


Investor Presentation

Cactus, Inc. (NYSE: WHD)

September 2023

Important Disclosures

Non-GAAP Measures

This presentation includes references to EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin, Segment EBITDA, Adjusted Segment EBITDA, Adjusted Segment EBITDA margin, and EBIT, which are not measures calculated in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Reconciliations of EBITDA, Adjusted EBITDA, Segment EBITDA, Adjusted Segment EBITDA and EBIT to net income, the most directly comparable measure calculated in accordance with GAAP, is provided in the Appendix included in this presentation. While management believes such measures are useful for investors, these measures should not be used as a replacement for financial measures that are calculated in accordance with GAAP.

On February 28, 2023, Cactus, through one of its subsidiaries, completed its previously announced merger of the FlexSteel business (the "Merger") through a merger with HighRidge Resources, Inc. and its subsidiaries ("HighRidge"). On February 27, 2023, in order to facilitate the Merger with HighRidge, an internal reorganization was completed in which Cactus Companies, LLC ("Cactus Companies"), a recently formed wholly-owned subsidiary of Cactus Inc., acquired all of the outstanding units representing ownership interests in Cactus Wellhead, LLC, the operating subsidiary of Cactus Inc. (the "CC Reorganization"). FlexSteel Holdings, Inc. was a wholly-owned subsidiary of HighRidge prior to the Merger and was converted into a limited liability company, contributed from HighRidge to Cactus Companies as part of the CC Reorganization and is now named FlexSteel Holdings, LLC ("FlexSteel").

Unless otherwise specifically noted herein or the context otherwise requires, information set forth herein with respect to periods prior to February 28, 2023 does not include the information of HighRidge. Accordingly, unless otherwise specifically noted herein or the context otherwise requires, information with respect to Cactus Inc. and its consolidated subsidiaries (the "Company", "we", "us", "our" and "Cactus") for the periods prior to February 28, 2023 refers only to Cactus and its consolidated subsidiaries prior to the Merger and does not include results and other information associated with HighRidge and the FlexSteel business.

Forward-Looking Statements

The information in this presentation includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact included in this presentation, regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this presentation, the words "guidance," "outlook," "may," "hope," "potential," "could," "believe," "anticipate," "intend," "estimate," "expect," "project" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on Cactus' current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. We caution you not to place undue reliance on any forward-looking statements, which can be affected by assumptions used or by risks or uncertainties, including unanticipated challenges relating to the FlexSteel business. Consequently, no forward-looking statements can be guaranteed. When considering these forward-looking statements, you should keep in mind the risk factors and other factors noted in the Company's Annual Report on Form 10-K, any Quarterly Reports on Form 10-Q and the other documents that the Company files from time to time with the Securities and Exchange Commission. These documents are available on the Company's website at https://cactuswhd.com/investors/sec-filings/ or through the SEC's Electronic Data Gathering and Analysis Retrieval ("EDGAR") system at www.sec.gov. The risk factors and other factors noted therein could cause actual results to differ materially from those contained in any forward-looking statement. We disclaim any duty to update and do not intend to update any forward-looking statements, all of which are expressly qualified by the statements in this section, to reflect events or circumstances after the date of this presentation.

Industry and Market Data

This presentation has been prepared by Cactus and includes market data and other statistical information from third-party sources, including independent industry publications, government publications or other published independent sources. Some data is also based on Cactus' good faith estimate. Although Cactus believes these third-party sources are reliable as of their respective dates, Cactus has not independently verified the accuracy or completeness of this information.

Experienced Executive Team

Scott Bender
Chairman & CEO

- Mr. Bender has served as Chairman and CEO since August 2023 and previously served as President and CEO since co-founding Cactus Wellhead, LLC ("Cactus LLC") in 2011.
- Mr. Bender previously was President of Wood Group Pressure Control from 2000 to 2011.
- Mr. Bender successfully built and monetized Ingram Cactus Company (sold to Cameron in 1996) and led Wood Group Pressure Control's profitable expansion until its sale to General Electric in 2011.
- Mr. Bender graduated from Princeton University in 1975 with a Bachelor of Science in Engineering and from the University of Texas at Austin in 1977 with a Master of Business Administration.

Joel Bender
President

- Mr. Bender has served as Director and President since August 2023 and previously served as Senior Vice President, COO and Director since co-founding Cactus LLC in 2011.
- Mr. Bender previously was Senior Vice President of Wood Group Pressure Control from 2000 to 2011.
- Mr. Bender successfully built and monetized Ingram Cactus Company (sold to Cameron in 1996) and led Wood Group Pressure Control's profitable expansion until its sale to General Electric in 2011.
- Mr. Bender graduated from Washington University in 1981 with a Bachelor of Science in Engineering and from the University of Houston in 1985 with a Master of Business Administration.

Steven Bender
Chief Operating Officer

- Mr. Bender has served as COO since August 2023 and previously served as Vice President of Operations of Cactus LLC since 2011, managing all U.S. service center and field operations.
- Mr. Bender previously was Rental Business Manager of Wood Group Pressure Control from 2005 to 2011.
- Mr. Bender graduated from Rice University in 2005 with a Bachelor of Arts in English and Hispanic Studies and from the University of Texas at Austin in 2010 with a Master of Business Administration.

Steve Tadlock
Executive Vice President, Chief Financial Officer & Treasurer

- Mr. Tadlock joined Cactus in June 2017 and has served as Chief Financial Officer & Treasurer since March 2019. He has worked with Cactus LLC since its founding in 2011 as a Board Observer.
- Mr. Tadlock previously served as a Director and Chairman of Polyflow Holdings, LLC until his resignation in 2018.
- Mr. Tadlock previously worked at Cadent Energy Partners, where he served as a Partner from 2014 to 2017.
- Mr. Tadlock graduated from Princeton University in 2001 with a Bachelor of Science in Engineering and from the Wharton School at the University of Pennsylvania in 2007 with a Master of Business Administration.

William Marsh
Executive Vice President & General Counsel

- Mr. Marsh has served as General Counsel since May 2022.
- Mr. Marsh previously had been of counsel with the law firm of Bracewell LLP from 2021 to 2022.
- Mr. Marsh previously was with the Baker Hughes Company, most recently serving as Chief Legal Officer from 2013 to 2021.
- Mr. Marsh obtained a Bachelor of Science in Accounting in 1985 and a Juris Doctor in 1989 from Brigham Young University.

Investment Highlights

1. A Leading Pure Play Equipment Solutions Provider for Onshore Markets
2. Innovative and Differentiated Products & Services that Sustain Relative Margin Resilience
3. Dynamic Operating and Manufacturing Capabilities
4. Strong Margins and Free Cash Flow Generation
5. Experienced Management Team with Significant Equity Ownership & Strong Industry Relationships

Through-Cycle Outperformance

Products & Operations Overview

Cactus designs, manufactures, sells and rents highly engineered products which generate improved drilling, completion and production efficiencies while enhancing safety

Wellhead systems

Production trees

Spoolable pipe

Frac Stacks

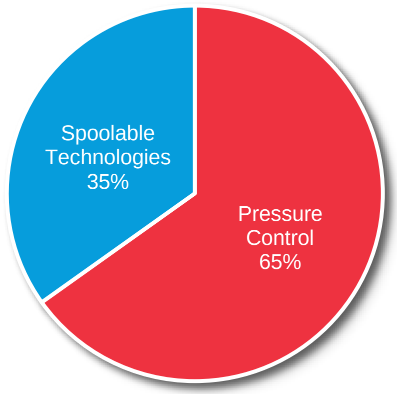
Completion Equip.

