Liberty Energy (LBRT) & Energy Realities

Chris Wright, Chairman & CEO | Liberty Energy (LBRT)

EnerCom Denver | August 19, 2024

Important Disclosures

FORWARD LOOKING STATEMENTS

The information in this presentation includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included herein concerning, among other things, statements about our expected growth from acquisitions, expected performance, future operating results, oil and natural gas demand and prices and the outlook for the oil and gas industry, future global economic conditions, improvements in operating procedures and technology, our business strategy and the business strategies of our customers, the deployment of fleets in the future, planned capital expenditures, future cash flows and borrowings, pursuit of potential acquisition opportunities, our financial position, return of capital to stockholders, business strategy and objectives for future operations, are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as "may," "expect," "estimate," "outlook," "project," "plan," "position," "believe," "intend," "achievable," "anticipate," "will," "continue," "potential," "likely," "should," "could," and similar terms and phrases. However, the absence of these words does not mean that the statements are not forward-looking. Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve certain assumptions, risks and uncertainties. The information presented herein is subject to change without notice and Liberty has no obligation to affirm or update such information, except as required by law. These forward-looking statements represent our current expectations or beliefs concerning future events, and it is possible that the results described herein will not be achieved. These forward-looking statements are subject to certain risks, uncertainties and assumptions identified above or as disclosed from time to time in Liberty's filings with the Securities and Exchange Commission. As a result of these factors, many of which are beyond our control, actual results may differ materially from those indicated or implied by such forward-looking statements.

Any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, we do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for us to predict all such factors. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in "Item 1A. Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2023 as filed with the SEC on February 9, 2024 and in our other public filings with the SEC. These and other factors could cause our actual results to differ materially from those contained in any forward-looking statements.

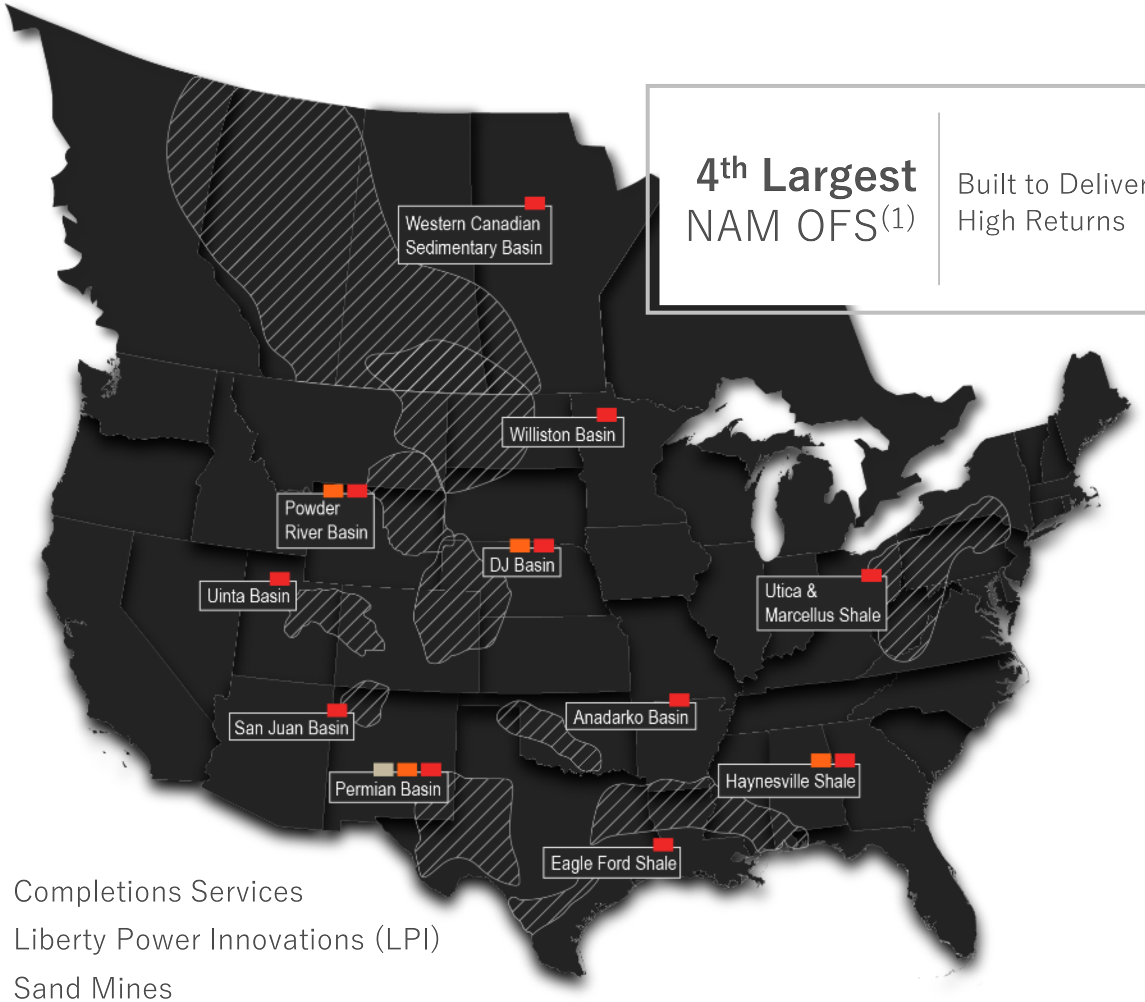
INDUSTRY AND MARKET DATA

This presentation has been prepared by Liberty and includes market data and other statistical information from sources believed by Liberty to be reliable, including independent industry publications, government publications or other published independent sources. Some data are also based on Liberty's good faith estimates, which are derived from its review of internal sources as well as the independent sources described above. Although Liberty believes these sources are reliable, it has not independently verified the information and cannot guarantee its accuracy and completeness.

NON-GAAP FINANCIAL AND OPERATIONAL MEASURES

Liberty uses EBITDA, Adjusted EBITDA, Cash Return on Capital Invested (CROCI), and Adjusted Pre-Tax Return on Capital Employed (ROCE) financial and operational measures that are not presented in accordance with U.S. generally accepted accounting principles ("GAAP"), in this presentation. These financial and operational measures are used as supplemental non-GAAP financial measures by Liberty's management and by external users of Liberty's financial statements, such as industry analysts, investors, lenders and rating agencies. Liberty believes these financial and operational measures are useful to external users of its consolidated and combined financial statements, such as industry analysts, investors and lenders because it allows them to compare its financial and operating performance on a consistent basis across periods by removing the effects of capital structure (such as varying levels of interest expense), asset base (such as depreciation and amortization) and other items that impact the comparability of financial results from period to period. Liberty management believes these financial and operational measures provide useful information regarding the factors and trends affecting its business in addition to measures calculated under GAAP. Liberty defines EBITDA as net income (loss) before interest expense, income taxes, depreciation and amortization. Liberty defines Adjusted EBITDA as EBITDA adjusted to eliminate the effects of items such as non-cash stock based compensation expense, new fleet or new basin start-up costs, fleet lay-down costs, costs of asset acquisitions, gain or loss on the disposal of assets, asset impairment charges, provision for credit losses, gain or loss on remeasurement of liability under tax receivable agreement, and non-recurring expenses that management does not consider in assessing ongoing performance. Liberty excludes the foregoing items from net income (loss) in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within its industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Liberty defines Cash Return on Capital Invested as the ratio of Adjusted EBITDA to average gross capital invested (total assets plus accumulated depreciation less non-interest bearing current liabilities). Liberty defines ROCE as the ratio of adjusted pre-tax net income (adding back income tax and certain adjustments that include tax receivable agreement impacts, unrealized gain or loss on investments, net, and transaction and other costs, when applicable) to Average Capital Employed. Average Capital Employed is the simple average of total capital employed (both debt and equity). Adjusted EBITDA is not a measure of net income (loss) or net cash provided by operating activities as determined by GAAP. EBITDA, Adjusted EBITDA, CROCI, or ROCE should not be considered an alternative to net income, net cash provided by operating activities or any other measure of financial performance or liquidity presented in accordance with GAAP. You should not consider EBITDA, Adjusted EBITDA, CROCI, or ROCE in isolation or as a substitute for an analysis of Liberty's results as reported under GAAP. Because Adjusted EBITDA, CROCI, or ROCE may be defined differently by other companies in Liberty's industry, Liberty's computations of such measures may not be comparable to other similarly titled measures of other companies, thereby diminishing its utility. Reconciliations and calculations of EBITDA, Adjusted EBITDA, CROCI, and ROCE to the most directly comparable financial measure calculated in accordance with GAAP is presented in the Appendix hereto.

Creating Value with a Leading Completions and Power Solutions Portfolio



- Completions Services
- Liberty Power Innovations (LPI)
- Sand Mines

4th Largest NAM OFS(1)

Built to Deliver High Returns

Premier Multi-Basin Platform

- Operations in top U.S. and Canadian resource plays
- ~20% of North America onshore well completions
- Balanced exposure to customers with oil and natural gas production

Operating Scale Enhances Profitability

- Vertical integration in critical areas drives differential margins
- Track record of improving efficiencies and lowering customer costs

Liberty Power Innovations Growth Opportunity

- Power Liberty's digiFleets with integrated CNG fuel services
- Advanced energy management and scalable generation supports energy demand in other industries

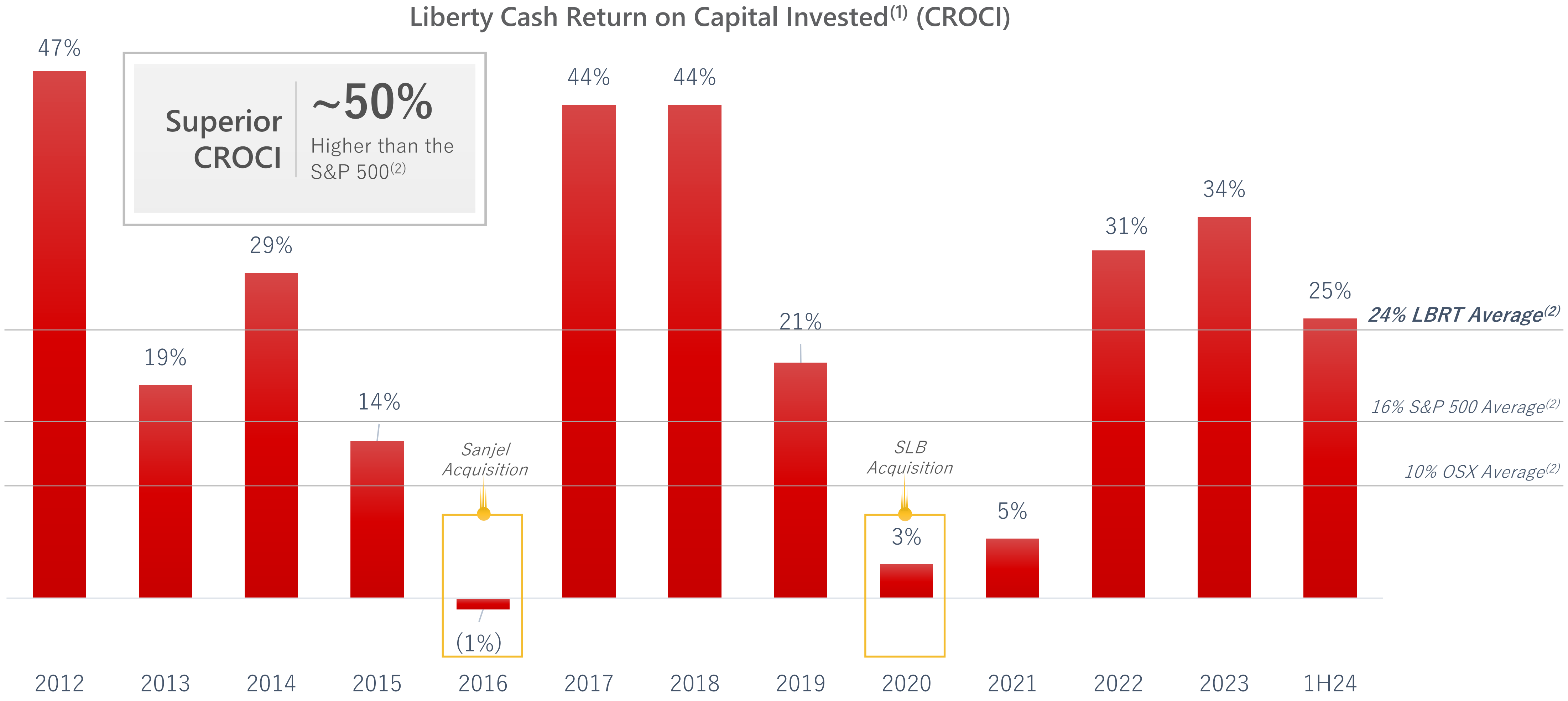
Differential Returns-Focused Strategy

- Investment in well site solutions that unlock value for customers
- Expand profitability with digiTechnologies and LPI
- Deep bench of talent crucial in relationship-driven service sector

Source: Company Filings, Factset

(1) Based on TTM revenue for North America operations through June 30, 2024. Peers include publicly traded oilfield services companies with market capitalization of over $2.0B and NAM revenue >$2.5B on a TTM basis as of June 30, 2024; includes BKR, CHX, FTI, HAL, HP , NOV, PTEN pro forma, SLB pro forma, and WFRD.

