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# INVESTOR PRESENTATION

# Forward Looking Statements and Non-GAAP Reconciliation

The statements made during this presentation, including the answers to your questions, may include information that the Company believes to be forward-looking statements within the meaning of the Private Securities Litigation Reform Act. Forward-looking statements involve risk and uncertainties that may cause actual results or events to differ materially from those expressed or implied in such statements. Those risks include, among other things, matters that the Company has described in its earnings release and in its filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequently filed quarterly reports on Form 10-Q. The Company does not undertake any ongoing obligation, other than that imposed by law, to publicly update or revise any forward-looking statements to reflect future events, information, or circumstances that arise after this presentation. In addition, this presentation contains time sensitive information that reflects management's best judgment only as of the date of this presentation.

All references to EBITDA in this presentation refer to adjusted EBITDA.

Please see the Appendix for a reconciliation of all non-GAAP financial measures referenced in this presentation.



# Overview: FET Makes It Happen

We don't drill the holes...

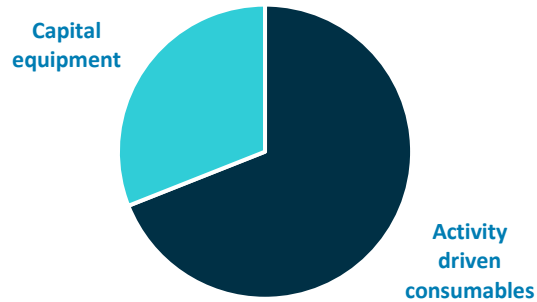
We don't stimulate the wells...

We don't produce the hydrocarbons...

...but FET makes it happen by  
providing value-added products and  
solutions that increase the safety and  
efficiency of energy production.



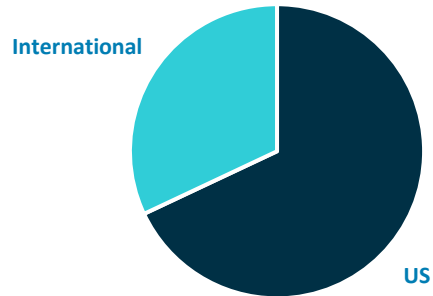
# FET Revenue Profile



## Purchase Cycle

Short-cycle consumable revenue trends with activity

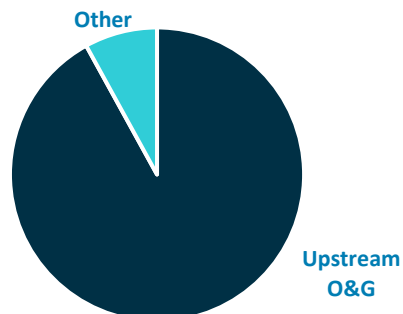
Capital revenue driven by years of industry underinvestment and technological advancements



## Geography

US industry activity up 93% since the start of 2021 with expected continued long-term growth\*

International more stable with cyclical investment by OPEC+ and Asian nations



## Industry Sector

“Other” includes refining, petrochemical, renewable energy, and emissions controls and reduction

