

INVESTOR PRESENTATION

# 2025 EnerCom Denver Energy Investment Conference

# FORWARD LOOKING STATEMENTS



**General:** Drilling Tools International Corporation (“DTI”) is making this presentation available in connection with the release of its financial results for the three months ended June 30, 2025. The information contained in this presentation does not purport to be all-inclusive or to contain all information that prospective investors may require. Prospective investors are encouraged to conduct their own analysis and review of information contained in this presentation as well as important additional information through the Securities and Exchange Commission’s (“SEC”) EDGAR system at [www.sec.gov](http://www.sec.gov) and on our website at [www.drillingtools.com](http://www.drillingtools.com).

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# THE LIFECYCLE TO PROVIDE MISSION CRITICAL DRILLING TOOLS

## Consistent Revenue Growth

**\$39.4 Million**

Q2 2025 revenue reflects broad scope and scale

**5% (Q/Q)**

Despite a 7% global rig count decline over the same period

## Q2 2025 Revenue Mix

**86%**

**Western Hemisphere**  
15 service and support facilities

**14%**

**Eastern Hemisphere**  
11 service and support facilities



## Expanding Global Footprint

DTI continues to expand globally with extensive operations in North America, Europe, Middle East, Africa and throughout Asia Pacific.

## Extensive Tool Inventory

Active rental and market participation on 60% of drilling rigs in North America and growing in the Eastern Hemisphere.

## Efficient In House Manufacturing & Repair Facilities

Building and Maintaining existing fleet and future innovations at a competitive edge.

# 2025 FINANCIAL OUTLOOK

Delivering Adjusted Free Cash Flow Throughout The Cycle

## Key guidance summary

(\$ thousands)	FY 2025 Guidance <sup>(3)</sup>		
Revenue	\$145,000	-	\$165,000
Adjusted EBITDA <sup>(1)</sup>	\$32,000	-	\$42,000
Adjusted Free Cash Flow <sup>(1)(2)</sup>	\$14,000	-	\$19,000
Capital Expenditures	\$18,000	-	\$23,000

- ✓ DTI expects to deliver Adjusted Free Cash Flow growth despite an anticipated decline in rig count in 2025
- ✓ FY 2025 guidance includes contributions from all four recent acquisitions
- ✓ Expect to double revenue contribution from Eastern Hemisphere in FY 2025

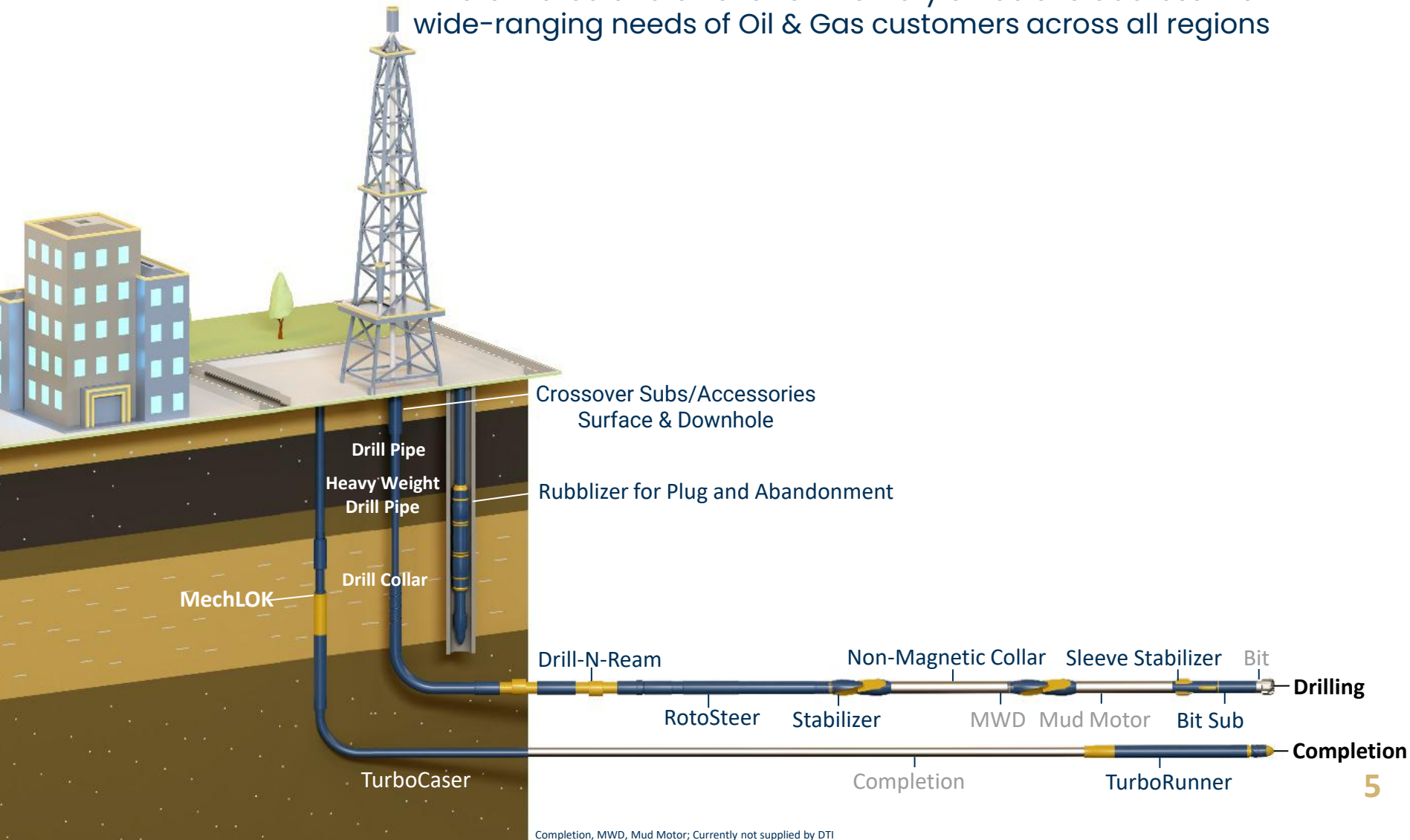
1) Adjusted EBITDA and Adjusted Free Cash Flow are non-GAAP financial measures. See “Non-GAAP Financial Measures” in the appendix for reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. generally accepted accounting principles (“GAAP”).

