



# Q1 2026 Unaudited Financial Report

BEYOND TECHNOLOGY • BEYOND NORMAL



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# EXECUTIVE SUMMARY

Profitability	\$4.0m adjusted EBITDA YTD Q1 2026
	\$24.1m adjusted EBITDA LTM Q1 2026
Cash	Cash / Cash equivalents of \$18.6m as of Q1 2026
	Net debt of \$63.6m; Net Leverage of 2.73x
Operations	Middle East performance remained ahead of plan, with strong operational execution despite late-Q1 regional tensions
	Qualification and launch of our new market-leading V2 Aqueous HPHT Dominus Valve, delivering industry-leading API 19AC V0 gas tight capability
	Strong sales momentum in Saudi Arabia, UAE and Kuwait across all product lines, underpinned by gas and unconventional growth and continued technical advancements

## Letter from CEO Derek Nixon Chief Executive Officer

I am pleased to provide this CEO Statement following the first quarter of 2026 with a strong sense of pride in our company and the dedication demonstrated by our approximately 1,100 employees around the world. As we continue to navigate a dynamic operating environment across the global energy sector, I remain extremely encouraged by the resilience of our organization, the strength of our customer relationships, and the continued execution delivered by our teams globally. During the quarter, we delivered revenue of \$33.6m and Adjusted EBITDA of \$4.0m, reflecting solid execution and continued commercial traction across our core markets.

### Business Overview:

The start of 2026 has reinforced our confidence in the long-term positioning of the business. We have seen improving activity levels across several of our key international markets, particularly in the Middle East, where customer demand and drilling activity rebounded meaningfully compared to Q4 2025. This momentum reflects both stronger market conditions and the trust our customers continue to place in our products, service quality, and operational execution.

Our relationships with national oil companies and major oilfield service partners remain exceptionally strong, and we believe the region continues to present significant long-term growth opportunities for the business.



At the same time, the geopolitical situation involving Iran and the broader region created additional complexity across our operations and supply chain environment during the quarter. I could not be more proud of how our teams responded. Throughout this period, our absolute priority remained the safety and wellbeing of our employees, contractors, and partners. Our organization acted with professionalism, urgency and discipline to ensure continuity of operations while maintaining a steadfast commitment to safety.

Despite logistical challenges associated with moving product across the region, our teams worked collaboratively across manufacturing, supply chain, operations, and customer support functions to deliver for our customers. Their ability to adapt quickly, solve problems, and execute under pressure is a direct reflection of the culture we have built across the organization.

Our global production order pipeline remains strong at approximately \$64m as of March 31st. Looking ahead, I remain optimistic about our outlook for 2026. We believe the company is well positioned to benefit from continued Middle East activity growth, expanding customer relationships, and ongoing operational optimization initiatives.

As we move through 2026, our focus remains clear: protecting our people, serving our customers with excellence, driving operational efficiency, and continuing to position the company for sustainable long-term growth.

Finally, I want to reaffirm that the safety of our people remains our highest priority. I am pleased to report another excellent quarter of safety performance with a TRIR of 0.26 and one Lost Time Incidents.

A handwritten signature in black ink, appearing to read 'Derek Nixon', positioned above a blue and yellow graphic element.

# CFO FINANCIAL STATEMENT

## Operating Performance:

The consolidated income statement is shown on page 3 to these financial statements. Revenue was \$33.6m and \$48.8m for the three months ended March 31, 2026 and March 31, 2025, respectively.

Adjusted EBITDA was \$4.0m and \$7.5m for the quarters ended March 31, 2026 and 2025, respectively. A reconciliation between net profit per these financial statements and Adjusted EBITDA is set out below.

	Quarter ended		LTM Ended
	Mar 31, 2026	Mar 31, 2025	Mar 31, 2026
Net profit (loss)	\$ (4,395)	\$ (1,834)	\$ (28,261)
Provision (benefit) for income taxes	593	967	3,720
Interest expense	3,469	3,304	14,142
Depreciation and amortization	2,376	3,161	11,346
Transaction cost (debt)	-	556	511
Inventory impairment	-	-	11,150
Other non-cash items	1,366	-	8,167
EBITDA	3,409	6,154	20,776
Adjustments for the effects of:			
Restructuring & Severance	292	502	1,400
Other	291	821	1,960
Adjusted EBITDA	\$ 3,992	\$ 7,477	\$ 24,135

## Cashflow and Debt:

The consolidated statement of cash flows is show on page 5 of the financial statements. An analysis of the net debt for the quarter ending March 31, 2026, is set out below, with leverage at 2.75x.

### Leverage Ratio Table

<i>(in thousands of dollars)</i>	Mar 31, 2026
Nordic Bonds	\$ (72,000)
Loan-Revolver	(3,575)
Right of Use Liabilities	(6,542)
Cash	18,559
Net Debt as of Mar 31, 2026	\$ (63,558)
Adjusted EBITDA TTM Q1 2026	\$ 23,248 *
Leverage	2.73x

