Generation



Reduces Future Capital Spending



Complementary Cultures, Operating Philosophy & Geographic Focus



Horizontal Integration and Service Diversification

Delivering Strong Results

3Q23 showcased the resilience of our business. Despite being affected by an idled fleet and industry contraction, ProPetro generated consistent revenue and utilization and strong profitability.

Recent Financial Highlights

(in millions
except %'s and
fleet counts)

**TOTAL
REVENUE**

**EFFECTIVE
UTILIZATION**
Frac Fleets

**NET
INCOME**

**ADJUSTED
EBITDA⁽¹⁾**

**TOTAL
LIQUIDITY⁽²⁾**

3Q23

\$424

15.5

\$35

\$108

\$180

2Q23

\$435

15.9

\$39

\$113

\$170

(3%)

(3%)

(10%)

(5%)

+6%

(1) Adjusted EBITDA is a non-GAAP financial measure; please see the reconciliation to Net Income on the "Non-GAAP Reconciliations" slide.
(2) Inclusive of cash and available capacity under ABL Credit Facility as of the end of the quarter.

\$100 MILLION SHARE REPURCHASE PROGRAM

- Authorization represented ~13% of our market capitalization on the date of announcement
- Repurchase highlights:
 - Retired 1.9 million shares or 2% of shares outstanding⁽¹⁾ for \$19 million in 3Q23
 - Retired 4.2 million shares or approximately 4% of shares outstanding⁽¹⁾ for \$36 million from program inception through the end of the third quarter
- Share price has increased by approximately 50% since the repurchase announcement⁽²⁾
- Provides support for potential strategic transactions that may utilize equity as consideration
- Reinforces management view of expected free cash flow generation and long-term value proposition

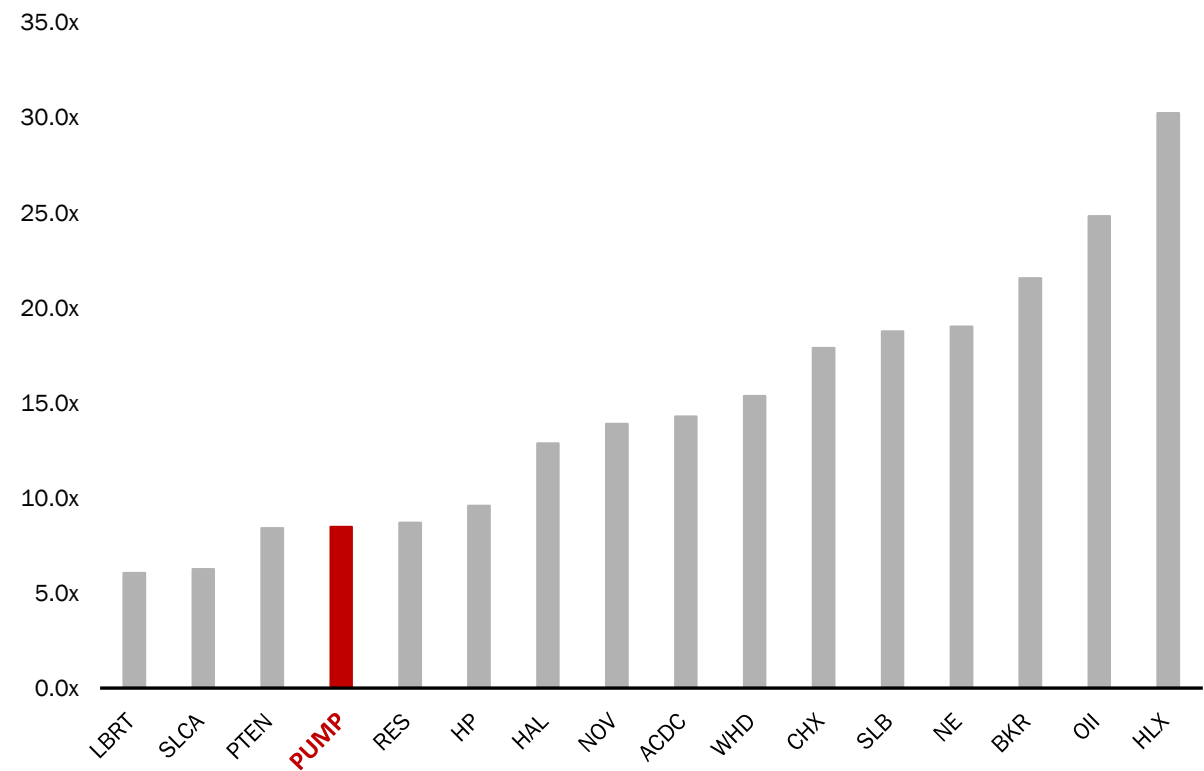
(1) As of the date of program authorization on May 17, 2023.

