



National Energy Services Reunited Corp.

National Champion of MENA | Driving ESG Impact

Barclays 2021 Virtual CEO Energy-Power Conference – September 8, 2021



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O&G Macro – MENA Re-Asserting As Swing Oil Producer

Oil Demand Recovery – Greater than 100mmbpd by YE22

- IEA/EIA/OPEC – All agencies agree that oil demand will surpass 100mmbpd by YE22.
- Energy transition – Gov/Private spending is ramping (NESR ESG Impact), but transition will likely be protracted.

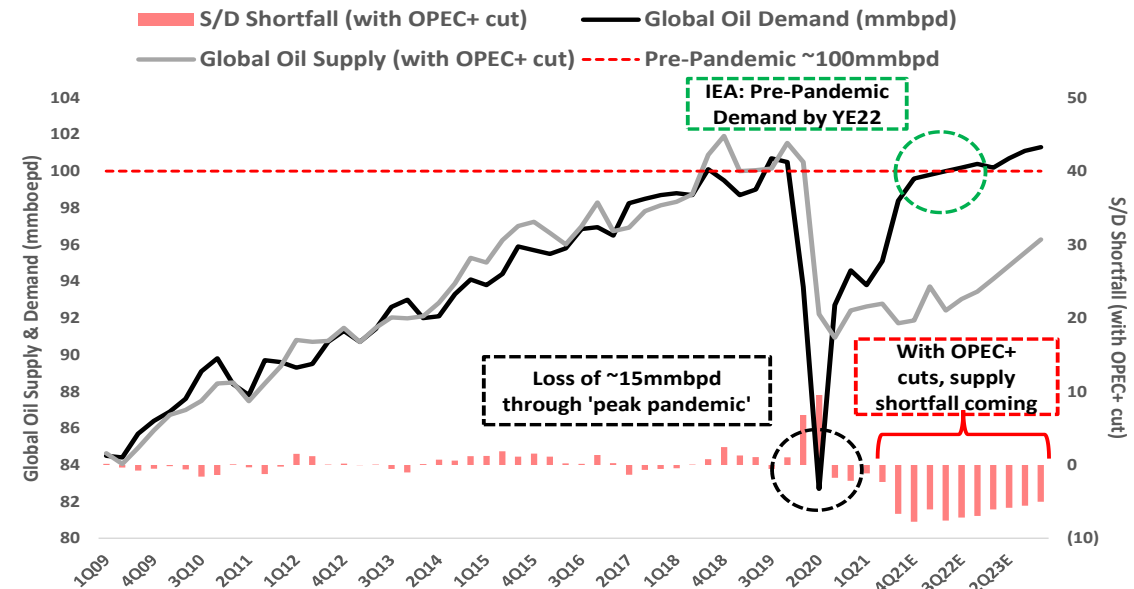
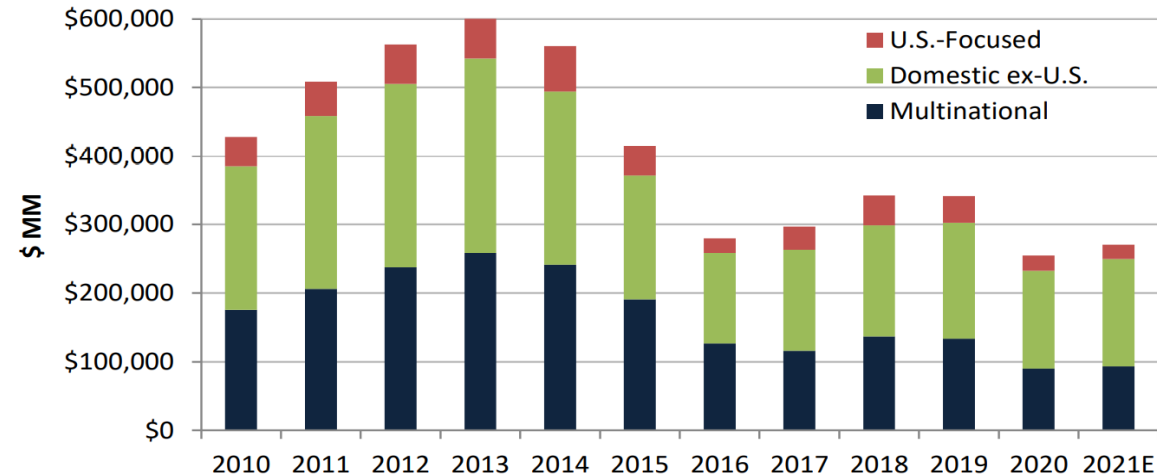
Oil Supply – More Balanced US/Int'l Growth

