



March 2023

Investor Presentation

Technology • Deployed • Simply

Forward-Looking Statements



This presentation contains “forward-looking statements” and/or “forward-looking information” under applicable securities laws (collectively referred to as “**forward-looking statements**”). All statements other than statements of historical facts contained in this presentation, including statements regarding Pason System Inc.’s (“Pason” or the “Company”) future results of operations and financial position, financial targets, business strategy, plans and objectives for future operations, are forward-looking statements. These forward-looking statements reflect the current views of Pason with respect to future events and operating performance as of the date of this document. These forward-looking statements are subject to known and unknown risks, uncertainties, assumptions, and other factors, including those described under the heading “Risk and Uncertainty” in the Company’s filings with Canadian securities regulators, that could cause actual results to be materially different from results that are expressed or implied by such forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although the Company believes the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except to the extent required by applicable law, the Company assumes no obligation to publicly update or revise any forward-looking statements made in this document or otherwise after the date of this presentation, whether as a result of new information, future events or otherwise.

The Company’s filings with the Canadian securities regulatory authorities may be accessed through the SEDAR website (www.sedar.com) or through Pason's website (www.pason.com).

Overview of Pason



INNOVATIVE

Leading global provider of end-to-end drilling data solutions

40+ years of distinctive technology, support and service capabilities

High barriers to entry driven by scope of technology, service intensity and required scale



PROFITABLE

Strong cash-generating capability with high operating margins and low capital intensity

Consistent delivery of returns on invested capital and cash returned to shareholders

Prudent capital structure and no interest-bearing debt

Significant operating leverage to generate additional profits through industry recovery

Well-positioned for growth in drilling, completions, and solar and energy storage markets



RESPONSIBLE

Unique employee driven culture with strong health & safety performance

Strong corporate governance practices

Ongoing commitment to making contributions to the communities in which the company operates



Experienced and Diverse Board of Directors



Marcel Kessler*

Non-Executive Chair

Joined Pason Board in 2012



T. Jay Collins

Chair, Human Resources and

Compensation Committee

Joined Pason Board in 2012



Jon Faber*

President & Chief Executive Officer

Joined Pason Board in 2020



Judi Hess

Director

Joined Pason Board in 2015



Jim Howe

Lead Director

Chair, Audit Committee

Joined Pason Board in 1996



Ken Mullen

Director

Joined Pason Board in 2023



Laura Schwinn

Chair, Corporate Governance and

Nomination Committee

Joined Pason Board in 2019

* Denotes Non-Independent Directors



Strong and Committed Management Team



Jon Faber*

President & Chief Executive Officer
With Pason since 2014



Celine Boston

Chief Financial Officer
With Pason since 2020



Kevin Boston

VP, Commercial
With Pason since 2010



Natalie Fenez

VP, Legal & Corporate Secretary
With Pason since 2017



John Gurski

President, Energy Toolbase
With Pason since 2019



Heather Hantos

VP, Human Resources
With Pason since 2011



Bryce McLean

VP, Operations
With Pason since 2011



Lars Olesen

VP, Product & Technology
With Pason since 1999



Russell Smith

VP, International
With Pason since 2010



Ryan van Beurden

VP, Rigsite Research & Development
With Pason since 2002

* Jon Faber also sits on the Board of Directors as a non-independent director

The Data Behind the Drilling Industry

Managing
end-to-end
drilling data

Capture

Aggregate

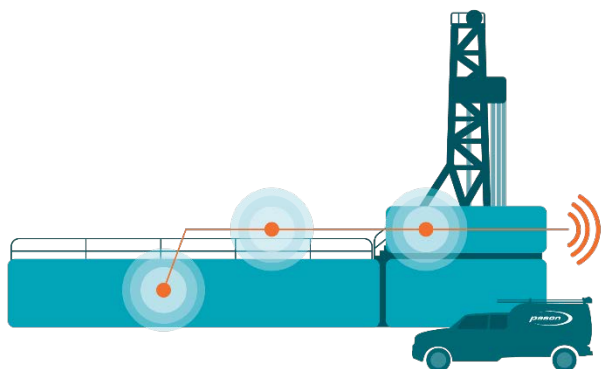
Display

Transmit

Store

Visualize

Leverage



Enabling
customer
priorities

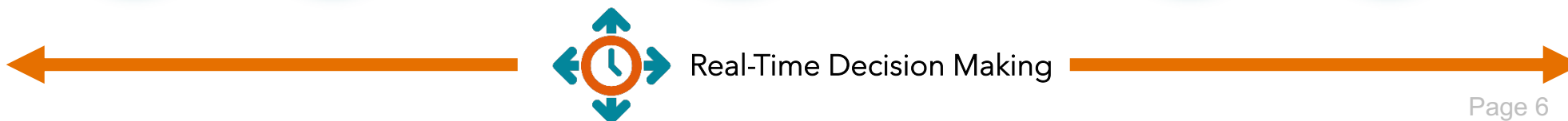
Automation

Safety

Collaboration

Reporting

Analytics



Superior Service Model



The Intelligence Layer in the Solar + Energy Storage Industry

Model
the site

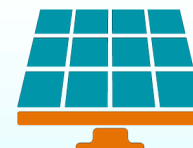
ETB Developer



Review energy costs
and rate switch
scenarios



Analyze
incentives



Incorporate PV
generation



Create a proforma
cash flow model

Control
the assets

Acumen EMS™



Demand Charge
Management



Time-of-Use
Arbitrage



Solar
Self-Consumption



Manual and
Scheduled Dispatch



Critical Load Resiliency
(Backup Power)