# Differentiated Portfolio Drives Revenue Growth



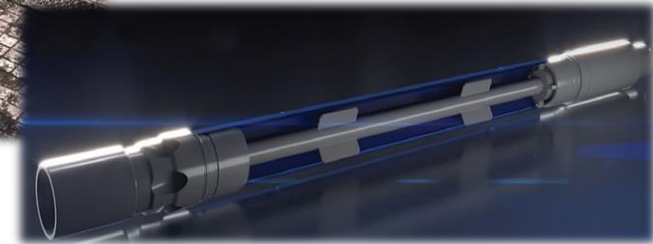
Cyclone



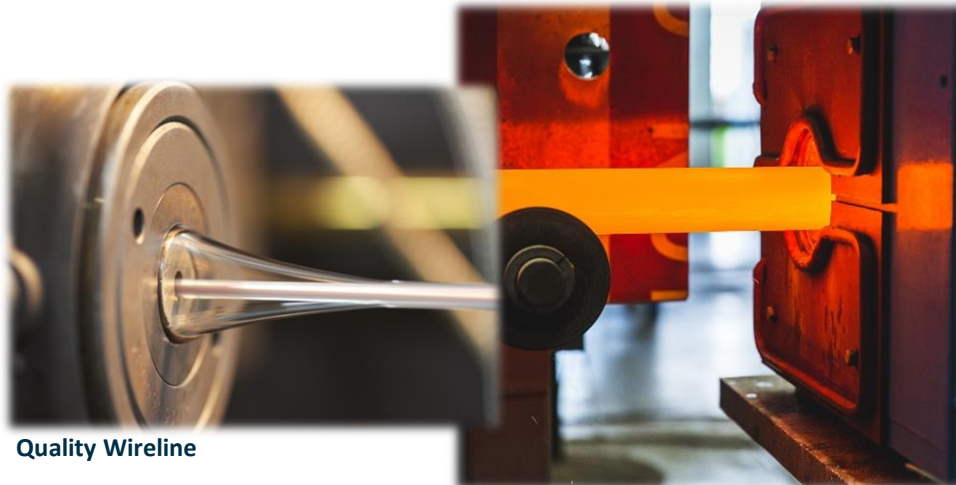
LR-11 Rescue Submarine



FR120 Iron Roughneck



Pump Saver Plus



Quality Wireline



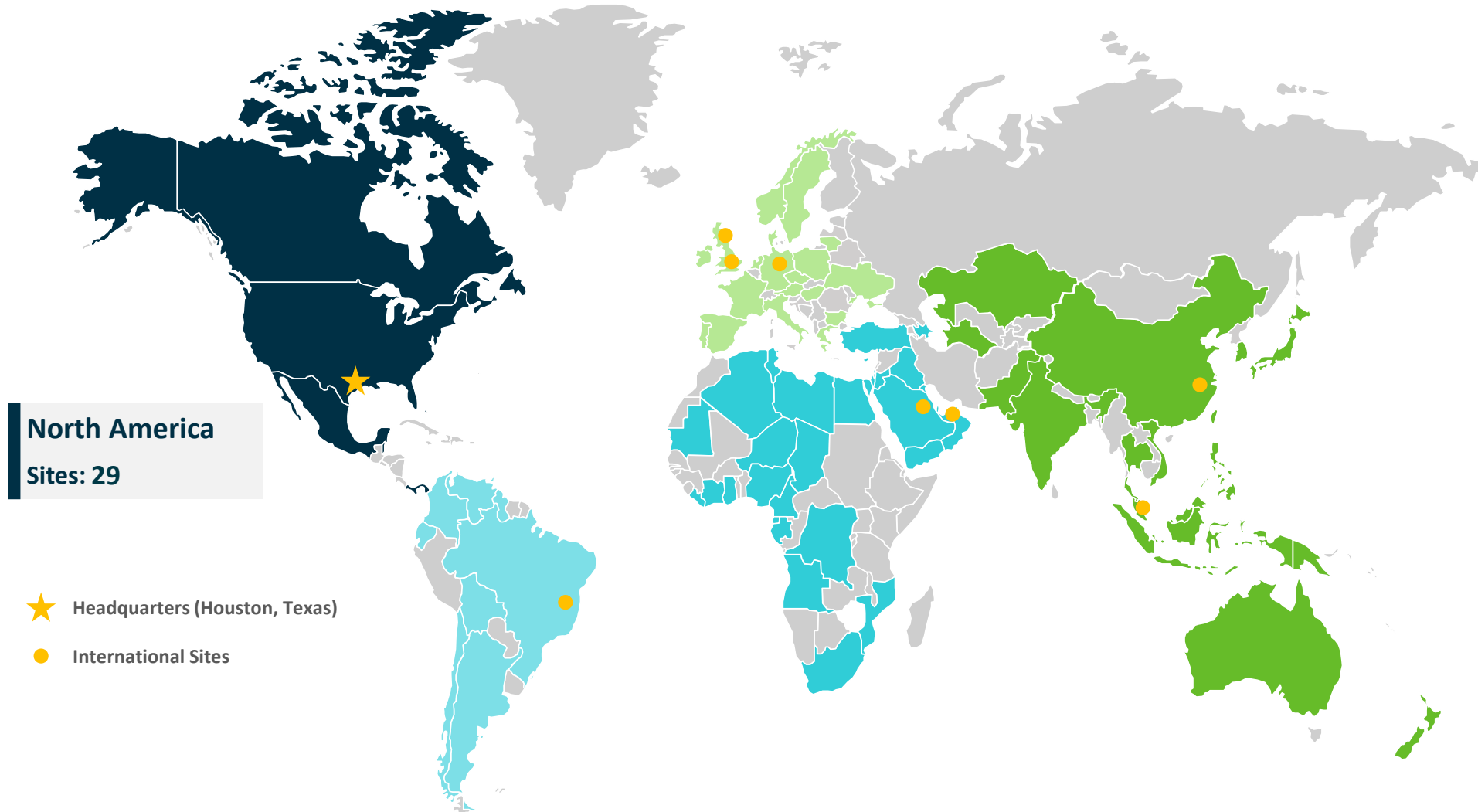
Serpent Series



Osprey

Global Tubing

# Extensive Global Reach with Optimized Footprint





# 1Q23 Earnings Call Highlights (as of May 5, 2023)

Executed to plan and delivered revenue, EBITDA, and free cash flow within our guidance range

Expect second quarter 2023 revenue between \$180-\$200 million and EBITDA between \$16-\$20 million

Total liquidity of \$176 million and net debt of \$112 million at March 31, 2023

**Reaffirmed previous 2023 guidance of \$80-\$100 million of EBITDA and free cash flow of \$20-\$40 million**

Abundant opportunities in the international and offshore markets to drive growth

Nine of the last ten quarters with a book-to-bill ratio of above 100%

Backlog and expected bookings should be sufficient to meet full year revenue expectations

# Why FET?

## Market Conditions and Activity

Propelling strong global investment in energy production

## Revenue Growth

Increasing with global activity and higher capital spend

## EBITDA Margin Expansion

Growing faster than revenue through operating leverage and portfolio optimization