- US shale – Capital discipline & slowing productivity gains = NAM no longer going to outstrip oil demand growth.
- OPEC+ must ramp production in response to looming supply shortfall (current OPEC+ supply over 2.0mmbpd below pre-pandemic levels).

Middle East – Lowest Cost Producer

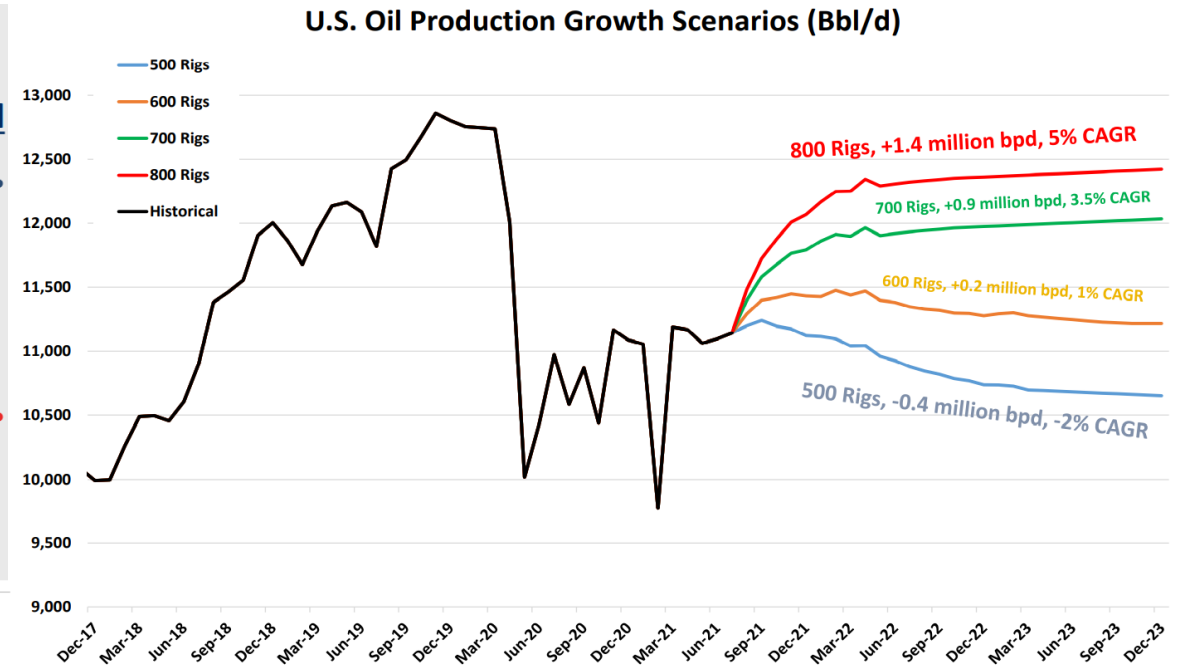
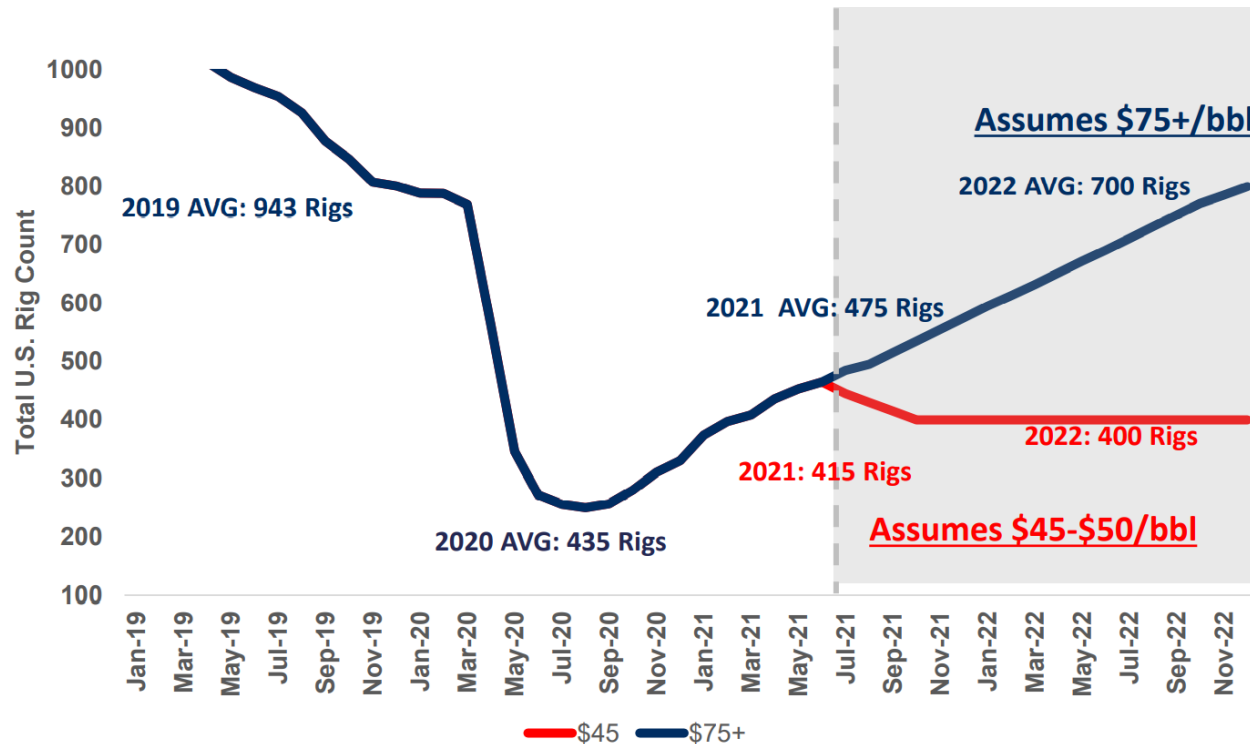
- Core GCC/MENA NOCs among the lowest cost producers.
- Both short-cycle (spare capacity) and advantaged, longer-cycle projects needed in the coming years.
- Natural gas 'megacycle' to enhance an already strong oil activity outlook.

