PRESS RELEASE **March 10, 2026**
FOR IMMEDIATE DISTRIBUTION

CES ENERGY SOLUTIONS CORP. ANNOUNCES RECORD FOURTH QUARTER AND FULL YEAR 2025 RESULTS WITH RECORD ADJUSTED EBITDAC AND AN INCREASE TO ITS QUARTERLY DIVIDEND

CES Energy Solutions Corp. ("CES" or the "Company") **(TSX: CEU) (OTC: CESDF)** is pleased to announce record financial results for the three and twelve months ended December 31, 2025, along with a 29% increase to the quarterly dividend from $0.0425 to $0.055 per share, which will be paid on April 15, 2026, to the shareholders of record at the close of business on March 31, 2026.

- Record quarterly revenue of $664.5 million, increased 10% year over year
- Record quarterly Adjusted EBITDAC of $113.2 million at a 17.0% margin, increased 10% year over year
- Record annual revenue of $2.5 billion, increased 6% year over year
- Record annual Adjusted EBITDAC of $404.6 million at a 16.2% margin
- Annual Cash Flow from Operations of $285.4 million and Free Cash Flow of $166.5 million
- Conservative leverage of 1.23x Total Debt/Adjusted EBITDAC
- Returned $174.9 million to shareholders in the year through $34.8 million in dividends and $140.1 million for the repurchase of 16.8 million shares at an average price of $8.20 per share, and representing approximately 7.5% of common shares outstanding at January 1, 2025
- Announced a 29% increase to the quarterly dividend to $0.055 per share, representing an implied annual payout ratio of 19%

CES' record fourth quarter results continue to demonstrate the significant merits of its unique business model. CES has continued to provide mission critical chemical solutions enabling our customers to succeed in an era of high service intensity levels, and increasingly complex drilling fluids and production chemical technology requirements.

These unique characteristics have produced strong financial results and notable customer recognition during the fourth quarter. Record quarterly revenue and Adjusted EBITDAC resulted primarily from a favorable product mix, contributions from recent acquisitions, new business wins, and growing demand for our products to support elevated service intensity levels.

CES remains confident in its ability to continue generating strong surplus free cash flow, supported by its unique business model, financial performance, outlook, and capital structure. On March 10, 2026, the Company's Board of Directors approved an increase to the quarterly dividend from $0.0425 per share to $0.055 per share, which will be paid on April 15, 2026, to the shareholders of record at the close of business on March 31, 2026.

Fourth Quarter Results

Revenue in the fourth quarter set a new quarterly record at $664.5 million, representing a sequential increase of $41.3 million or 7% compared to $623.2 million in Q3 2025, and an increase of $59.1 million or 10% compared to $605.4 million in Q4 2024. For the twelve months ended December 31, 2025, CES generated record revenue of $2.5 billion, an increase of $140.5 million or 6% relative to the twelve months ended December 31, 2024. The increases over prior year comparative periods are driven by strong market share positions and continued strength in service intensity, resulting in an overall uptick in revenue despite softening industry rig counts in both the US and Canada.

Revenue generated in the US during Q4 2025 set a new quarterly record at $434.9 million, representing a sequential increase of $25.5 million or 6% compared to Q3 2025, and an increase of $44.7 million or 11% compared to Q4 2024. For the twelve months ended December 31, 2025, revenue generated in the US of $1.7 billion was up 5% relative to the twelve months ended December 31, 2024. US revenues for both the three and twelve month periods benefited from contributions from recent acquisitions, higher production levels, and strengthened market positioning, achieving US Drilling Fluids Market Share of 25% for both the three and twelve months ended December 31, 2025, respectively, compared to 21% and 22% for the three and twelve months ended December 31, 2024, respectively.

Revenue generated in Canada during Q4 2025 was a fourth quarter record at $229.6 million, representing a sequential increase of $15.8 million or 7% compared to Q3 2025, and an increase of $14.4 million or 7% compared to Q4 2024. For the twelve months ended December 31, 2025, revenue generated in Canada of $841.9 million was up 8% relative to the twelve months ended December 31, 2024. Canadian revenues for both the three and twelve month periods benefited from strong market share and higher service intensity year over year. Canadian Drilling Fluids Market Share of 42% and 41% for the three and twelve months ended December 31, 2025, respectively, compared to 36% and 34% for the three and twelve months ended December 31, 2024, respectively.