\* one-off non-recurring items restricted to 10% for debt leverage

# FINANCIAL STATEMENTS

## Consolidated Unaudited Profit and Loss

Three Months Ended  
March 31

<i>(in thousands of dollars)</i>	<b>2026</b>	<b>2025</b>	<b>Percent Change</b>	<b>LTM</b>
Revenue	\$ 33,575	\$ 48,821	-31%	\$ 168,294
Cost of revenue	(19,508)	(28,804)	-32%	(102,908)
Gross profit	14,067	20,017	-30%	65,386
Selling, general and administrative expenses	(11,795)	(14,478)	-19%	(52,020)
Operating profit	2,272	5,539	-59%	13,366
Other income	(229)	615	-137%	(758)
Add: Add-backs	1,948	1,323	47%	11,527
Adjusted EBITDA	3,992	7,477	-47%	24,135
Less: Add-backs	(1,948)	(1,323)	47%	(11,527)
Inventory Impairment				(11,150)
Transaction cost (debt)	-	(556)	-100%	(511)
Depreciation	(2,376)	(3,161)	-25%	(11,346)
Finance costs	(3,469)	(3,304)	5%	(14,142)
Income tax expense	(593)	(967)	-39%	(3,720)
Net profit (loss)	\$ (4,395)	\$ (1,834)	140%	\$ (28,261)

# FINANCIAL STATEMENTS

## Consolidated Unaudited Balance Sheets

(in thousands of dollars)

	Mar. 31, 2026	Dec. 31, 2025
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 18,559	\$ 23,058
Trade receivables, net	26,717	34,846
Inventories, net	46,539	44,279
Income tax receivable	199	198
Other current assets	19,766	13,839
Total current assets	<u>111,780</u>	<u>116,220</u>
Noncurrent assets		
Property, Plant and Equipment, net	21,188	22,078
Right-of-use assets, net	3,729	4,218
Intangibles, net	11,746	12,518
Goodwill	10,270	10,666
Investments in affiliates	3,161	3,391
Deferred tax receivable	2,814	2,837
Other assets	188	1,236
Total noncurrent assets	<u>53,096</u>	<u>56,944</u>
Total assets	<u>\$ 164,876</u>	<u>\$ 173,164</u>

	Mar. 31, 2026	Dec. 31, 2025
<b>Liabilities</b>		
Current liabilities		
Trade payables	\$ 15,108	\$ 15,999
Income tax payable	4,837	6,316
Accrued liabilities	2,442	1,724
Other current liabilities	7,880	7,590
Current portion of borrowings	25,600	25,683
Current portion of lease liabilities	1,620	1,701
Total current liabilities	<u>57,487</u>	<u>59,013</u>
Noncurrent liabilities		
Borrowings	70,513	70,278
Lease liabilities	4,922	5,262
Deferred tax liabilities	1,321	1,362
Other liabilities	2,566	5,766
Total noncurrent liabilities	<u>79,322</u>	<u>82,668</u>
Total liabilities	<u>136,809</u>	<u>141,681</u>
<b>Equity</b>		
Total equity	28,067	31,483
Total shareholders' equity and liabilities	<u>\$ 164,876</u>	<u>\$ 173,164</u>

# FINANCIAL STATEMENTS

## Consolidated Unaudited Cash Flow

Cash used in operations of \$1.8 million for the three months ended March 31, 2026 was primarily driven by increases to inventory as we build out a kanban system and taxes paid in the United Kingdom, offset by collections.

Cash used in investing activities of \$1.0 million for the three months ended March 31, 2026 was primarily related to payments related to production machinery we expect to bring into service later this year. During the three months ended March 31, 2025 cash used in investing activities was primarily related to the acquisition of Ace Well Technology.

Financing cash flows changed \$0.1 million from cash used of \$0.9 million to cash used of \$1.0 million for the three months ended March 31, 2025 and 2026, respectively.

### Condensed Consolidated Statements of Cash Flow (Unaudited)

<i>(in thousands of dollars)</i>	Three Months Ended March 31	
	2026	2025
Cash flows from operating activities		
Net profit (loss)	\$ (4,395)	\$ (1,834)
Adjustments to net income:		
Depreciation & amortization	2,376	3,161
Amortization of deferred financing costs	235	250
Net Finance Costs	3,217	2,706
Other non cash movements	1,573	-
Change in operating assets and liabilities:		
Decrease (increase) in trade receivables	3,420	3,536
Decrease (increase) in inventories	(2,818)	230
Decrease (increase) in other assets	2,781	(1,676)
Increase (decrease) in trade payables	(1,236)	(3,907)
Increase (decrease) in other liabilities	(5,209)	(735)
<b>Cash generated (used in) operating activities</b>	<b>(56)</b>	<b>1,731</b>
Interest paid	(311)	(382)
Income taxes paid	(1,442)	-
<b>Net cash provided by operating activities</b>	<b>(1,809)</b>	<b>1,349</b>
Cash flows from investing activities		
Acquisition of property and equipment	(986)	(417)
Business Combination, net of cash acquired	-	(9,798)
<b>Net cash used in investing activities</b>	<b>(986)</b>	<b>(10,215)</b>
Cash flows from financing activities		
Proceeds from long-term borrowings	-	332
Repayments of long-term borrowings	(532)	-
Payment of Lease Liabilities	(423)	(606)
Debt issuance costs	-	(239)
Joint venture contributions	-	(343)
<b>Net cash (used in) provided by financing activities</b>	<b>(955)</b>	<b>(856)</b>
<b>Effect of exchange rate changes on cash</b>	<b>(749)</b>	<b>4</b>
Net (decrease) increase in cash & cash equivalents	(4,499)	(9,718)
Cash and cash equivalents at beginning of year	23,058	24,957
Cash and cash equivalents at end of period	\$ 18,559	\$ 15,239

# FURTHER INFORMATION

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