End Fittings

Cactus Provides Service, Installation & Maintenance for its Equipment

Historical Financial Overview

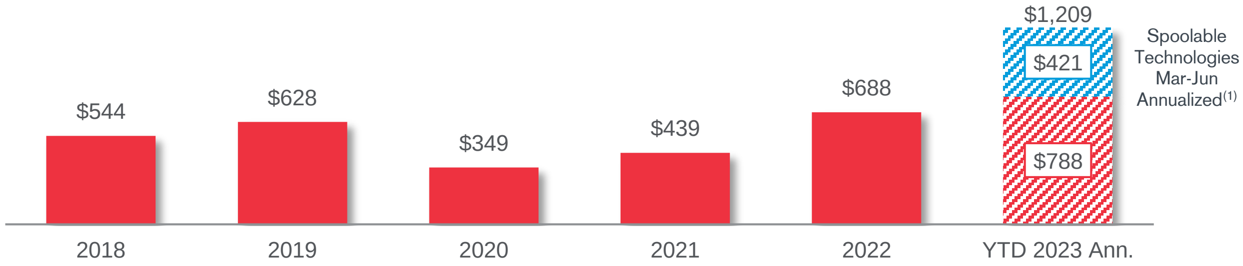
YTD '23 Ann.[1] Rev. by Segment



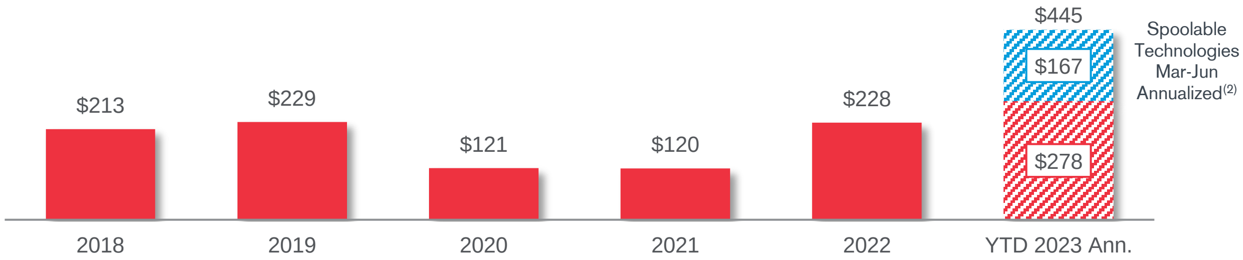
Selected Active Basins

- Bakken
- Eagle Ford
- Permian
- SCOOP/STACK
- DJ / Powder River
- Marcellus / Utica
- Haynesville
- Cooper, Australia

Revenue[1] ($ in millions)

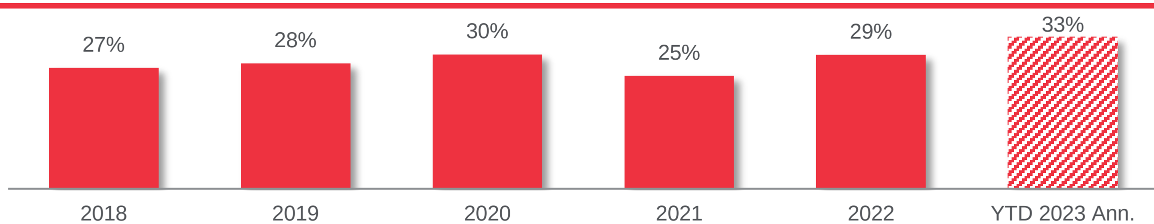


Adjusted EBITDA[1,2] ($ in millions)



Adj. EBITDA[2] as % of Revenue	39%	36%	35%	27%	33%	37%

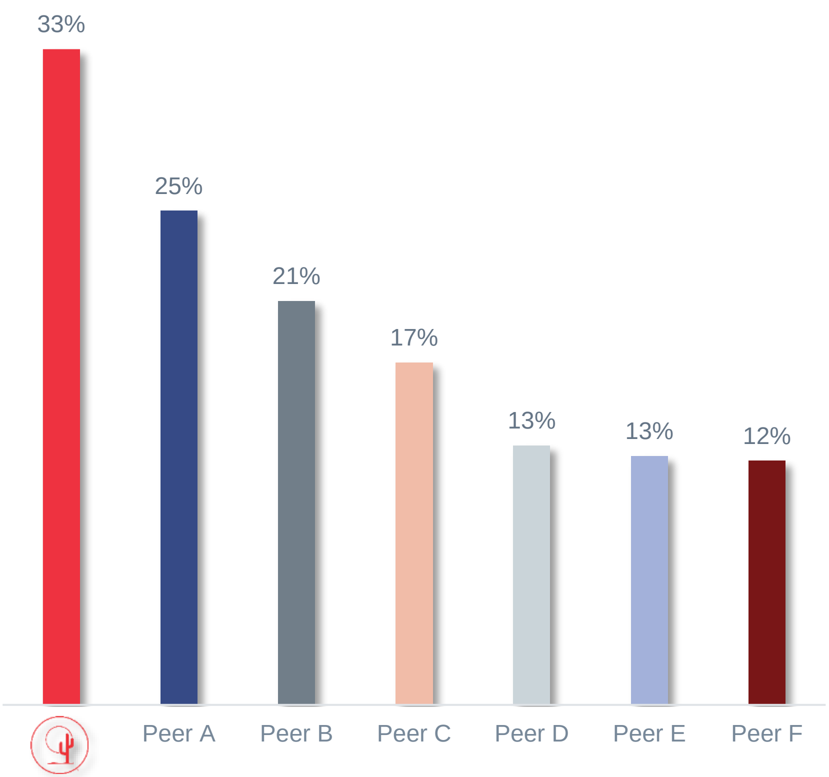
Adjusted EBITDA[2] – Net Capital Expenditures[3] as % of Revenue



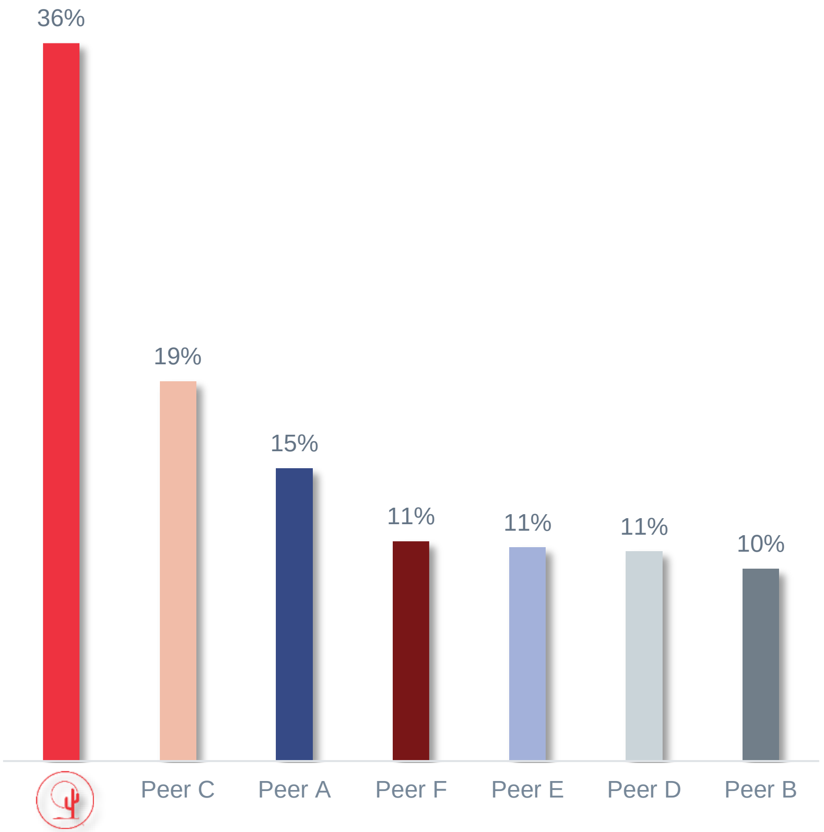
Source: Company filings.
Note: Historical financial data prior to March 2023 shown not inclusive of FlexSteel, which was acquired on Feb 28, 2023.
1) YTD 2023 annualized revenue annualizes 4 months (March – June) of Spoolable Technologies revenue and YTD Pressure Control revenue.
2) YTD 2023 annualized Adj. EBITDA annualizes 4 months (March – June) of Spoolable Technologies Adj. EBITDA and YTD Pressure Control Adj. EBITDA. EBITDA and Adjusted EBITDA are non-GAAP financial measures. The Appendix at the back of this presentation contains a reconciliation of EBITDA, Adjusted EBITDA, Segment EBITDA and Adjusted Segment EBITDA to net income, the most comparable financial measure calculated in accordance with GAAP.
3) Net Capital Expenditures equals net cash flows from investing activities excluding cash outflow for the acquisition of FlexSteel.

Differentiated Margin Profile Through the Cycle

Total Adjusted EBITDA Margin (2014 – 2022) (1)(2)



YTD 2023 Adjusted EBITDA Margin (1)(2)



Strength of margin profile relative to peers maintained through the cycle

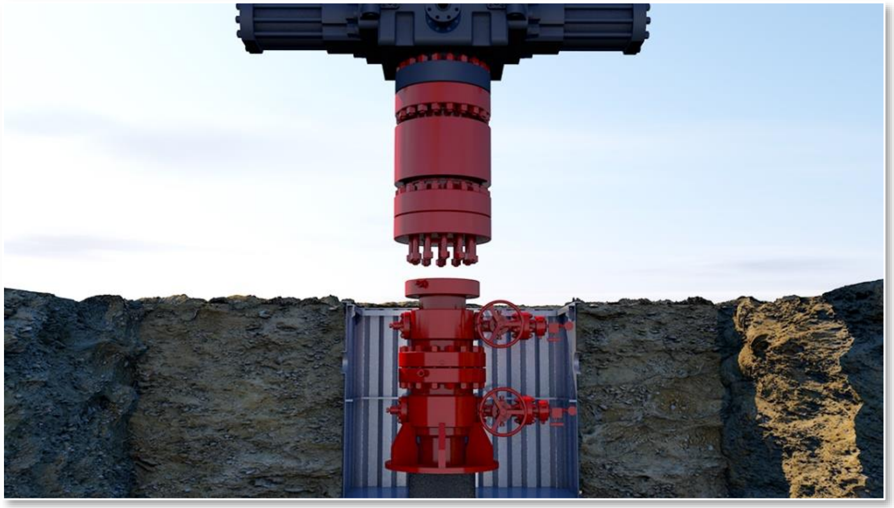
Note: Historical Cactus data prior to February 28, 2023 not inclusive of FlexSteel.
Source: Factset, Company filings.