Adjusted EBITDAC set a quarterly record at $113.2 million, representing an increase of 10% compared to both Q3 2025 and Q4 2024. Q4 2025 Adjusted EBITDAC as a percentage of revenue of 17.0% improved from 16.6% in Q3 2025 and came in line with Q4 2024. The improvement to Adjusted EBITDAC for the three months ended December 31, 2025, was driven by record quarter revenue levels combined with strong margins, an attractive product mix, and continued increased service intensity. For the twelve months ended December 31, 2025, Adjusted EBITDAC set a record at $404.6 million, up from $403.2 million for the twelve months ended December 31, 2024, and Adjusted EBITDAC as a percentage of revenue decreased to 16.2% from 17.1% a year ago. Adjusted EBITDAC benefitted from record quarter revenue levels, an attractive product mix, and continued increased service intensity, partially offset by personnel investments to support new business initiatives in the previous quarters.

Net income for the three and twelve months ended December 31, 2025, increased 63% to $68.3 million and 7% to $204.7 million, respectively, relative to the comparable periods of 2024. The increases in both the three and twelve month periods were driven by record revenue, a foreign exchange gain associated with the depreciation of the US dollar, and strong margins. The twelve month period further benefited from lower stock-based compensation expense, driven by more modest share price appreciation compared to the prior year combined with a lower number of cash-settled awards outstanding.

During the quarter, CES returned $60.6 million to shareholders (Q4 2024 - $45.1 million), through $51.4 million in shares repurchased under its NCIB and its quarterly dividend of $9.2 million (Q4 2024 - $38.2 million and $6.9 million, respectively). For the twelve months ended December 31, 2025, CES returned $174.9 million to shareholders (2024 - $129.9 million), through $140.1 million in shares repurchased under its NCIB and its quarterly dividends of $34.8 million (2024 - $103.1 million and $26.9 million, respectively).

CES generated $84.2 million in Funds Flow from Operations in Q4 2025, compared to $85.8 million generated in Q3 2025 and $68.8 million generated in Q4 2024. For the twelve months ended December 31, 2025, CES generated $324.4 million of Funds Flow from Operations compared to $293.0 million in 2024. Funds Flow from Operations excludes the impact of working capital, and is reflective of the continued strong surplus free cash flow generated in 2025.

For Q4 2025, net cash provided by operating activities totaled $107.6 million compared to $51.6 million in Q3 2025, and $62.2 million in Q4 2024. The improvement to Cash Flow From Operations for the three months ended December 31, 2025, was driven by strong financial performance combined with a working capital harvest in the current period. For the twelve months ended December 31, 2025, net cash provided by operating activities of $285.4 million compared to $304.7 million for the twelve months ended December 31, 2024. The decrease in net cash provided by operating activities was driven by an increase to working capital requirements to support record revenue levels when compared to the prior year.

CES generated $78.4 million in Free Cash Flow in Q4 2025, compared to $27.2 million generated in Q3 2025, and $34.6 million generated in Q4 2024. The improvement to Free Cash Flow for the three months ended December 31, 2025, was driven by strong financial performance combined with a working capital harvest in the current period. For the twelve months ended December 31, 2025, CES generated $166.5 million of Free Cash Flow compared to $186.9 million in 2024. The year over year decrease was driven by elevated working capital requirements to support record revenue levels and increased lease repayments. Free Cash Flow includes the impact of quarterly working capital variations, net of capital expenditures, and lease repayments.

As at December 31, 2025, CES had a Working Capital Surplus of $693.4 million, which decreased from $713.9 million at September 30, 2025, and compared to $681.1 million at December 31, 2024. The movement during the quarter was driven by increases to accounts payable and accrued liabilities, and a decrease in inventory on favorable timing of the procurement cycle, countering the increase to record quarterly revenue levels. The increase in Working Capital Surplus year over year was driven by record revenue levels resulting in an increase in accounts receivable, partly offset by a decrease in inventory and higher accounts payable and accrued liabilities. The Company continues to focus on working capital optimization benefiting from the high quality of its customers, diligent internal credit monitoring processes, and strategic procurement initiatives.

As at December 31, 2025, CES had Total Debt of $496.6 million compared to $510.3 million at September 30, 2025, and $452.6 million at December 31, 2024. Included in Total Debt at December 31, 2025, is the Senior Facility of $109.3 million (December 31, 2024 - $148.8 million), $275.0 million of Senior Notes (December 31, 2024 - $200.0 million), and lease obligations of $99.2 million (December 31, 2024 - $91.9 million). The decrease in Total Debt during the three month period was driven by strong financial performance in the period combined with a working capital harvest, partially offset by elevated shareholder returns. The increase in Total Debt compared to December 31, 2024, was driven by increased investments in working capital combined with elevated shareholder returns, partially offset by strong financial performance achieved throughout the year.