(2) PUMP share price as of October 31, 2023.

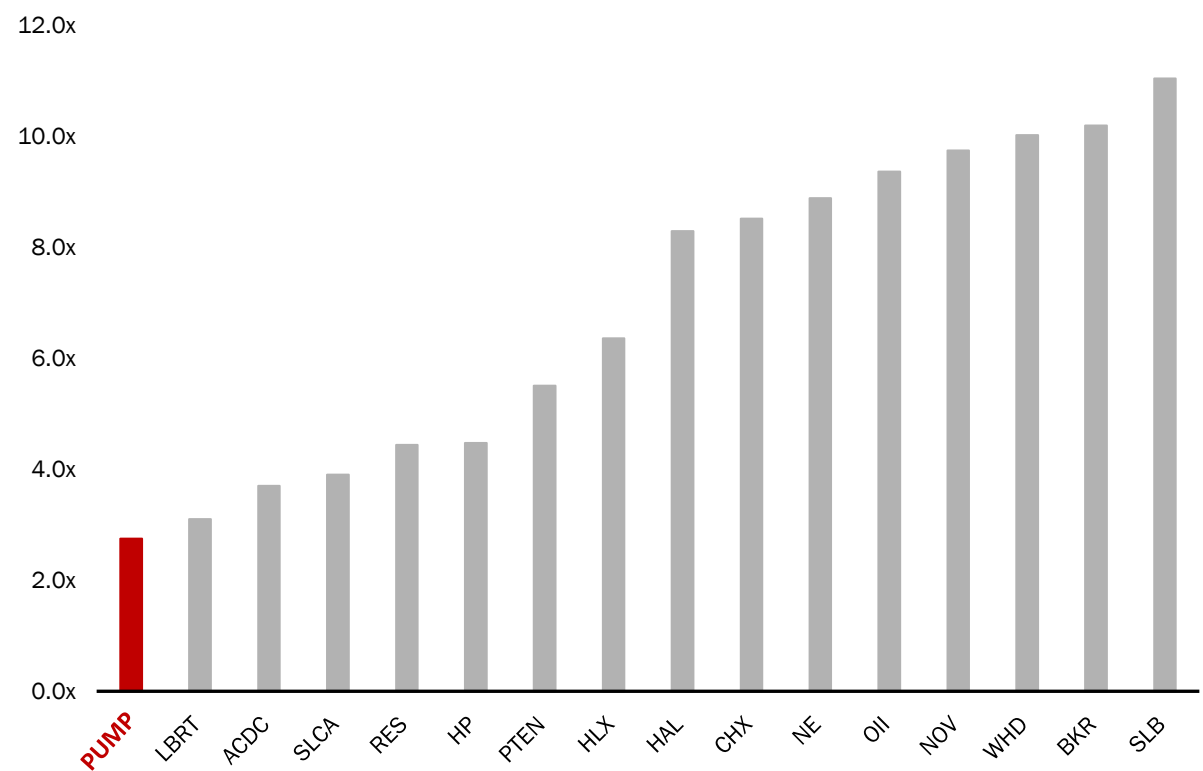


Oilfield Services Valuation: Return Metrics Compared

PRICE TO 2023e EARNINGS



ENTERPRISE VALUE TO 2023e EBITDA

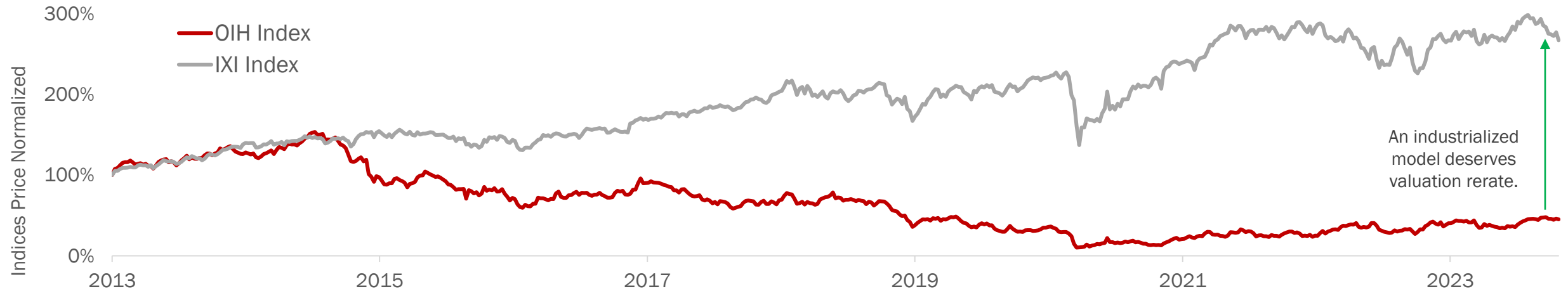


NOTE: Bloomberg, October 31, 2023

ProPetro as well as our direct peers in the pressure pumping space continue to be valued at a discount relative to other oilfield service companies.

Changing to an Industrialized Model: Valuation Indices Comparison

OIL SERVICES INDEX (OIH) VS. INDUSTRIAL SECTOR INDEX (IXI)



Dislocation of OFS Stocks

- × Excess and undisciplined capital availability and resulting overbuild
- × History of capital destruction under obsolete EBITDA growth model
- × Bias against hydrocarbons
- × Amplitude of industry cycles
- × Resulting flight of capital and investors

Reason for Multiple Rerate for OFS Stocks

- ✓ Improved capital discipline and industry consolidation
- ✓ Increasing deployment of industrial technologies and processes and emerging contracting environment
- ✓ Greater / improved focus on cash flow generation (FCFPS)
- ✓ Shortage of equipment / attrition
- ✓ Low-growth / sustainable operating model

PRE-COVID PANDEMIC INDUSTRY DYNAMICS



Booming global economy



Higher relative refining capacity



Limited shareholder and corporate pressure for Environmental and other ESG-related causes



Robust capital markets and associated capital access

CURRENT INDUSTRY DYNAMICS

Oil supply is expected to remain suppressed due to insufficient capital spending, refining capacity constraints, and ongoing geo-political conflicts

Energy demand has rebounded from pandemic-related impacts, although not fully in certain areas of the globe (e.g., China)

Strong balance sheets and capital discipline are the new normal for oil and gas production and service companies

Capital markets largely avoiding oil and gas as private equity groups are chasing “transition energy” and debt markets are effectively closed