2) Adjusted Free Cash Flow defined as Adjusted EBITDA less Gross Capital Expenditures

3) Guidance is subject to change dependent upon market conditions

# COMPREHENSIVE OFFERING TO SUPPLY DOWNHOLE TECHNOLOGY ACROSS WELL CONSTRUCTION AND ABANDONMENT OPERATIONS

Differentiated and extensive inventory of tools to address the wide-ranging needs of Oil & Gas customers across all regions



# OUR CUSTOMERS & WHY THEY RENT TOOLS

## Benefits operators receive from renting tools

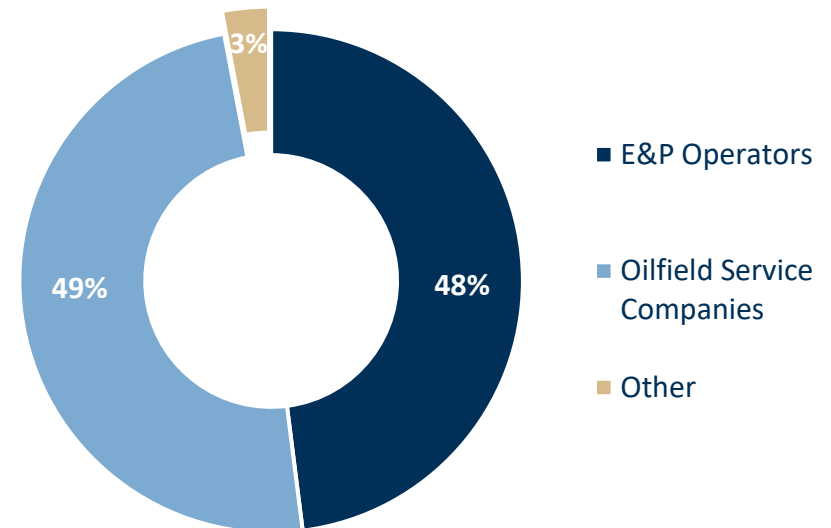
- ▶ Outsources Logistics, Inspection, Storage & Maintenance
- ▶ Fill Equipment Supply Gaps
- ▶ Immediate Equipment Availability
- ▶ Focus Capex On Core Operations
- ▶ Eliminates Equipment Redeployment Risk
- ▶ Control Expenses & Inventory
- ▶ Access To the Right Equipment for Any Job

### Why rent from DTI?

Our Rental Offering Provides Customer Efficiency & Value-Additive Solutions

Complex drilling, completions, and workover programs lead most operators and service providers to focus on core competencies while preferring to rely on third-parties for rental tool support.

## Our Customers<sup>(1)</sup>



1) Represents YTD 2025 customer breakdown

# BLUE CHIP CUSTOMER BASE ACROSS E&P AND OFS COMPANIES



- ✓ First-call supplier for leading oilfield service providers in North America
- ✓ DTI is actively expanding its customer base to further diversify its customer mix

# MODERN MANUFACTURING & REPAIR SERVICES

## Responsive, Scalable and Low Cost



### Broussard, LA

- ✓ Vertically integrated portion of DTR and rental tool business
- ✓ Allows for cost control
- ✓ Provides a sustainable queue of tools



Ability to manufacture most of our rental tools enables cost reduction & control of supply chain

- We purchase premium drill pipe and tubing from reputable and qualified third parties



Machine and repair equipment ensures product quality, increases product life, and improves fleet utilization



### Vernal, UT

- ✓ Bit repair and manufacture
- ✓ Drill N Ream support
- ✓ Specializes in PDC tool technology
- ✓ High-Spec machining equipment and facility



### Nisku, CANADA

- ✓ Relocated to a new facility in 2024
- ✓ Poised to better serve DTI's client base through a fit for purpose facility
- ✓ Supports Canada and other International locations

# KEY OPERATIONAL DIFFERENTIATORS

## Proprietary **COMPASS** Order Management System

Unique, Proprietary Software and Support System

Full Catalog of Tools and Equipment

Expedites Order Process

Effective Pricing Controls

Customized, Automated, Accurate Reporting

Provides Customers Centralized Order Management

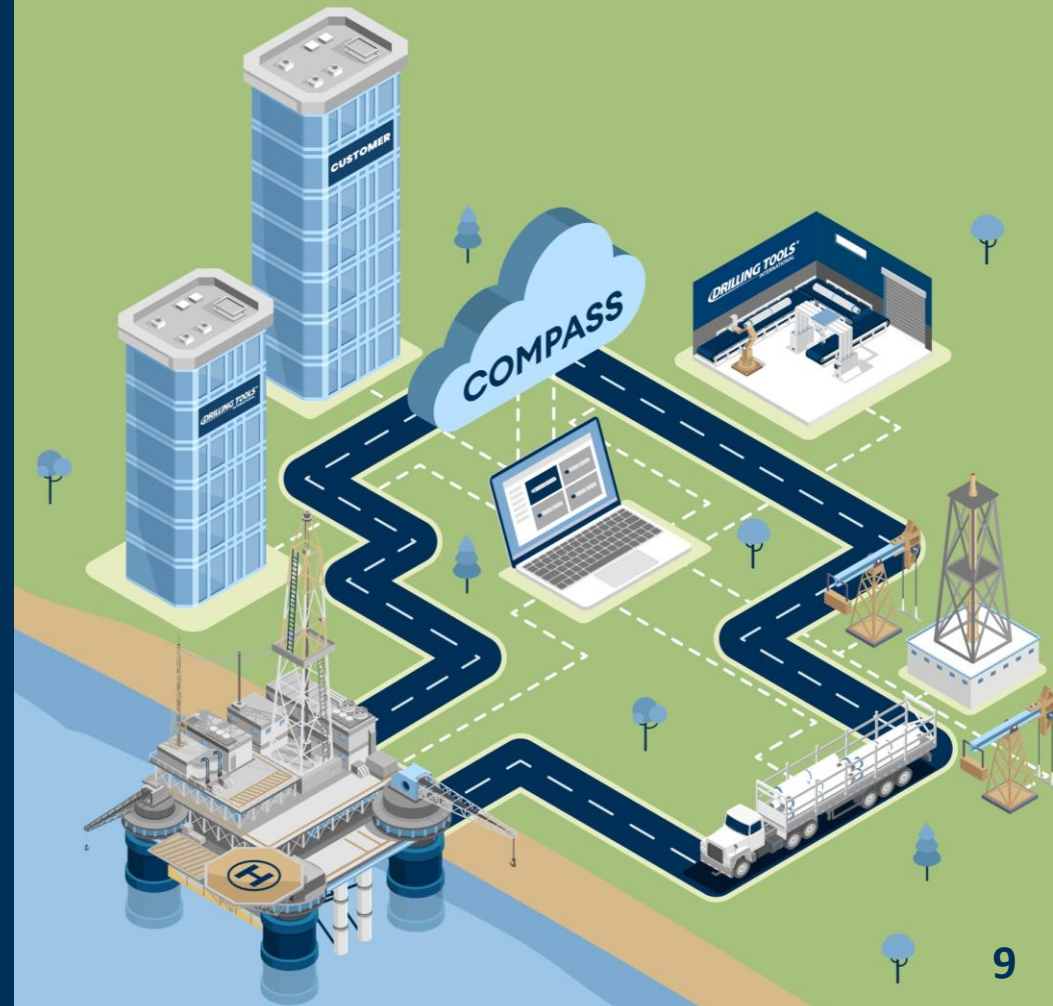
Transaction Data Analyzed for Strategic Fleet Management

**COMPASS** provides valuable information to **DTI** for making **data-based capital allocation decisions**

CUSTOMER  
ORDER  
MANAGEMENT  
PORTAL  
AND  
SUPPORT  
SYSTEM

**COMPASS** provides the customer traceability and transparency in the rental tool process.

Customers can order their own tools online through Compass with an “Amazon style” experience.