On October 23, 2025, the Company completed the private placement of $75.0 million of 6.875% senior unsecured notes (the "Additional Senior Notes") due May 24, 2029, at a premium price of $1,031.25 per $1,000 principal amount of Senior Notes. The Additional Senior Notes were issued under the indenture governing the Company's $200.0 million of Senior Notes and accordingly will form a single series with such previously issued Senior Notes. This financing further improves CES' capital structure and provides ample liquidity to support identified growth opportunities.

Working Capital Surplus exceeded Total Debt at December 31, 2025, by $196.8 million (December 31, 2024 - $228.5 million). As of the date of this press release, the Company had total long-term debt of approximately $398.0 million, comprised of a net draw on its Senior Facility of approximately $123.0 million and its outstanding $275.0 million Senior Notes due May 24, 2029.

Strategic Acquisition: On June 1, 2025, CES closed the acquisition of substantially all of the business assets of Fossil Fluids LLC. ("Fossil Fluids"). Fossil Fluids provides independent drilling fluids solutions for the upstream oil and gas industry, with a focus on servicing the Mid-Continent region. Operating under AES Drilling Fluids, the acquisition augments the Company's regional operations and will be enhanced by CES' advanced technology and supply chain capabilities, extensive customer reach in its North American platform, and vertically integrated business model. The aggregate purchase price was $14.2 million consisting of $7.0 million in up front cash consideration and $7.2 million in deferred consideration, which is payable in cash as an earn-out upon achieving certain EBITDA thresholds over a three-year period post close.

Outlook

The resilient demand drivers from developing countries, growing LNG and AI related power requirements, and global support of energy transition initiatives, combined with depletion of existing resources, reduced investment in the upstream oil and gas sector over recent years, and diminished available inventory quality, has necessitated increased service intensity and advanced chemical treatment for available resources. The result is a continuation of constructive end markets for CES' products and services which enhance drilling and production performance.

In light of economic uncertainty, OPEC+ cadence of production cut reversals, and ongoing global conflicts, energy supply-demand dynamics have remained resilient. Industry fundamentals continue to support critical drilling and production activity for oil and natural gas as depressed global exploration activity and diminishing high-quality drilling locations provide cautious optimism for suitable pricing over the mid to longer term. In the shorter term the situation is more fluid as customers are closely monitoring fluctuating oil and gas pricing in the context of their inherent production economics which may impact activity levels, spending plans, and, by extension, product pricing. While the current political landscape and impact of recently imposed tariffs in both the US and Canada continue to generate potential near term uncertainty, including within the energy sector, CES' business model provides relative insulation due to its significant proportion of revenue derived in the US versus Canada, its vertically integrated business models in both countries, and flexible supply chain capabilities.

CES expects to benefit from secular trends in upstream activity, increased service intensity levels, and adoption of advanced critical chemical solutions by capitalizing on its established infrastructure, industry leading positioning, vertically integrated business model, and strategic procurement practices.

Commensurate with current record revenue levels, CES expects 2026 capital expenditures, net of proceeds on disposals of assets, to be approximately $90.0 million, weighted equally between maintenance and expansion capital to support sustained activity levels and business development opportunities. CES plans to continue its disciplined and prudent approach to capital expenditures and will adjust its plans as required to support prudent growth initiatives throughout divisions.

CES has proactively managed both the duration and the flexibility of its debt. In April 2025, CES amended, extended, and upsized its Senior Facility, with improved terms and a maturity extension until November 2028, and in October 2025, CES successfully issued an additional $75.0 million of Senior Notes due May 24, 2029, on favourable terms. The combination of the Senior Notes and the Senior Facility further strengthens the Company's capital structure, reduces the cost of capital, and effectively addresses CES' near-term and foreseeable longer-term requirements. CES routinely considers its capital structure, including increasing or decreasing the capacity of its Senior Facility, issuance or redemption of Senior Notes, and other potential financing options.

CES' underlying business model is capex light and asset light, enabling the generation of significant surplus free cash flow. As our customers endeavor to maintain or grow production in the current environment, CES will leverage its established infrastructure, business model, and nimble customer-oriented culture to deliver superior products and services to the industry. CES sees the consumable chemical market increasing its share of the oilfield spend as operators continue to: drill longer reach laterals and drill them faster; expand and optimize the utilization of pad drilling; increase the intensity and size of their fracs; and require increasingly technical and specialized chemical treatments to effectively maintain existing cash flow generating wells and treat growing production volumes and water cuts from new wells.

Conference Call Details

With respect to the fourth quarter results, CES will host a conference call / webcast at 9:00 am MT (11:00 am ET) on Wednesday, March 11, 2026. The link to webcast and dial-in information can be found at **www.cesenergysolutions.com**. A recording of the live audio webcast of the conference call will also be available on our website at www.cesenergysolutions.com. The webcast will be archived for approximately 90 days.