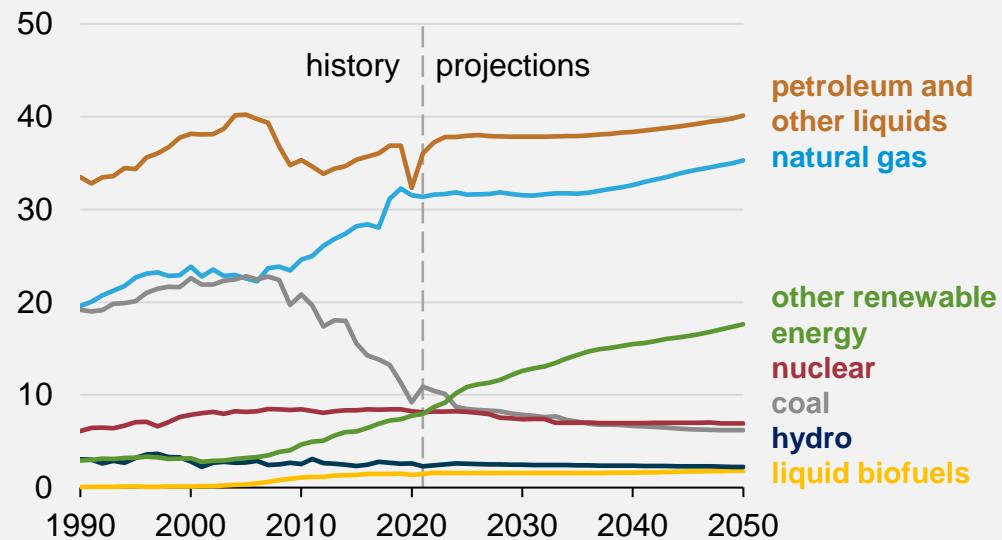
The hydrocarbon industry is here to stay even though the use of alternative energy is increasing, hydrocarbons have proven their critical value to global prosperity and energy security

ProPetro is well-positioned to take advantage of the long-term industry dynamics through improved fundamentals, access to the attractive Permian Basin, consistent execution, and capital discipline.

Global Hydrocarbon Macro Environment

A bullish demand outlook coupled with constrained supply availability reinforces our belief that we are in a long-term up-cycle that supports incremental margins and sustainable cash flow generation for completion services. There is vast potential in the Permian Basin, and industry experts firmly believe the region has not yet reached peak production as future increases will help offset outside area declines.

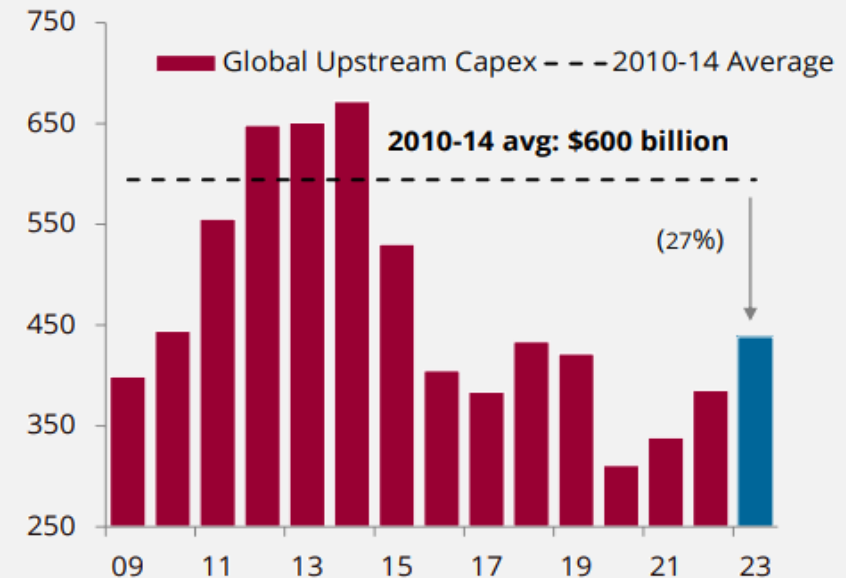
ENERGY CONSUMPTION BY FUEL
(quadrillion British thermal units)



“Petroleum and natural gas are the most-used fuels in the United States through 2050” – EIA

Source: EIA, March 3, 2022.

GLOBAL E&P SPENDING
(\$ billion)



Upstream E&P spending continues to lag demand and is 27% below average spend from 2010–14 as producers have retreated.

Source: Energy Aspects, May 2023.