## Free Cash Flow

Conversion strong through asset light model

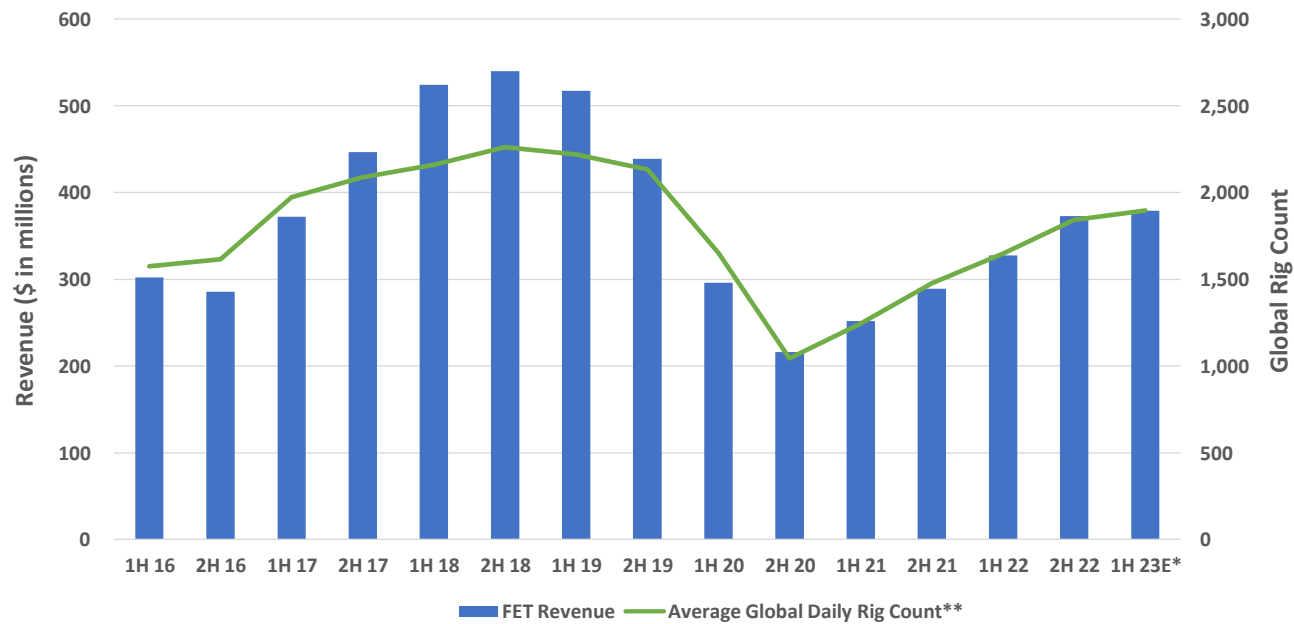
## Unrealized Shareholder Value

Unlock upside from healthy balance sheet, capital deployment, and multiple expansion



# Revenue Poised for Growth

Strong Historical Correlation to Global Rig Count



Potential to outpace global rig count growth

## FET's Growth Levers



**United States** activity remains relatively strong, supported by high equipment utilization and service intensity, and global energy supply/demand imbalance



**International** footprint and extensive global reach supports growing international activity; leads and opportunities up substantially over the past six to twelve months



**Capital** investment in equipment upgrade cycle required after years of under investment; supported by FET's differentiated portfolio of capital products



**Market share** gains through portfolio optimization and evaluation for growth and cash returns; FET's value recognition amongst customers

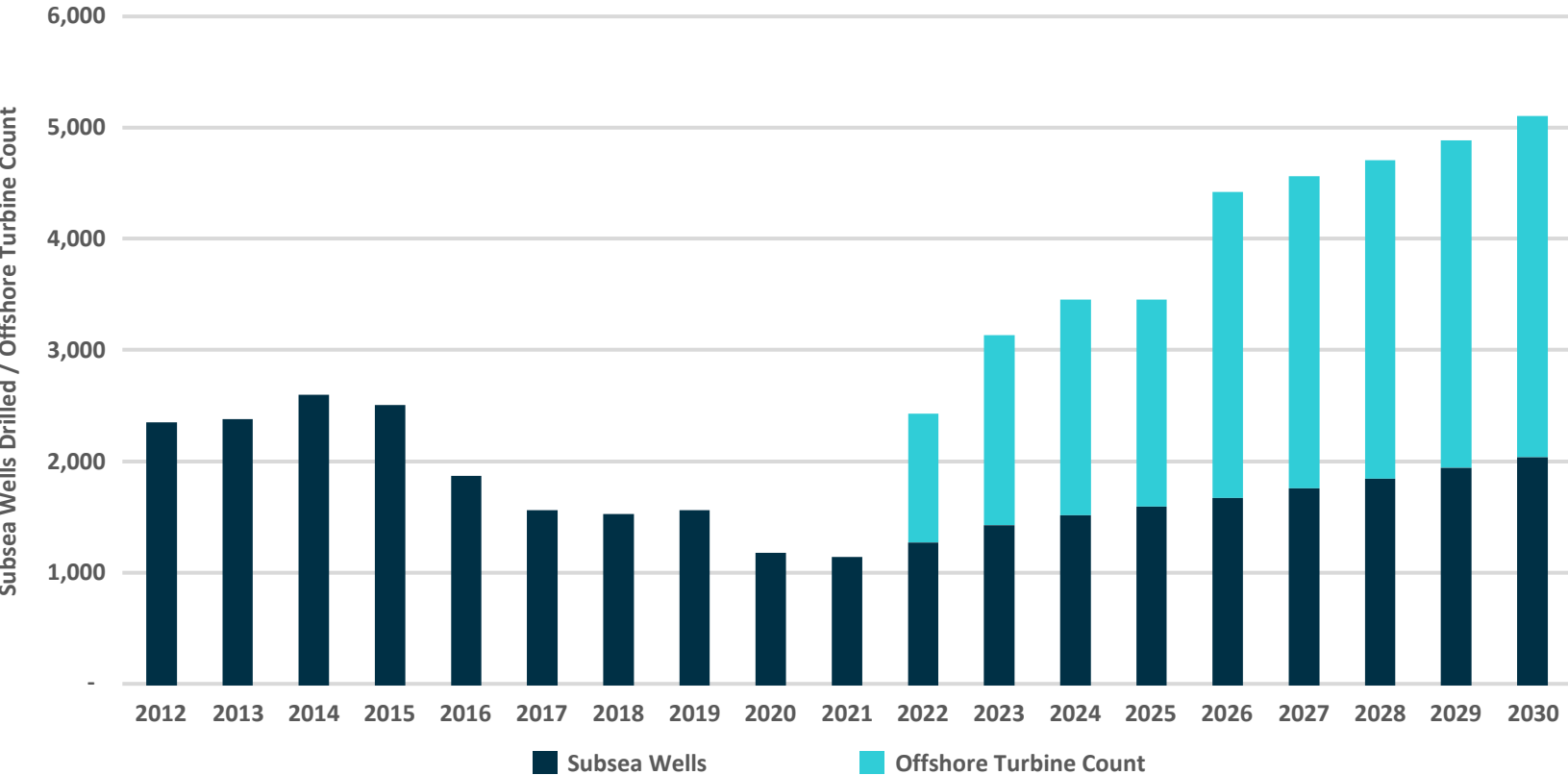
\* Represents the combination of 1Q23 actual revenue of \$189 million and the 2Q23 guidance range midpoint of \$190 million