A Track Record of Attractive Returns



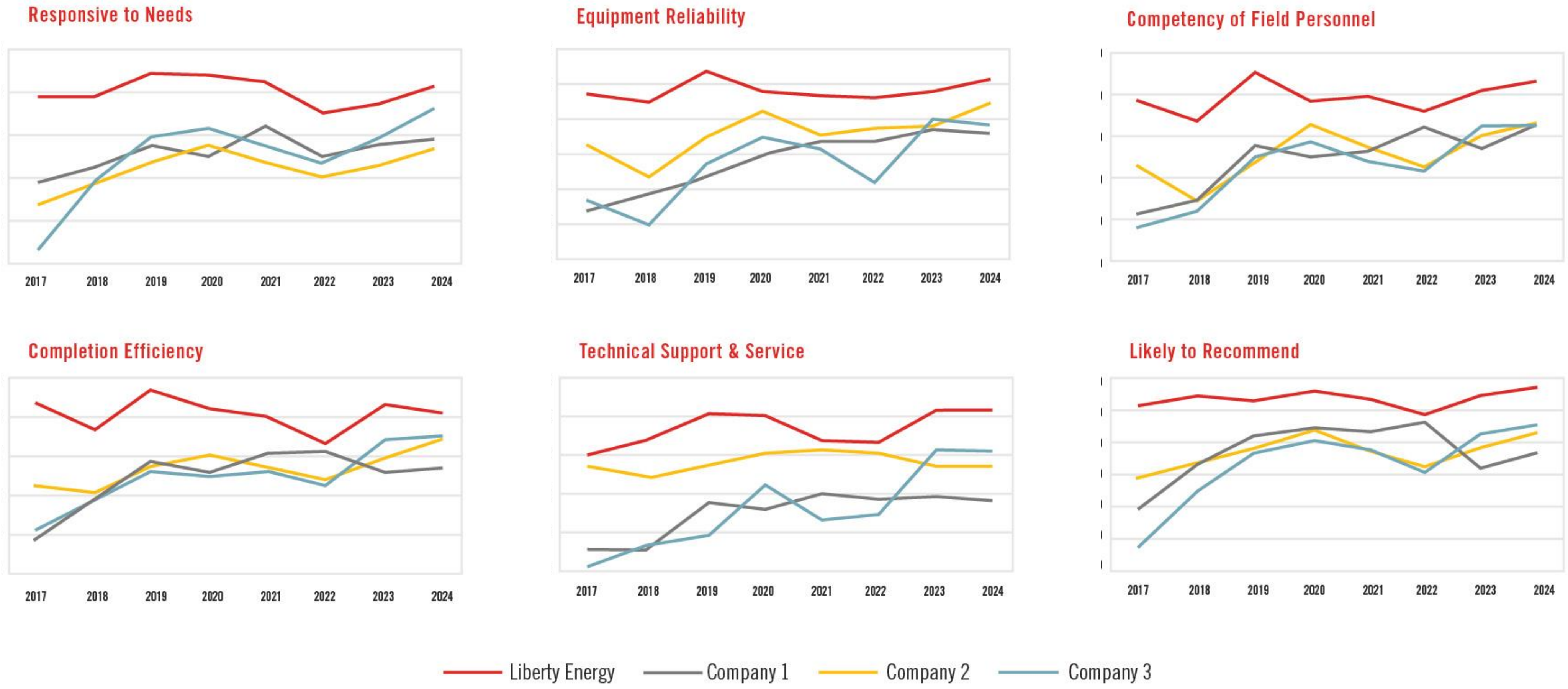
Source: Company filings, Factset, Bloomberg

(1) Cash Return on Capital Invested (CROCI) is an operational measure defined as the ratio of Adjusted EBITDA to the average of the beginning and ending period Gross Capital Invested (Total Assets plus Accumulated Depreciation less Non-Interest Bearing Current Liabilities). Please see appendix for reconciliations of the non-GAAP measures EBITDA and Adjusted EBITDA to net income, and the calculation of Cash Return on Capital Invested.

(2) Averages reflect the 2012-2023 12-year financial period. S&P 500 average for the 2012-2023 period excluding Financials and Real Estate constituents.

Liberty Performance Consistently Exceeds Industry

Liberty Performance Ratings vs. Industry Peers



Source: Kimberlite International Oilfield Research *July 2024 Hydraulic Fracturing Supplier Performance Report.* Peers include ACDC, HAL, and Nextier (PTEN).

Competitive Advantages Deliver Higher Earnings Power

Liberty Service Suite Additions Since 2020

HYDRAULIC FRACTURING
Engineering & Execution

EQUIPMENT DESIGN & MFG
Liberty Advanced Equipment Technologies

COMPLETION DESIGN
Reservoir Engineering & Analytics

LOGISTICS
Software AI and Real Time Data

WIRELINE
Fully Integrated

PROPPANT HANDLING
PropX

digiTECHNOLOGIES℠
Electric and Hybrid Equipment Technology

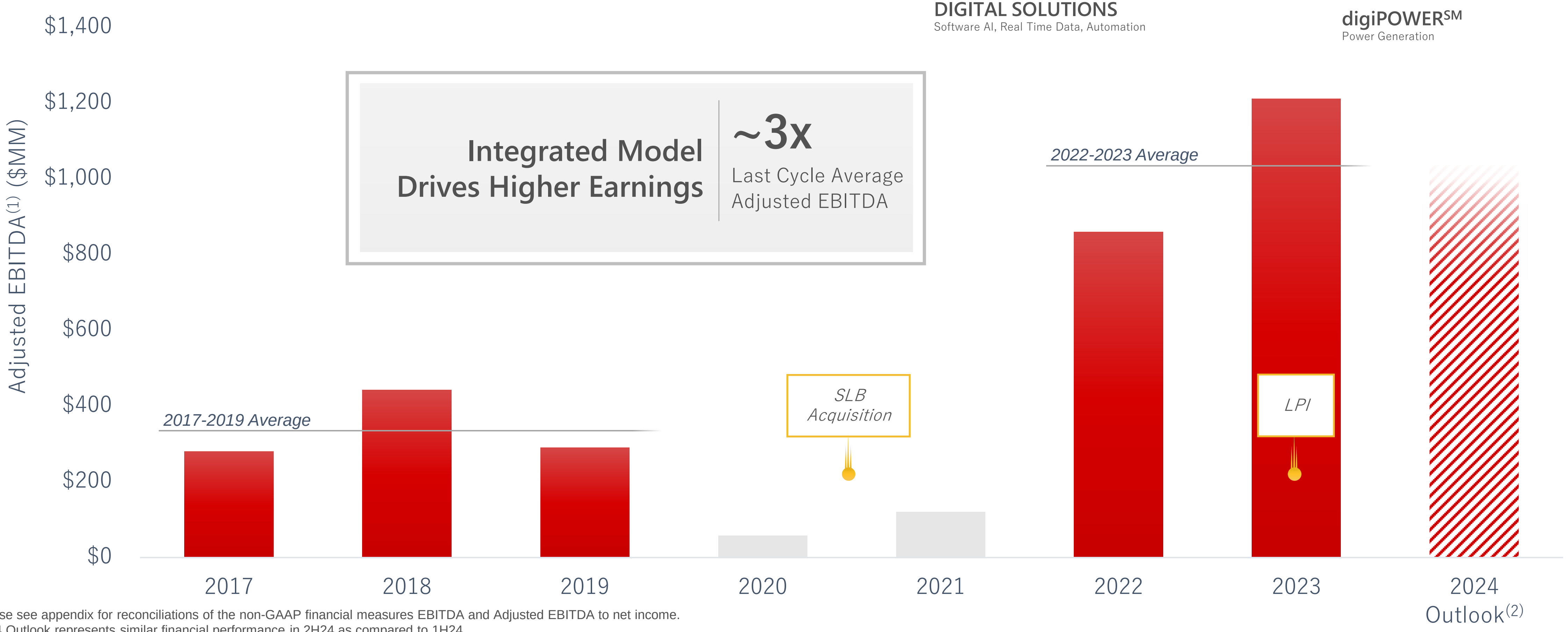
SAND MINES
Freedom Proppant

DAMP SAND TECH
Wet Sand Handling

GAS DELIVERY
Processing, Compression and Logistics

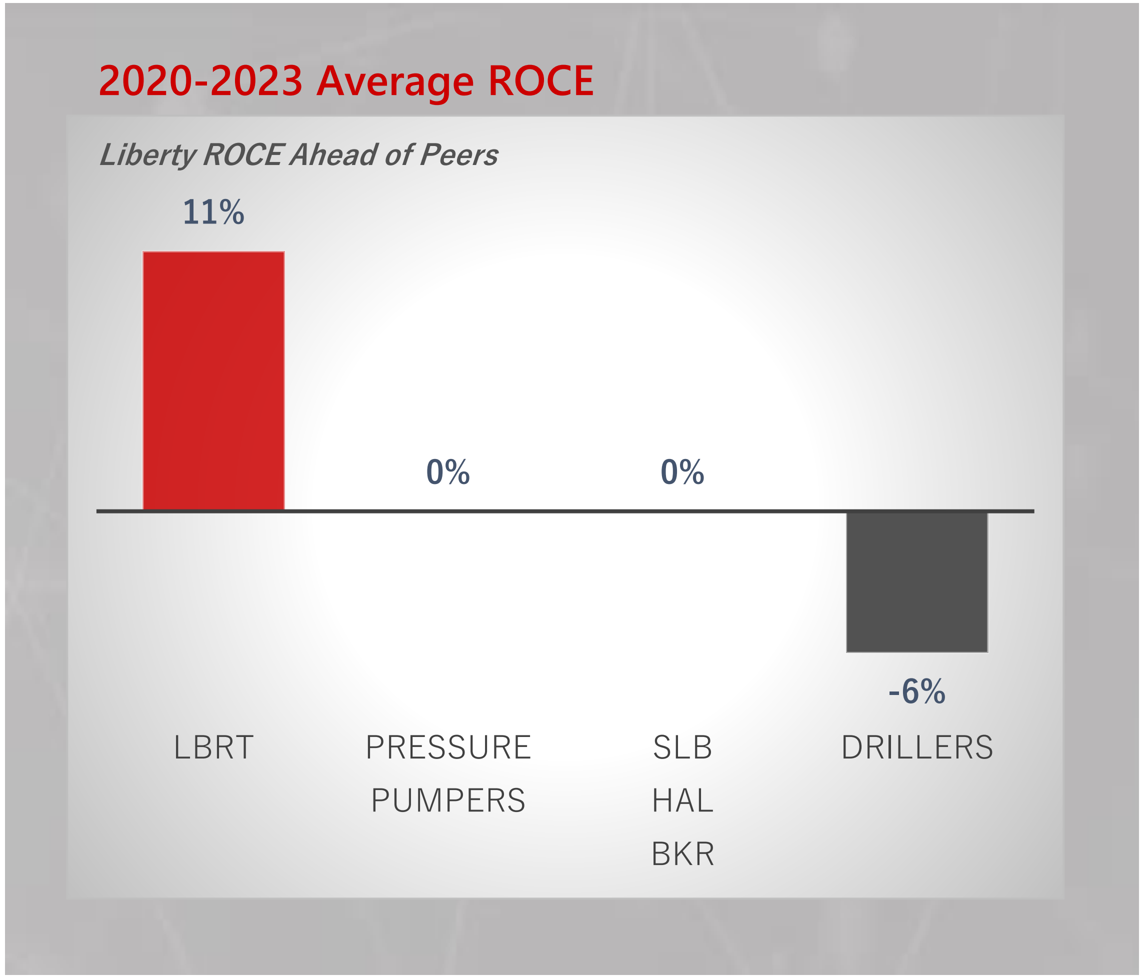
DIGITAL SOLUTIONS
Software AI, Real Time Data, Automation

digiPOWER℠
Power Generation

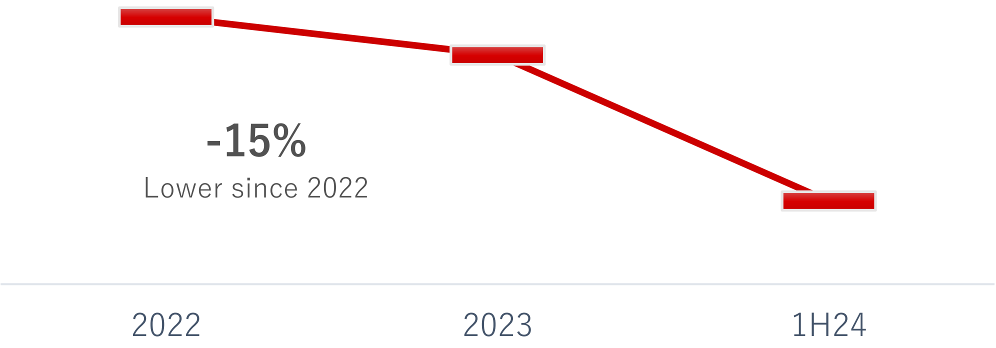


(1) Please see appendix for reconciliations of the non-GAAP financial measures EBITDA and Adjusted EBITDA to net income.
(2) 2024 Outlook represents similar financial performance in 2H24 as compared to 1H24.

Operational Excellence Drives Superior Returns



Average U.S. Frac Fleet Activity



Liberty Lateral Feet Completed

Source: Company Filings, Factset; Pressure pumpers include ACDC & PUMP. Drillers includes HP and PTEN.
Note: Adjusted Pre-Tax Return on Capital Employed (ROCE) is an operational measure defined as the ratio of Adjusted Pre-tax Net Income (Loss) to the average of the beginning and ending period Total Capital Employed (total debt plus total equity). Please see appendix for a calculation of Adjusted Pre-Tax Return on Capital Employed.