Financial Highlights

	Three Months Ended December 31,			Year Ended December 31,		
	2025	2024	% Change	**2025**	2024	% Change
Revenue						
United States[1]	**434,879**	390,203	11 %	**1,652,286**	1,571,433	5 %
Canada[1]	**229,630**	215,181	7 %	**841,866**	782,244	8 %
Total Revenue	**664,509**	605,384	10 %	**2,494,152**	2,353,677	6 %
Net income	**68,298**	41,855	63 %	**204,723**	191,106	7 %
per share - basic	***0.32***	*0.18*	78 %	***0.93***	*0.82*	13 %
per share - diluted	***0.32***	*0.18*	78 %	***0.92***	*0.81*	14 %
Adjusted EBITDAC[2]	**113,170**	103,174	10 %	**404,641**	403,190	— %
Adjusted EBITDAC[2] % of Revenue	***17.0 %***	*17.0 %*	— %	***16.2 %***	*17.1 %*	(0.9)%
Funds Flow from Operations[2]	**84,181**	68,774	22 %	**324,404**	293,009	11 %
Change in non-cash working capital	**23,464**	(6,543)	(459)%	**(39,031)**	11,655	(435)%
Cash provided by (used in) operating activities	**107,645**	62,231	73 %	**285,373**	304,664	(6)%
Free Cash Flow[2]	**78,388**	34,648	126 %	**166,460**	186,932	(11)%
Capital expenditures						
Expansion Capital[1]	**12,660**	15,155	(16)%	**52,767**	68,078	(22)%
Maintenance Capital[1]	**7,300**	5,818	25 %	**33,047**	22,918	44 %
Total capital expenditures	**19,960**	20,973	(5)%	**85,814**	90,996	(6)%
Dividends declared	**8,965**	6,760	33 %	**37,016**	27,738	33 %
per share	***0.0425***	*0.0300*	42 %	***0.1700***	*0.1200*	42 %
Common Shares Outstanding						
End of period - basic	**210,949,911**	225,329,085		**210,949,911**	225,329,085	
End of period - fully diluted[2]	**213,473,163**	228,948,223		**213,473,163**	228,948,223	
Weighted average - basic	**212,911,936**	226,704,896		**219,418,789**	232,341,309	
Weighted average - diluted	**215,433,353**	230,379,790		**222,184,814**	236,577,679	

	As at				
Financial Position	**December 31, 2025**	September 30, 2025	% Change	December 31, 2024	% Change
Total assets	**1,617,858**	1,623,489	— %	1,539,331	5 %
Long-term debt	**382,299**	400,561	(5)%	344,888	11 %
Long-term financial liabilities[3]	**453,753**	467,526	(3)%	412,608	10 %
Total Debt[2]	**496,636**	510,280	(3)%	452,588	10 %
Working Capital Surplus[2]	**693,407**	713,928	(3)%	681,085	2 %
Net Debt[2]	**(196,771)**	(203,648)	(3)%	(228,497)	(14)%
Shareholders' equity	**801,524**	808,215	(1)%	814,230	(2)%

[1]Supplementary Financial Measure. Supplementary Financial Measures are provided herein because Management believes they assist the reader in understanding CES' results. Refer to "Non-GAAP Measures and Other Financial Measures" contained herein.

[2]Non-GAAP measure that does not have any standardized meaning under IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and therefore may not be comparable to similar measures presented by other entities. The most directly comparable GAAP measure for Adjusted EBITDAC is Net income, for Funds Flow from Operations and Free Cash flow is Cash provided by (used in) operating activities, for Shares Outstanding, End of period - fully diluted is Common Shares outstanding, and for Total Debt, Net Debt, and Working Capital Surplus is Long-term financial liabilities. Refer to the section entitled "Non-GAAP Measures and Other Financial Measures" contained herein.

[3]Includes long-term portions of the Senior Facility, the Senior Notes, lease obligations, deferred acquisition consideration, and cash settled incentive obligations.

Business of CES

CES is a leading provider of technically advanced consumable chemical solutions throughout the life-cycle of the oilfield. This includes total solutions at the drill-bit, at the point of completion and stimulation, at the wellhead and pump-jack, and finally through to the pipeline and midstream market. Key solutions include corrosion inhibitors, demulsifiers, H2S scavengers, paraffin control products, surfactants, scale inhibitors, biocides and other specialty products. Further, specialty chemicals are used throughout the pipeline and midstream industry to aid in hydrocarbon movement and manage transportation and processing challenges including corrosion, wax build-up and H2S.