# EXECUTING OUR STRATEGIC PLAN

## DELIVERING IMPROVED RESULTS

### REPORTED 2025 SECOND QUARTER GROWTH

**5% Q/Q** Revenue

**259% Q/Q** Adj. Free Cash Flow<sup>(1)</sup>

### DTI ACHIEVEMENTS SINCE BECOMING A PUBLIC COMPANY IN JUNE 2023

- **Four acquisitions in 9 months**
  - Deep Casing Tools / Superior Drilling Products / European Drilling Projects / Titan Tools
- **Improved liquidity and strengthened the balance sheet**
  - Expanded the ABL Credit Facility from \$60 million to \$80 million
  - Added a \$25 million term loan maturing in March 2029
- **Grew portfolio from 2 to 16 patented products**
  - Approximately 150 active patents supporting those technologies.
- **2025 Outlook represents stable financial results despite an uncertain market environment**
- **Maintaining healthy Adjusted Free Cash Flow Margins<sup>(1)</sup>**
  - Despite anticipated declines in activity levels

(1) Adjusted Free Cash Flow is a non-GAAP financial measure. See “Non-GAAP Financial Measures” in the appendix for reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. generally accepted accounting principles (“GAAP”).

# Capital Allocation Strategy

## Prioritizing Financial Strength Through Disciplined Approach

- ▶ Maintenance & Organic Growth Investments
  - ▶ Unique CapEx lever that enables DTI to selectively deploy capital for future strategic growth or harvest Adj. Free Cash Flow
- ▶ Strategic Acquisitions
  - ▶ Announced four acquisitions in 2024 that further strengthened business model & diversified geographic footprint
  - ▶ Have identified additional near-term targets
- ▶ Return of Capital to Shareholders
  - ▶ Authorized \$10mm share repurchase program
    - ▶ Repurchased approximately \$600k of DTI common stock during Q2-25
  - ▶ Allows DTI to opportunistically capitalize on dislocations between share price and perceived value
  - ▶ Provides flexibility to optimize capital structure and flexibility to efficiently manage equity base

*“We are constantly evaluating our capital allocation strategy to ensure we are prioritizing opportunistic capital deployment with the sole focus of maximizing value for our shareholders. Going forward, we intend to utilize the tools at our disposal and allocate resources to the areas with the greatest returns.”*



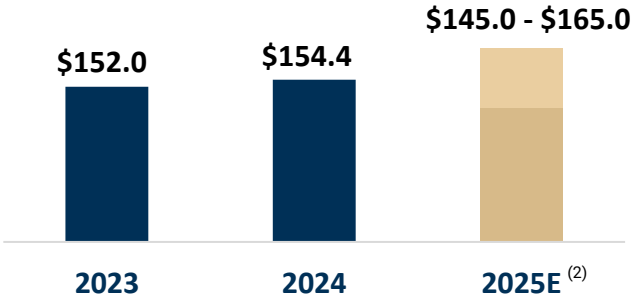
**David Johnson**  
**Chief Financial Officer**

# SUSTAINABLE GROWTH

## EXECUTING THE PLAN

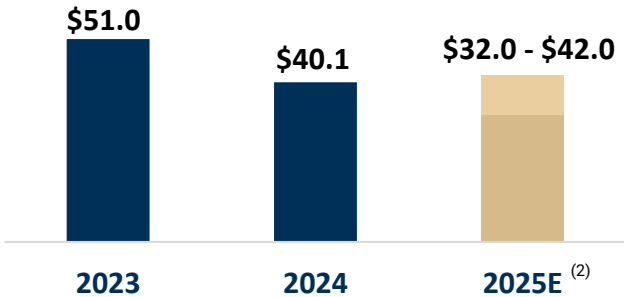
### Revenue

(in millions)



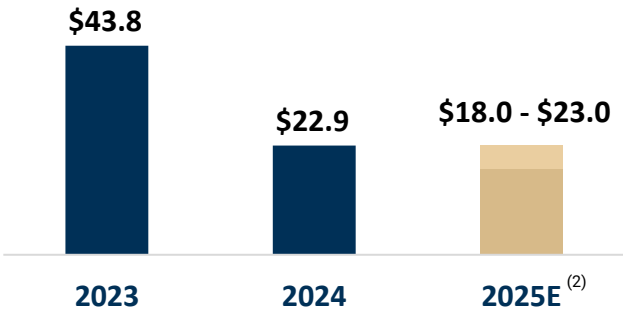
### Adjusted EBITDA (1)

(in millions)



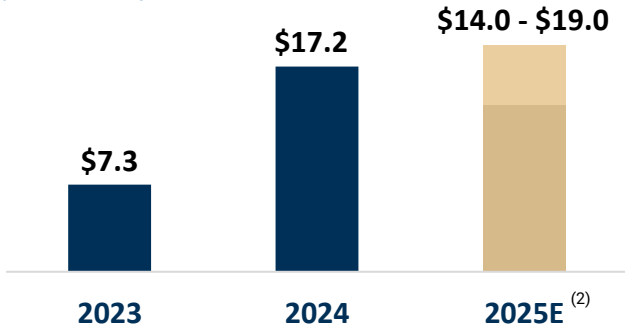
### Capital Expenditures

(in millions)



### Adjusted Free Cash Flow (1)

(in millions)