Next Generation Power and Technology Fueling Liberty's Growth Strategy

Transition to Natural Gas Fuel

from Fuel and Logistics to Power Production and Technology

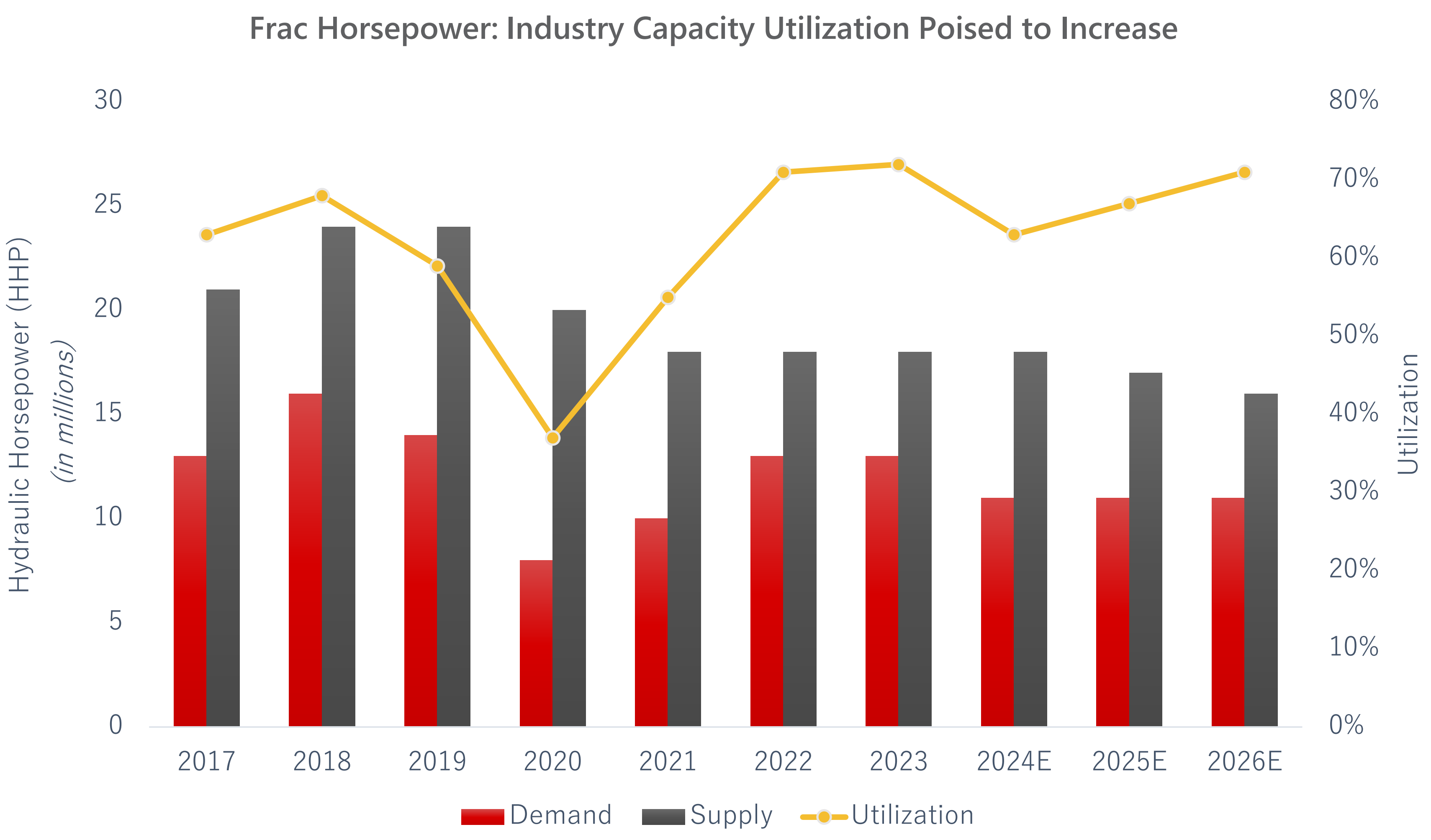
Liberty fleet transition to premium digiFleet and dual fuel technologies drives increased profitability and returns

- 90% of our fleets are expected to be primarily natural gas powered by end of 2024
- digiFleets and dual fuel fleets earn premium pricing
- digiFleets expected to comprise majority of Liberty's fleet within 5-7 years

Liberty Power Innovations: providing a comprehensive, low emissions, low-cost power generation and fuel solution

- digiPower: industry-leading mobile power generation
- 125 MW mobile power generation supporting digiFleets
- Developing significant mobile power generation expertise
- Opportunities to serve a wide array of power needs: microgrids, power plants, data centers, grid enhancement, mining, emergency and disaster relief

Frac Market Dynamics: Attrition and Increased Frac Intensity Drive Tighter Supply



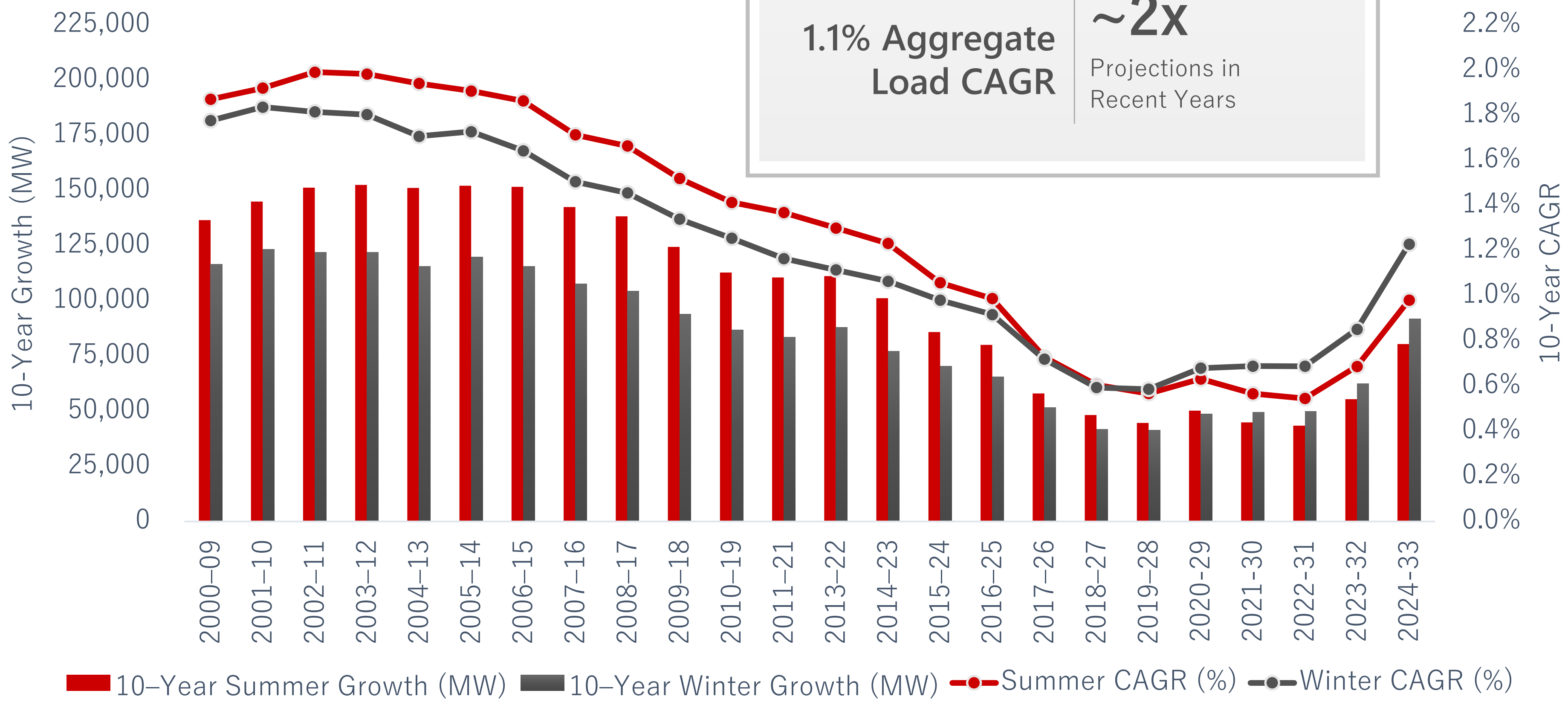
Source: Rystad and Company Estimates

Electricity Demand Rapidly Evolving: LPI Well-Positioned to Meet Growing Power Needs

NERC 10-Year Summer and Winter Peak Demand Growth and Rate Projections

1.1% Aggregate Load CAGR

~2x Projections in Recent Years



Source: North American Electric Reliability Corporation (NERC) 2023 Long-Term Reliability Assessment, December 2023

Creating Significant Value for Shareholders

Delivering on Our Return of Capital Program

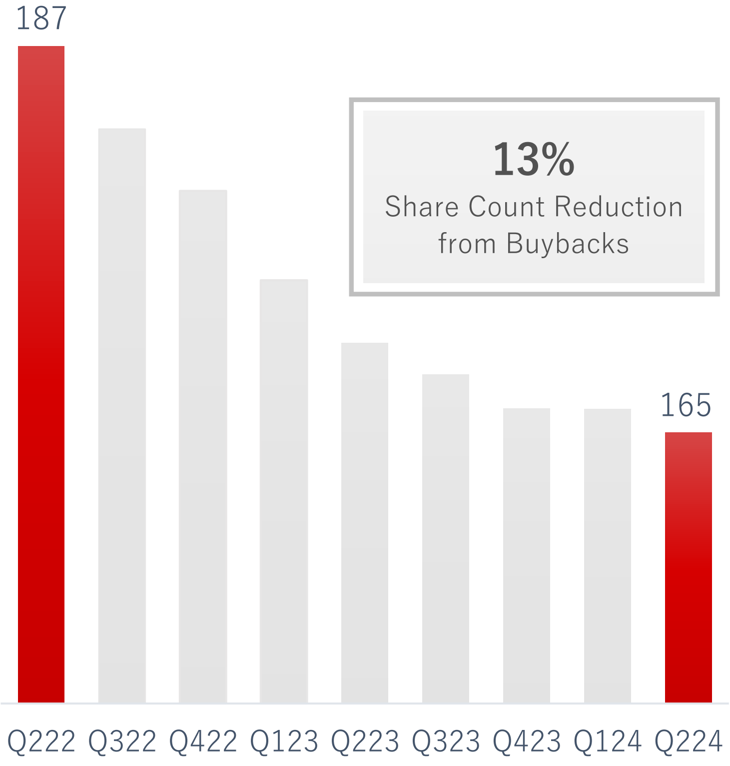
Executing on industry-leading return of capital framework[(1)] reinstated in July 2022

- Returned $388MM capital through buybacks
- Upsized authorization twice since buyback reinstatement
- Retired 13% shares outstanding
- Raised quarterly cash dividend to $0.07 per share in Q423
- Cumulative return of capital of $459MM

Balancing strong shareholder returns with technology investment to expand earnings potential

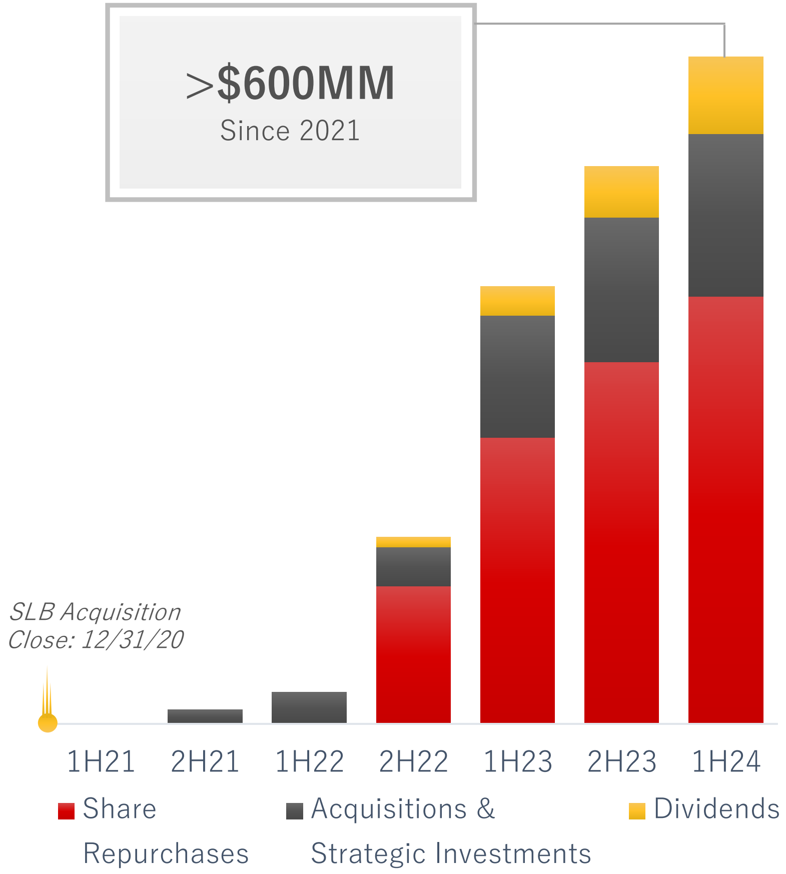
Opportunistic Share Repurchases Accelerates Per Share Growth

Outstanding shares (MM)



Cumulative Selected Uses of Cash

($MM)



(1) Data represents execution of return of capital program reinstated as of July 2022 through June 30, 2024

Global Energy Demand on the Rise: Investing in Next Generation Opportunities

FERVO ENERGY

OKLO

Natron Energy

tamboran RESOURCES

An Unrivaled Energy Service Provider: Technology, Integration & Scale

A New Era of Leadership in a Structurally Changed Industry

24% Return
12-Year Average CROCI(1)(2)

Technology Transition
Vertical Integration
Diversification
Scale

Higher Returns
potential in future cycles

4th Largest
North American OFS(3)

13% Shares Repurchased
since July 2022(4)

Dividends payable
$0.28
per share annualized

#1 Premium Provider
of Completion Services based on Independent Research(5)

$4.5B
Revenue (TTM)

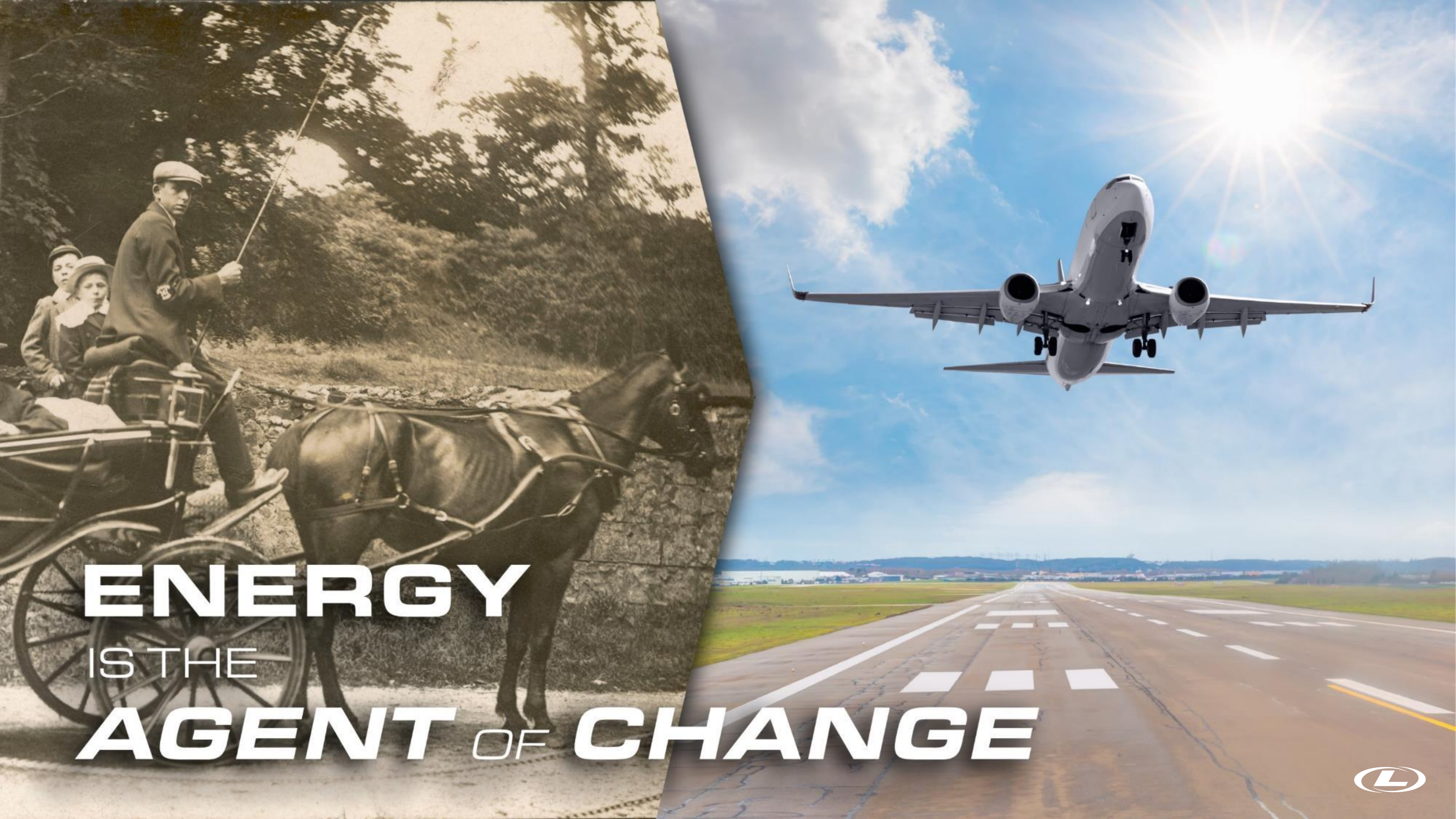
$1.1B
Adjusted EBITDA(2) (TTM)