\*\* Source: Baker Hughes Rig Count

# Business Alignment for Energy Transition



# Energy Transition with Offshore Wind



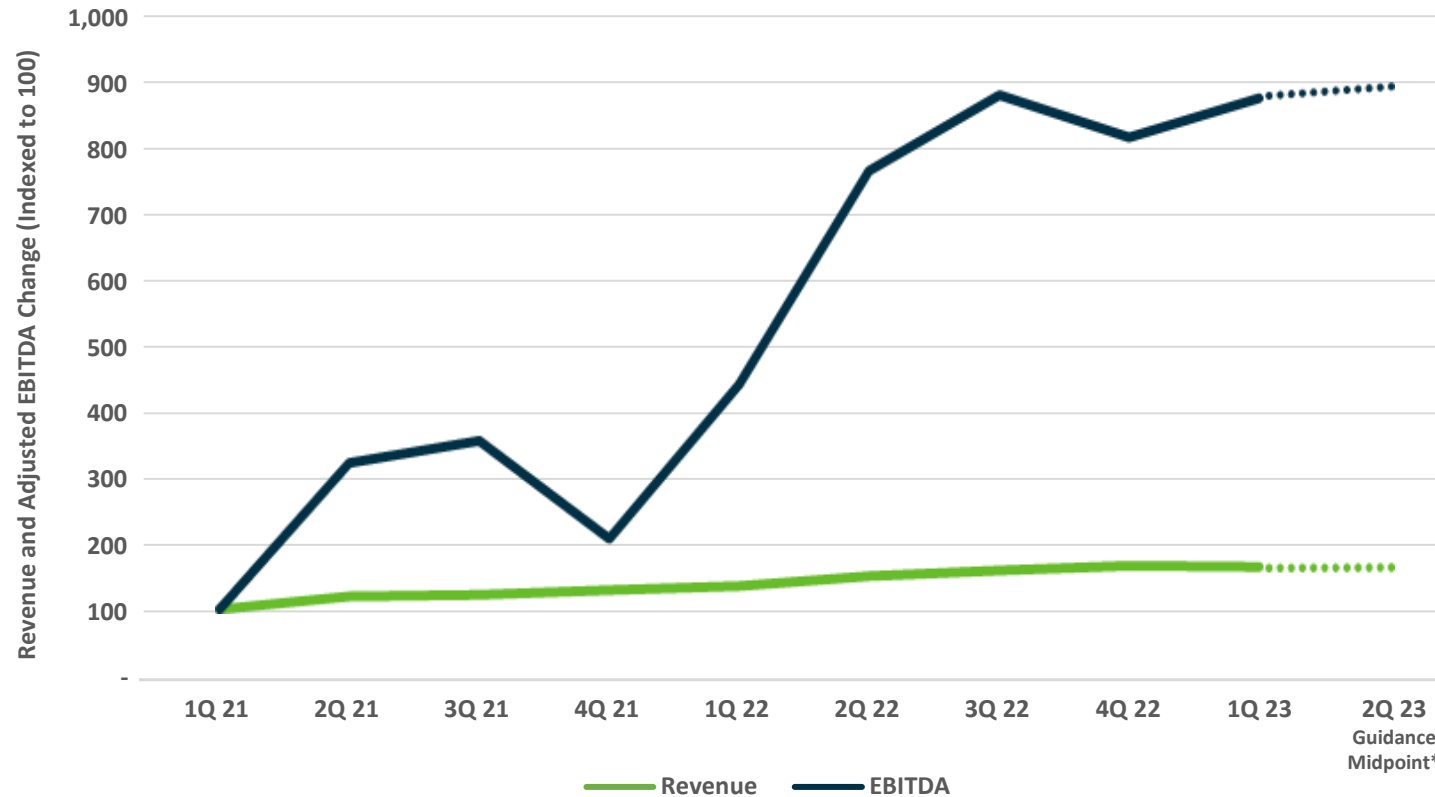
**FET has the capability and capacity to meet growing demand with minimal capital expenditure**

### Subsea ROV Drivers

- Stable and growing demand from offshore oil and gas activity
- Current remotely operated vehicle fleet at high utilization levels from years of under-investment and retirements
- Service intensity to increase as trends shift from fixed to floating foundations through 2030