Capital Spending of Mid/Large-Cap Oil and Gas Companies



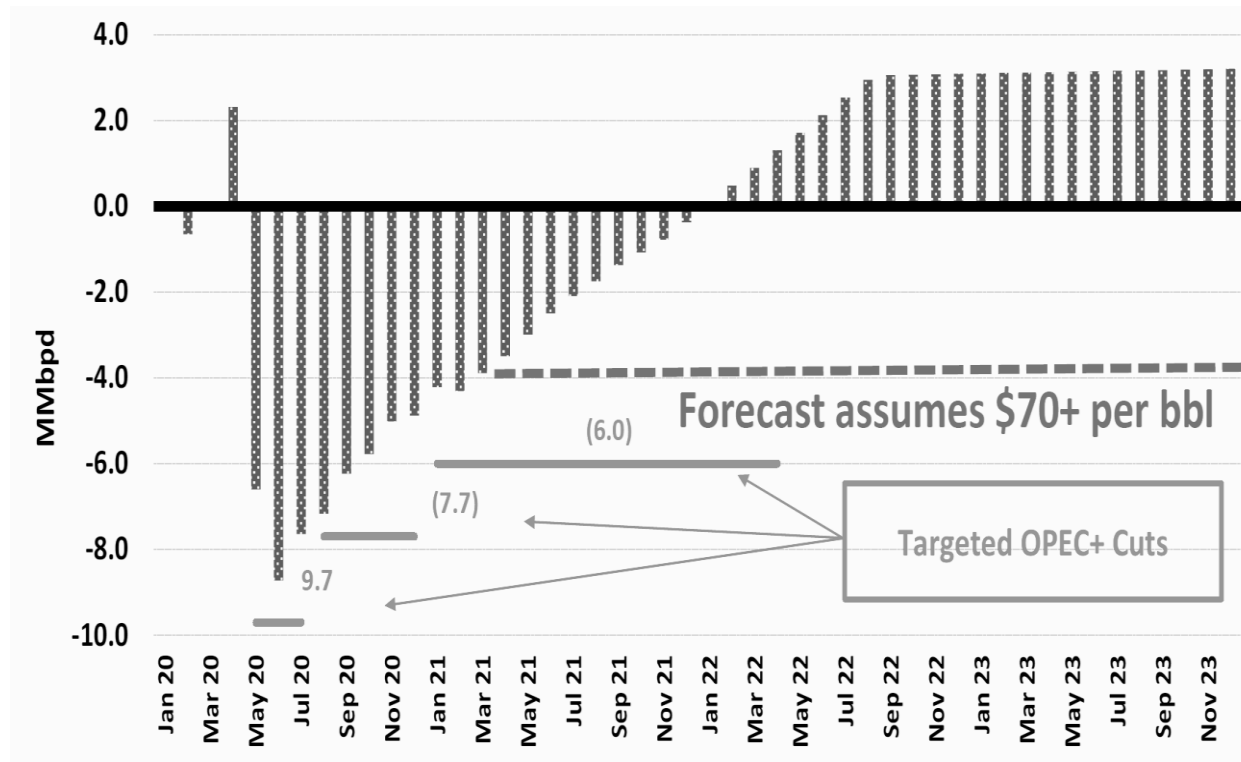
A Lower Growth “New Normal” For US Shale

- Capital discipline – Market pressure & producers returning excess cash flow to shareholders.
- US shale productivity gains slowing – Current L48 rig count not high enough to grow oil production meaningfully (industry view).



With US Shale Maturing, OPEC+ Re-Establishing ‘Swing Producer’ Status

- Economic returns (not pace-of-growth) will win in the current oil supply environment – MENA producers advantaged.
- Key OPEC+ producers quietly ramping activity toward higher-than-2019 levels (2021 KSA plan +30% capex Y/Y, +7% vs. 2019).

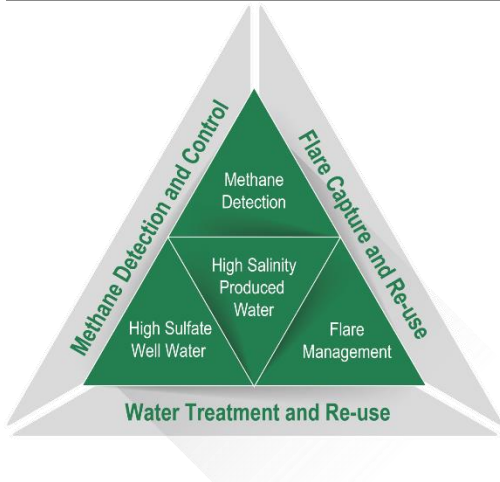


ESG & ESG Impact – Massive Opportunity Across Multiple Fronts

ESG Impact – Where Is Our Company Today?