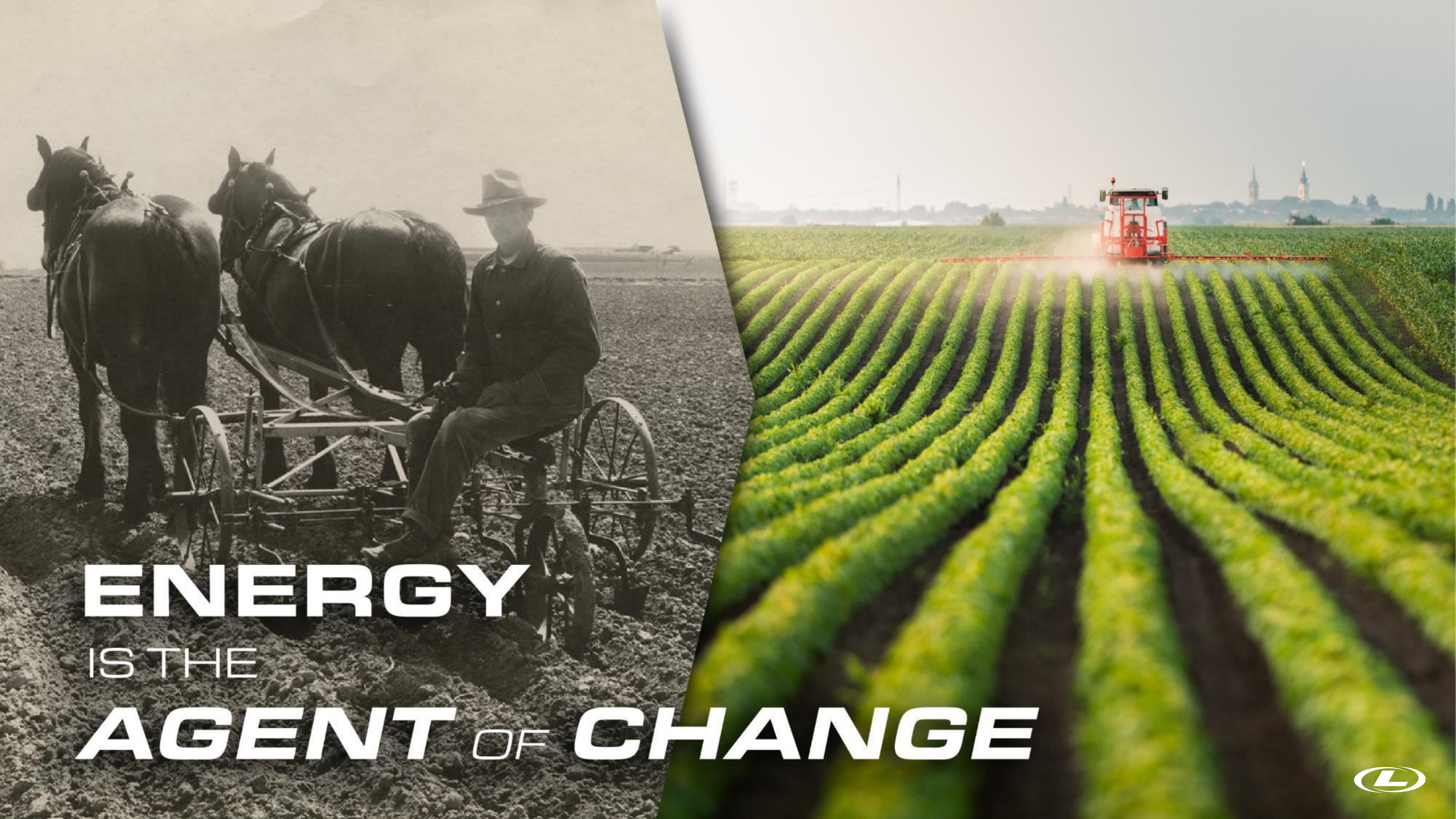
$431M | $2.50
Net Income | EPS (TTM)

Source: Company filings, Factset.
Note: Trailing twelve month (TTM) data as of June 30, 2024.
(1) Cash Return on Capital Invested (CROCI) defined as the ratio of adjusted EBITDA to average Gross Capital Invested (Total Assets plus Accumulated Depreciation less Non-Interest Bearing Current Liabilities); CROCI of 24% represents the 2012-2023 average.
(2) Please see Appendix for a reconciliation of the non-GAAP measures EBITDA and Adjusted EBITDA to net income, and calculation of CROCI.
(3) Based on TTM revenue for NAM operations through June 30, 2024. Peers include publicly traded oilfield services companies with market capitalization of over $2.0B and NAM revenue >$2.5B on a TTM basis as of June 30, 2024; includes BKR, CHX, FTI, HAL, HP , NOV, PTEN pro forma, SLB pro forma, and WFRD.
(4) Shares repurchased through June 30, 2024.
(5) Kimberlite International Oilfield Research *July 2024 Hydraulic Fracturing Supplier Performance Report.*

BHL 2024 Summary

- Last one to two centuries have seen tremendous progress in the human condition due to the rise of hydrocarbons and human liberty.
- Shale Revolution has turbocharged hydrocarbon progress and transformed energy markets, energy security, and geopolitics.
- However…we are also seeing rising opposition to hydrocarbons.
- BHL 2024 provides the data and context to evaluate the inevitable tradeoffs between energy, climate change, poverty, and prosperity.


ENERGY
IS THE
AGENT OF CHANGE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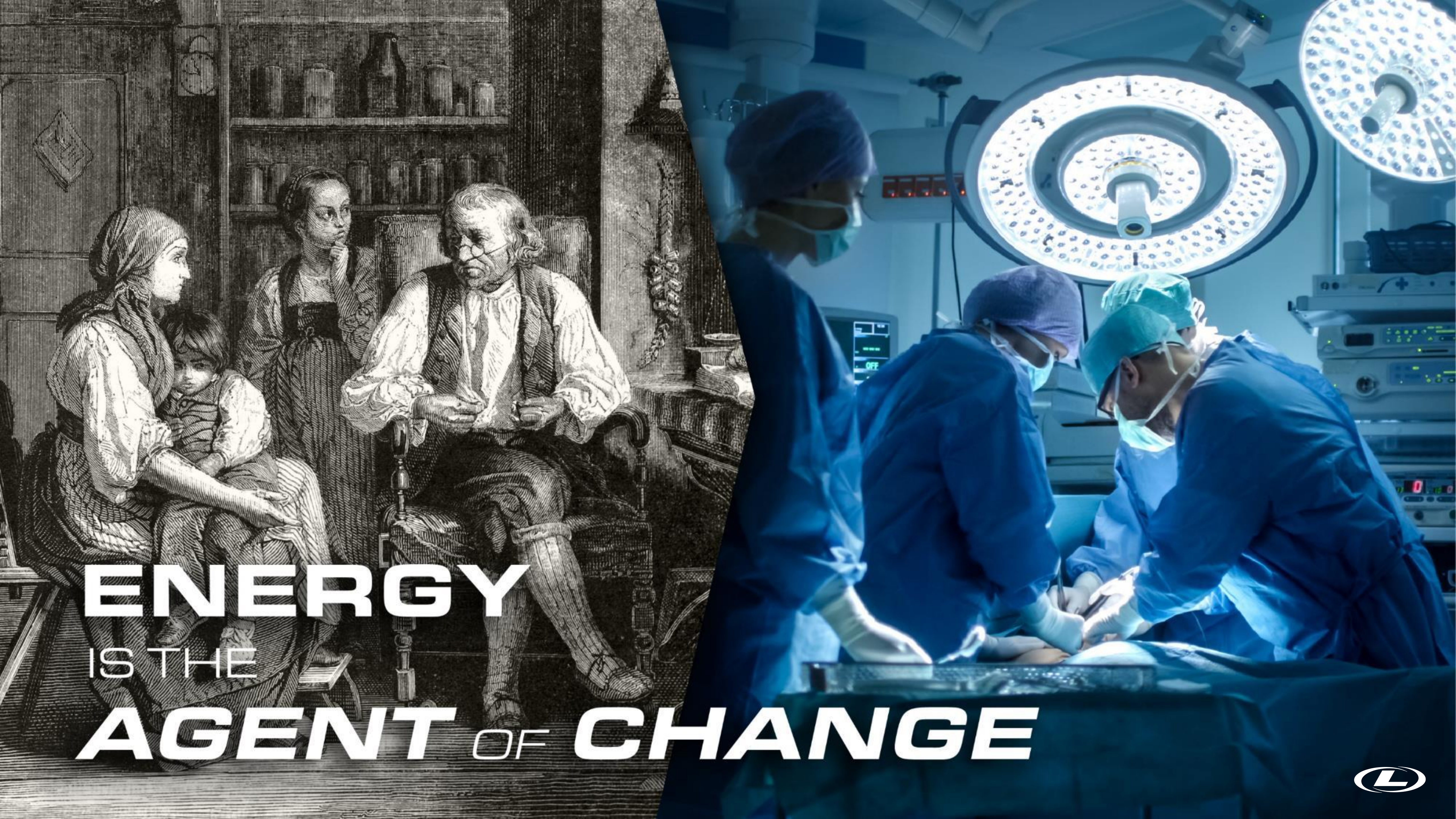
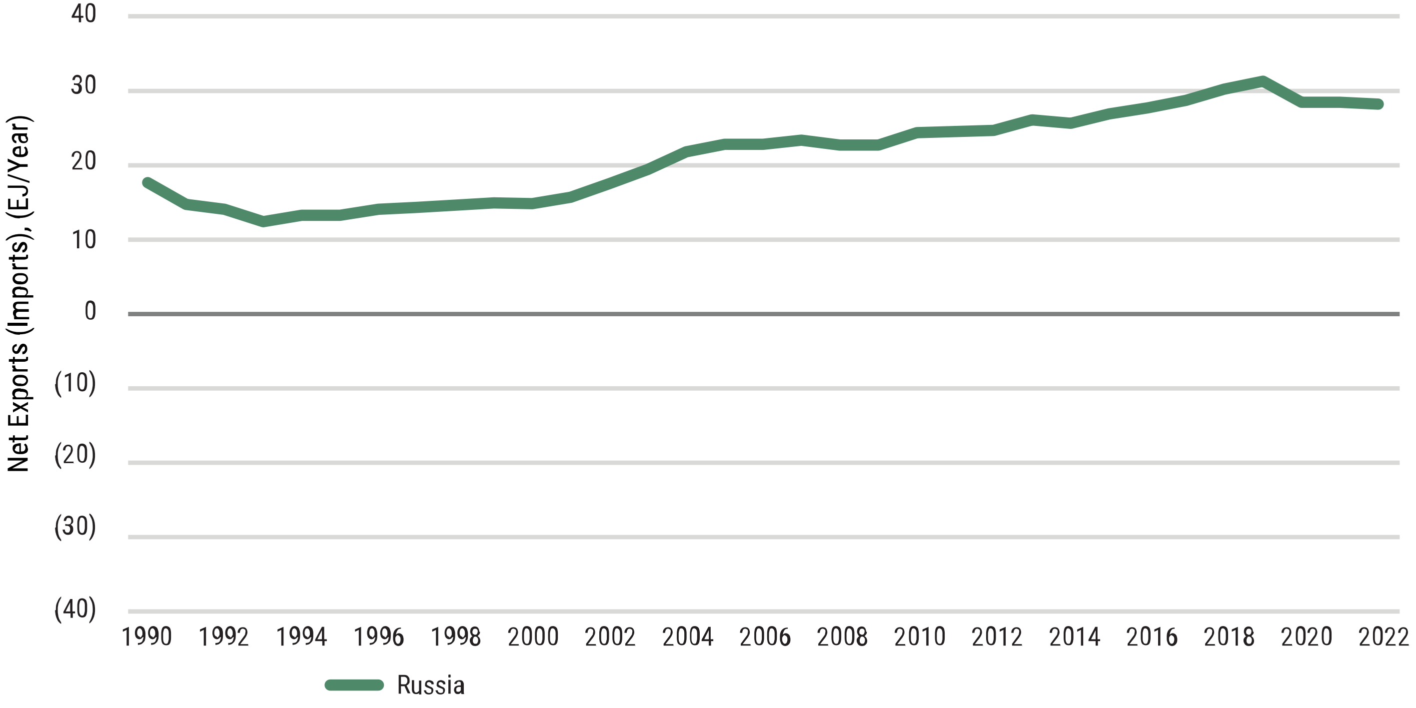


ENERGY

Energy & Geopolitics

Figure A

Energy Independence vs. Energy Dependence: Net Exports (Imports) of Oil, Natural Gas & Coal



Source: Energy Institute - Statistical Review of World Energy (2023), IEA, JP Morgan Annual Energy Paper.