1) Peer data represents Adjusted EBITDA where available per company filings and presentations. Peers include: ChampionX, Core Laboratories, Dril-Quip, National Oilwell Varco, Oil States International and TechnipFMC. Cactus' computation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. TechnipFMC data represents FMC Technologies financial data from 2014 to 2016 and TechnipFMC plc data pro forma for the separation of Technip Energies for 2017 –2021. YTD 2023 represents the first two quarters of 2023, including FlexSteel data from the close of the acquisition (February 28, 2023).
2) EBITDA and Adjusted EBITDA are non-GAAP financial measures. The Appendix at the back of this presentation contains a reconciliation of Cactus EBITDA, Adjusted EBITDA, Segment EBITDA and Adjusted Segment EBITDA to net income, the most comparable financial measure calculated in accordance with GAAP. Adjusted EBITDA Margin is defined as Adjusted EBITDA expressed as a percentage of Revenue.

Technologically Advanced Pad Drilling Wellhead Systems

Cactus SafeDrill®

Conventional Wellhead



SafeDrill® Advantages

Safety

- ✓ Fewer trips into confined space (cellar)
- ✓ No BOP manipulation after intermediate casing has been installed
- ✓ No "hot work" required to cut casing with torch

Time Savings

- ✓ Eliminates time consuming BOP manipulation
- ✓ No waiting on cement after running casing strings
- ✓ Mandrel hangers, pack offs run and set through BOPs

Technologically Advanced Spoolable Pipe Systems

FlexSteel Spoolable Pipe

Conventional Steel Line Pipe

FlexSteel Advantages

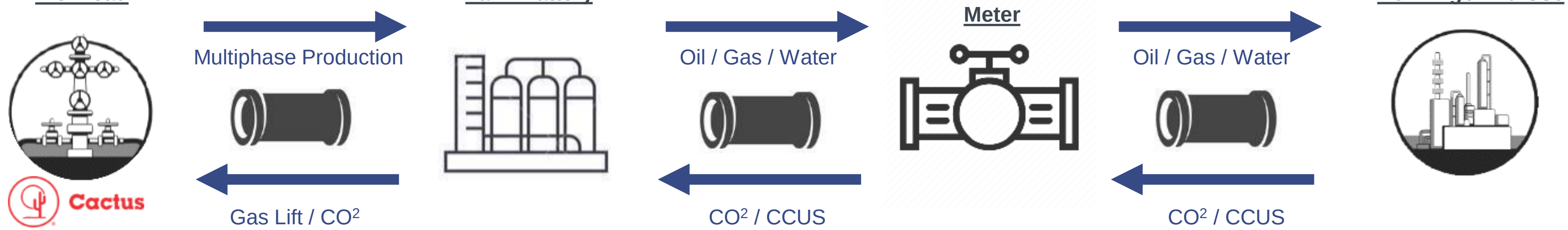
Features	Operator Savings
✓ Durable and corrosion-resistant	✓ Lower maintenance cost for operators
✓ Faster installation times	✓ Lower cost to install
✓ Withstands cyclic loading	✓ Reduced operating field failures / reinstallations
✓ Lowest bend rating of any spoolable pipe	✓ Reduced need for special handling or bedding tools
✓ Pre-leak detection	✓ Captures permeated gases
✓ Large diameter	✓ Higher flowrates
✓ High pressure & temperature ratings	✓ Reliable in extreme conditions

Spoolable Pipe Applications Across the Industry Value Chain

Production Lines / Pipe-Under-Pad

Gathering Lines

Takeaway Lines



	Production Lines / Pipe-Under-Pad	Gathering Lines	Takeaway Lines
Customer	E&P	E&P	Midstream
Diameter	Small/Medium	Larger	Largest

Consumable Sale

Associated Service

Spoolable Pipe

End Fittings

Installation

Maintenance

Differentiated Offerings Enable Customers to Meet ESG-Related Goals

Faster

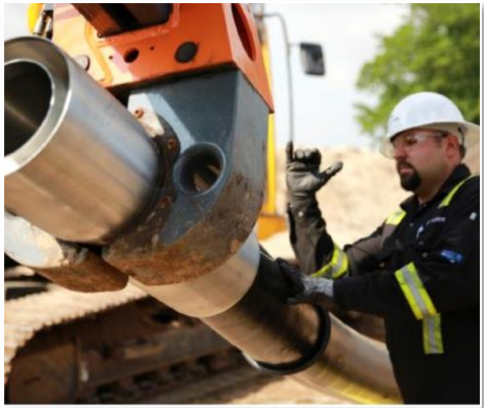
- Equipment takes less time to install versus legacy offerings
- Enables customers to drill, complete and bring wells online faster
- Fewer people and less equipment on location
- Reduced carbon intensity per well

Safer

- Equipment enhances employee safety
- Automation of human-performed connections
- Routine tasks can be performed remotely
- Longer spooled length minimizes connections and fabrication required on-site

Cleaner

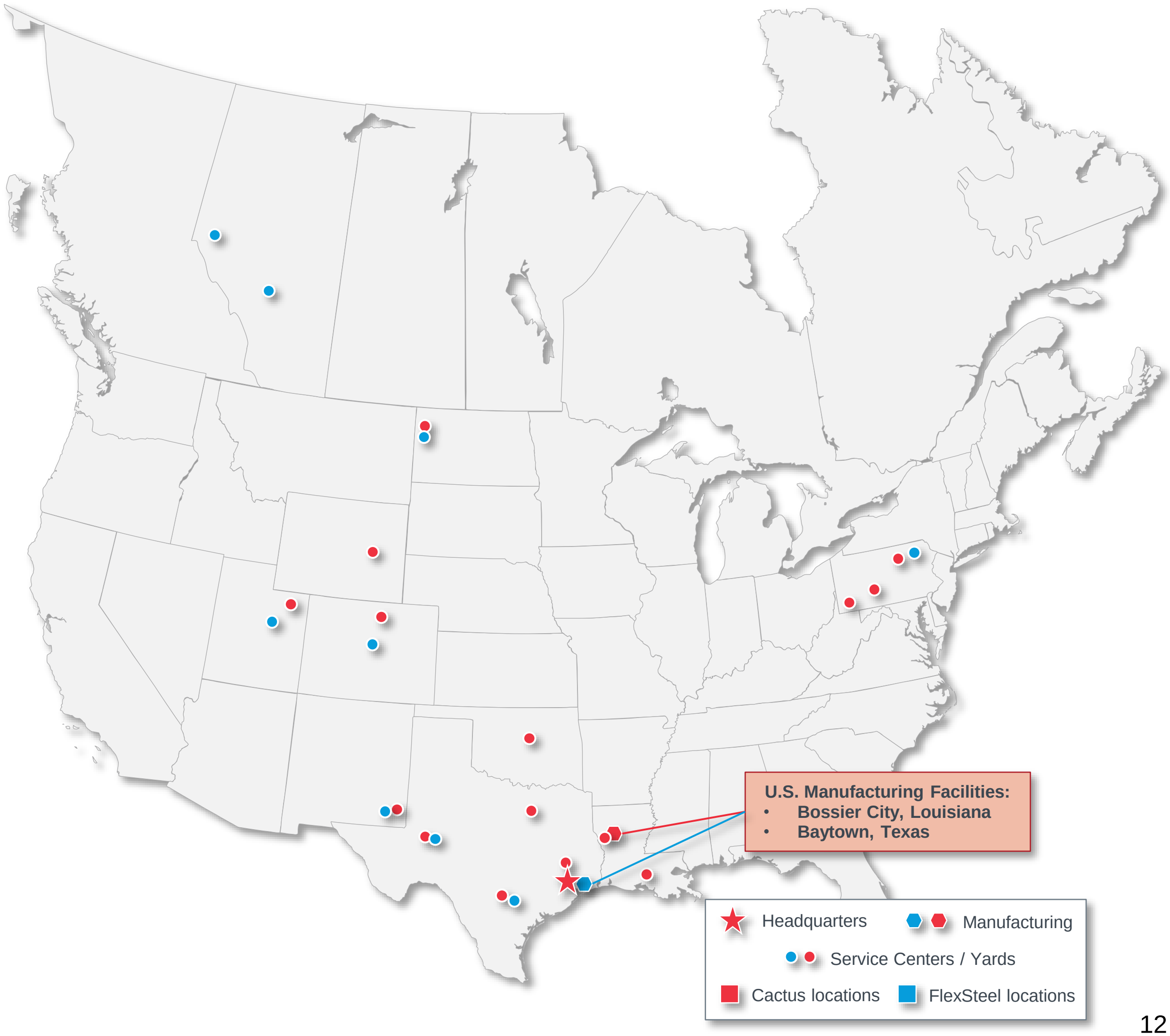
- Switching from diesel to solar powered generation in certain instances
- Spoolable pipe design enables capture and management of permeated gases
- Spoolable pipe design characteristics are well suited for CO^2 transportation