ESG IMPACT – Addressing the “E” push among an NOC/IOC MENA customer base – Returns targeted at/above legacy OFS business units

ESG IMPACT Triangle

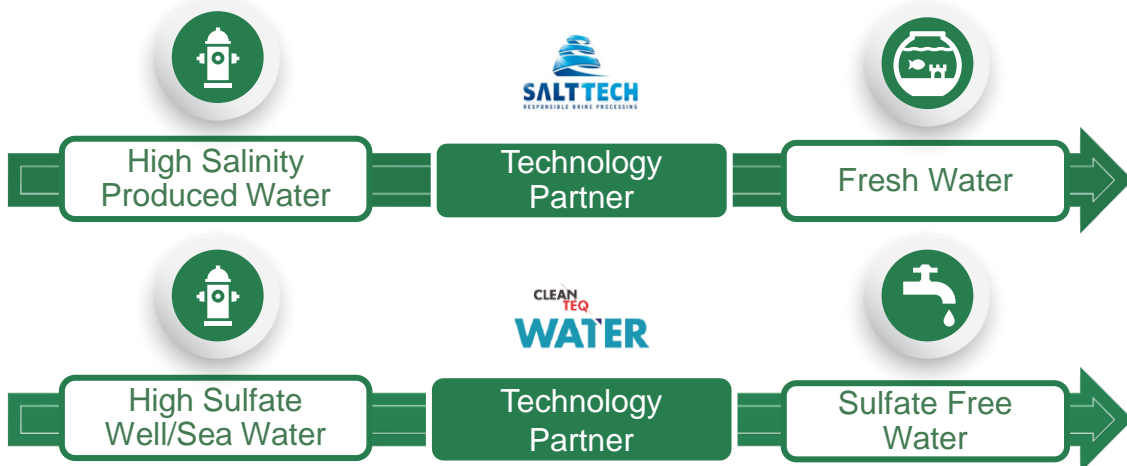


***Announced in Jan 2021 at the 4th Future Investment Initiative (FII) in Riyadh** – Through the new ESG IMPACT initiative, we expect to introduce & develop a portfolio of product lines and services to mitigate climate change, enhance water management and conservation, minimize environmental waste in the industry, and introduce innovative energy solutions.*

2021E Expectations

- At least one water pilot project **deployed by end of year** (Iraq & Saudi pilots both progressing toward implementation in the coming months – other diligence & proposals ongoing).
- Tech diligence ongoing across **water, emissions, flaring, geothermal**.
- Significant revenue run rate** targeted over the next 2-3 years.

Leveraging MENA Footprint With Key Water Tech Partners



What We've Learned

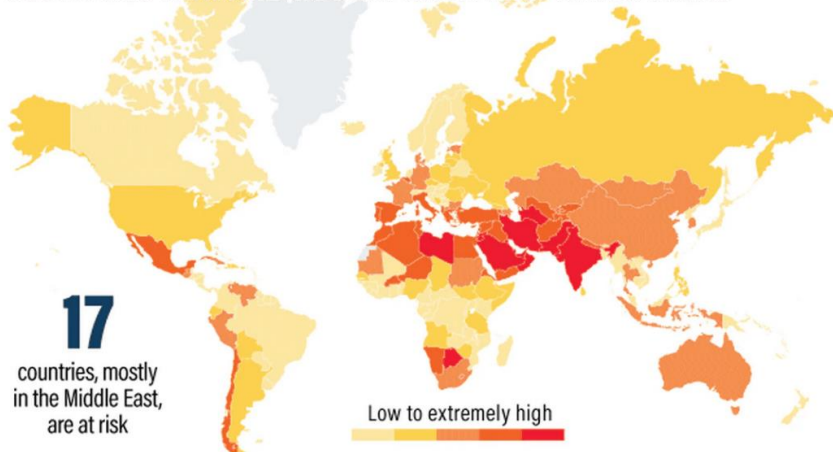
- Leveraging MENA footprint & customer familiarity** are key in importing unique technologies that otherwise wouldn't enter the region.
- Larger customers** offer greater immediate scale and serve as willing technology development participants (in-country value creation).
- Key investor questions** – Selectivity of growth opportunities, balancing returns against a significant addressable market.