Monitor
the performance

ETB Monitor



Measure and
verify savings



Real-time
system performance



Compliance
reporting



Warranty
reporting

Global Reach and Market Positioning



686
Employees

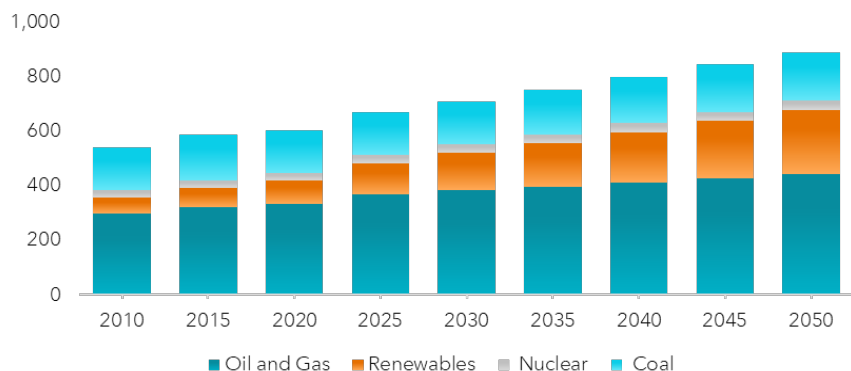
1600+
Unique rigs serviced
in 2022

~9000
DataHub
users

Leading Indicators of US Drilling Activity

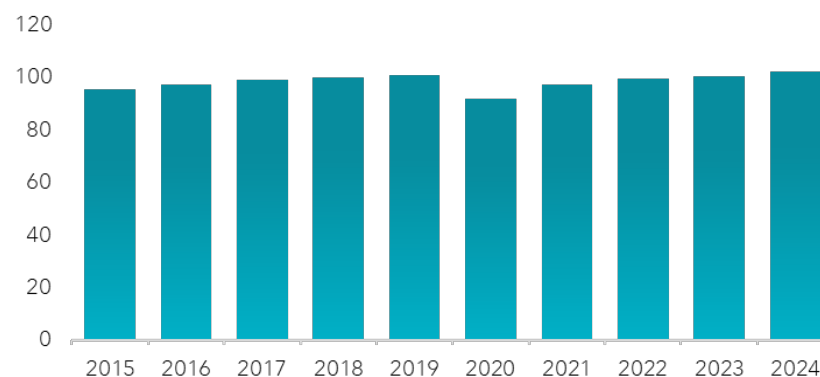
Long Term Global Energy Demand

in quadrillions of British thermal units



Short Term Global Crude Oil Demand

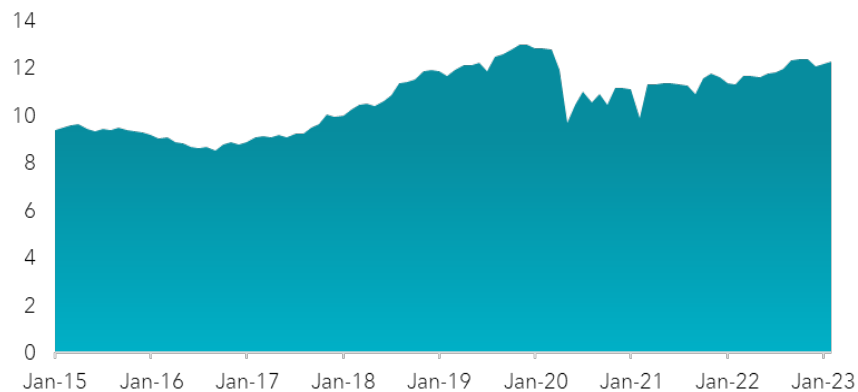
in millions of barrels per day



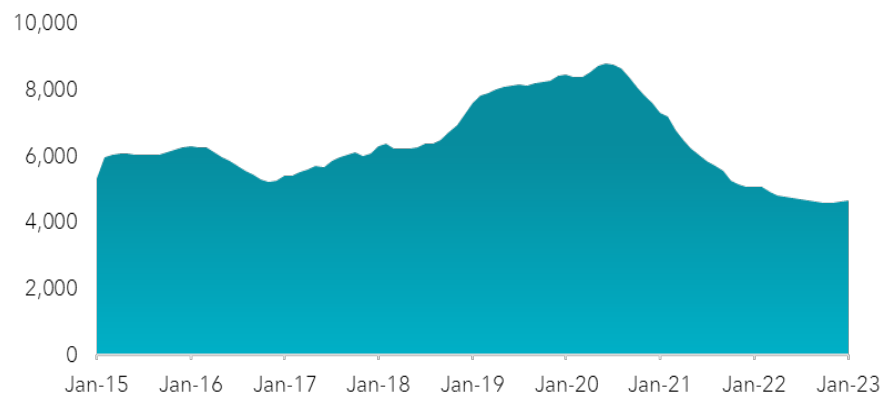
Hydrocarbons continue to be an important part of global demand growth for energy