CES operates in all major basins throughout the United States ("US"), including the Permian, Eagleford, Bakken, Marcellus and Scoop/Stack, as well as in the Western Canadian Sedimentary Basin ("WCSB") with an emphasis on servicing the ongoing major resource plays in the Montney, Duvernay, Deep Basin and SAGD. In the US, CES operates under the trade names AES Drilling Fluids ("AES"), AES Completion Services, Jacam Catalyst LLC ("Jacam Catalyst"), and Superior Weighting Products ("Superior Weighting"). In Canada, CES operates under the trade names Canadian Energy Services, CES Completion Services, PureChem Services ("PureChem"), StimWrx Energy ("StimWrx"), Sialco Materials ("Sialco"), and Clear Environmental Solutions ("Clear").

Non-GAAP Measures and Other Financial Measures

CES uses certain supplementary information and measures not recognized under IFRS where management believes they assist the reader in understanding CES' results. These measures are calculated by CES on a consistent basis unless otherwise specifically explained. These measures do not have a standardized meaning under IFRS and may therefore not be comparable to similar measures used by other issuers.

Non-GAAP financial measures and non-GAAP ratios have the definition set out in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure". The non-GAAP measures, non-GAAP ratios and supplementary financial measures used herein, with IFRS measures, are the most appropriate measures for reviewing and understanding the Company's financial results. The non-GAAP measures and non-GAAP ratios are further defined as follows:

EBITDAC - is a non-GAAP measure that has been reconciled to net income for the financial periods, being the most directly comparable measure calculated in accordance with IFRS. EBITDAC is defined as net income before interest, taxes, depreciation and amortization, finance costs, other income (loss), stock-based compensation, and impairment of goodwill, which are not reflective of underlying operations. EBITDAC is a metric used to assess the financial performance of an entity's operations. Management believes that this metric provides an indication of the results generated by the Company's business activities prior to how these activities are financed, how the Company is taxed in various jurisdictions, and how the results are impacted by foreign exchange and non-cash charges. This non-GAAP financial measure is also used by Management as a key performance metric supporting decision making and assessing divisional results.

Adjusted EBITDAC - is a non-GAAP measure that is defined as EBITDAC noted above, adjusted for specific items that are considered to be non-recurring in nature. Management believes that this metric is relevant when assessing normalized operating performance.

Adjusted EBITDAC % of Revenue - is a non-GAAP ratio calculated as Adjusted EBITDAC divided by revenue. Management believes that this metric is a useful measure of the Company's normalized operating performance relative to its top line revenue generation and a key industry performance measure.

Readers are cautioned that EBITDAC and Adjusted EBITDAC should not be considered to be more meaningful than net income determined in accordance with IFRS.

EBITDAC, Adjusted EBITDAC, and Adjusted EBITDAC % of Revenue are calculated as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	**2025**	2024
Net income	**68,298**	41,855	**204,723**	191,106
Adjust for:				
Depreciation and amortization	**27,324**	22,624	**104,263**	85,681
Current income tax expense	**8,328**	6,900	**33,928**	35,733
Deferred income tax (recovery) expense	**(905)**	(3,410)	**17,969**	9,115
Stock-based compensation	**14,911**	12,485	**30,873**	51,239
Finance costs	**(4,875)**	22,647	**12,909**	31,833
Other loss (income)	**89**	73	**(24)**	(1,517)
EBITDAC	**113,170**	103,174	**404,641**	403,190
Adjusted EBITDAC	**113,170**	103,174	**404,641**	403,190
Adjusted EBITDAC % of Revenue	***17.0 %***	*17.0 %*	***16.2 %***	*17.1 %*
Adjusted EBITDAC per share - basic	***0.53***	*0.46*	***1.84***	*1.74*
Adjusted EBITDAC per share - diluted	***0.53***	*0.45*	***1.82***	*1.70*

Distributable Earnings - is a non-GAAP measure that is defined as cash provided by operating activities, adjusted for change in non-cash operating working capital less Maintenance Capital and repayment of lease obligations. Distributable Earnings is a measure used by Management and investors to analyze the amount of funds available to distribute to shareholders as dividends or through the NCIB program before consideration of funds required for growth purposes.

Dividend Payout Ratio - is a non-GAAP ratio that is defined as dividends declared as a percentage of Distributable Earnings. Management believes it is a useful measure of the proportion of available funds committed to being returned to shareholders in the form of a dividend relative to the Company's total Distributable Earnings.