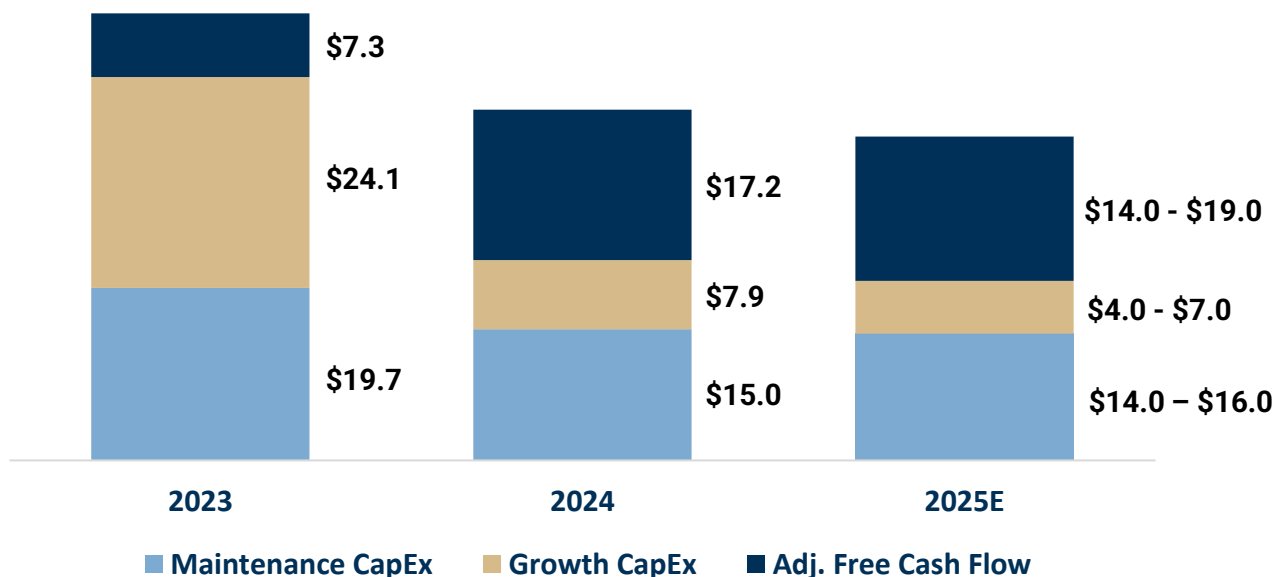


1) Adjusted EBITDA and Adjusted Free Cash Flow are non-GAAP financial measures. See “Non-GAAP Financial Measures” in the appendix for reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. generally accepted accounting principles (“GAAP”).  
 2) 2025E represents the Company’s outlook as of August 13, 2025 as shown on page 25

# COMPONENTS OF ADJUSTED EBITDA

Increased Growth Capital spending in recent years now supports stronger Adjusted Free Cash Flow in 2025+

## Smart Capital Expenditures



	2023	2024	2025E
Maintenance CapEx % of Revenue <sup>(2)</sup>	13%	10%	~10%
Growth CapEx % of Revenue <sup>(2)</sup>	16%	5%	~4%
Adj. Free Cash Flow % of EBITDA <sup>(1)</sup>	14%	43%	~44%

## Commentary

Adj. Free Cash Flow<sup>(1)</sup> can be directly influenced by Growth CapEx strategy

Growth CapEx is company funded and grew as a percentage of revenue in 2023, which supported stronger 2024+ Adj. Free Cash Flow

Maintenance CapEx is primarily funded by tool recovery revenue and helps keep our rental fleet relevant and sustainable

Source: Company financials and management estimates.

2025E represents the Company's outlook as of August 13, 2025 as shown on page 25

1) Adjusted Free Cash Flow defined as Adjusted EBITDA less Gross Capital Expenditures

2) Maintenance and Growth percentages for FY 2025 represent the current forecasted split as of August 13, 2025

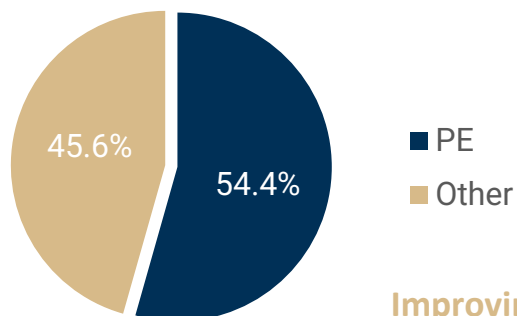
# INSIDER OWNERSHIP

## Company Profile

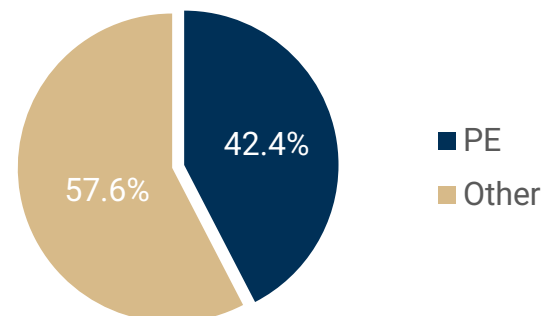
Ticker: DTI (NASDAQ)	Current	Change <sup>(1)</sup>
Shares Outstanding	35,661,297	0.2%
Market Capitalization (as of 6/30/2025)	\$101.6M	20%
Shareholders' Equity (as of 6/30/2025)	\$122.5M	0%
Private Equity (PE) Ownership <sup>(2)</sup>	42.4%	(12.0)%

- PE reinvested 100% of their equity, demonstrating a long-term commitment to DTI's success and growth.
- Support strategic acquisitions and expansions, enhancing DTI's capabilities and market reach.
- Foster a culture of accountability and long-term focus, leading to more effective decision-making and strategic planning.

### Ownership Profile as of 6/21/2023<sup>(3)</sup>



### Ownership Profile as of 12/31/2024



Improving float and liquidity over time →

1) Percent change for Shares Outstanding, Market Capitalization, and Shareholders' Equity are calculated on a sequential quarterly basis.

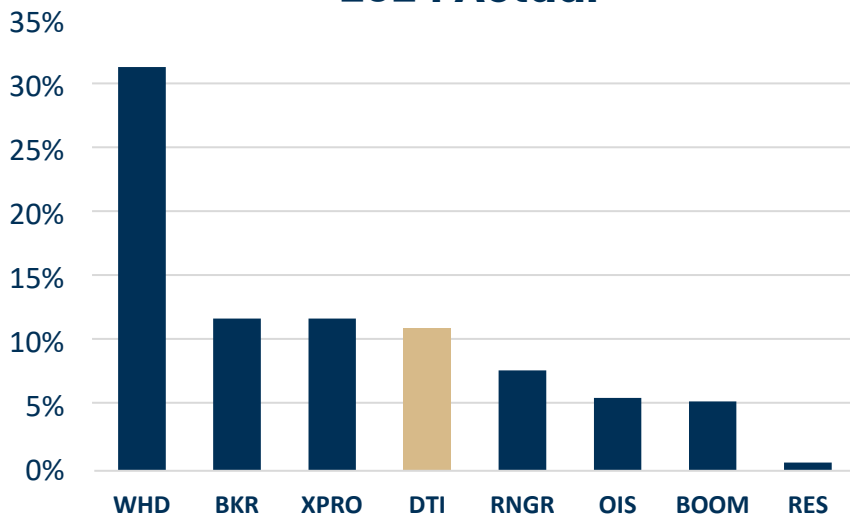
2) Private Equity ownership is calculated once a year. Percent change reflects the difference in Private Equity ownership from 12/31/2023 to 12/31/2024.