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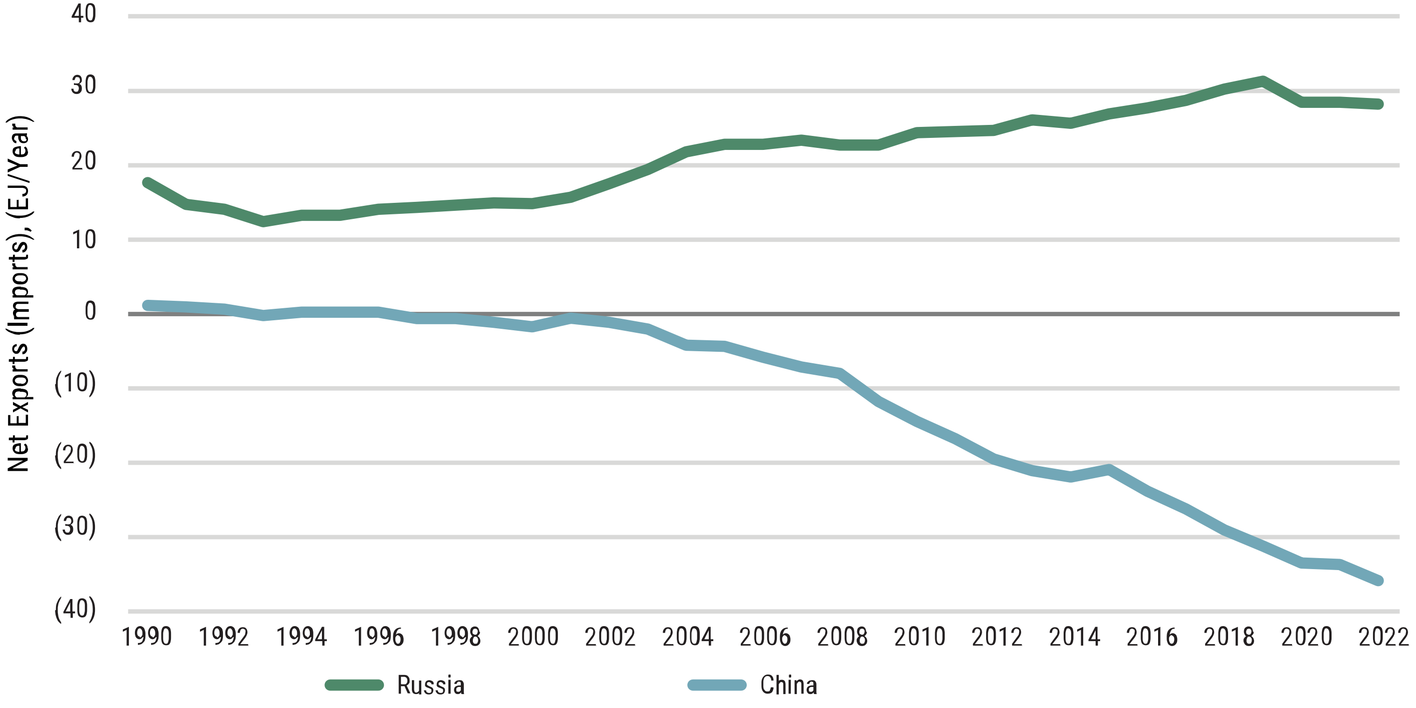

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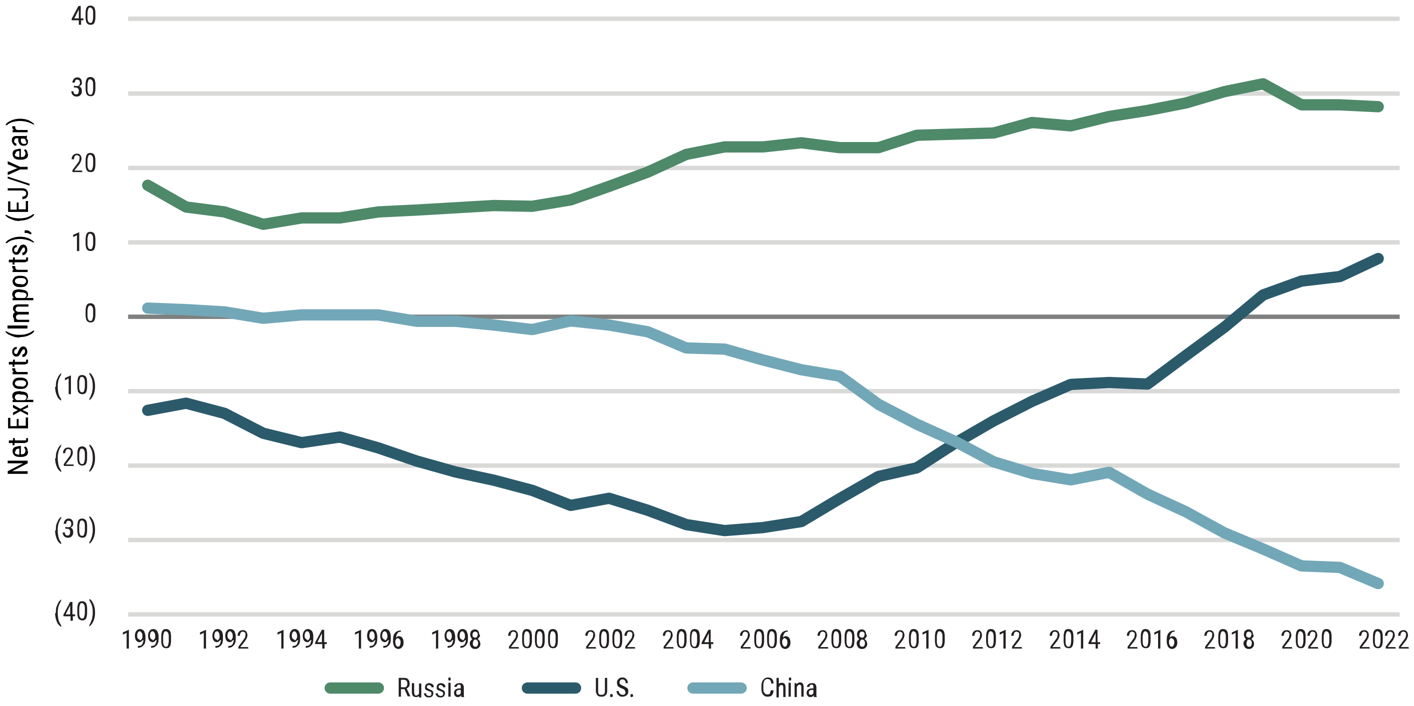

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ENERGY

Energy & Geopolitics

Impact of U.S. Shale Revolution

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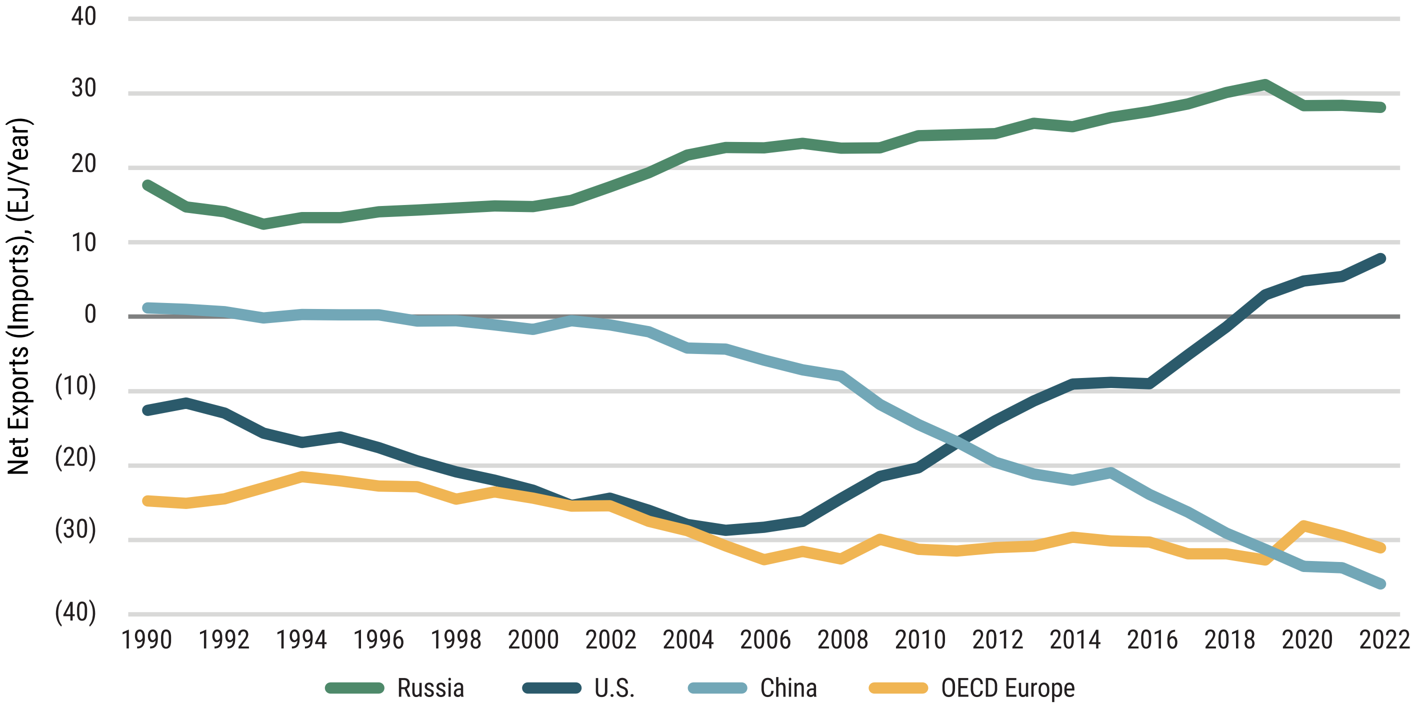

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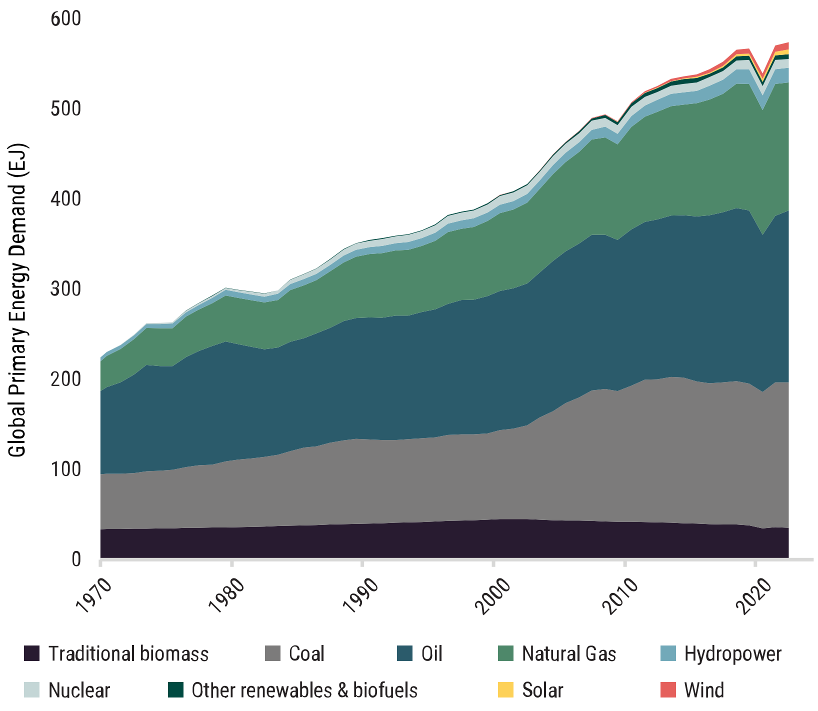
There is No Energy Transition

Global Primary Energy Demand by Source



Source: Smil, Vaclav, 2017. Energy Institute, IEA, Maddison Project, 2020, and Bijou Insights

Hydrocarbons accounted for 85% of global energy during the Yom Kippur War (1973).

Over the last 50 years, global primary energy consumption has more than doubled (1.6% CAGR).

Hydrocarbons still make up 85% of global energy today.

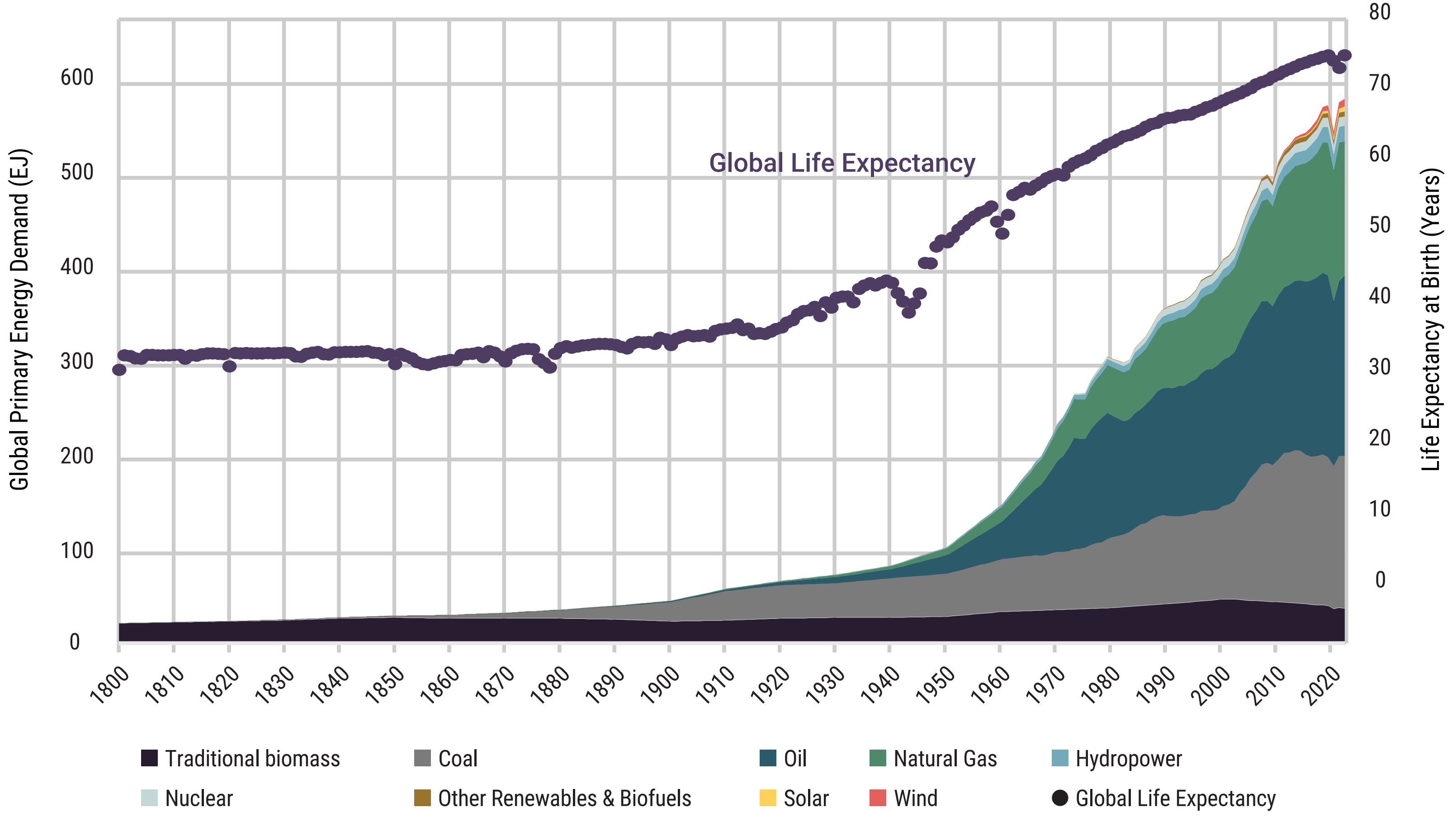
ENERGY

Energy vs. Life Expectancy

Life expectancy experiences a remarkable surge, coinciding with the rapid and overwhelming increase in energy supply upon the arrival of hydrocarbons.