# EBITDA Growth Outpacing Revenue



**FET More Profitable Than Prior to the Pandemic**

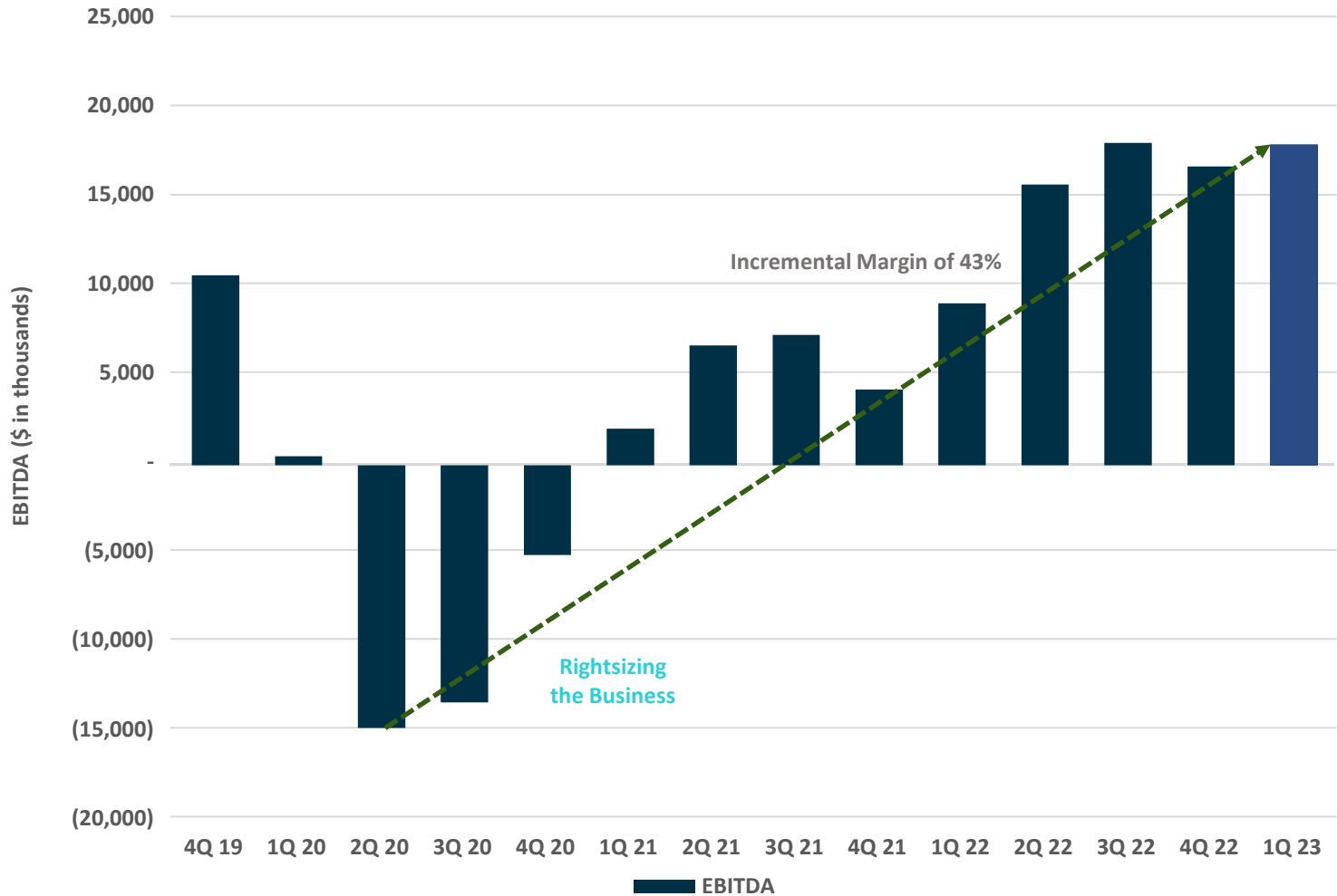
## EBITDA Growth

Operating leverage driving strong incremental EBITDA growth

Continuous portfolio optimization focuses on differentiation, value recognition, and cash returns

Net pricing gains in an inflationary environment

# Operating Leverage Driving EBITDA Growth



## Operating Leverage

~69% greater EBITDA on lower activity levels compared to fourth quarter 2019

Significant costs reductions in 2020

Expect long-term incremental margins of 25-40%

Revenue and EBITDA growth require minimal incremental cost

Note: EBITDA for 4Q19 through 4Q20 proforma for divestiture of ABZ and QVA

# Continuous Portfolio Optimization

## Portfolio Evaluated and Managed for Growth and Cash Returns

### Differentiated Portfolio

Market share leaders

Barriers to entry

Consolidated niche markets

Strong margin contribution

### Growth Portfolio

Market share growth potential

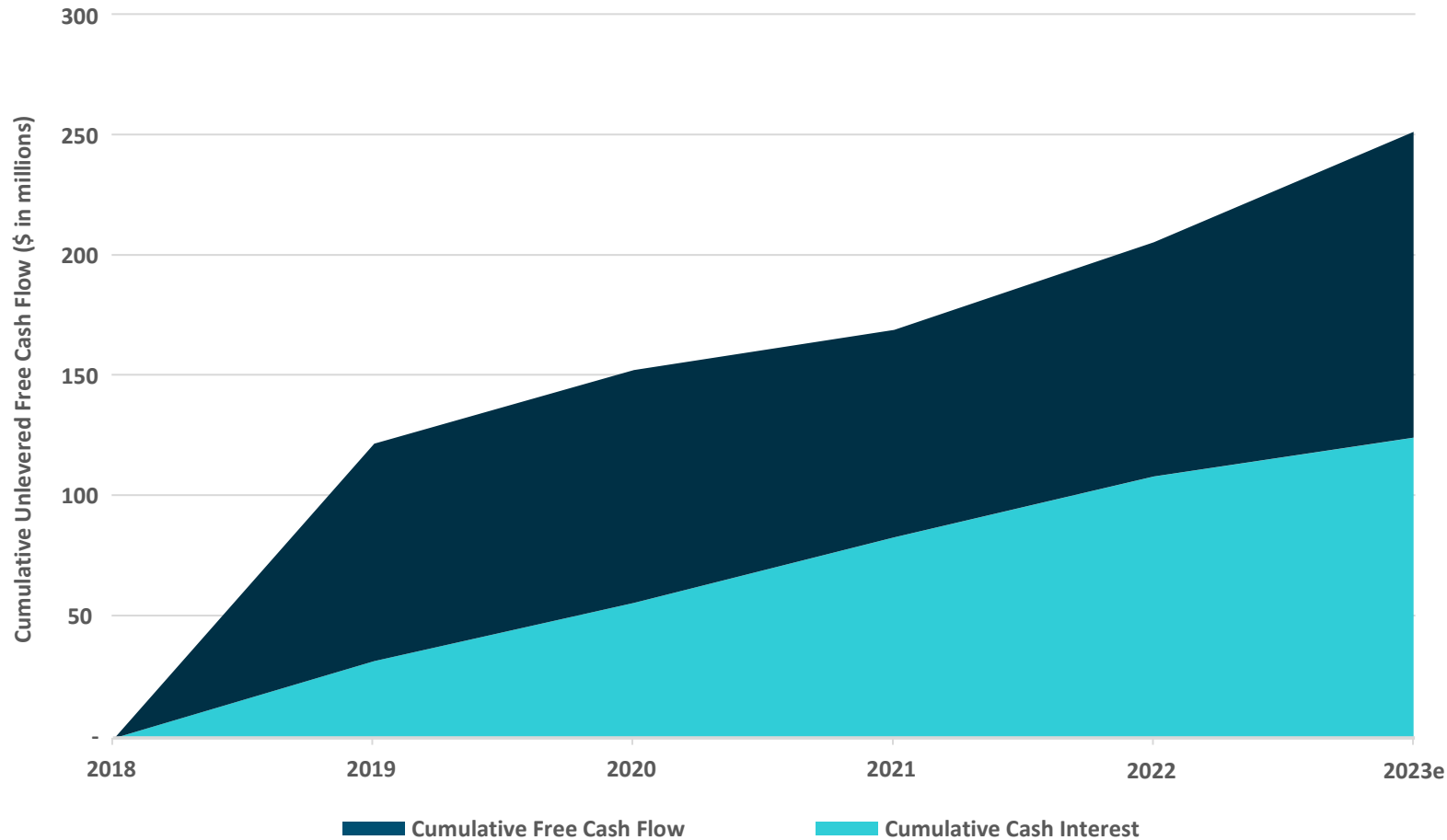
Ripe for technology disruption

Markets ready for consolidation

Improving margin contribution



# Unlevered Free Cash Flow Growth



## Free Cash Flow

Capital-lite structure allows for strong EBITDA to free cash flow conversion

Able to grow revenue ~50% from current levels with minimal capital expenditures

Debt reduction frees up cash

Strong liquidity position of \$176 million with cash and ABL credit facility

# Value Creation with Debt Conversion

## Post-Conversion FET Share Price Scenarios

Mandatory conversion requirements met in December 2022 on 9.00% Convertible Senior Secured Notes due August 2025