North American Operating Footprint

Operational Footprint

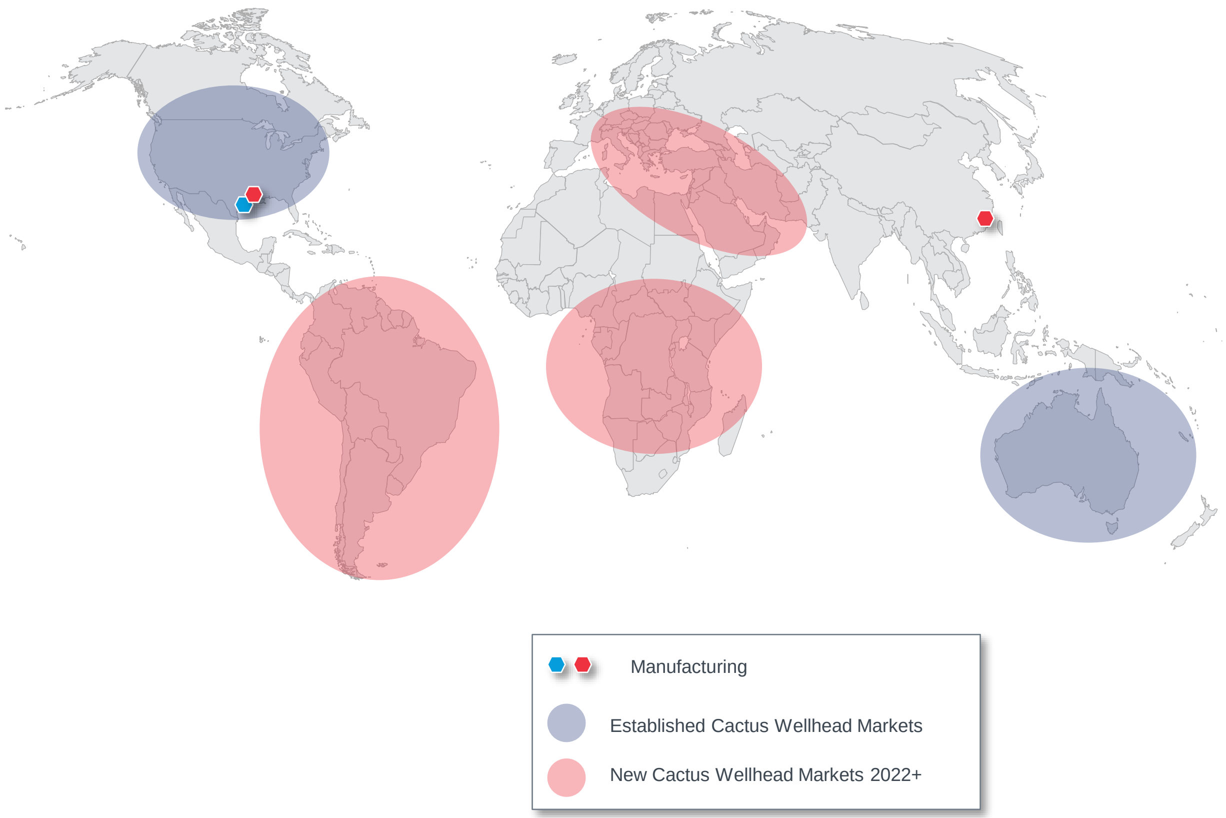
- Headquarters located in Houston, TX
- U.S. manufacturing facilities located in Bossier City, LA and Baytown, TX
- Significant overlap in Cactus and FlexSteel service centers & yards
- Service centers support field operations and provide repair services
- Located in all key producing basins
- Flexible cost structure at branches & Bossier City



Global Operating Footprint

Global Operations

- Manufacturing facility located in China
- Established legacy business in Australia
- Cactus started to provide rental equipment in the Middle East in late 2021
  - Approved as vendor in key Middle East markets
- First wellhead/production tree sales in Middle East, Europe, Latin America and Africa in 2022 & 2023
- FlexSteel products have been sold into over 20 countries



A Dynamic Manufacturing Advantage; Responsive, Scalable and Low Cost

Bossier City Facility

- Rapid-response manufacturing
  - 5-axis computer numerically controlled machines
- "Just-in-time" capabilities for fast delivery time & parachute orders
- Expanded in 2018 and 2022

Suzhou Facility

- Less time-sensitive, high-volume wellhead equipment
- Wholly foreign owned enterprise (WFOE)
- Low cost of operation with low sensitivity to utilization
- Additional international sourcing underway

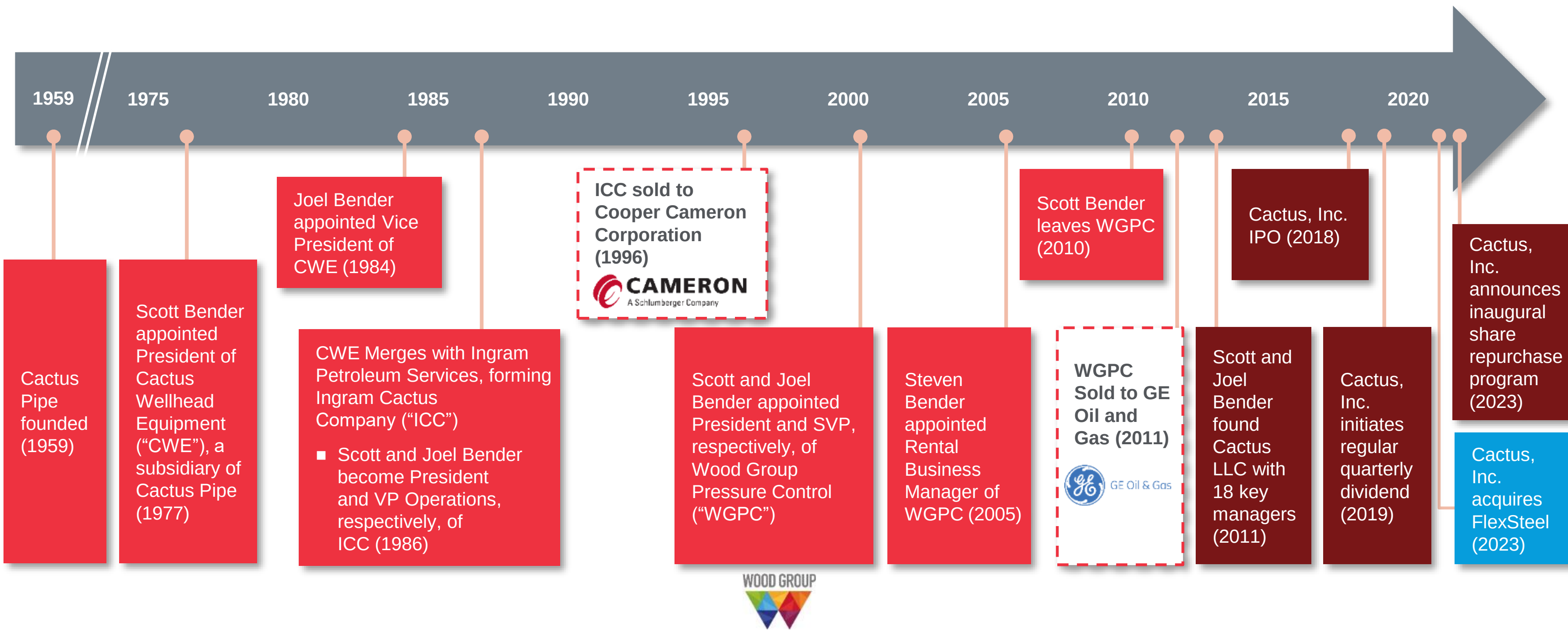
Baytown Facility

- Produces 100% of FlexSteel equipment
- Only manufacturer to hydro-test all pipe before leaving its facility
- Third production line added in 2019
- API and ISO certified