Figure 1.1

Global Primary Energy Demand by Source vs. Life Expectancy 1800–2022



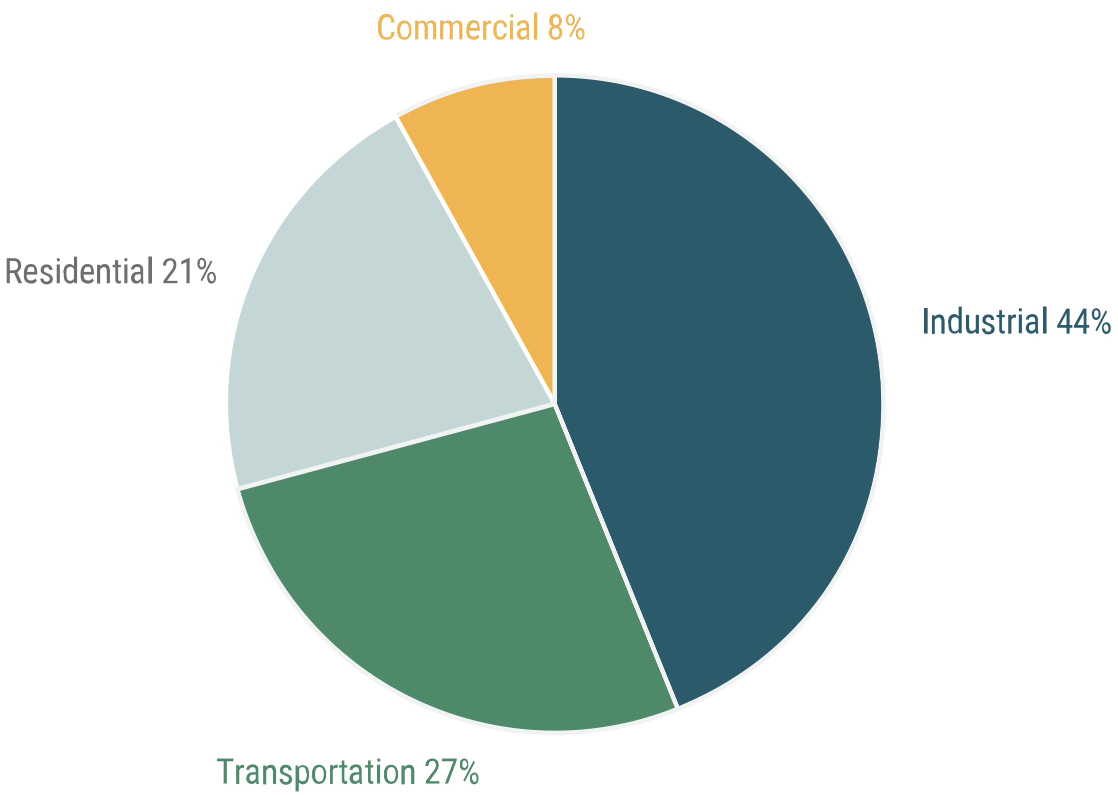
Source: Smil, Vaclav, 2017. Energy Institute - Statistical Review of World Energy (2023), IEA, OWID, Gapminder, and Bijou Insights

ENERGY

Global Uses of Energy

Only 20% of global energy consumption is in the form of electricity

Global Final Energy Demand by Sector



Source: IEA and Bijou Insights

Lucky 1 Billion. Less Fortunate 7 Billion.

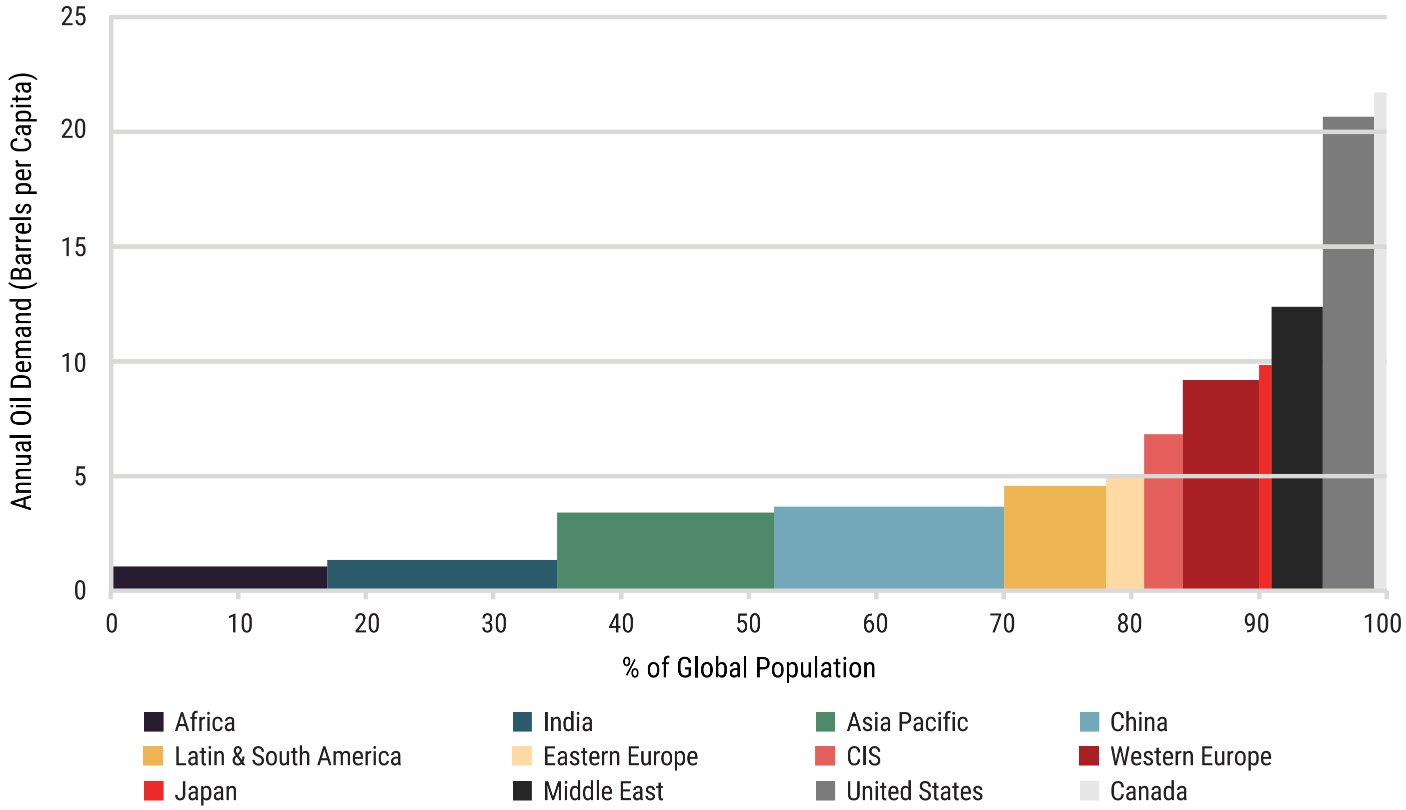
Lucky **one billion** consume **13 barrels of oil per year**.

Other **seven billion** consume **only 3**.

Peak oil?

Figure 3.13

2022 Oil Demand Per Capita

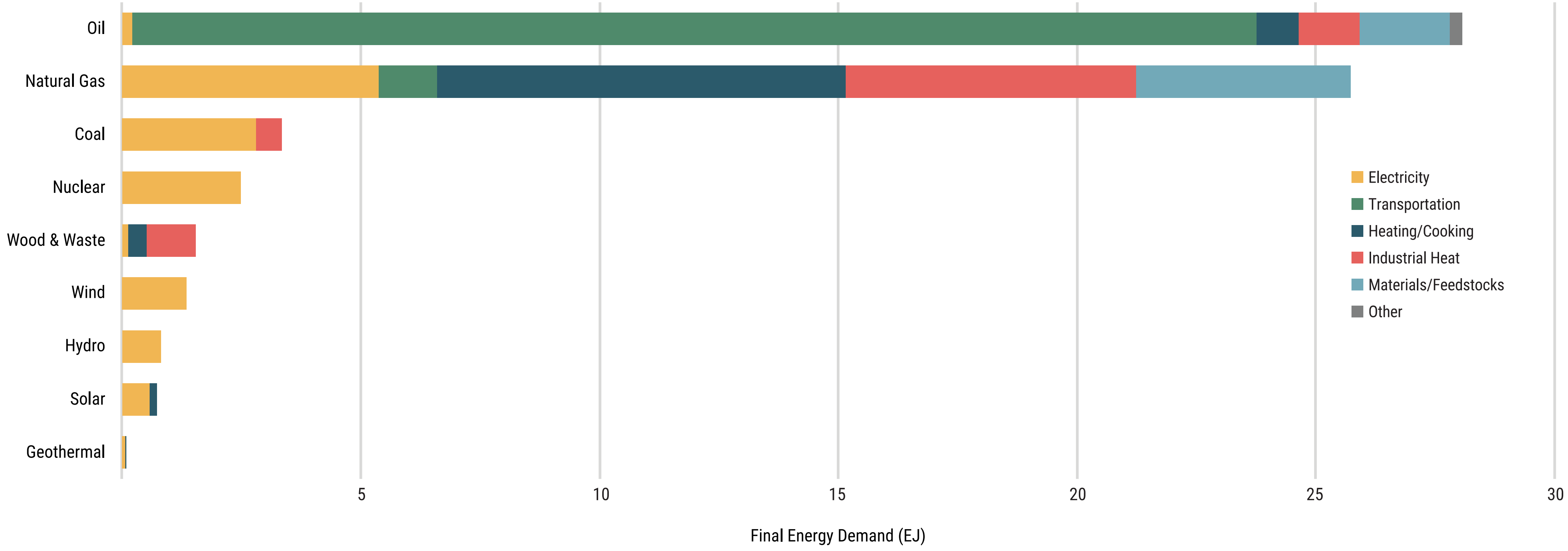


Source: Energy Institute Statistical Review of World Energy, and Bijou insights

How the U.S. is Energized Today

Figure 1.5

2022 Estimated U.S. Final Energy Demand by Source & Purpose



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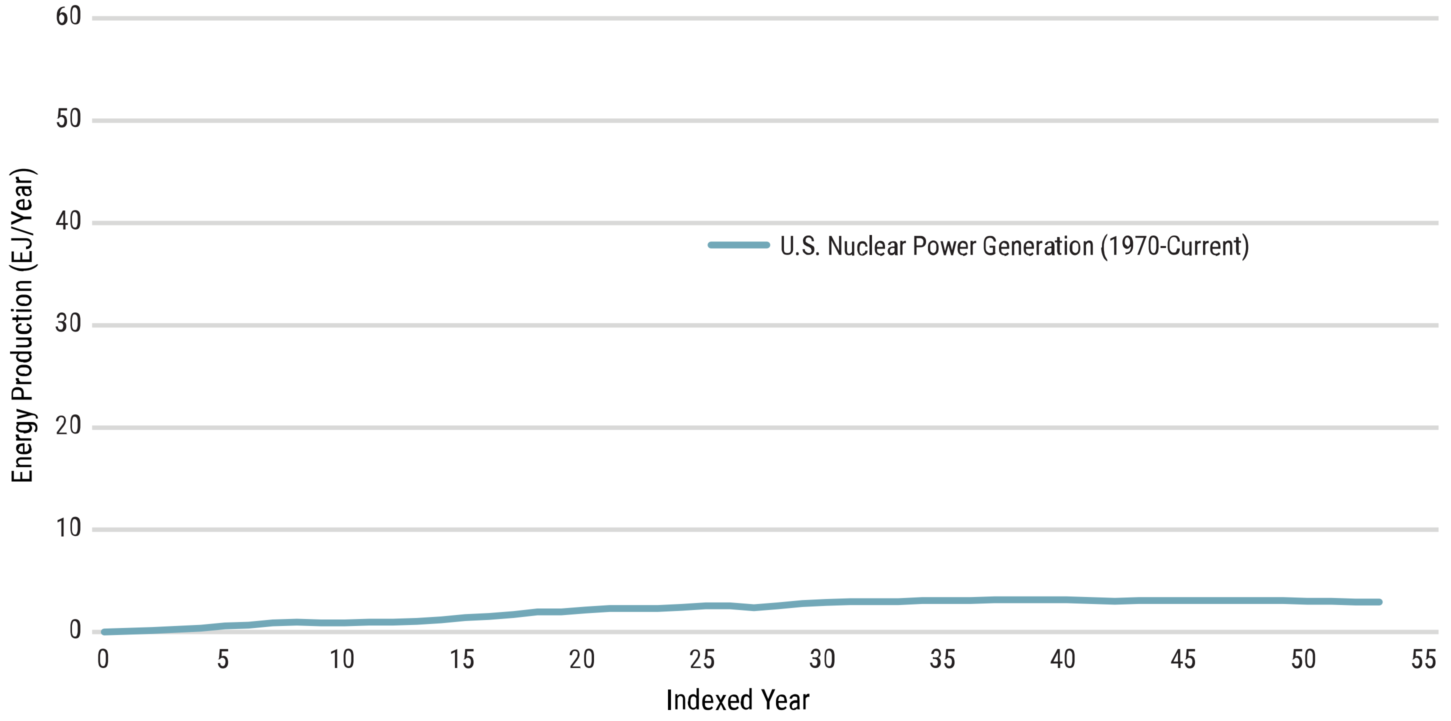
Impact of New Energies