3) DTI's first day of trading on NASDAQ

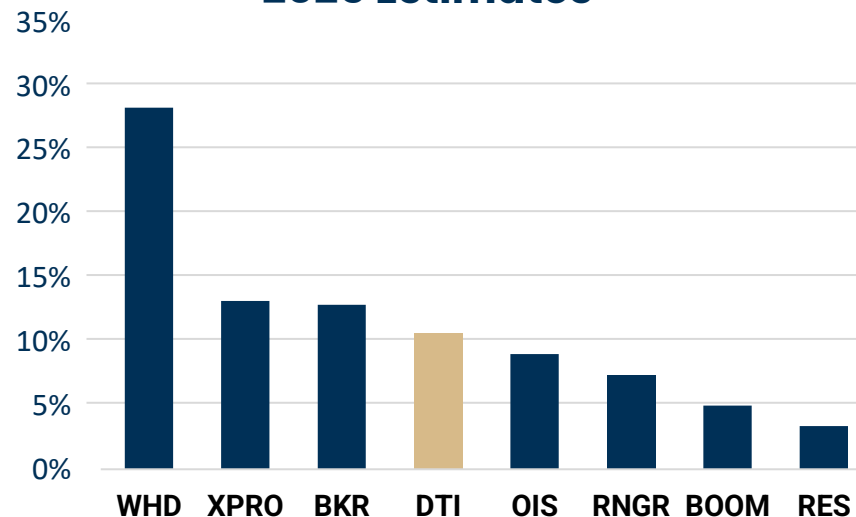
# PEER ADJ. FREE CASH FLOW MARGIN<sup>(1)</sup>

## COMPARISONS

### 2024 Actual



### 2025 Estimates<sup>(2)</sup>



### Tool recovery revenue

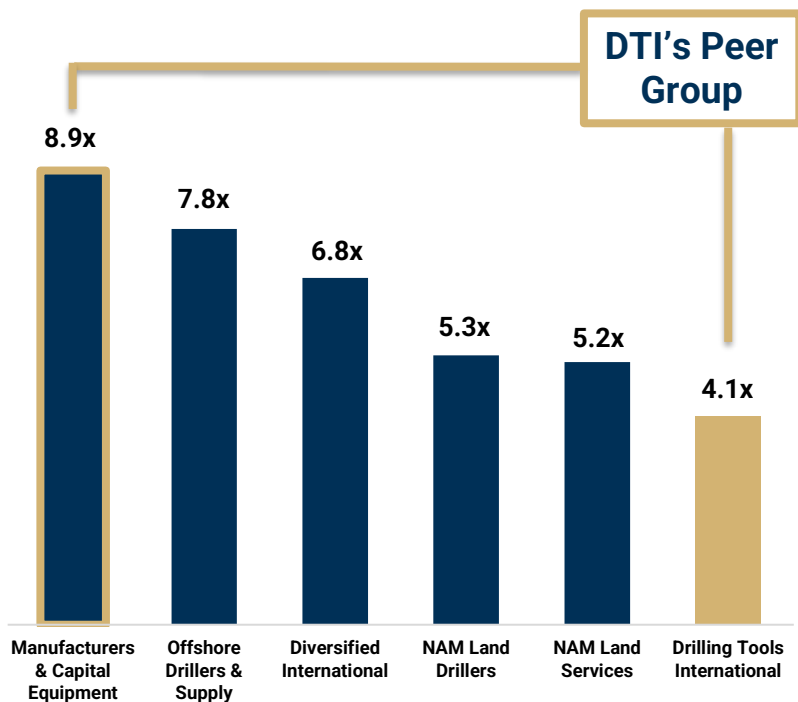
Lost or damaged equipment charges, allows DTI to sustain its fleet, maintain relevant tools and technology, and generate positive adjusted free cash flow throughout industry cycles.

1) Adjusted Free Cash Flow Margin is defined as Adjusted EBITDA less Gross Capital Expenditures divided by Total Revenue

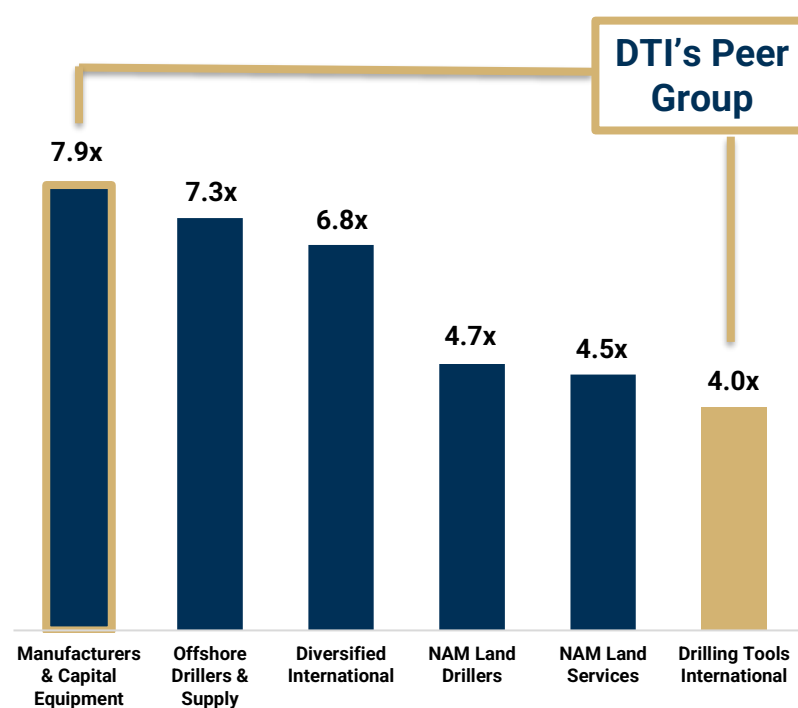
2) Uses midpoint of DTI's 2025 guidance and FY25 consensus estimates for peer group