US Crude Oil Production

in millions of barrels per day



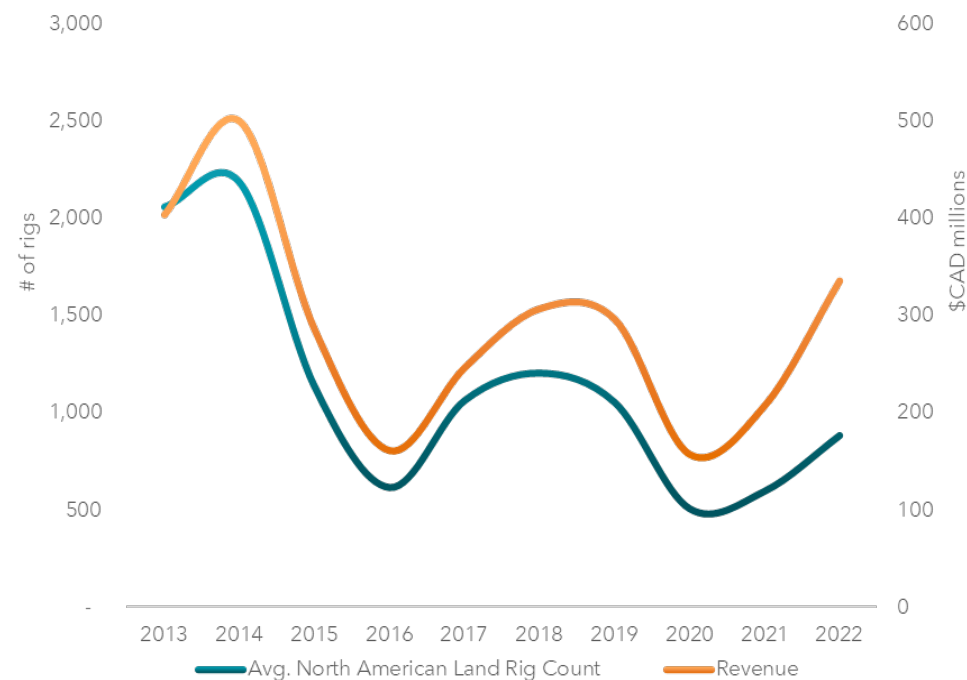
US Drilled & Uncompleted Wells (DUCs)