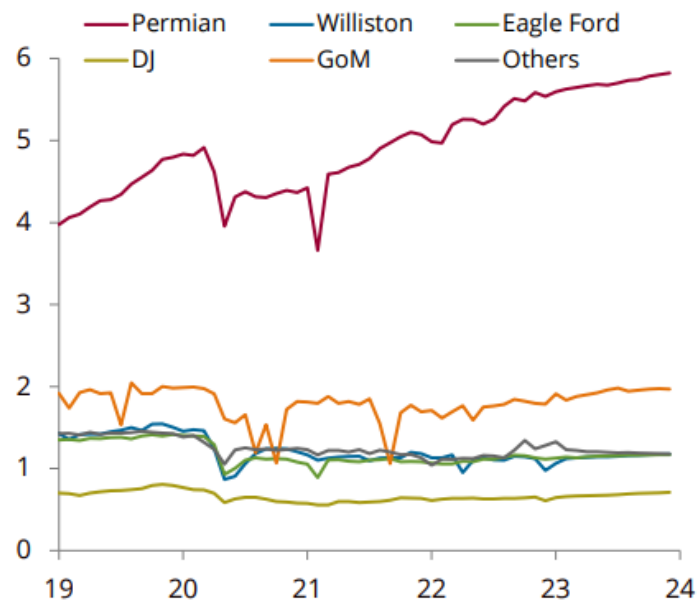
Permian Basin: Large Addressable Market Opportunity

THE PERMIAN BASIN STANDS ALONE AS THE RESILIENT PACESETTER OF U.S. PRODUCTION

Despite relatively flat total U.S. production growth expectations over the next several years and anticipated near-term market volatility, the Permian Basin stands to see production increases and be the sole source of growth across the country.

ProPetro is strategically located in and levered to the Permian Basin with ~98% of our revenue coming from this region, providing a more sustainable and resilient demand for our services.

U.S. CRUDE PRODUCTION FORECAST (MB/D)



Source: Energy Aspects, May 2023

~60 billion

barrels of oil equivalent⁽¹⁾

~86,000

sq miles

(1) Rystad Energy, September 2022.

Who We Are and Where We Are Going



**Customer
focused;
Team driven**



**Dedicated and
efficient
customer base
harnessing the
potential of the
resource-rich
Permian Basin**



**Transitioning
to a young,
efficient, more
capital-light
fleet powered
by natural gas
and electricity**



**Relied upon
by premier
customers
with proven
results year-
after-year**



**Disciplined
capital
allocation and
asset
deployment
strategy**



**Reducing
emissions and
investing in
longer-lived
assets**



**Diversified
customer
base including
the largest
Permian
operators**

Proven Success in the Most Challenging Environment: Unrivalled Premium Completions Services



COMPLETION-RELATED SERVICES

Consistent with ProPetro's Hydraulic Fracturing, Cementing, and Wireline services



HYDRAULIC FRACTURING

ProPetro's premier service line delivering industry-leading performance

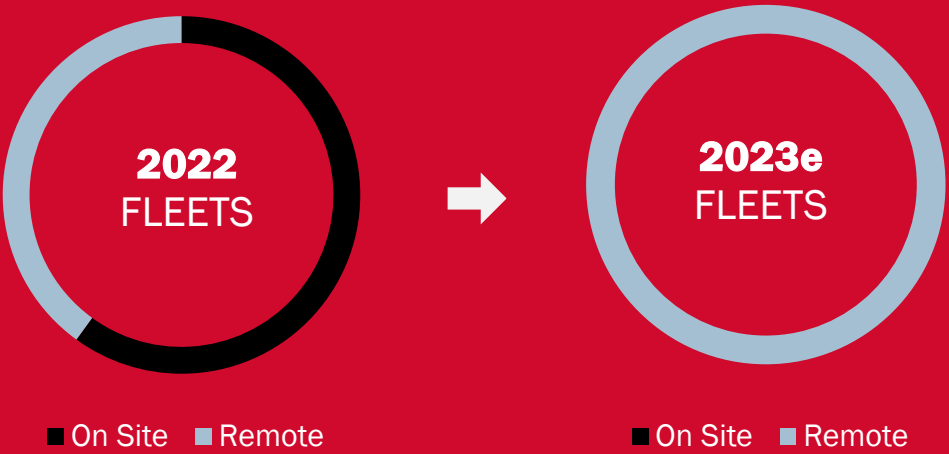


SPECIAL APPLICATIONS




Customized treatments and complex jobs for customers that put their trust in ProPetro for reliable completions services

Source: EnergyPoint Research Inc.
<https://www.propetroservices.com/our-services>

TRANSITIONING TO FULLY-REMOTE ENGINEERING SUPPORT

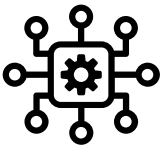


RECENTLY DEVELOPED TACTICAL OPERATIONS CENTER

-  Reduce maintenance capex
-  Increase capital and logistical efficiency
-  Reduce equipment in rotation

Source: management estimates; “e” estimate at year end.