Readers are cautioned that Distributable Earnings should not be considered to be more meaningful than cash provided by operating activities determined in accordance with IFRS. Distributable Earnings and Dividend Payout Ratio are calculated as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	**2025**	2024
Cash provided by (used in) operating activities	**107,645**	62,231	**285,373**	304,664
Adjust for:				
Change in non-cash operating working capital	**(23,464)**	6,543	**39,031**	(11,655)
Maintenance Capital[(1)]	**(7,300)**	(5,818)	**(33,047)**	(22,918)
Repayment of lease obligations	**(11,408)**	(9,316)	**(43,558)**	(34,271)
Distributable Earnings	**65,473**	53,640	**247,799**	235,820
Dividends declared	**8,965**	6,760	**37,016**	27,738
Dividend Payout Ratio	**14 %**	13 %	**15 %**	12 %

[1]Supplementary Financial Measure. Supplementary Financial Measures are provided herein because Management believes they assist the reader in understanding CES' results.

Funds Flow From Operations - is a non-GAAP measure that has been reconciled to Cash provided by (used in) operating activities for the financial periods, being the most directly comparable measure calculated in accordance with IFRS. Funds Flow from Operations is defined as cash flow from operations before changes in non-cash operating working capital and represents the Company's after-tax operating cash flows. Readers are cautioned that this measure is not intended to be considered more meaningful than cash provided by operating activities, or other measures of financial performance calculated in accordance with IFRS.

Funds Flow from Operations is used by Management to assess operating performance and leverage, and is calculated as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	**2025**	2024
Cash provided by (used in) operating activities	**107,645**	62,231	**285,373**	304,664
Adjust for:				
Change in non-cash operating working capital	**(23,464)**	6,543	**39,031**	(11,655)
Funds Flow from Operations	**84,181**	68,774	**324,404**	293,009

Free Cash Flow **-** is a non-GAAP measure that has been reconciled to Cash provided by (used in) operating activities for the financial periods, being the most directly comparable measure calculated in accordance with IFRS. Free Cash Flow is defined as cash flow from operations adjusted for capital expenditures and repayment of lease obligations, net of proceeds on disposal of assets, and represents the Company's core operating results in excess of required capital expenditures. Readers are cautioned that this measure is not intended to be considered more meaningful than cash provided by operating activities, or other measures of financial performance calculated in accordance with IFRS. Free Cash Flow is used by Management to assess operating performance and leverage, and is calculated as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	**2025**	2024
Cash provided by (used in) operating activities	**107,645**	62,231	**285,373**	304,664
Adjust for:				
Expansion Capital(1)	**(12,660)**	(15,155)	**(52,767)**	(68,078)
Maintenance Capital(1)	**(7,300)**	(5,818)	**(33,047)**	(22,918)
Repayment of lease obligations	**(11,408)**	(9,316)	**(43,558)**	(34,270)
Proceeds on disposal of assets	**2,110**	2,706	**10,459**	7,534
Free Cash Flow	**78,387**	34,648	**166,460**	186,932

1Supplementary Financial Measure. Supplementary Financial Measures are provided herein because Management believes they assist the reader in understanding CES' results.

Net Cash Used for Investment in Property and Equipment **-** is a non-GAAP measure that has been reconciled to Cash used for investment in property and equipment, being the most directly comparable measure calculated in accordance with IFRS. Management believes that this metric is a key measure to assess the total capital required to support ongoing business operations. Readers are cautioned that this measure is not intended to be considered more meaningful than cash used for investment in property and equipment or other measures of financial performance calculated in accordance with IFRS. Net Cash Used for Investment in Property and Equipment is calculated as follows:

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	**2025**	2024
Cash used for investment in property and equipment	**18,845**	20,804	**86,167**	88,642
Adjust for:				
Proceeds on disposal of assets	**(2,110)**	(2,706)	**(10,459)**	(7,534)
Net Cash used for investment in property and equipment	**16,735**	18,098	**75,708**	81,108

Working Capital Surplus - is a non-GAAP measure that is calculated as current assets less current liabilities, excluding the current portion of finance lease obligations, current portion of long-term debt, and deferred acquisition consideration. Management believes that this metric is a key measure to assess operating performance and leverage of the Company and uses it to monitor its capital structure.

Net Debt and Total Debt - are non-GAAP measures that Management believes are key metrics to assess liquidity of the Company and uses them to monitor its capital structure. Net Debt represents Total Debt, which includes the Senior Facility, The Canadian Term Loan Facility, the Senior Notes, both current and non-current portions of lease obligations, both current and non-current portions of deferred acquisition consideration, non-current portion of cash settled incentive obligations, offset by the Company's cash position, less Working Capital Surplus.

Readers are cautioned that Total Debt, Working Capital Surplus, and Net Debt should not be construed as alternative measures to Long-term financial liabilities determined in accordance with IFRS.