New drilling will be required to offset declines in production and DUCs

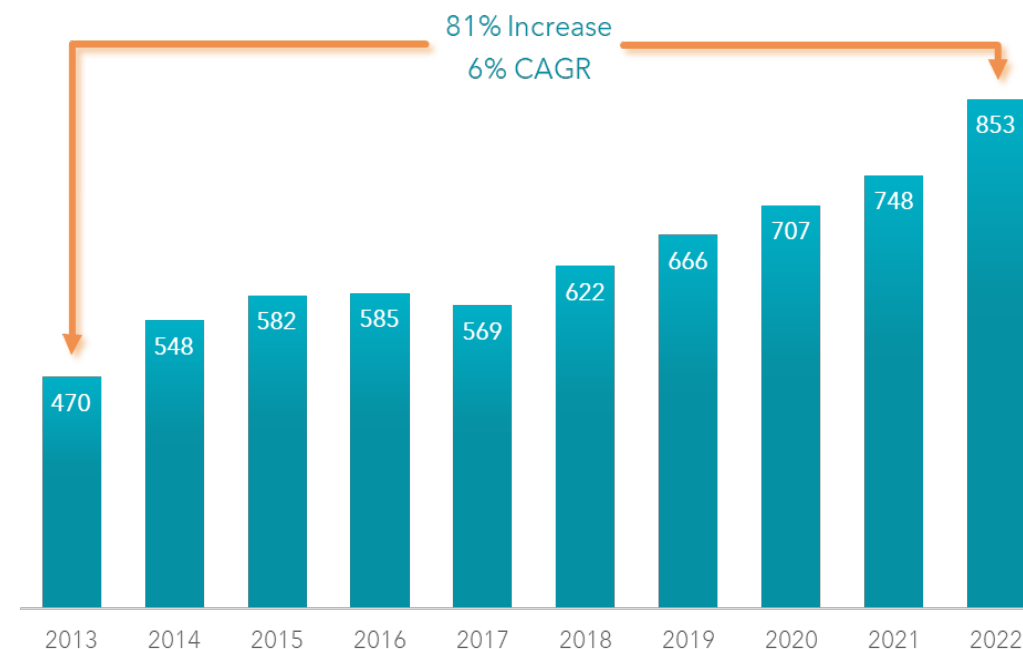
Historical Revenue Performance

North American Land Rig Count vs. Pason Revenue



North American Revenue per Industry Day

in CAD

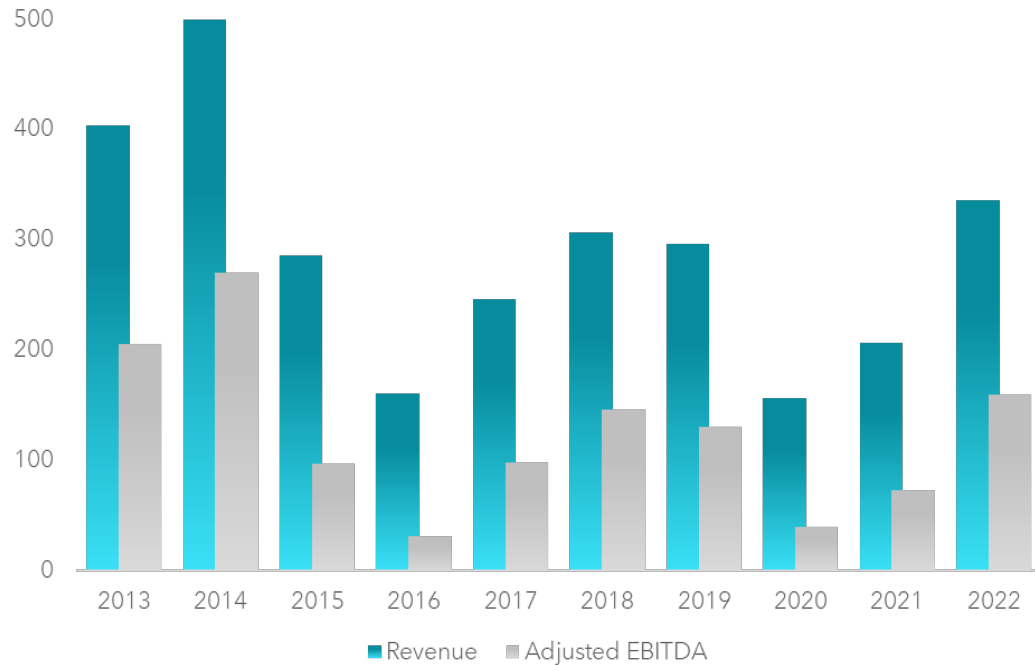


Consolidated revenue is highly correlated to the North American land rig count, while Revenue per Industry Day has grown steadily through industry cycles