\$123 million (~47.8%) of debt converted to ~4.5 million shares

March 31, 2023 balance sheet:

- net debt of ~\$112 million
- \$11 million cash interest reduction per year
- leverage ratio approximately 1.6x

Potential share price scenarios based on 2023 EBITDA guidance range and EV/EBITDA multiples (see table below)

## 2023 EV/EBITDA Multiple

		7.0x	8.5x	10.0x
2023 EBITDA	\$80	\$44	\$56	\$68
	\$90	\$51	\$64	\$78
	\$100	\$58	\$73	\$87


## Deployment of Cash

**On March 31, 2023, \$129 million of available capacity under the ABL plus \$47 million cash and equivalents, for total liquidity of \$176 million**

### Strategic Alternatives and Flexibility:

- ✓ Retirement of long-term notes
- ✓ Share repurchases
- ✓ Accelerated investment in organic initiatives
- ✓ Strategic and accretive M&A

# Unlock Unrealized Shareholder Value



**Profitability  
improvement  
generates cash**



**Improved equity market  
liquidity with increased  
shares outstanding**



**Compelling Share  
Price Upside**



**Debt reduction  
frees up cash**



**Reduced debt risk  
through conversion**



# Why FET?

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## Free Cash Flow

Conversion strong through asset light model

## Unrealized Shareholder Value

Unlock upside from healthy balance sheet, capital deployment, and multiple expansion

**GET TO KNOW FET**

# Strong Leadership and Culture



**Cris Gaut**  
Executive Chairman



**Neal Lux**  
President, CEO, and  
Board Member



**Lyle Williams**  
Executive VP and CFO



**John Ivascu**  
Executive VP, General Counsel,  
CCO, and Corporate Secretary



**Michael Danford**  
Senior VP and Chief  
HR Officer



Evelyn Angelle  
**Former EVP & CFO**  
BJ Services



John A. Carrig  
**Former COO**  
ConocoPhillips



Michael McShane  
**Former CEO**  
Grant Prideco



Louis A. Raspino  
**Former CEO**  
Pride International



Dr. Emily Reichert, Ph.D.  
**CEO Emeritus**  
Greentown Labs



Paul E. Rowsey III  
**Chairman**  
E2M Partners, LLC

# Core Values



## No one gets hurt

The safety of our employees and customers is our first priority, coupled with a healthy respect for the environment.

## Integrity

In everything we do, in every interaction, both internally and externally, we strive to operate with the utmost integrity and mutual respect.

## Customer focused

Our products enhance our customer's performance. We listen to their needs and work with them to solve their challenges.

## Good place to work

We are committed to creating a workplace that fosters innovation, teamwork and pride. Every team member is integral to our success, and is treated equally and fairly.

**Permeates All Areas of Our Company**

# Environmental, Social and Governance Commitment

FET is committed to protecting the health and safety of our employees and customers, preserving the environment, and adhering to sound principles of ethical conduct and good corporate governance. We promote sustainable development by incorporating social responsibility, and environmental renewal in our decision-making processes.

## Social

A “good place to work” is a core value promoting mutual respect, personal development, a safe environment, and workforce diversity.

Female, ethnic, and racial diversity above US oil and gas industry averages

Steadily decreased our total recordable incident rates with aggressive improvement targets

## Environmental

Minimize our environmental impact through continuous improvement and best business practices

Achieved zero significant or reportable spills

Significant progress in reducing fleet fuel consumption

Water recycling programs at several high-water usage facilities

## Governance

Enhanced the gender and ethnic diversity of our board of directors

Directors, officers, employees, and contractors must comply with the legal and ethical requirements in our Code of Business Conduct

75% of FET’s board of directors are independent



# History of Growth Through Acquisitions

2011



2012 - 2013



2014 - 2017



2018 - 2019



2021



# Balanced Product Portfolio



**Drilling & Downhole**  
(41% of 1Q23 Revenue)

Rig count & well complexity  
Artificial lift spend  
International and offshore recovery