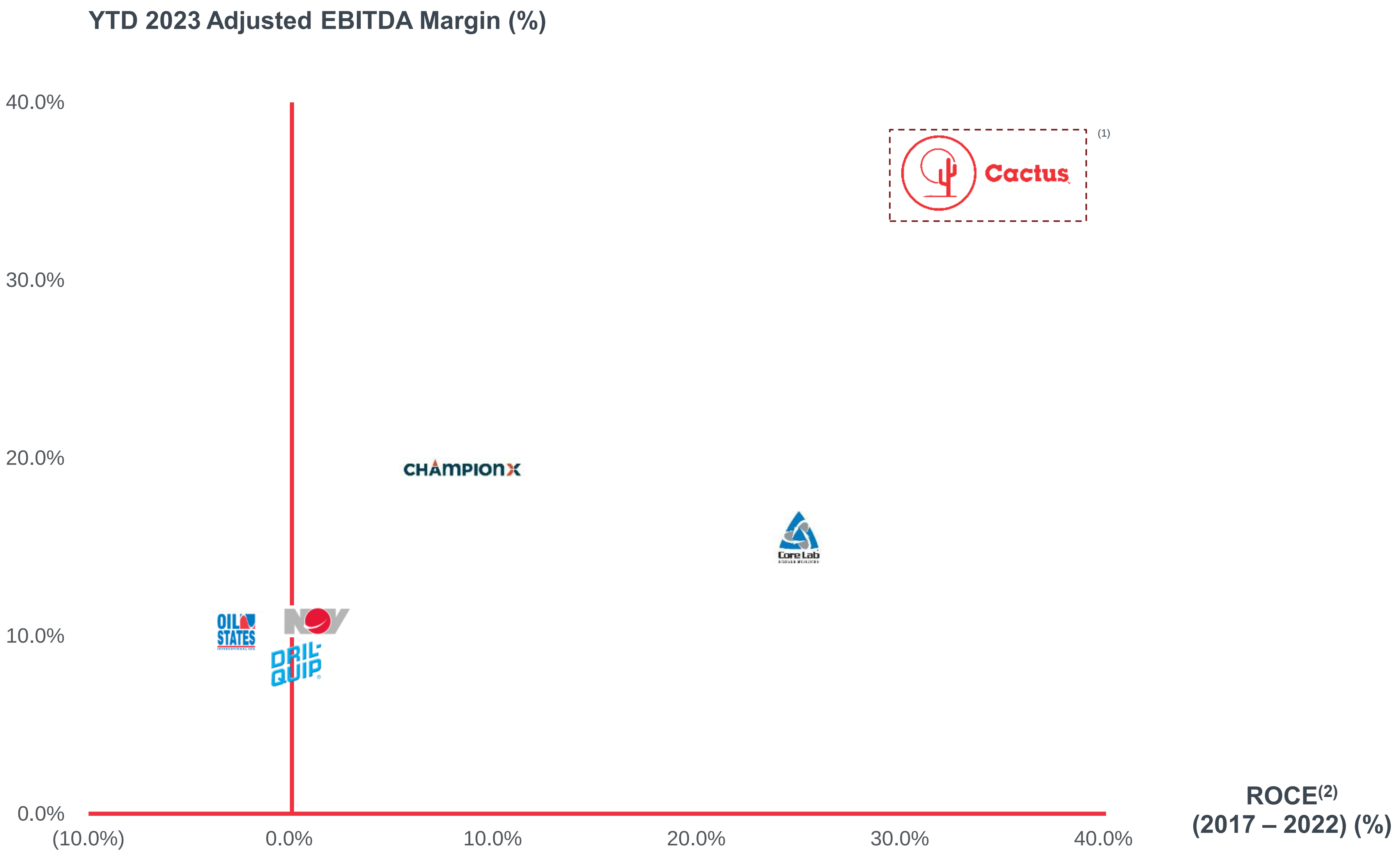
Scalable and Low Fixed Cost Manufacturing Footprint

Experienced and Well Aligned Management Team with Strong Industry Relationships

- Management is well incentivized as it owns over 18% of the business
  - Performance-based stock compensation tied to Return on Capital Employed ("ROCE")
- Management team has built the foundation of this company over more than four decades
- Track record of building and successfully monetizing similar businesses
- Strength of leadership and loyalty is attested by management and operating teams that joined from past ventures



Returns & Margins Have Outperformed Peers

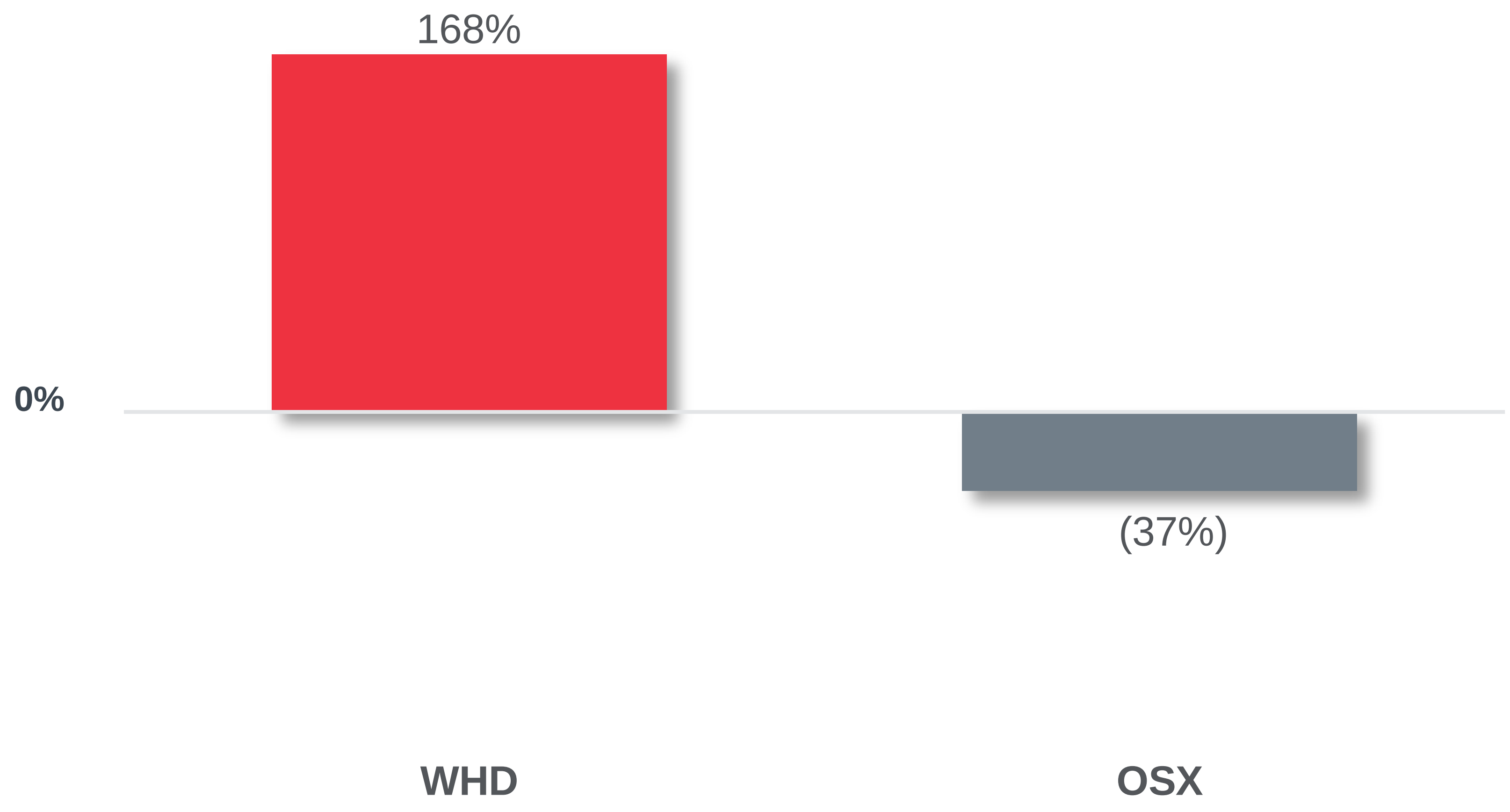


Source: Company filings and Factset.
Note: Adj. EBITDA Margins based on latest publicly available annual data. Cactus' computation of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. Cactus data based on historical actuals and not pro forma for the FlexSteel acquisition. FlexSteel results included past the close of the acquisition on February 28, 2023.