Figure 2.1

Global and U.S. Energy Production



Source: Bijou Insights analysis of data from Energy Institute - Statistical Review of World Energy (2023), EIA

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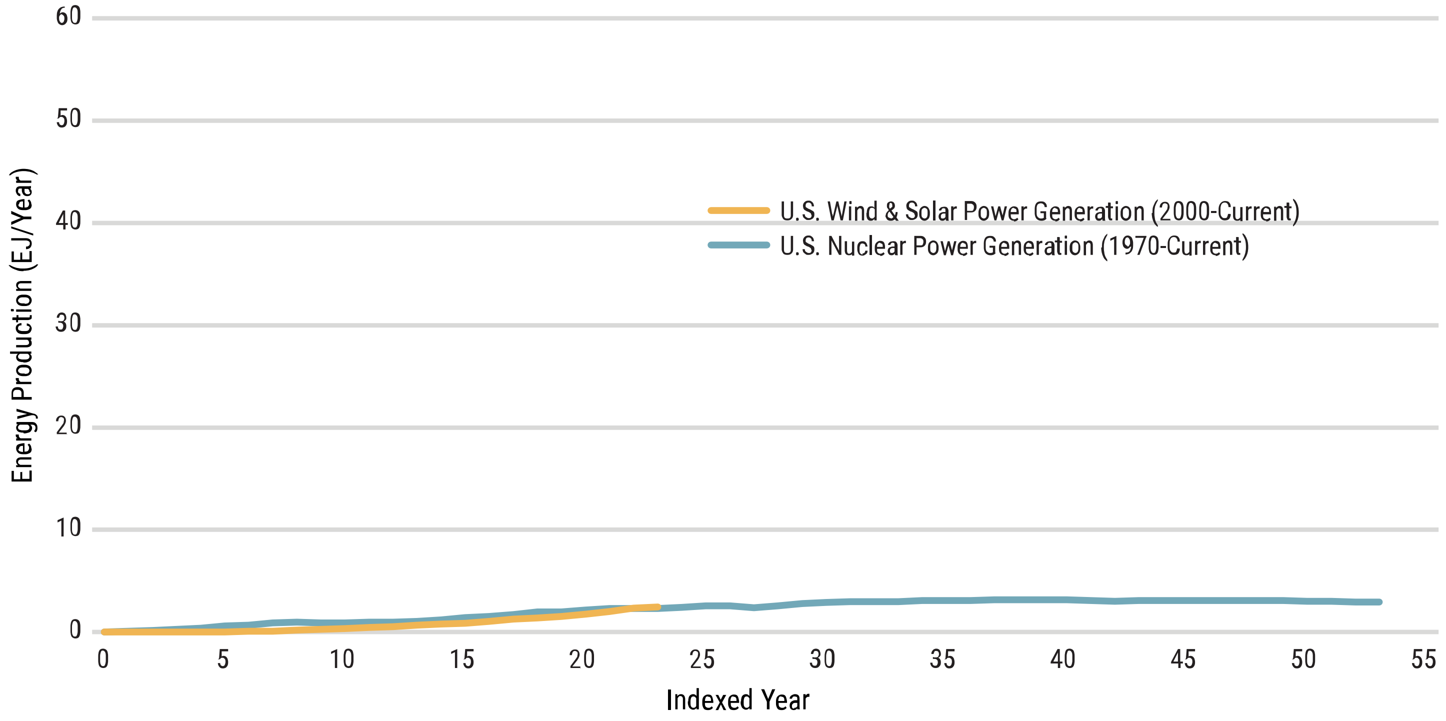

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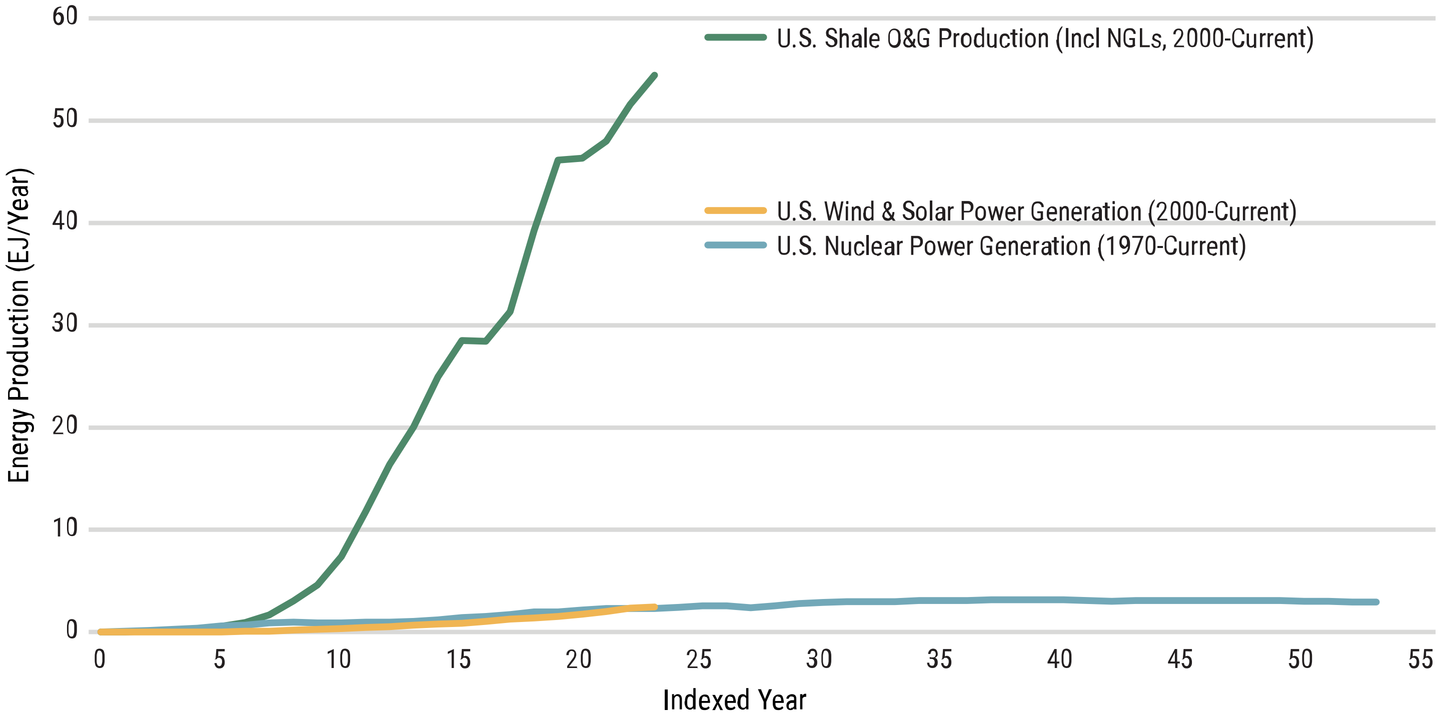
Impact of New Energies

Energy produced from U.S. shale is equivalent to 58% of U.S. primary energy demand and nearly 10% of global primary energy demand.

Figure 2.1

Global and U.S. Energy Production



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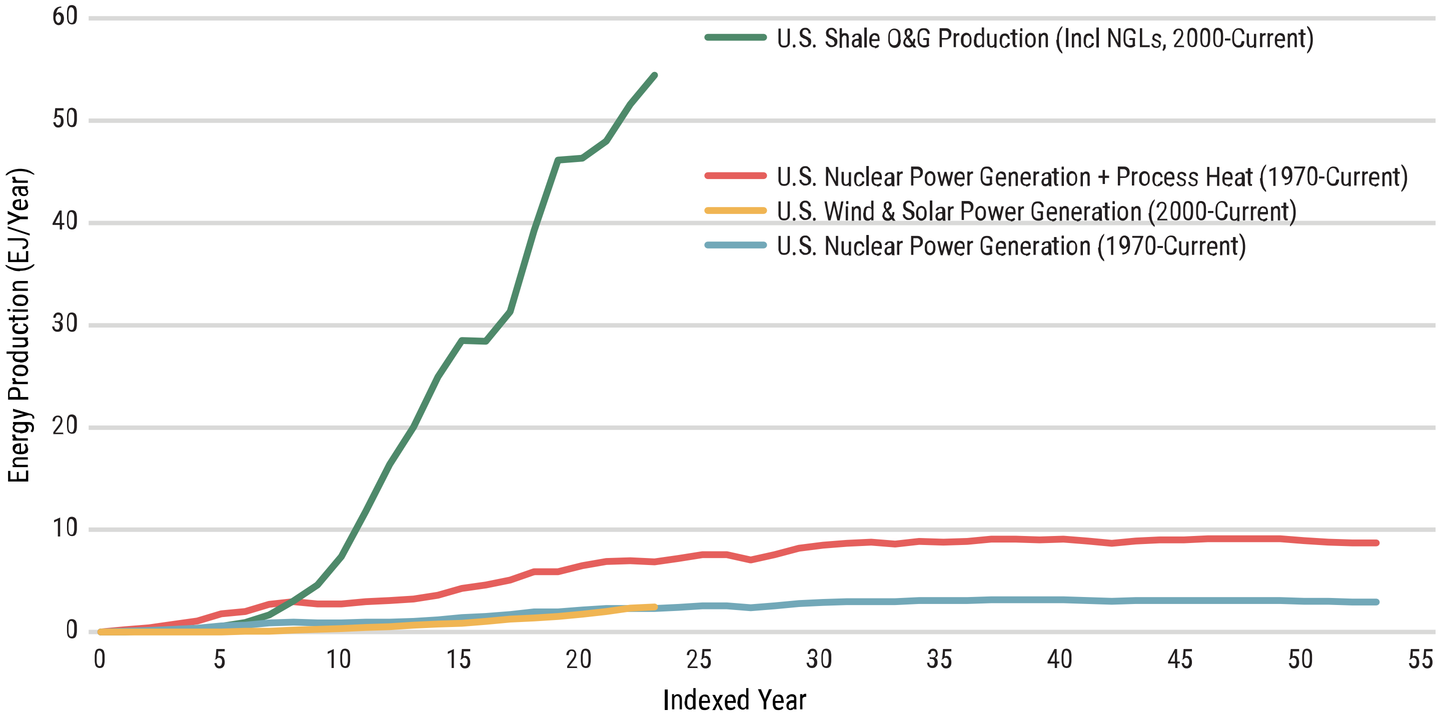

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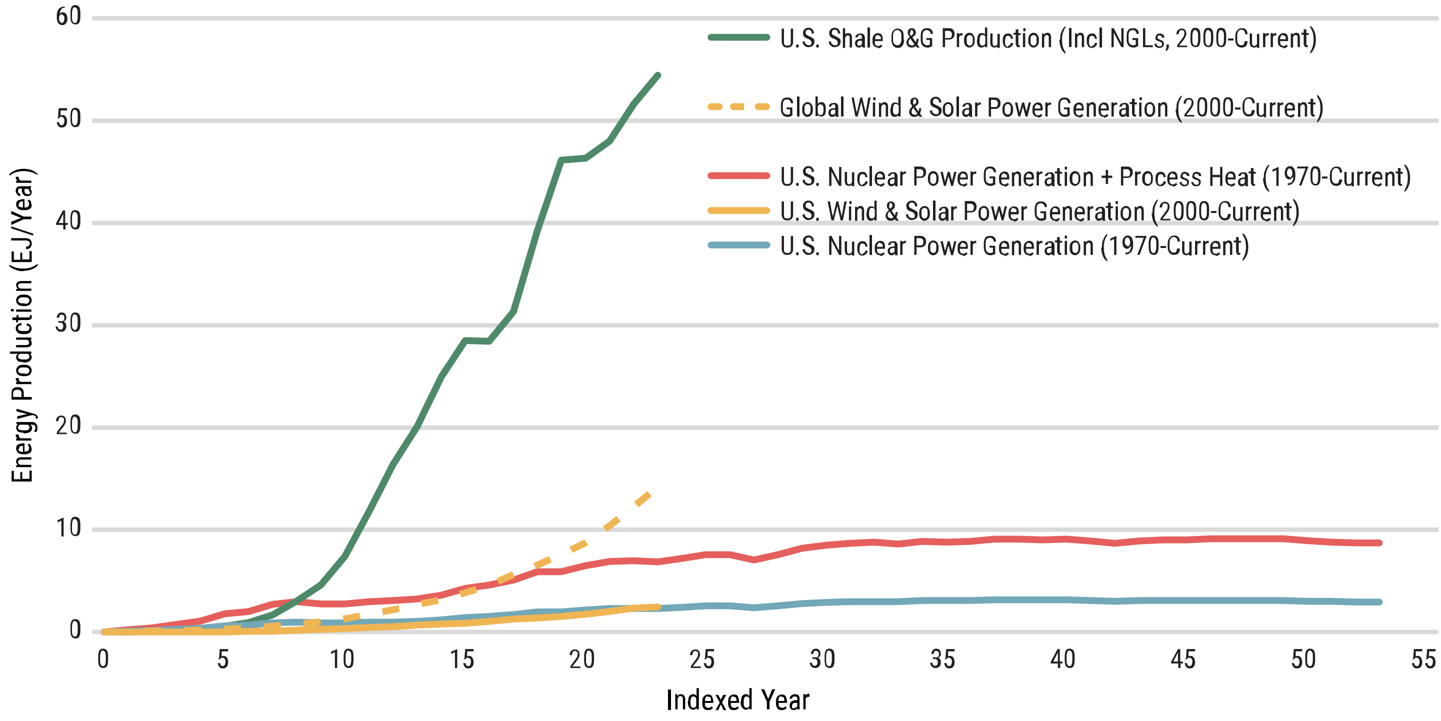