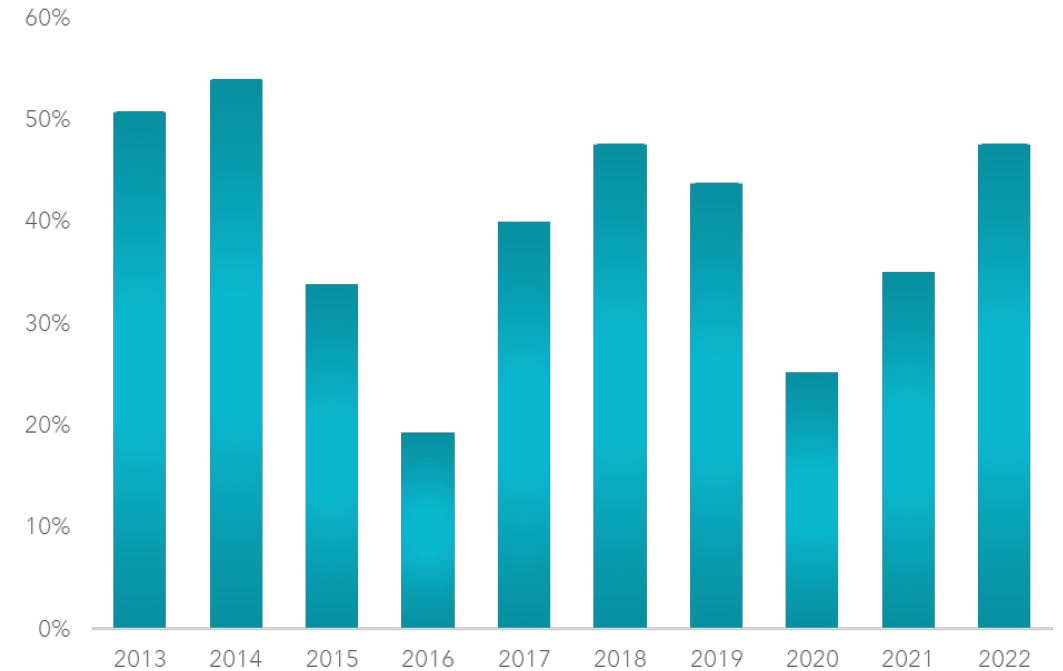
Adjusted EBITDA

Adjusted EBITDA \$

in CAD millions



Adjusted EBITDA as a % of Revenue

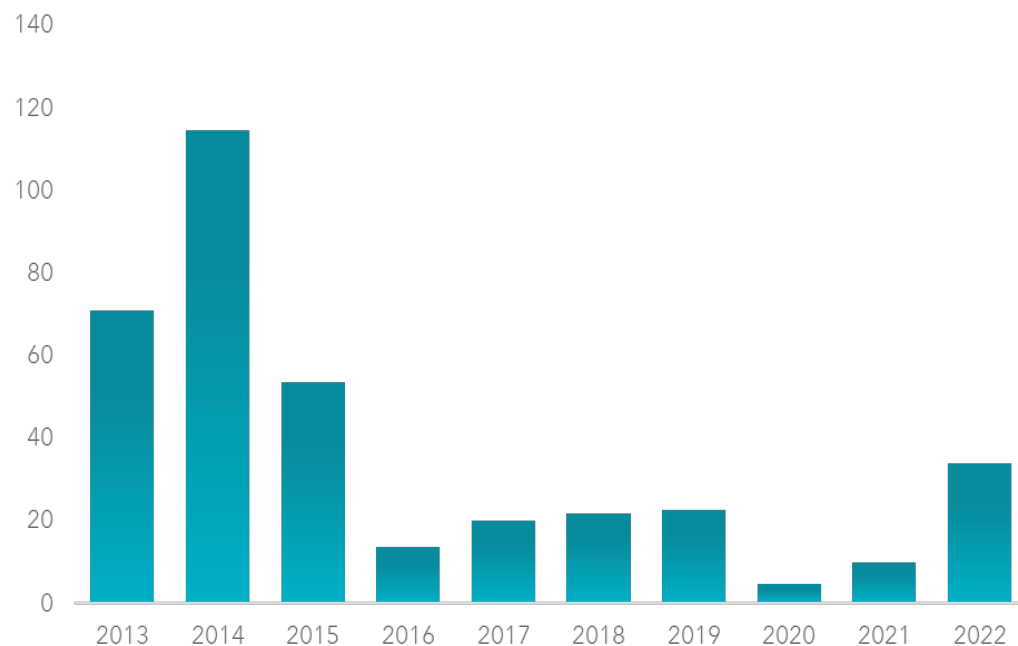


Increasing revenue per day and significant operating leverage drives attractive margins on lower industry activity