# Significant Undervaluation Compared to Peers

## EV/EBITDA (2024A)



## EV/EBITDA (2025E)

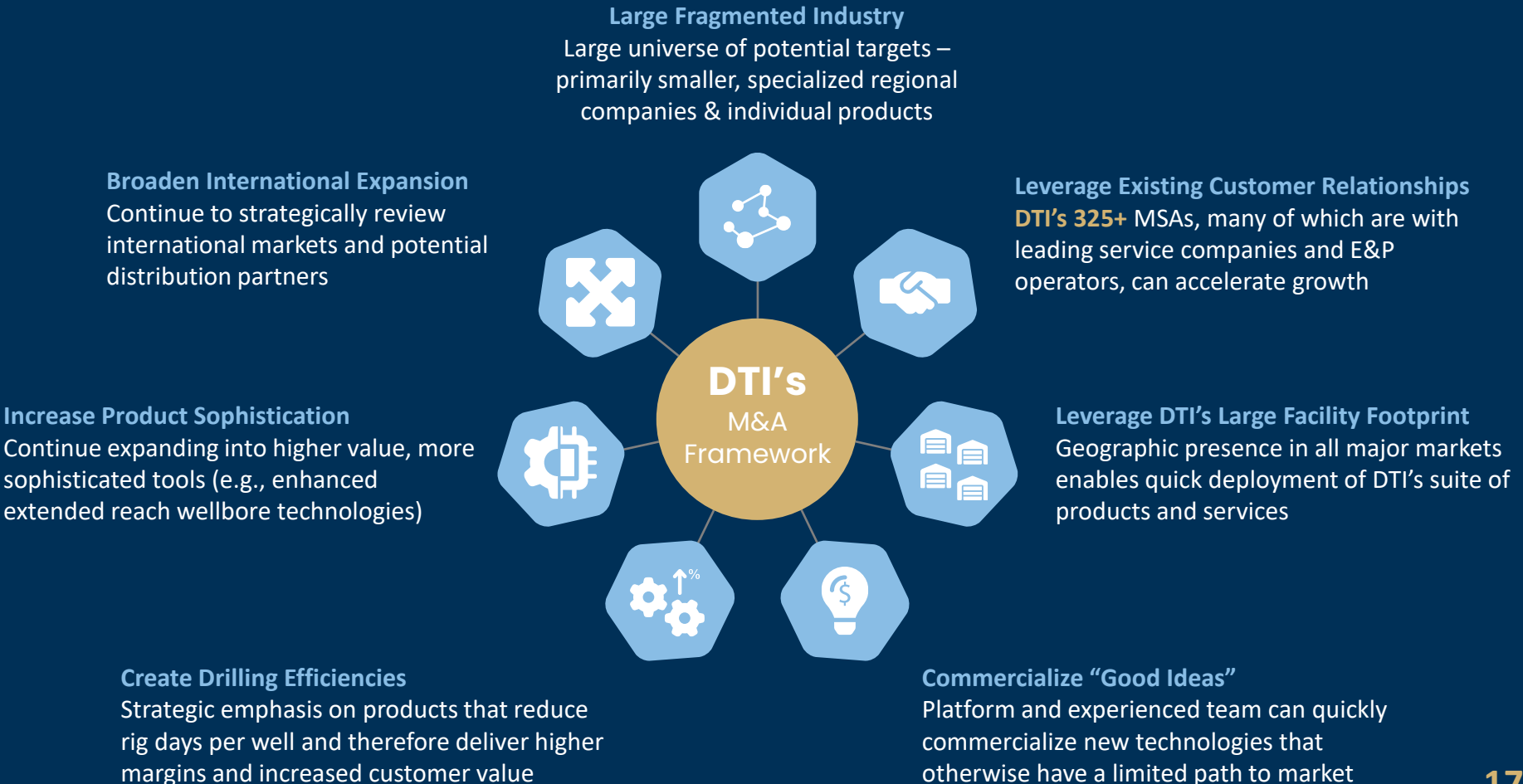


Sources:

- Peer buckets compiled using Raymond James' Public Company Energy Equipment & Services tracker
  - Excludes multiples for companies that have undergone a transformational transaction
- DTI's multiple was calculated using the stock price as of August 13, 2025, historical results and current company outlook

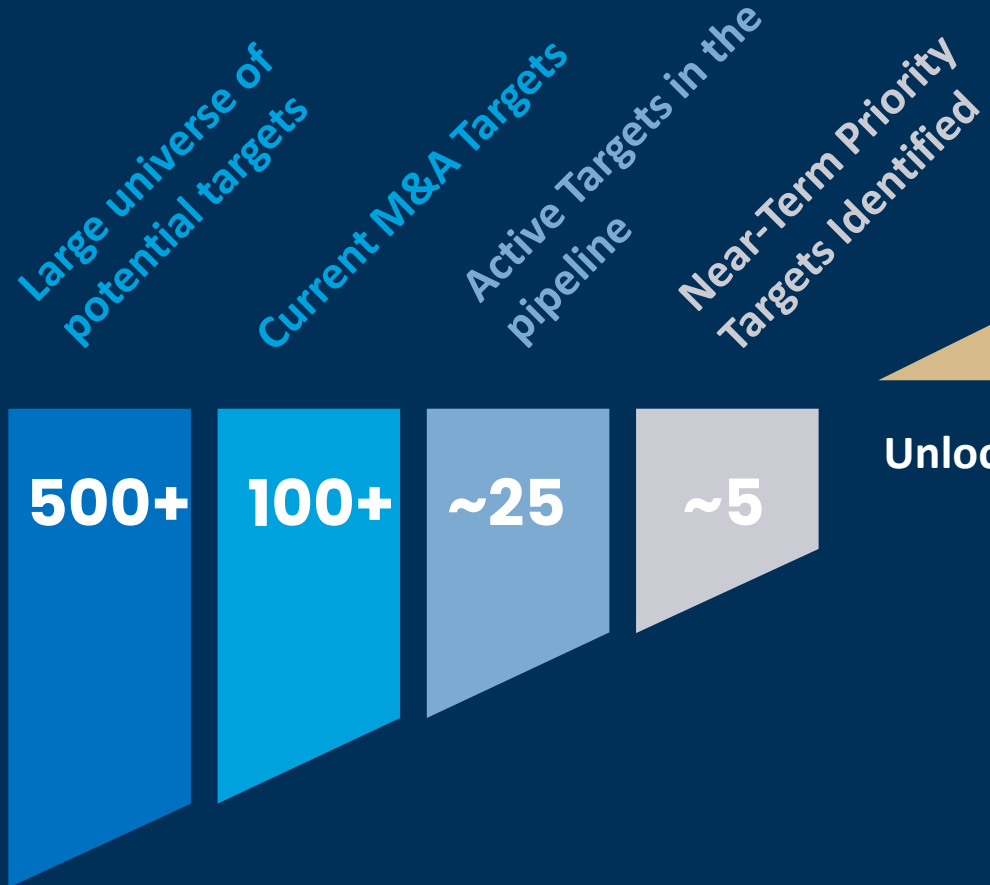
# M&A GROWTH STRATEGY: SIGNIFICANT CONSOLIDATION UPSIDE

DTI has established a framework and robust pipeline to strategically consolidate the oilfield service rental tool industry through accretive acquisitions



# M&A GROWTH STRATEGY: SIGNIFICANT CONSOLIDATION UPSIDE

## M&A Pipeline



**Unlock Business Potential and Profit with  
Acquired Companies**

# STRATEGIC RATIONALE

## DEEP CASING TOOLS<sup>(1)</sup>

Adds to DTI's technology platform

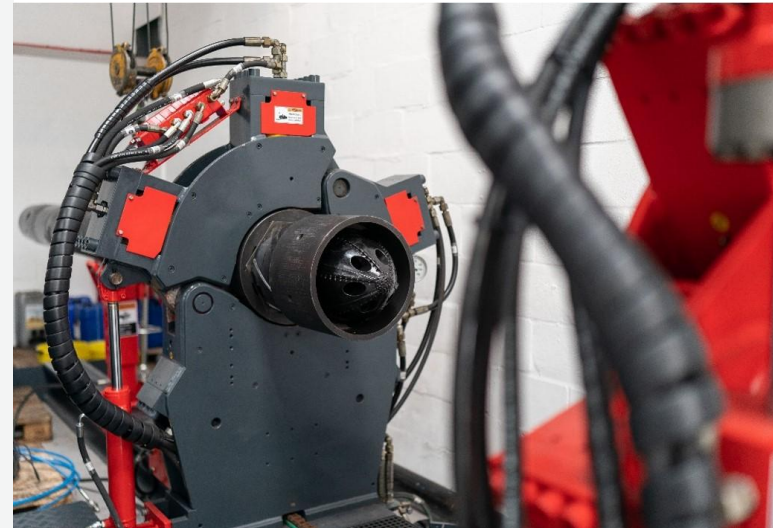
✓ Expands intellectual property portfolio by over 60 patents