**Completions**  
(39% of 1Q23 Revenue)

Well count  
Completions intensity  
Completions efficiency

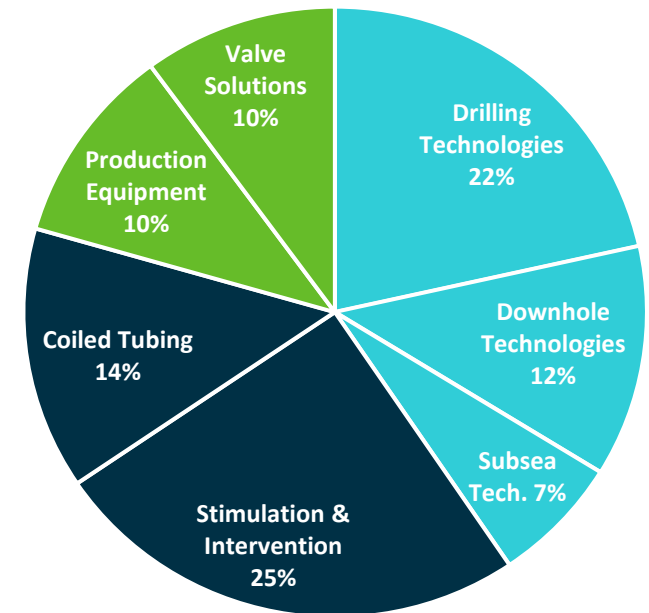


**Production**  
(20% of 1Q23 Revenue)

Midstream maintenance  
Downstream and utility buildout  
Well count

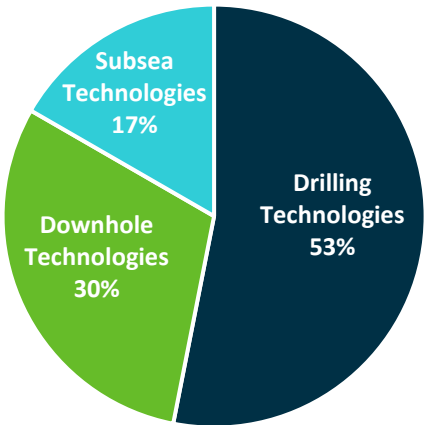
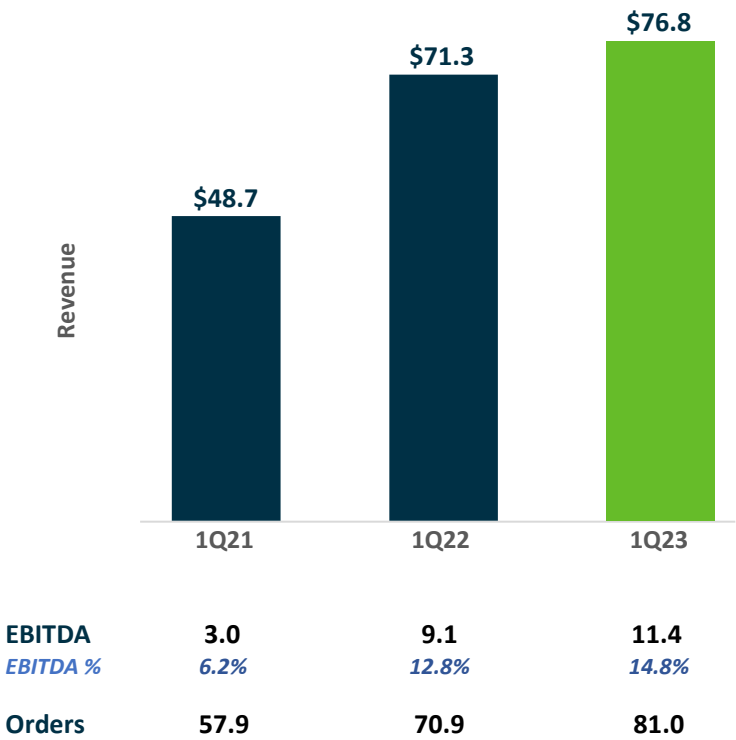
1Q23 Revenue: ~\$189 Million

Product Line Breakdown



# Drilling & Downhole Segment

Segment Financials (\$ millions)



Product Line Breakdown  
(First Quarter 2023)



Drilling Technologies

Drilling Technologies offers some of the oil and gas industry’s most reliable and innovative drilling equipment, including handling equipment, specialized bearings, catwalks, seals, mud pumps, and valves.

Downhole Technologies provides tools and equipment, a full line of cementing and casing equipment, and artificial lift solutions.



Downhole Technologies

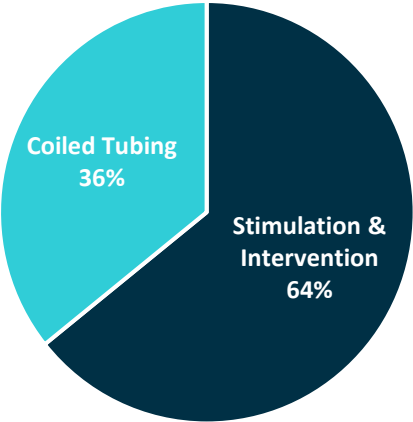
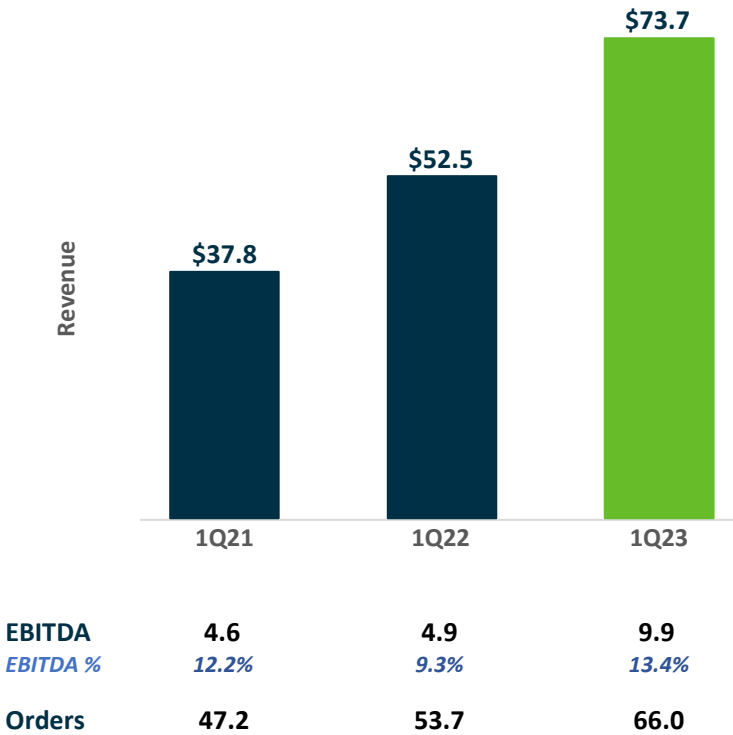


Subsea Technologies

Subsea Technologies provides products and services focused on remote intervention with remotely operated vehicles and trenchers, as well as winches, thrusters, and data acquisition software.

# Completions Segment

Segment Financials (\$ millions)



Product Line Breakdown  
(First Quarter 2023)



Stimulation provides high quality innovative solutions, including cooling systems, frac pump power ends, manifold systems, high-pressure flexible hoses, and treating iron.