Free Cash Flow Generation

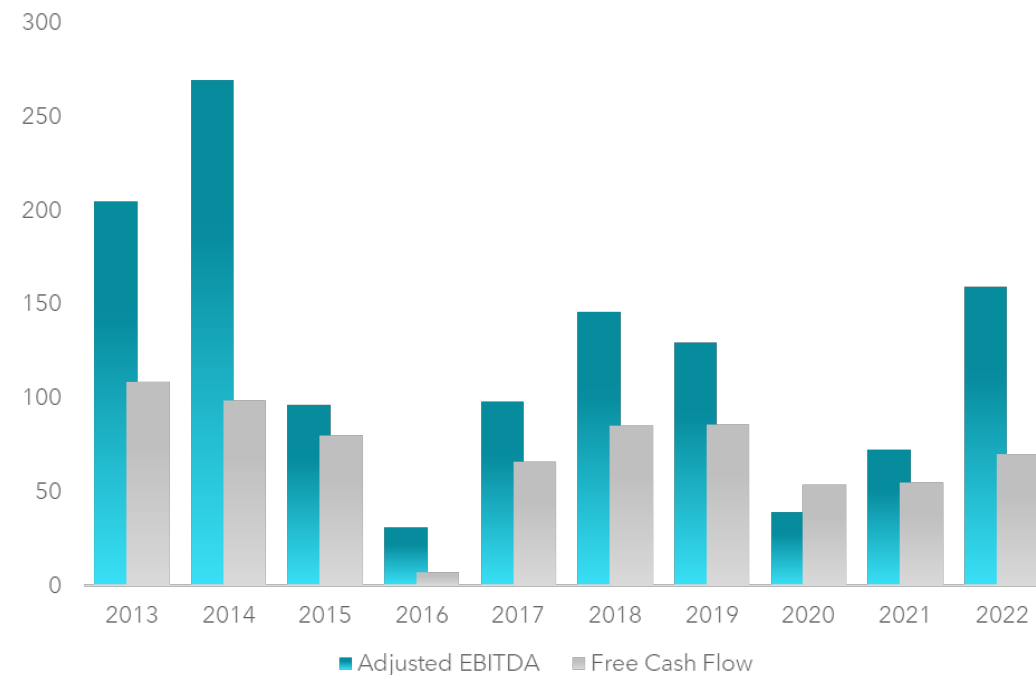
Capital Expenditures

in CAD millions



Free Cash Flow

in CAD millions

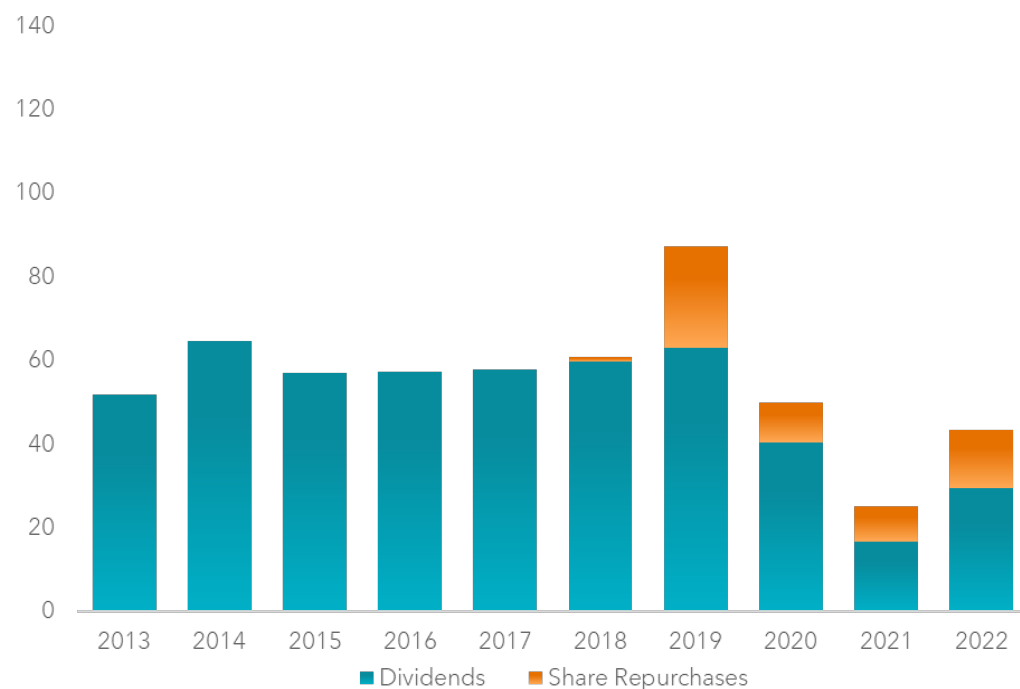


Lower capital intensity supports meaningful Free Cash Flow generation

Commitment to Shareholder Returns

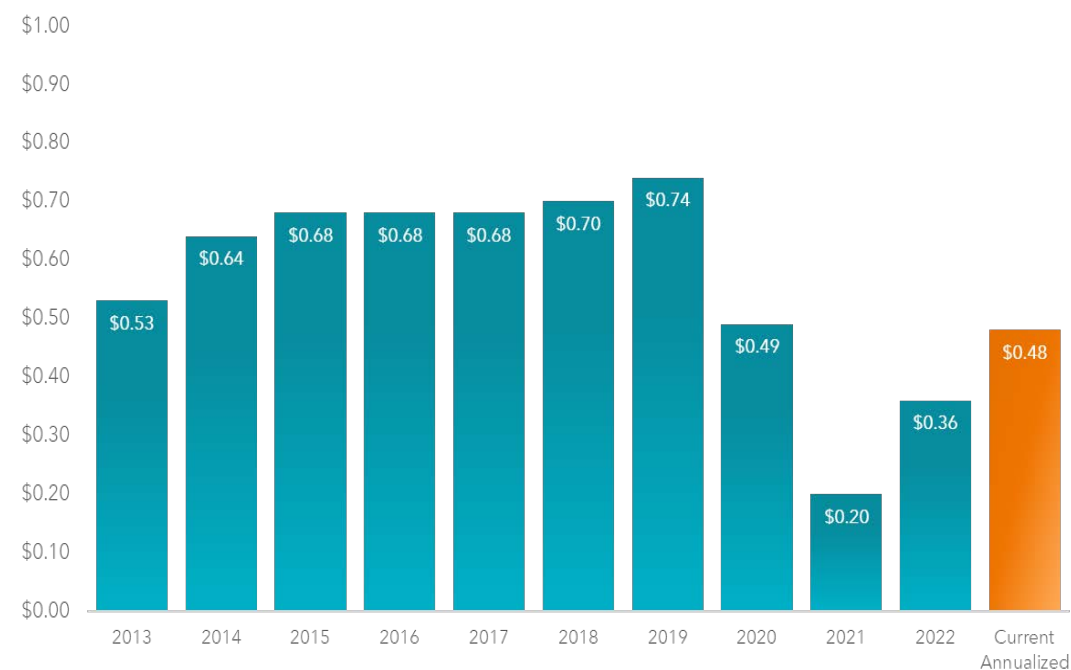
Dividends and Share Repurchases

in CAD millions



Dividends Per Share

CAD/share



Demonstration of commitment to shareholder returns through share repurchases and dividends