EVOLVING OPERATIONS AND ADAPTING TECHNOLOGIES TO:



Reduce on-site headcount

Drive best-practices across fleets

Enhance safety protocols

Improve efficiency

Increase long-term profitability

Increase sustainability of operations

Commitment to Our People, Our Community, and Our Environment



ENVIRONMENTAL

OPTIMIZED OPERATIONS AND FLEET TRANSITION

Innovation

- Strategic investments in dual-fuel and electric-powered fleets, remote engineering operations, logistics, and maintenance systems

Get the job done efficiently

- Minimizing idle time, spills, and avoiding duplicative work

Optimizing fuel consumption

- Integrating cleaner-burning natural gas
- Investing in Tier IV DGB dual-fuel and our **FORCESM** electric-powered equipment to displace diesel



SAFETY

COMMITTED TO AN ACCIDENT-FREE WORKPLACE

- Strong training and development culture
- Dedicated heavy haul driving team to reduce hazards on the roads in our community
- Recognized with safety awards and leadership in the Permian Basin

We recently published our
ProPetro ProEnergy ProPeople
Sustainability Report



PEOPLE

FOCUSED ON OUR TEAM

- Education and tuition reimbursement to engage and advance our employees
- ProPetro employees created the Positive United Morale Partners (the P.U.M.P. Committee) to drive community engagement for those in need



PROPETRO
PROENERGY | PROPEOPLE

Capital Allocation Framework: Strategy Meets Opportunity

OPTIMIZE OPERATIONS

Enhancing operational efficiency by focusing resources on the most relevant technologies, tools, and best practices

FLEET TRANSITION

With robust industry fundamentals, transitioning our fleet to natural gas-burning and electric offerings, which command higher relative pricing

DISCIPLINED GROWTH

Prudently assessing value-enhancing investment opportunities to make ProPetro stronger — including opportunities to enhance scale, expand margins, and accelerate free cash flow

Designed to improve free cash flow and value-distribution...



...while maintaining a strong balance sheet.

ProPetro's Investment Thesis



Operating with a disciplined capital allocation and asset deployment strategy and optimizing our business with a strong balance sheet mitigates potential industry volatility



Bifurcation in favor of ProPetro due to \$1 billion in investments in 2022-2023 in new operational technologies with financially strong and industry-leading counter-parties



Discounted valuation multiple relative to peers suggests a potential for normalization to the mean or beyond with the execution of a compelling business strategy



Premium completion services company with one of the most efficient and productive systems in the industry focused in the prolific Permian Basin



Consistently outperforms the competition – the reliable choice for the most selective customers – ProPetro is the “gold standard” and our customers value our assets and efficiencies that accelerate their production



Investments in electric-powered hydraulic fracturing technology and other innovative equipment to drive industry-leading profitability and flexibility through industry cycles

Our Leadership: Committed to Shareholder Value Creation

Company Management



SAM SLEDGE

Chief Executive Officer & Director



ADAM MUÑOZ

President and Chief Operating Officer



DAVID SCHORLEMER

Chief Financial Officer



JODY MITCHELL

General Counsel

Board of Directors



PHILLIP A. GOBE

Chairman of the Board



MICHELE VION

Independent Director,
Compensation Committee Chair



G. LARRY LAWRENCE

Independent Director



MARY RICCIARDELLO

Independent Director



ANTHONY BEST

Lead Independent Director,
Audit Committee Chair



JACK B. MOORE

Independent Director,
Nominating & Corporate
Governance Committee Chair



SPENCER D. ARMOUR III

Independent Director



MARK BERG

Director

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