Stimulation & Intervention

Intervention provides reliable solutions for coiled tubing and wireline, including blowout preventers, lubricators, lift equipment, strippers, flanges, well head adapters, valves, hydraulic latch assemblies, and high-performance cables.

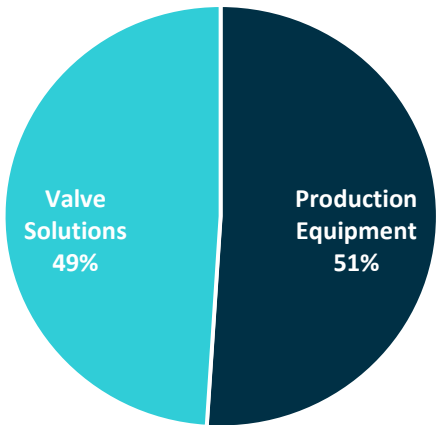
Coiled Tubing develops and manufactures premium coiled tubing for onshore/offshore and coiled line pipe markets with strategically located service centers.



Coiled Tubing

# Production Segment

Segment Financials (\$ millions)



Product Line Breakdown  
(First Quarter 2023)



Production Equipment

Production Equipment designs, engineers, and fabricates oil and gas equipment, including sand separators, gas processing and treating equipment, vessels, pig launchers and receivers, dehydrators, and desalters.

Valve Solutions provides rugged and reliable valves and actuators, including cast and forged gate, globe, and check valves, an extensive line of ball valves, and sever service metal-seated ball valves.



Valve Solutions



# APPENDIX

# Capitalization Details

(\$ in millions)	2Q22	3Q22	4Q22	1Q23
Cash & Cash Equivalents	\$ 27	\$ 20	\$ 51	\$ 47
9.00% Convertible Secured Notes Due August 2025	257	257	257	134
Senior Secured Revolving Credit Facility	34	11	-	25
Total Debt	291	268	257	159
Less: Cash & Cash Equivalents	27	20	51	47
Total Net Debt	264	248	206	112
Total Equity	308	303	307	417
Total Capitalization	\$ 572	\$ 551	\$ 513	\$ 529
<b>Liquidity:</b>				
Cash	\$ 27	\$ 20	\$ 51	\$ 47
Availability*	114	127	156	129
<b>Total Liquidity</b>	<b>\$ 141</b>	<b>\$ 147</b>	<b>\$ 207</b>	<b>\$ 176</b>

\* Availability for 2Q22 is borrowing base limit of \$162 million less \$34 million of borrowings outstanding and \$14 million letters of credit

Availability for 3Q22 is borrowing base limit of \$160 million less \$11 million of borrowings outstanding and \$22 million letters of credit

Availability for 4Q22 is borrowing base limit of \$178 million less \$22 million letters of credit

Availability for 1Q23 is borrowing base limit of \$178 million less \$25 million of borrowings outstanding and \$24 million letters of credit

# Reconciliation of Adjusted EBITDA

(\$ in millions)	2019	2020	2021	2022	Three Months ended March 31, 2023
<b>EBITDA Reconciliation</b>					
Net Income attributable to common stockholders	\$ (567)	\$ (97)	\$ (83)	\$ 4	\$ (4)
Interest expense	32	30	32	31	5
Depreciation and amortization	63	51	42	37	9
Income tax expense (benefit)	(2)	(13)	1	7	3
Transaction and restructuring expenses & other	12	39	10	9	1
Gain on disposition of ABZ & QVA	-	(88)	-	-	-
Loss (gain) on extinguishment of debt	-	(73)	5	-	-
Inventory and other working capital adjustments	5	94	5	(3)	-
Goodwill and intangible asset impairment	532	20	-	-	-
Deferred loan costs written off	-	2	-	-	-
Gain realized on previously held equity investment	(2)	-	-	-	-
Loss (gain) on FX, net	5	6	-	(23)	3
Contingent consideration benefit	(5)	-	-	-	-
Stock-based compensation expense	16	10	8	4	1
Gain on sale-leaseback transactions	-	-	-	(7)	-
<b>Adjusted EBITDA</b>	<b>\$ 89</b>	<b>\$ (19)</b>	<b>\$ 20</b>	<b>\$ 59</b>	<b>\$ 18</b>
December 2020 Valves divestiture	(17)	(12)	-	-	-
<b>Proforma Adjusted EBITDA</b>	<b>\$ 72</b>	<b>\$ (31)</b>	<b>\$ 20</b>	<b>\$ 59</b>	<b>\$ 18</b>

Note: The Company believes EBITDA is useful to investors because it is an appropriate measure of evaluating operating performance and liquidity that reflects the resources available for strategic opportunities including, among others, investing in the business, strengthening the balance sheet, repurchasing the Company's securities, and making strategic acquisitions. In addition, EBITDA is a widely used benchmark in the investment community.

# Reconciliation of Free Cash Flow

(\$ in millions)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	1Q23
Net cash provided by (used in) operations	\$ 145	\$ 211	\$ 270	\$ 155	\$ 65	\$ (40)	\$ 2	\$ 105	\$ 4	\$ (16)	\$ (17)	\$ (23)
Capital expenditures	(50)	(60)	(54)	(32)	(17)	(27)	(24)	(15)	(2)	(2)	(8)	(1)
Proceeds from sale of property and equipment	5	1	3	2	10	2	9	-	5	7	3	-
Proceeds from sale-leaseback transactions	-	-	-	-	-	-	-	-	-	-	32	-
<b>Free cash flow, before acquisitions</b>	<b>\$ 101</b>	<b>\$ 152</b>	<b>\$ 219</b>	<b>\$ 125</b>	<b>\$ 58</b>	<b>\$ (65)</b>	<b>\$ (12)</b>	<b>\$ 90</b>	<b>\$ 7</b>	<b>\$ (11)</b>	<b>\$ 10</b>	<b>\$ (24)</b>

Note: 2020 Free cash flow proforma for December 2020 Valves divestiture is (\$5) million