ESG Impact – The Massive MENA Water Opportunity

Water (Alone) Is An ESG Impact Opportunity Of Segment-Level Size/Scope

- **Water Scarcity Is A Key MENA Challenge** – World Bank estimates that MENA possesses less than 2% of the global renewable water supply, with twelve of the world's most water-scarce countries.
- **Water Supply** – MENA comprises 75% of worldwide desalination (70% within the GCC alone), which is both costly & energy-intensive water supply.
- **O&G Industry must take leadership** – Produced water treatment market estimated to be over \$10B by 2031 (globally, as per industry pundits), with much of the growth driven by MENA, specifically (in response to both water supply/demand dynamics and decarbonization efforts).
- **NESR solution** – Open technology platform, partner with IP from around-the-world to bring innovative alternatives to produced water handling (more than just oilfield water – industrial, agricultural & community use – which is a burgeoning focus among NOCs and associated governments).

COUNTRIES THAT ARE MOST AT RISK FROM WATER CRISIS



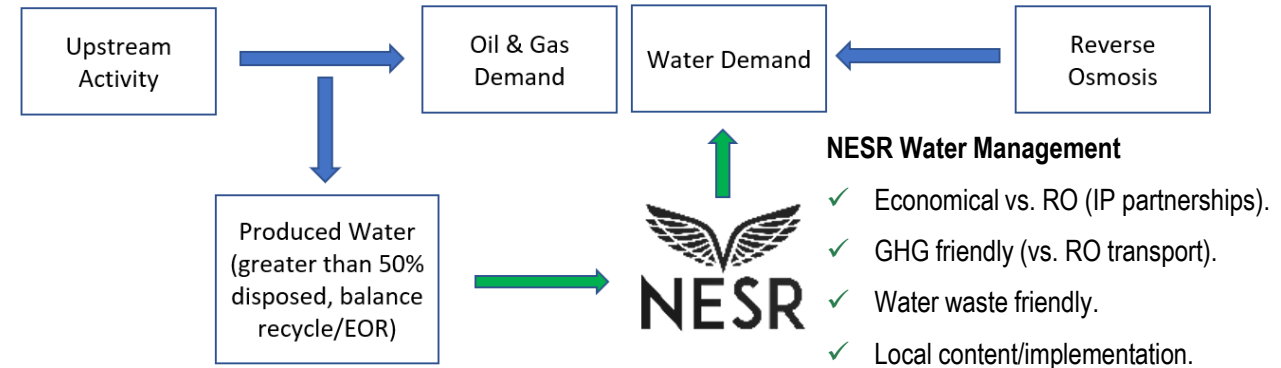
COUNTRIES FACING HIGH WATER STRESS

Rank	Country
1	Qatar
2	Israel
3	Lebanon
4	Iran
5	Jordan
6	Libya
7	Kuwait
8	Saudi Arabia
9	Eritrea
10	UAE

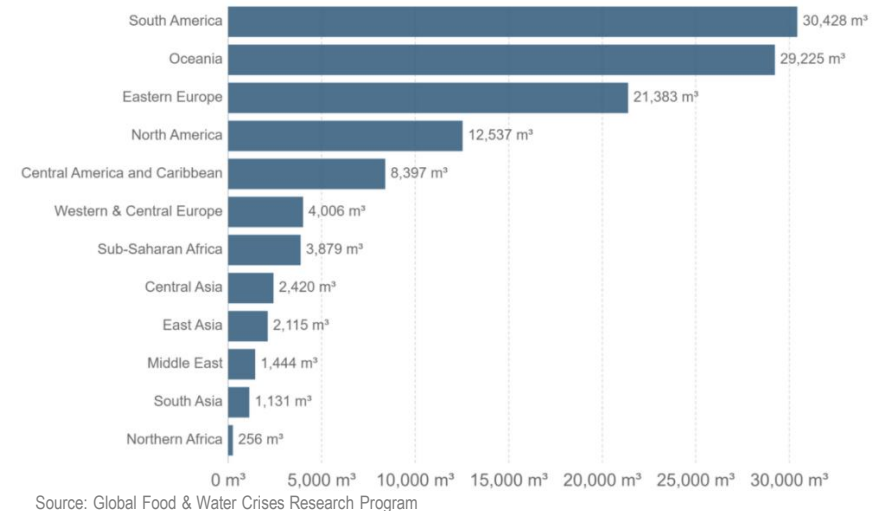
Source: World Resources Institute

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Water Opportunity Adjacent To O&G Industry In MENA