Total Debt, Working Capital Surplus, and Net Debt are calculated as follows:

	As at	
	December 31, 2025	December 31, 2024
Long-term financial liabilities[1]	**453,753**	412,608
Current portion of lease obligations	**39,444**	34,589
Current portion of deferred acquisition consideration	**3,439**	5,391
Total Debt	**496,636**	452,588
Deduct Working Capital Surplus:		
Current assets	**999,789**	952,150
Current liabilities[2]	**(306,382)**	(271,065)
Working Capital Surplus	**693,407**	681,085
Net Debt	**(196,771)**	(228,497)

[1]*Includes long-term portions of the Senior Facility, the Senior Notes, lease obligations, deferred acquisition consideration, and cash settled incentive obligations.*
[2]*Excludes current portion of lease liabilities and deferred acquisition consideration.*

Total Debt/Adjusted EBITDAC - is a non-GAAP ratio that Management believes to be a useful measure of the Company's liquidity and leverage levels, and is calculated as Total Debt divided by Adjusted EBITDAC for the most recently ended four quarters. Total Debt and Adjusted EBITDAC are non-GAAP measures that do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other entities. Total Debt and Adjusted EBITDAC are calculated as outlined above.

Shares outstanding, End of period - fully diluted - is a non-GAAP measure that has been reconciled to Common Shares outstanding for the financial periods, being the most directly comparable measure calculated in accordance with IFRS. This measure is not intended to be considered more meaningful than Common shares outstanding. Management believes that this metric is a key measure to assess the total potential shares outstanding for the financial periods and is calculated as follows:

	As at	
	December 31, 2025	December 31, 2024
Common shares outstanding	**210,949,911**	225,329,085
Restricted share units outstanding, end of period	**2,523,252**	3,619,138
Shares outstanding, end of period - fully diluted	**213,473,163**	228,948,223

Supplementary Financial Measures

A Supplementary Financial Measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is not presented in the financial statements of the Company; (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio. Supplementary financial measures found within this press release are as follows:

Revenue - United States - comprises a component of total revenue, as determined in accordance with IFRS, and is calculated as revenue recorded from the Company's US divisions.

Revenue - Canada - comprises a component of total revenue, as determined in accordance with IFRS, and is calculated as revenue recorded from the Company's Canadian divisions.

Expansion Capital - comprises a component of total investment in property and equipment as determined in accordance with IFRS, and represents the amount of capital expenditure that has been or will be incurred to grow or expand the business or would otherwise improve the productive capacity of the operations of the business.

Maintenance Capital - comprises a component of total investment in property and equipment as determined in accordance with IFRS, and represents the amount of capital expenditure that has been or will be incurred to sustain the current level of operations.

Cautionary Statement

Except for the historical and present factual information contained herein, the matters set forth in this press release, may constitute forward-looking information or forward-looking statements (collectively referred to as "forward-looking information") which involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CES, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. When used in this press release, such information uses such words as "may", "would", "could", "will", "intend", "expect", "believe", "plan", "anticipate", "estimate", and other similar terminology. This information reflects CES' current expectations regarding future events and operating performance and speaks only as of the date of the press release. Forward-looking information involves significant risks and uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information, including, but not limited to, the factors discussed below. The management of CES believes the material factors, expectations and assumptions reflected in the forward-looking information are reasonable but no assurance can be given that these factors, expectations and assumptions will prove to be correct. The forward-looking information contained in this document speaks only as of the date of the document, and CES assumes no obligation to publicly update or revise such information to reflect new events or circumstances, except as may be required pursuant to applicable securities laws or regulations. The material assumptions in making forward-looking statements include, but are not limited to, assumptions relating to demand levels and pricing for the oilfield consumable chemical offerings of the Company; fluctuations in the price and demand for oil and natural gas; anticipated activity levels of the Company's significant customers; commodity pricing; general economic and financial market conditions; the successful integration of recent acquisitions; the Company's ability to finance its operations; levels of drilling and other activity in the WCSB, the Permian and other US basins, the effects of seasonal and weather conditions on operations and facilities; changes in laws or regulations; currency exchange fluctuations; the ability of the Company to attract and retain skilled labour and qualified management; and other unforeseen conditions which could impact the Company's business of supplying oilfield consumable chemistry to the Canadian and US markets and the Company's ability to respond to such conditions.