1) Cactus EBIT = Adjusted EBITDA – depreciation and amortization. The Appendix at the back of this presentation contains a reconciliation of Adjusted EBITDA to net income, the most comparable financial measure calculated in accordance with GAAP.
2) ROCE reflects weighted average of 2017, 2018, 2019, 2020, 2021 and 2022. ROCE = (Adj. EBITDA less D&A) / (Average of the subject year and preceding year capitalization including capital leases). ChampionX ROCE data represents legacy Apergy for 2016 – 2019 and ChampionX for 2020, 2021 and 2022.

Execution Has Driven Equity Outperformance

Share Price Performance of Cactus vs. the OSX since IPO

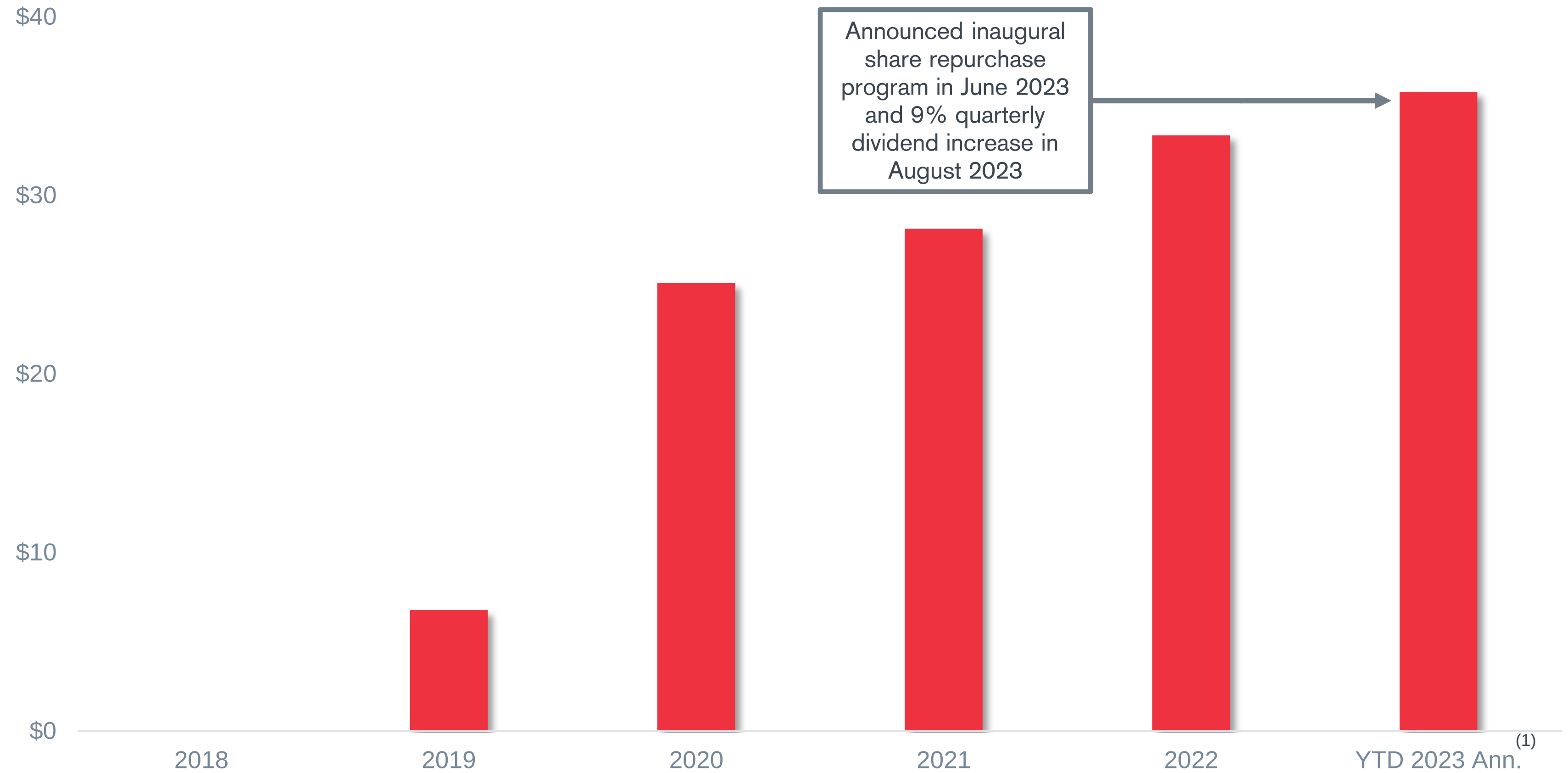


Share Price Outperformed the OSX in 4 of 5 years since IPO

Note: Data based on share price performance from 2/7/2018 to 8/25/2023. Cactus 2/7/2018 price set as IPO price of $19 per share.
Source: Factset

Steadily Increasing Return of Capital Profile

Cactus' Dividends & Associated Distributions to Members Paid Since 2018 ($ in millions)



Cactus Has Increased Shareholder Returns in Every Year Since Going Public and Announced its Inaugural Share Repurchase Program in June 2023

Source: Company filings and annual reports.

1) Although we intend to continue paying the quarterly dividend at the current levels, Cactus' future dividend policy is within the discretion of Cactus' board of directors and will depend upon then-existing conditions, including Cactus' results of operations, financial condition, capital requirements, investment opportunities, statutory and contractual restrictions on Cactus' ability to pay dividends and other factors Cactus' board of directors may deem relevant.

Multiple Avenues of Growth for Spoolable Technologies

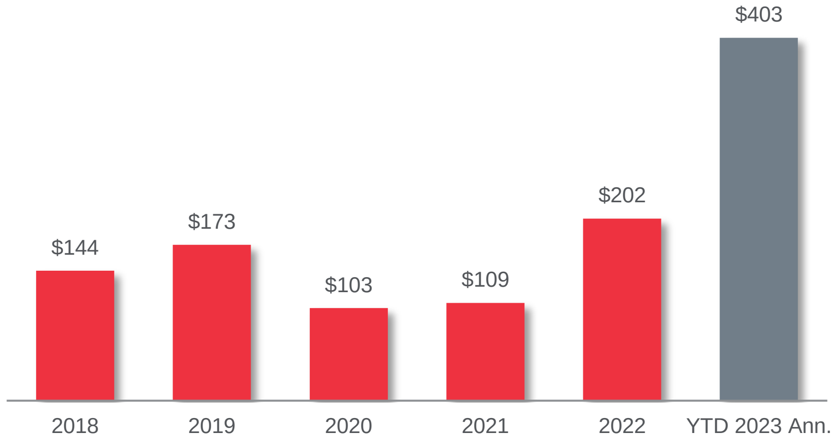
- **Growth In Core Production Products**
  - Transition from legacy offerings to spoolable technologies still underway
  - Increase customer penetration for larger-diameter gathering-based technologies
  - Expand customer penetration for under pad applications that connect to the wellhead
  - Introduction of an additional market leading technology to Cactus' customer base
- **Expansion in the Midstream Segment**
  - Larger diameter capabilities required by relatively untapped customer base
  - Customer count has significantly increased since 2020
- **Carbon Capture & Underground Storage ("CCUS")**
  - Executed on first CCUS project for large independent operator in 2022
  - Actively engaged in multiple CCUS opportunities as market grows
- **International**
  - International market penetration in relatively early stages
- **Offshore**
  - Shallow-water product in late stages of development

Strong Balance Sheet & Low Capital Intensity

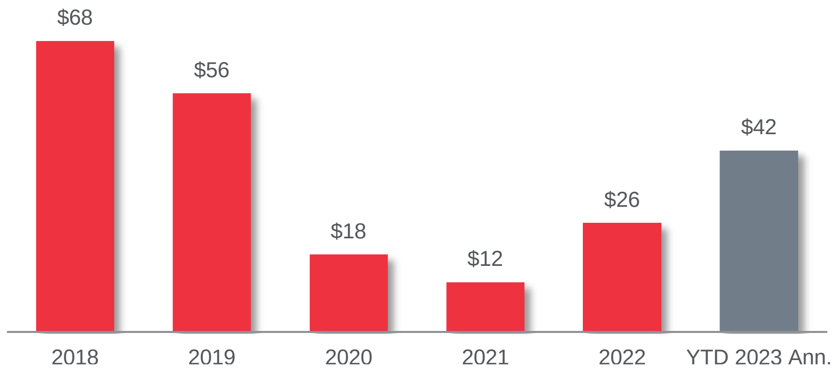
Balance Sheet & Capital Summary

- Paid off remaining balance of the bank debt raised for the FlexSteel acquisition as of July 31, 2023
- Approximately $223 million availability on revolving credit facility as of July 31, 2023
- Full year 2023 net capital expenditure guidance of $35 to $45 million, inclusive of FlexSteel
- Modest maintenance capital expenditures requirements
- 2023 capital expenditure guidance driven by:
  - $7.0 million purchase of leased domestic facility in Q1
  - General maintenance
  - Field service tool upgrades

Adjusted EBITDA – Net Capital Expenditures ($ in millions)[1][2]



Net Capital Expenditures[2] ($ in millions)



Proven track record of cash flow generation

Source: Company filings.