Adds strong international customer relationships

✓ ADNOC / ARAMCO / PEMEX / PETROBRAS / PETRONAS

Accretive to DTI's earnings and Adj. Free Cash Flow profile

Opportunity to expand Deep Casing products into North America



1) Deep Casing Tools merger closed on March 18, 2024

# STRATEGIC RATIONALE

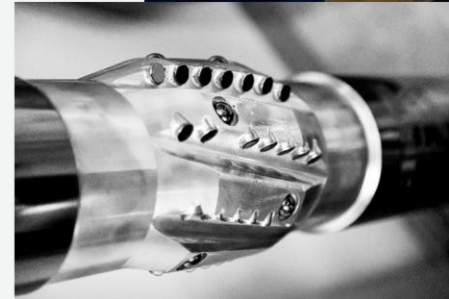
## SUPERIOR DRILLING PRODUCTS<sup>(1)</sup>

### Enhances vertical integration of differentiated technology

- ✓ Cost savings on Drill-N-Ream<sup>®</sup> tool
- ✓ Synergies – eliminates duplicative public company costs
- ✓ Adds significant precision manufacturing capacity

### Enhances horizontal opportunities

- ✓ Expands DTI's intellectual property portfolio by over **10 patents**
- ✓ Will own global rights to Drill-N-Ream tool
- ✓ Accelerate Drill-N-Ream growth opportunities world-wide
- ✓ Entrance into drill bit re-manufacture and repair business



500+

100+

~25

~5

1) Superior Drilling Products merger closed on August 1, 2024

# STRATEGIC RATIONALE

## EUROPEAN DRILLING PROJECTS<sup>(1)</sup>

### DTI Enhances Technological Advancement & Global Expansion Efforts

- ✓ Adds key personnel, industry expertise and customer relationships
- ✓ Adds cutting-edge tools, such as the FixedBlade® Stabilizer, to DTI's industry leading technology portfolio



500+

100+

~25

~5

# STRATEGIC RATIONALE

## TITAN TOOLS SERVICES<sup>(2)</sup>

### Expands Global Reach in Downhole Tool Services

- ✓ Enhances DTI's product offerings and technological capabilities
- ✓ Strengthens DTI's presence in the North Sea, European and African markets



1) European Drilling Projects merger closed on October 1, 2024

2) Titan Tools Services merger closed on January 2, 2025

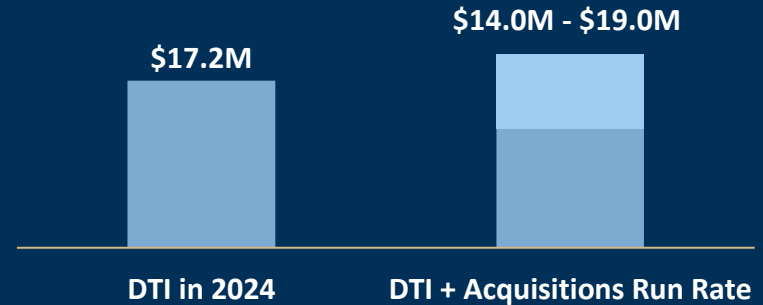
# SYNERGIES

Clear path to margin enhancement and free cash flow optimization

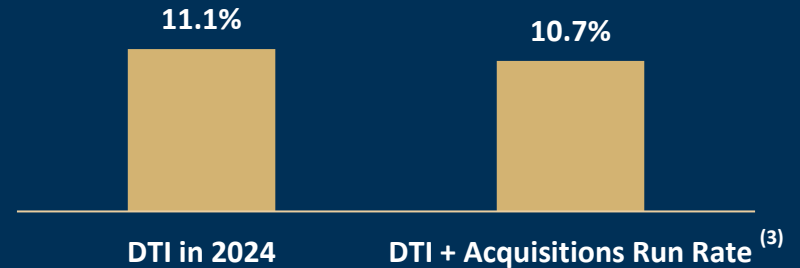
## Status update

- ▶ DTI has developed a proven integration playbook
- ▶ As targeted, DTI achieved 100% of the \$4.5 million in previously announced SDPI synergies by August 2025
- ▶ Identified additional synergies in excess of targeted amount
- ▶ Integrating acquired assets and tools into the DTI platform
- ▶ Drive margins and enhance market share through differentiated approach
- ▶ Achieved/visibility additional efficiencies with acquired assets
- ▶ Migrating all acquisitions to common ERP system and COMPASS platform – **“One DTI” Initiative**

## Adjusted Free Cash Flow<sup>(1)</sup> Growth



## Adjusted FCF Margin<sup>(2)</sup> Outlook



(1) Adjusted Free Cash Flow is a non-GAAP financial measure. See “Non-GAAP Financial Measures” in the appendix for reconciliations to the most directly comparable financial measures calculated and presented in accordance with U.S. generally accepted accounting principles (“GAAP”).

(2) Adjusted Free Cash Flow Margin is defined as Adjusted EBITDA less Gross Capital Expenditures divided by Total Revenue

(3) Outlook reflects the midpoint of 2025 guidance and represents a slight year-over-year decline due to growth investments made in the Eastern Hemisphere.

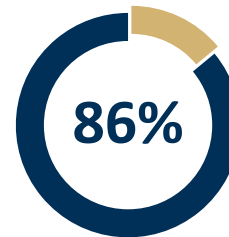
# WESTERN HEMISPHERE OVERVIEW

## Regional Highlights

- ▶ Sustainable rental activity with major market share
  - ▶ Over 60% of all drilling rigs in NA utilize DTI tools and equipment
- ▶ Presence across all major basins in North America
- ▶ A market leader in the deep-water Gulf of America
- ▶ ~62,000 tools deployed in North America
- ▶ 15 Service and Support Centers
- ▶ 3 Manufacturing Facilities



## Revenue Contribution



2Q25 Sales <sup>(1)</sup>	Product	Rental
Western	\$ 7.8M	\$ 29.8M
Eastern	\$ 0.8M	\$ 5.3M