Fourth Quarter 2022 Highlights

Significant
industry activity
improvement from
the lows in 2020

Record quarterly
North American
Revenue per
Industry Day of
\$890

Adjusted EBITDA
margin above 50%
reflects significant
operating leverage

Well positioned
balance sheet with
no interest
bearing debt

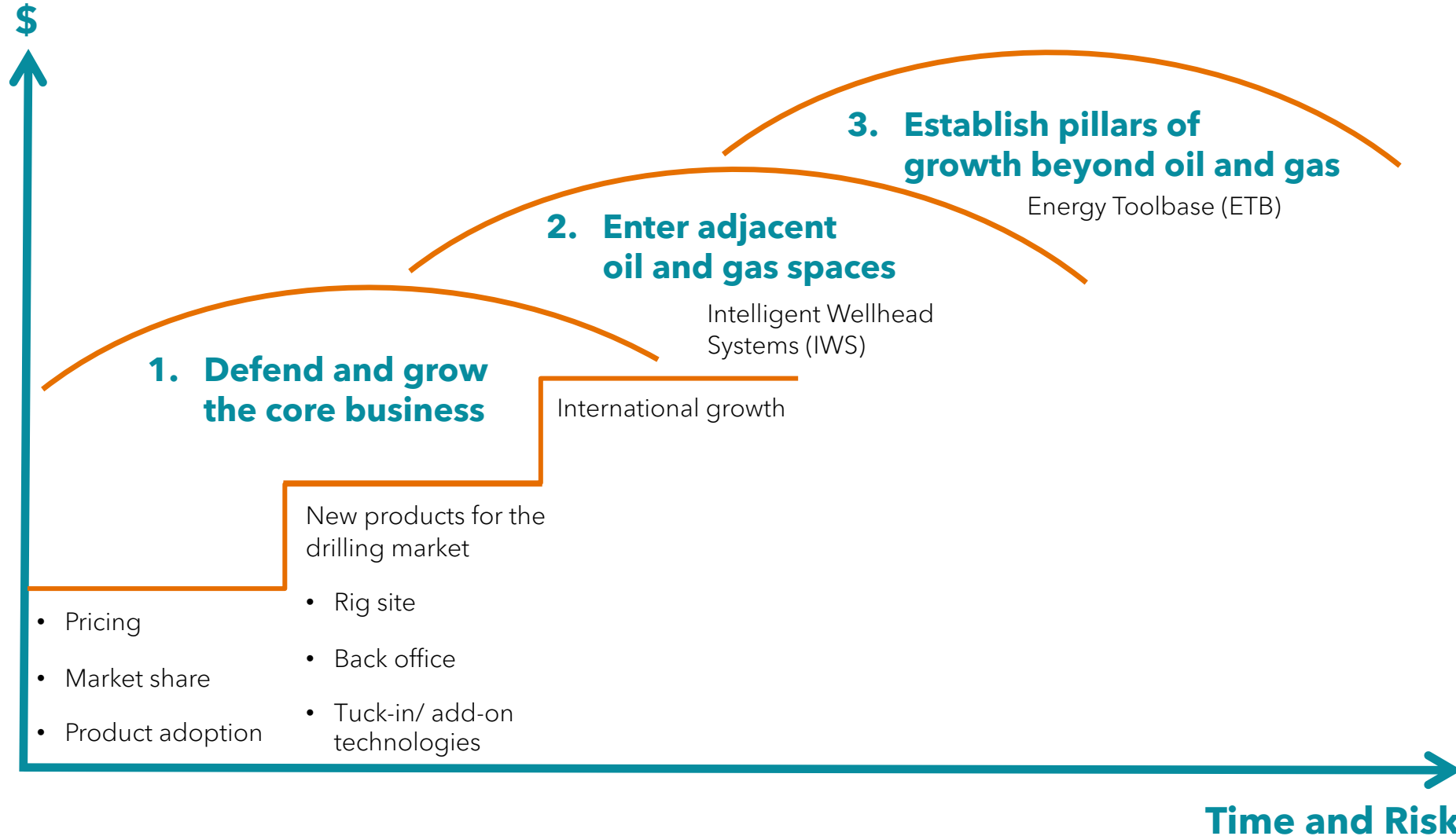
\$94 MILLION
IN REVENUE

\$49 MILLION
ADJUSTED
EBITDA

\$20 MILLION
CASH FROM
OPERATIONS

\$172M IN
CASH WITH
NO DEBT

Well-Positioned for Growth



Environmental, Social & Governance

ENVIRONMENTAL



- Developing products that drive increased drilling efficiency, helping reduce carbon footprint
- Environmentally responsible cleaning, recycling and disposal of equipment returned from field operations
- Investing in solar and energy storage markets through Energy Toolbase