1) Historical data prior to 2023 not pro forma for the FlexSteel acquisition. YTD 2023 annualized Adj. EBITDA annualizes 4 months (March – June) of Spoolable Technologies Adj. EBITDA and YTD Pressure Control Adj. EBITDA. EBITDA and Adjusted EBITDA are non-GAAP financial measures. The Appendix at the back of this presentation contains a reconciliation of Cactus EBITDA, Adjusted EBITDA, Segment EBITDA and Adjusted Segment EBITDA to net income, the most comparable financial measure calculated in accordance with GAAP.

2) Historical data prior to 2023 not pro forma for the FlexSteel acquisition. Net Capital Expenditures equals net cash flows from investing activities excluding the cash outflow for the FlexSteel acquisition. YTD 2023 annualized Net Capital Expenditures annualizes 4 months (March – June) of Spoolable Technologies net Capital Expenditures and YTD Pressure Control Net Capital Expenditures.

Third Quarter Updates

Recent Developments

- As of July 31, 2023, Cactus has repaid all of the $155 million of bank debt raised to finance the FlexSteel acquisition

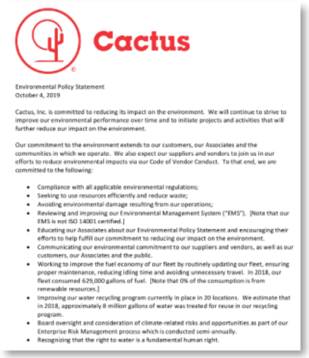
Outlook

- Pressure Control Q3 2023
  - Revenue expected to be down approximately 10% versus Q2 2023 on lower activity levels
  - Expected Adjusted EBITDA margin of 32.5% - 34%
- Spoolable Technologies Q3 2023
  - Revenue expected to be approximately flat versus Q2 2023
  - Expected Adjusted EBITDA margin of approximately 40%
- TRA payment and associated distribution of approximately $34 million expected to be made in Q3

Cactus Is Committed to ESG

Environmental

- Cactus, Inc. is committed to reducing its and its industry's impact on the environment. We will continue to strive to improve our products over time and to initiate more projects and activities that will further reduce our and our industry's impact on the environment.



Cactus

Environmental Policy Statement
October 4, 2019

Cactus, Inc. is committed to reducing its impact on the environment. We will continue to strive to improve our environmental performance over time and to initiate projects and activities that will further reduce our impact on the environment.

Our commitment to the environment extends to our customers, our Associates and the communities in which we operate. We also expect our suppliers and vendors to join us in our efforts to reduce environmental impacts via our Code of Vendor Conduct. To that end, we are committed to the following:

- Compliance with all applicable environmental regulations;
- Seeking to use resources efficiently and reduce waste;
- Avoiding environmental damage resulting from our operations;
- Reviewing and improving our Environmental Management System ("EMS"). [Note that our EMS is not ISO 14001 certified.]
- Educating our Associates about our Environmental Policy Statement and encouraging their efforts to help fulfill our commitment to reducing our impact on the environment.
- Communicating our environmental commitment to our suppliers and vendors, as well as our customers, our Associates and the public.
- Working to improve the fuel economy of our fleet by routinely updating our fleet, ensuring proper maintenance, reducing idling time and avoiding unnecessary travel. In 2018, our fleet consumed 629,000 gallons of fuel. [Note that 0% of the consumption is from renewable resources.]
- Improving our water recycling program currently in place in 20 locations. We estimate that in 2018, approximately 8 million gallons of water was treated for reuse in our recycling program.
- Board oversight and consideration of climate-related risks and opportunities as part of our Enterprise Risk Management process which is conducted semi-annually.
- Recognizing that the right to water is a fundamental human right.

- All manufacturing facilities API and ISO certified to ensure the highest level of quality and safety
- Products & equipment reduce the need for personnel and equipment at the well site and our industry's impact on the environment

Social

- Cactus, Inc. is dedicated to improving lives of our employees and the communities where they live. We have policies in place to protect human rights and to require ethical behavior by our employees and suppliers. We seek to make the world a better place by providing products that minimize environmental impact and by requiring fairness, equal opportunity and human dignity.

Cactus

Social, Human and Labor Rights Policy Statement
October 4, 2019

Cactus, Inc. is dedicated to improving lives and protecting human rights. We seek to make the world a better place by encouraging fairness, equal opportunity and human dignity.

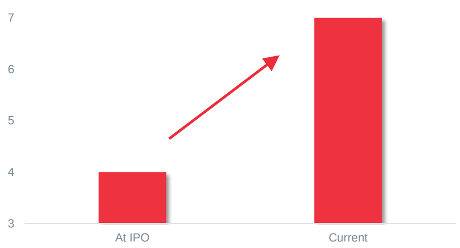
Our commitment to social, human and labor rights extends to our customers, our Associates and the communities in which we operate. We also expect our suppliers and vendors to join us in our efforts to improve lives via our Code of Vendor Conduct. To that end, we are committed to the following:

- Recognizing that the right to water is a fundamental human right.
- Working with our suppliers and vendors to help them improve in the area of human rights.
- Prohibiting the use of child labor and forced labor among our suppliers and vendors.
- Supporting the precepts set forth in the UN Universal Declaration of Human Rights.
- Ensuring that workforce rights are fully realized by developing a safe work environment that is free from unlawful discrimination and harassment and one that ensures Associates' rights under the law are fully protected.
- Extending anti-discrimination protections to all legally protected classes including gender, race, disability, ethnicity, national origin, religion, age and sexual orientation.
- Expecting that our suppliers and vendors embrace workforce rights to the same extent as Cactus.
- Improving our occupational health and safety program and policies designed to protect Associates and invitees from harm at all our facilities and locations as well as any other locations where they work.
- Working with our suppliers and vendors to ensure they too embrace our occupational health and safety policy.
- Compensating our Associates with a fair wage supporting their efforts to adequately provide for their families.
- Active Board and Senior Executive oversight of our anti-bribery and anti-corruption program.
- Providing awareness training to all Associates on our Code of Business Conduct and Ethics to ensure all Associates are familiar with our anti-bribery and anti-corruption policy.
- Reporting to the Board of Directors during its regularly scheduled meetings regarding environmental, health and safety issues.
- The Director of Health, Safety and Environmental reports directly to the General Counsel.

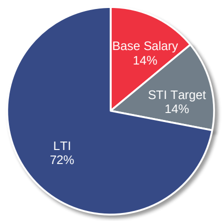
Governance

- Our board of directors believes that sound governance practices and policies provide an important framework to assist it in fulfilling its duty to stockholders
- Bylaws permit Eligible Stockholders to make nominations for election to the Board and to have those nominations included in the Company's proxy materials under certain circumstances

Independent Directors



2022 CEO Target Pay Mix



86% at risk

Source: Company filings.

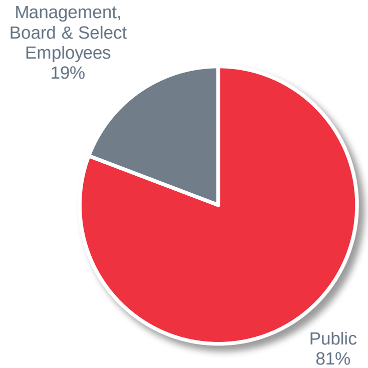
Appendix

Company Organizational Structure

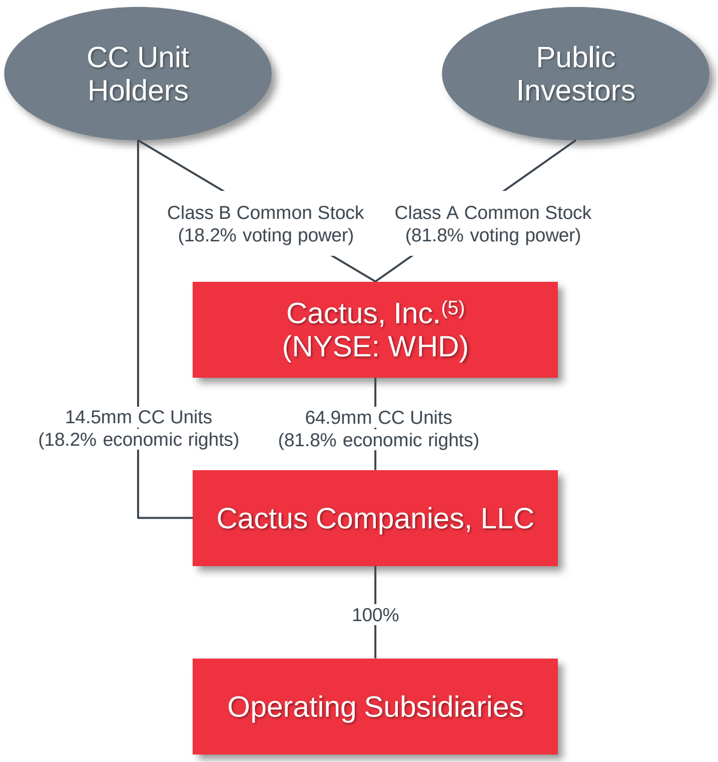
Company Profile

Ticker	WHD (NYSE)
Class A Shares Outstanding(1)	65mm
Class B Shares Outstanding(1)	14mm
Total Shares Outstanding(1)	79mm
Market Capitalization(2)	~$4.1bn
Net Debt(3)	~$0.0bn
Quarterly Dividend Per Share(2)	$0.12
Annual Dividend Yield(2)	0.9%