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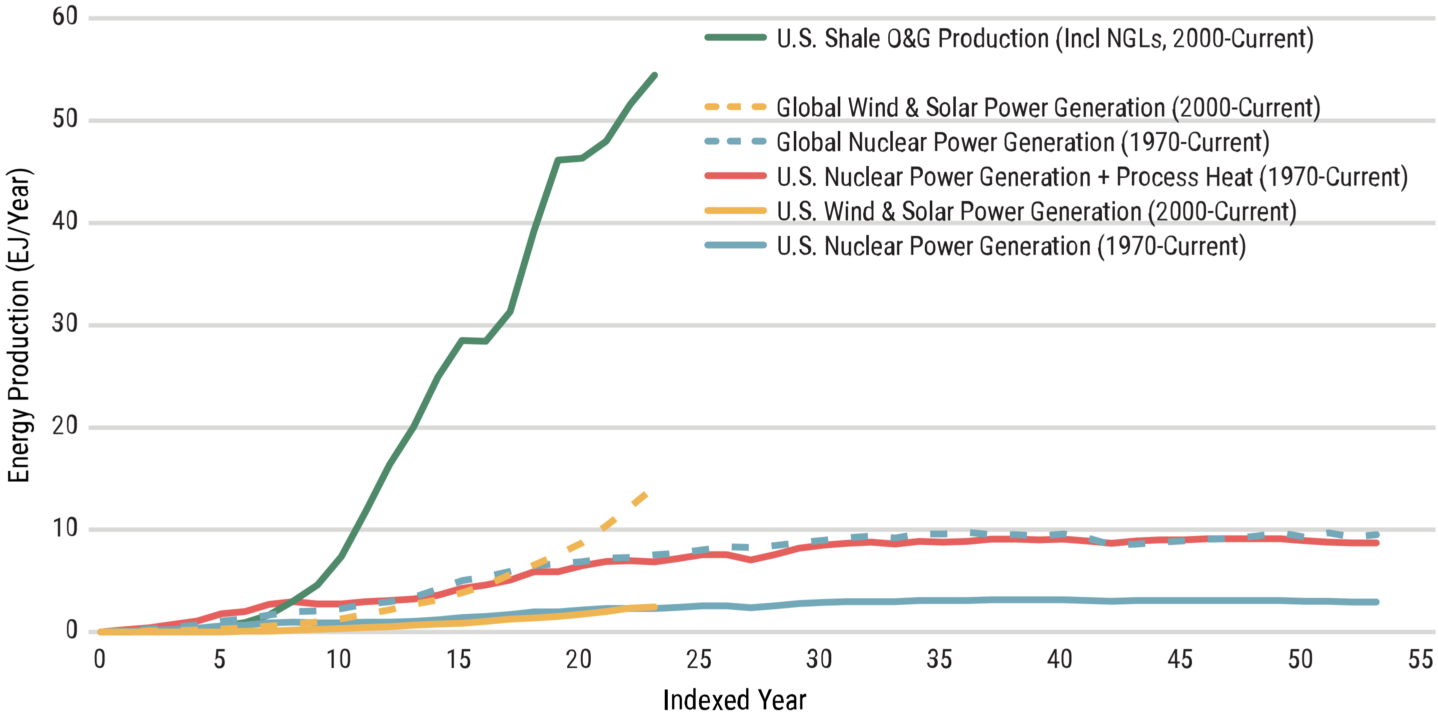

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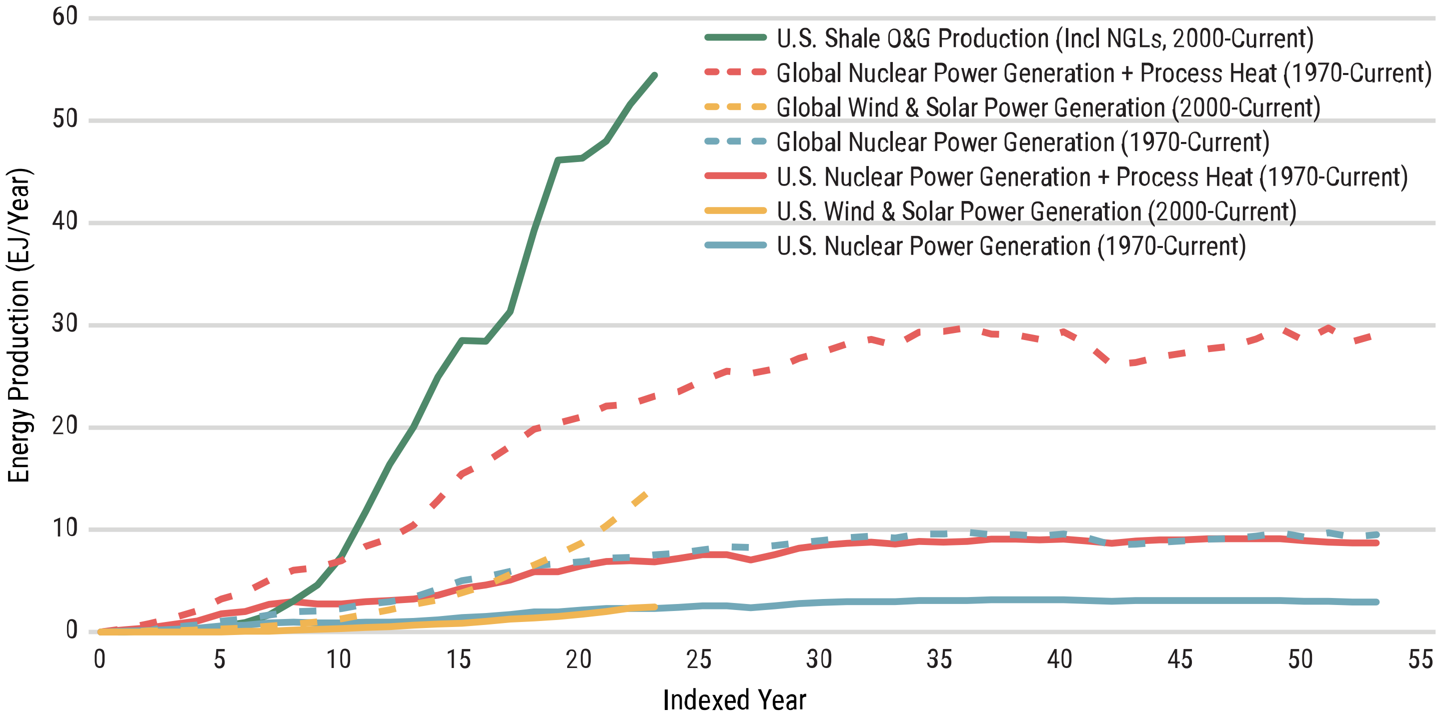

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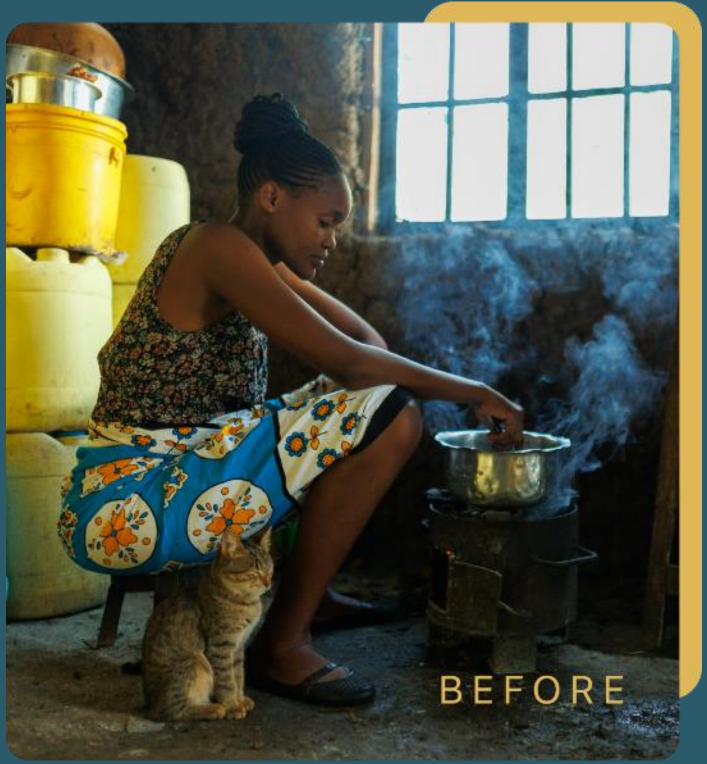
INTRODUCING

Bettering Human Lives
Foundation



One third of humanity – 2.3 billion people – prepare meals over open fires or polluting stoves. BHLF directly supports local innovators & entrepreneurs to start and grow their businesses.

Together, we are committed to **providing a pathway out of poverty through access to modern energy that betters human lives**.

DONATE TODAY:

KEY TAKEAWAYS

Conclusion

1. There is no climate crisis.
2. There is no energy transition.
3. Net Zero 2050 is a Sinister Goal. Zero Energy Poverty 2050 is a Superior Goal.
4. City, State, and National GHG emissions targets export jobs and impoverish citizens without lowering Global GHG emissions.
5. Wind & Solar subsidies have been disastrous to electricity grids and only supply 2.6% of total global energy after trillions of mal-investment.
6. Electric vehicles are not “climate policies” or part of an “energy transition.”
7. Affordable, reliable, secure energy is foundational to successful societies.
8. States with advantaged energy prices and secure electric grids will prosper in the years ahead — affordability, AI, re-shoring energy-intensive manufacturing, etc.

Appendix A: Supplemental Materials

Reconciliation and Calculation of Non-GAAP Financial Measurements

EBITDA and Adjusted EBITDA Reconciliation

(Data in MM)

	TTM					Year Ended December 31,							
	30-Jun-2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net income (loss)	$431	$556	$400	($187)	($161)	$75	$249	$169	($61)	($9)	$35	$9	$26
Depreciation, depletion & amortization	$474	$422	$323	$263	$180	$165	$125	$81	$41	$36	$22	$13	$6
Interest expense, net	$28	$28	$23	$16	$15	$15	$17	$13	$6	$6	$4	$1	$0
Income tax expense (benefit)	$136	$178	($1)	$9	($31)	$14	$40	$0	$0	$0	$0	$0	$0
EBITDA (1) (2)	**$1,069**	**$1,184**	**$745**	**$101**	**$3**	**$269**	**$432**	**$263**	**($13)**	**$33**	**$60**	**$23**	**$32**
Stock based compensation expense	$32	$33	$23	$20	$17	$14	$5	$0	$0	$0	$0	$0	$0
Fleet start-up and lay-down costs	$0	$2	$17	$3	$12	$5	$10	$14	$4	$1	$5	$3	$0
Transaction, severance and other costs	$0	$2	$6	$15	$21	$0	$1	$4	$6	$0	$0	$0	$0
(Gain) loss on disposal of assets	($4)	($7)	($5)	$1	$0	$3	($4)	$0	($3)	$0	$0	$0	$0
Provision for credit losses	$1	$1	$0	$1	$5	$1	$0	$0	$0	$6	$0	$0	$0
(Gain) loss on remeasurement of liability under tax receivable agreements	($2)	($2)	$76	($19)	$0	$0	$0	$0	$0	$0	$0	$0	$0
Unrealized gain on investments, net	($7)	$0	($2)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Adjusted EBITDA (1) (2)	**$1,090**	**$1,213**	**$860**	**$121**	**$58**	**$291**	**$444**	**$281**	**($6)**	**$41**	**$65**	**$26**	**$32**

(1) EBITDA and Adjusted EBITDA are financial measures not presented in accordance with GAAP.
(2) Amounts above may not add up to total due to rounding.

Reconciliation and Calculation of Non-GAAP Financial Measurements (Continued)

CROCI Calculation

(Data in MM)

	Six Months Ended June 30,	Year Ended December 31,												
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Adjusted EBITDA [1] [2]	**$1,036**	**$1,213**	**$860**	**$121**	**$58**	**$291**	**$444**	**$281**	**($6)**	**$41**	**$65**	**$26**	**$32**	**$0**
Total assets	$3,241	$3,034	$2,576	$2,041	$1,890	$1,283	$1,117	$852	$452	$297	$332	$175	$107	$36
Add back: Accumulated depreciation, depletion and amortization	$1,718	$1,502	$1,142	$863	$623	$456	$307	$198	$117	$77	$41	$19	$6	$0
Less: Non-Interest bearing current liabilities	$659	$572	$610	$528	$312	$227	$219	$220	$119	$53	$99	$27	$13	$2
Gross Capital Invested [2]	**$4,301**	**$3,963**	**$3,108**	**$2,375**	**$2,201**	**$1,513**	**$1,204**	**$830**	**$451**	**$321**	**$273**	**$167**	**$100**	**$34**
Average Gross Capital Invested [3]	**$4,132**	**$3,536**	**$2,742**	**$2,288**	**$1,857**	**$1,358**	**$1,017**	**$640**	**$386**	**$297**	**$220**	**$134**	**$67**	
CROCI [1] [2]	**25%**	**34%**	**31%**	**5%**	**3%**	**21%**	**44%**	**44%**	**-1%**	**14%**	**29%**	**19%**	**47%**	

(1) Adjusted EBITDA and CROCI are financial measures not presented in accordance with GAAP; see reconciliation of Adjusted EBITDA to net income contained herein. Adjusted EBITDA for the six months ended June 30, 2024 is annualized.
(2) Amounts above may not add up to total due to rounding.
(3) Average Gross Capital Invested is the simple average of Gross Capital Invested as of the end of the current period and prior period presented.

Reconciliation and Calculation of Non-GAAP Financial Measurements (Continued)

Adjusted Pre-Tax ROCE Calculation

(Data in MM)

	Year Ended 31-Dec-23	Year Ended 31-Dec-22	Year Ended 31-Dec-21	Year Ended 31-Dec-20
Net income (loss)	$556	$400	($187)	($161)
Add back: Income tax expense (benefit)	$178	($1)	$9	($31)
Less: Gain (loss) on remeasurement of liability under tax receivable agreements (1)	($2)	$76	($19)	$0
Less: Unrealized gain on investments, net	$0	($3)	$0	$0
Add back: Transaction and other costs	$2	$6	$15	$21
Adjusted Pre-tax Net Income (Loss)	**$735**	**$479**	**($182)**	**($170)**
Total debt, net of discount	$140	$218	$122	$106
Total equity	$1,841	$1,497	$1,230	$1,310
Total Capital Employed	**$1,981**	**$1,716**	**$1,353**	**$1,416**
Average Capital Employed (2)	**$1,849**	**$1,534**	**$1,384**	**$1,152**
Adjusted Pre-Tax Return on Capital Employed	**40%**	**31%**	**-13%**	**-15%**

(1) Loss on remeasurement of the liability under tax receivable agreements is a result of the release of the valuation allowance on the Company's deferred tax assets and should be excluded in the determination of adjusted pre-tax return on capital employed.
(2) Average Capital Employed is the simple average of Total Capital Employed as of the end of the current year and prior year.