SOCIAL



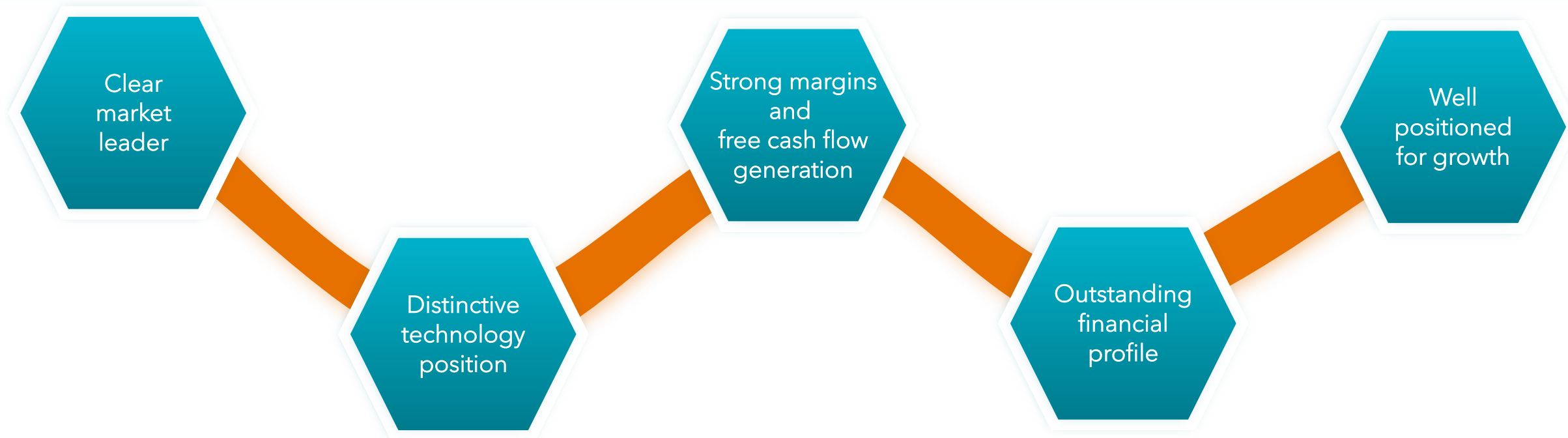
- Unique and inspiring workplace culture with a focus on total employee well-being
- Unwavering commitment to safety of workforce and protection of assets
- Significant investments in digital security infrastructure and systems protecting Pason and customer data

GOVERNANCE



- Experienced, independent and diverse Board of Directors
- Strong corporate governance policies and practices, including annual 'say on pay'
- Executive compensation tied to safety, financial and strategic targets, and shareholder returns
- Comprehensive Code of Conduct

Value Proposition Summary



Innovative



Profitable



Responsible

Pason Systems

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Calgary, AB T2H 1K4
Canada

Phone: 403.301.3400

Web: www.pason.com

Email: investorrelations@pason.com



Appendix

Historical Financial Information

\$CAD 000s	2017	2018	2019	2020	2021	2022
Revenue	245,643	306,393	295,642	156,636	206,686	334,998
Adjusted EBITDA ¹	98,224	145,987	129,644	39,540	72,520	159,510
<i>as a % of revenue</i>	40%	48%	44%	25%	35%	48%
Investments in R&D and IT ²	27,615	31,462	32,164	27,468	32,903	38,066
<i>as a % of revenue</i>	11%	10%	11%	18%	16%	11%
Funds flow from operations	87,121	128,544	111,718	40,560	67,728	134,885
Cash from operating activities	85,797	107,177	108,547	58,583	65,061	104,414
Net Capital expenditures ³	19,966	21,655	22,593	4,719	9,950	33,941
Free Cash Flow ¹	65,831	85,522	85,954	53,864	55,111	70,473
Dividends paid	57,697	59,785	63,100	40,420	16,567	29,473
Share repurchases	-	921	24,040	9,478	8,432	13,786
Total Cash ⁴	154,129	203,838	161,016	149,282	158,283	172,434
Working capital	193,692	256,153	183,769	167,366	184,083	213,899
Total interest bearing debt	-	-	-	-	-	-

(1) As defined in the following slide 'Non-GAAP Reconciliation'

(2) Includes both expensed and deferred development costs. Adjusted EBITDA includes the impact of expensed R&D and IT costs

(3) Includes additions to property, plant, and equipment and development costs, net of proceeds on disposal from Pason's Consolidated Statement of Cash Flows

(4) Total Cash is defined as total cash and cash equivalents and short-term investments from Pason's Consolidated Balance Sheets

Non-GAAP Reconciliation



\$CAD 000s	2017	2018	2019	2020	2021	2022
Net income (loss)	25,190	62,944	53,803	5,134	31,925	105,726
Add:						
Income taxes	14,030	29,158	20,193	4,864	11,738	33,405
Depreciation and amortization	45,681	34,855	40,830	34,417	25,689	20,842
Stock-based compensation	11,762	12,313	10,840	4,840	11,523	15,230
Net interest (income) expense	-	-	(903)	(867)	1,526	(4,937)
EBITDA	96,663	139,270	124,763	48,388	82,401	170,266
Add:						
Foreign exchange (gain) loss	1,106	7,682	2,199	1,113	(2,011)	(2,024)
Derecognition of onerous lease	-	-	4,289	(5,757)	-	-
Government wage assistance	-	-	-	(9,941)	(8,208)	-
Reorganization costs	-	-	-	5,554	-	-
Impairment charges	-	-	-	-	-	-
Net monetary gain	-	-	(2,887)	(1,874)	(496)	(1,849)
Put option revaluation	-	-	-	-	381	(5,815)
Other	455	(965)	1,280	2,057	453	(1,068)
Adjusted EBITDA	98,224	145,987	129,644	39,540	72,520	159,510
Free Cash Flow						
Cash from operating activities	85,797	107,177	108,547	58,583	65,061	104,414
Less:						
Net additions to property, plant, & equipment	(17,570)	(17,190)	(20,868)	(4,228)	(9,267)	(33,448)
Deferred development costs	(2,396)	(4,465)	(1,725)	(491)	(683)	(493)
Free Cash Flow	65,831	85,522	85,954	53,864	55,111	70,473