In particular, this press release contains forward-looking information pertaining to the following: the certainty and predictability of future cash flows, profitability, and earnings; expectations regarding CES' revenue, surplus free cash flow generation, and the potential use of such free cash flow, including payment of dividends and repurchase of common shares; expectations regarding end market activity levels and the strength of the Company's balance sheet; achievement of strategic objectives and generation of shareholder value; industry conditions and CES' ability to execute financial goals relating to balance sheet, liquidity, working capital, and cost structure; sufficiency of liquidity and capital resources to meet long-term obligations; ability to increase or maintain market share; optimism regarding future prospects; impact of CES' vertically integrated business model on financial performance; supply and demand for CES' products and services, including anticipated growth in production and specialty chemical sales, and expansion in the consumable chemicals market; industry activity levels; expectations regarding growing LNG and AI related power requirements and the timing of energy transition initiatives on end markets for oil and gas; the impact of fluctuating oil and gas pricing on production economics and the resulting impact on activity levels and spending plans; impact of economic policy and tariffs on the energy sector, supply chains, and CES; service intensity in the upstream oil and gas sector; adoption of advanced chemical solutions; inherent production economics; oil and gas inventory levels; reduced availability of high-quality drilling locations; OPEC+ production quotas; expectations regarding the benefits from secular trends in upstream activity; anticipated drilling activity for natural gas projects; development of new technologies; growth opportunities in Canada, the US, and overseas; performance or expansion of operations and working capital optimization; anticipated levels of capital expenditures in 2026; general economic conditions, interest rates, and geopolitical risk; end markets for production chemicals and drilling fluids in Canada and the US; demand for CES' services and technology; access to debt and capital markets and cost of capital; impacts of the Company's issuance of Senior Notes on capital structure and cost of capital; capital allocation including use of surplus free cash flow, debt reduction, investments in operations, dividends, and market acquisitions; timing and amount of common shares repurchased under the NCIB; CES' ability to comply with debt covenants; and competitive conditions.

CES' actual results could differ materially from those anticipated in the forward-looking information as a result of the following factors: general economic conditions in the US, Canada, and internationally; geopolitical risk; fluctuations in demand for consumable fluids and chemical oilfield services, downturn in oilfield activity; oilfield activity in the Permian, the WCSB, and other basins in which the Company operates; a decline in frac related chemical sales; a decline in operator usage of chemicals on wells; decreased service intensity levels; an increase in the number of customer well shut-ins; a shift in types of wells drilled; volatility in market prices for oil, natural gas, and natural gas liquids and the effect of this volatility on the demand for oilfield services generally; declines in prices for natural gas, natural gas liquids, and oil, and pricing differentials between world pricing, pricing in North America, and pricing in Canada; decisions by OPEC+ regarding production quotas; the impact of the removal of sanctions on Russia and the potential for additional oil and gas supply to global markets; competition, and pricing pressures from customers in the current commodity environment; conflict, war and political and societal unrest that may impact CES' operations, supply chains as well as impact the market for oil and natural gas generally; currency risk as a result of fluctuations in value of the US or Canadian dollar; liabilities and risks, including environmental liabilities and risks inherent in oil and natural gas operations; sourcing, pricing and availability of raw materials, consumables, component parts, equipment, suppliers, facilities, shipping containers, and skilled management, technical and field personnel; the collectability of accounts receivable; ability to integrate technological advances and match advances of competitors; ability to protect the Company's proprietary technologies; availability of capital; uncertainties in weather and temperature affecting the duration of the oilfield service periods and the activities that can be completed; the ability to successfully integrate and achieve synergies from the Company's acquisitions; changes in legislation and the regulatory environment, including uncertainties with respect to oil and gas royalty regimes, programs to reduce greenhouse gas and other emissions and regulations restricting the use of hydraulic fracturing; pipeline capacity and other transportation infrastructure constraints; changes to government mandated production curtailments; reassessment and audit risk and other tax filing matters; changes and proposed changes to US policies including tax policies, policies relating to the oil and gas industry, or trade policies; impact of tariffs on the global economy, supply chains, the energy industry, and the Company; international and domestic trade disputes, including restrictions on the transportation of oil and natural gas and regulations governing the sale and export of oil, natural gas and refined petroleum products; the impact of climate change policies in the regions which CES operates; the impact and speed of adoption of low carbon technologies; potential changes to the crude by rail industry; changes to the fiscal regimes applicable to entities operating in the US and WCSB; access to capital and the liquidity of debt markets; fluctuations in foreign exchange and interest rates, including the impact of changing interest rates on the broader economy; CES' ability to maintain adequate insurance at rates it considers reasonable and commercially justifiable; the impact of litigation which the Company is involved in; and the other factors considered under "Risk Factors" in CES' Annual Information Form for the year ended December 31, 2025, dated March 10, 2026, and "Risks and Uncertainties" in CES' MD&A for the three and twelve months ended December 31, 2025, dated March 10, 2026.

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