Ownership Profile(4)



Organizational Structure(1)



Class A & Class B Shareholders Have Equal Voting Rights

Source: Company filings.
1) As of August 28, 2023. Excludes effect of dilutive securities.
2) As of August 28, 2023. Market capitalization utilizes total shares outstanding and dividend yield utilizes announced increase in quarterly dividend to $0.12 per share.
3) As of June 30, 2023. Net debt amount includes capital leases and excludes adjustments for deferred financing costs.
4) As of August 28, 2023.
5) Cactus Inc.'s ownership of Cactus Companies, LLC is inclusive of its 100% ownership in Cactus Acquisitions LLC.

FlexSteel Met Cactus' Acquisition Criteria

- Manufacturer of a Unique Highly Engineered Product
- Products Sold Directly to End-Users
- Variable Cost Business With A Strong Margin Profile
- Modest Capital Requirements Enhance Free Cash Flow
- Leverages Cactus' Infrastructure & Customer Base
- Attractive Growth Potential

Non-GAAP Reconciliation

Important Disclosure Regarding Non-GAAP Measures

EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP. EBITDA and Adjusted EBITDA are supplemental non-GAAP financial measures that are used by management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. We define EBITDA as net income excluding net interest, income tax and depreciation and amortization. We define Adjusted EBITDA as EBITDA excluding severance expenses, revaluation of tax receivable agreement, (gain) loss on debt extinguishment, stock-based compensation, and transaction (acquisition or equity offering) related expenses. We define Adjusted EBITDA Margin as Adjusted EBITDA as a percentage of Revenue.

Our management believes EBITDA, Adjusted EBITDA and Adjusted EBITDA margin are useful, because they allow management to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to financing methods or capital structure, or other items that impact comparability of financial results from period to period. EBITDA and Adjusted EBITDA should not be considered as alternatives to, or more meaningful than, net income or any other measure as determined in accordance with GAAP. Our computations of EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. We present EBITDA, Adjusted EBITDA and Adjusted EBITDA margin because we believe they provide useful information regarding the factors and trends affecting our business.

($ in thousands)					**Year Ended December 31,**				**Six Months Ended June 30,**
	2022	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2023**
Net income (loss)	$145,122	$67,470	$59,215	$156,303	$150,281	$66,547	($8,176)	$21,224	$84,747
Interest (income) expense, net	(3,714)	774	(701)	(879)	3,595	20,767	20,233	21,837	4,926
Income tax expense	31,430	7,675	10,970	32,020	19,520	1,549	809	784	12,075
EBIT	172,838	75,919	69,484	187,444	173,396	88,863	12,866	43,845	101,748
Depreciation and amortization	34,124	36,308	40,520	38,854	30,153	23,271	21,241	20,580	35,024
EBITDA	**$206,962**	**$112,227**	**$110,004**	**$226,298**	**$203,549**	**$112,134**	**$34,107**	**$64,425**	**$136,772**
Severance expenses	-	-	1,864	-	-	-	-	-	-
Revaluation of tax receivable agreement liability	1,910	(898)	555	(5,336)	-	-	-	-	(3,417)
Transaction related expenses	8,422	406	-	1,042	-	-	-	-	10,772
(Gain) loss on debt extinguishment	-	-	-	-	4,305	-	(2,251)	(1,640)	-
Remeasurement loss on earn-out liability	-	-	-	-	-	-	-	-	18,023
Inventory step-up expense	-	-	-	-	-	-	-	-	23,516
Stock-based compensation	10,631	8,620	8,599	6,995	4,704	-	361	359	9,164
Adjusted EBITDA	**$227,925**	**$120,355**	**$121,022**	**$228,999**	**$212,558**	**$112,134**	**$32,217**	**$63,144**	**$194,830**
Revenue	**$688,369**	**$438,589**	**$348,566**	**$628,414**	**$544,135**	**$341,191**	**$155,048**	**$221,395**	**$534,224**
Net income (loss) margin	*21.1%*	*15.4%*	*17.0%*	*24.9%*	*27.6%*	*19.5%*	*(5.3%)*	*9.6%*	*15.9%*
Adjusted EBITDA margin	*33.1%*	*27.4%*	*34.7%*	*36.4%*	*39.1%*	*32.9%*	*20.8%*	*28.5%*	*36.5%*

*For the year ended December 31, 2014, we had EBITDA of $88.8 million, representing net income of $59.1 million, excluding net interest expense of $11.2 million, income tax expense of $0.3 million and depreciation and amortization of $18.2 million. There was no early extinguishment of debt in 2014. Stock-based compensation was $1.3 million in 2014. Adjusted EBITDA was equal to $90.1 million. Revenue was $259.5 million, Net Income margin was 22.8% and Adjusted EBITDA margin was 34.7%.

Non-GAAP Reconciliation

Important Disclosure Regarding Non-GAAP Measures

Segment EBITDA, Adjusted Segment EBITDA and Adjusted Segment EBITDA margin are not measures of net income as determined by GAAP but are supplemental non-GAAP financial measures that are used by management and external users of our consolidated financial statements, such as industry analysts, investors, lenders and rating agencies. We define Segment EBITDA as operating income including other non-operating income and excluding depreciation and amortization. We define Adjusted Segment EBITDA as Segment EBITDA excluding the other items outlined below.

Our management believes Segment EBITDA and Adjusted Segment EBITDA are useful because they allow management to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to financing methods or capital structure, or other items that impact comparability of financial results from period to period. Segment EBITDA and Adjusted Segment EBITDA should not be considered as alternatives to, or more meaningful than, net income or any other measure as determined in accordance with GAAP. Our computations of Segment EBITDA and Adjusted Segment EBITDA may not be comparable to other similarly titled measures of other companies. We define Adjusted Segment EBITDA margin as Adjusted Segment EBITDA divided by total revenue. We present this supplemental information because it believes it provides useful information regarding the factors and trends affecting our business.

($ in thousands)	**Annualized Six Months Ended June 30, 2023**[(1)]	**Six Months Ended June 30, 2023**	
		Pressure Control	**Spoolable Technologies**[(2)]
Revenue	$1,208,883	$393,789	$140,435
Operating income	190,651	$103,979	($5,769)
Other non-operating income	7,197	3,417	121
Depreciation and amortization	87,953	17,119	17,905
EBITDA	**$285,801**	**$124,515**	**$12,257**
Revaluation of tax receivable agreement liability	(6,834)	(3,417)	-
Transaction related expenses	21,544	10,772	-
Remeasurement of earn-out liability	54,069	-	18,023
Inventory step-up expense	70,548	-	23,516
Stock-based compensation	20,315	7,177	1,987
Adjusted EBITDA	**$445,443**	**$139,047**	**$55,783**
Adjusted EBITDA margin	36.8%	35.3%	39.7%

	Annualized Six Months Ended June 30, 2023	**Six Months Ended June 30, 2023**[(2)]
Operating income[(1)]	$190,651	$98,210
Interest expense, net	($9,852)	($4,926)
Other non-operating income	7,076	3,538
Income before income taxes	$187,875	$96,822
Income tax expense	24,150	12,075
Net income	**$163,725**	**$84,747**
Operating income margin	15.8%	18.4%
Net income margin	13.5%	15.9%

1) Represents the sum of (a) Pressure Control for the six months ended June 30, 2023 multiplied by two and (b) Spoolable Technologies for the four months ended June 30, 2023 multiplied by three.
2) Includes four months of Spoolable Technologies results from the close of the acquisition on February 28, 2023.

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