Per-Capita Renewable Freshwater Resources By Region



Managing our ESG performance through identifying ESG risks and opportunities and proactively disclosing ESG data

To enhance ESG performance, transparency and disclosure

In 2019:

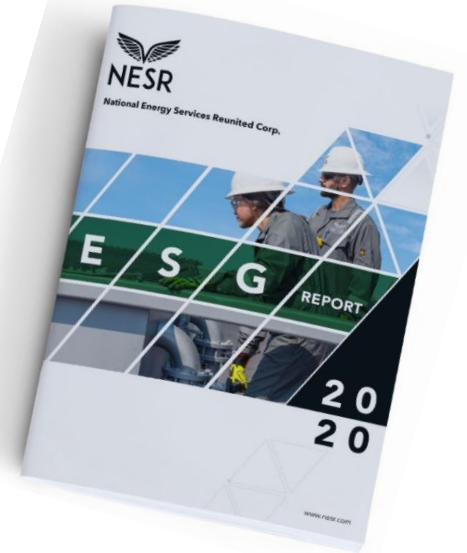
- NESR Developed an ESG strategy.
- Installed ESG data collection and reporting procedures.
- Started disclosing ESG data in company proxies.

In 2020:

- Delivered ESG training to function heads across the company.
- Disclosed ESG information on the website including governance guidelines, tax strategy, and key ESG data on HSE, DEI.
- Conducted an ESG gaps analysis and materiality assessment to identify ESG risks and opportunities.
- Launched several ESG initiatives including NESR Women Network (WIN) and Corporate Volunteering.

In 2021:

- First ESG report published.
- ESG IMPACT segment launched.



Aligning approach and reporting with global frameworks, best practice, and international standards

- Aligned with the UN Sustainable Development Goals (SDGs).
- Committed to the UN Global Compact 10 principles.
- Committed to aligning ESG reporting with SASB, GRI and TCFD in 2022.



Appendix – Select Financials

Adjusted EBITDA – Latest Quarter

(Non-GAAP reconciliation)

NESR (\$million)	Q2 2021
Revenue	234.9
Operating Income	14.1
Depreciation and amortization	35.1
Other income/expense, net	0.7
Transaction, Integration and Start-Up Costs	5.0
Adjusted EBTIDA	53.6

2019/2020 Adjusted EBITDA

(Non-GAAP reconciliation)

NESR (\$million)	2020	2019
Revenue	834.1	658.4
Net income (loss)	50.1	39.4
Depreciation and amortization	128.6	93.8
Finance cost	15.9	19.0
Tax	10.7	13.1
Charges & credits	7.9	20.7
Adjusted EBTIDA	213.2	186.0

⁽¹⁾ As reported in quarterly earnings press releases

Historical Adjusted EBITDA

(Non-GAAP reconciliation)

Adjusted EBITDA

NPS (\$million)	2013	2014	2015	2016	2017
Revenue	180	199	204	224	271
Net income (loss)	25	32	5	8	28
Depreciation and amortization	19	23	52	52	38
Finance Cost	10	9	4	6	7
Goodwill Impairment	-	-	-	-	-
Impairment	-	-	-	3	-
Tax	5	3	2	3	5
Adjusted EBITDA	59	67	64	72	78

GES (\$million)	2013	2014	2015	2016	2017
Revenue	148	170	211	207	187
Net income (loss)	24	19	31	32	36
Depreciation	15	21	25	27	23
Finance Cost	3	4	4	4	4
Interest income	-	(4)	(1)	(1)	(2)
Impairment	-	-	-	2	-
Tax	3	4	5	6	7
Adjusted EBITDA	45	44	65	69	69

NPS financial results for 2013, 2014 are prepared under IFRS, and 2015-2017 are prepared under US GAAP; GES 2013-2017 financial results are prepared under IFRS. EBITDA is adjusted for impairment, which is not recognized as part of EBITDA under US GAAP.