Product Sales (Q/Q) ⬆️ 39%

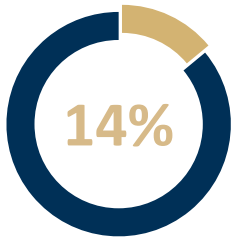
Tool Rental (Q/Q) ⬆️ 1%

## Product Service Lines Deployed

- ▶ Rental tools used in bottom hole assemblies (“BHA”)
  - ▶ Subs, Stabilizers, Collars, Accessory Tools
- ▶ Wellbore Optimization Tools
  - ▶ Drill-N-Ream<sup>®</sup> - RotoSteer<sup>™</sup> - Fixed Blade Stabilizers & Sleeves
- ▶ Tubular Goods for drilling, workover and completion operations
  - ▶ Drill Pipe, Tubing, Handling Tools and Accessories
- ▶ Blowout preventers and related pressure control equipment
- ▶ Target Depth Technologies – “Deep Casing Tools” Suite of Products
  - ▶ TurboRunner, TurboCaser, MechLOK and Rubblizer

1) Excludes the financial impact of intercompany eliminations

## Revenue Contribution<sup>(2)</sup>



2Q25 Sales <sup>(1)</sup>	Product	Rental
Western	\$ 7.8M	\$ 29.8M
Eastern	\$ 0.8M	\$ 5.3M

Product Sales (Q/Q) ↓ 79%

Tool Rental (Q/Q) ↑ 838%

## Product Service Lines Deployed

- ▶ Rental tools used in bottom hole assemblies (“BHA”)
  - ▶ Subs, Stabilizers, Collars, Accessory Tools, Hole Openers
- ▶ WellBore Optimization Tools
  - ▶ Drill-N-Ream<sup>®</sup> - Fixed Blade Stabilizer Technology - RSS Sleeves
- ▶ Target Depth Technologies – “Deep Casing Tools” Suite of Products
  - ▶ TurboRunner, TurboCaser, MechLOK and Rubblizer

# EASTERN HEMISPHERE OVERVIEW

## Regional Highlights

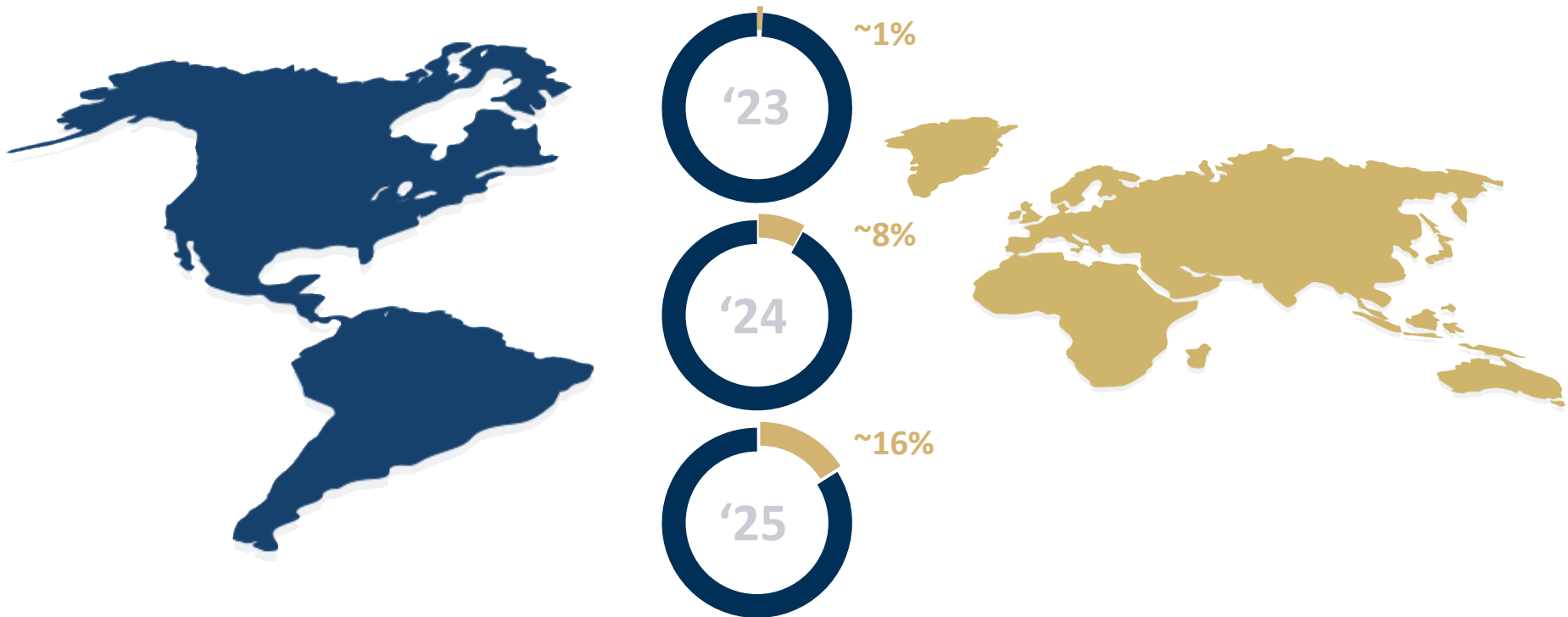
- ▶ Expanded international market share over the past twelve months with the acquisitions of Deep Casing Tools, European Drilling Projects and Titan Tools
- ▶ Expect international revenue growth as a percentage of total revenue in 2025
- ▶ Expanding footprint in Europe, Middle East and Asia
- ▶ International fleet growing rapidly
- ▶ 11 International Service and Support Centers



1) Excludes the financial impact of intercompany eliminations  
 2) Reflects an increase in Eastern Hemisphere total revenue contribution from 11% in the second quarter of 2024 to 14% in the second quarter of 2025

# EASTERN HEMISPHERE EXPANSION FOR A GLOBAL FOOTPRINT

## GLOBAL REVENUE SPLIT WESTERN | EASTERN HEMISPHERE



*"Our global footprint creates powerful synergies in terms of tool deployment efficiencies, sales potential and technological development."*

**Aldo Rodriguez**  
VP of Sales



## ADDITIONAL INFORMATION

# DTI LEADERSHIP TEAM

## EXPERIENCE MATTERS



**WAYNE PREJEAN**  
President & CEO



**DAVID JOHNSON**  
CFO



**MIKE DOMINO**  
President  
DIRECTIONAL TOOL RENTALS

Experienced, talented, and committed management team with history of success



**ALDO RODRIGUEZ**  
Vice President  
SALES



**TROY MEIER**  
President  
DIAMOND PRODUCTS



**TRENT POPE**  
Vice President  
WELLBORE OPTIMIZATION



**DAVID STEPHENSON**  
Vice President  
EASTERN HEMISPHERE



**ASHLEY LANE**  
Vice President  
INT. BUSINESS DEVELOPMENT



**VEDA RAGDILL**  
Vice President  
HUMAN RESOURCES



**CHRISTIAN MIDDLETON**  
Vice President  
FINANCE



**JAMESON PARKER**  
Vice President  
CORPORATE DEVELOPMENT

# ORGANIC GROWTH DRIVERS

- ✓ **2025 results will include a full year of contributions from all acquisitions announced in 2024**
- ✓ **Leverage our global footprint of distribution and sales channel to market**
- ✓ **Expand scope of tools & services through technological advancements**
- ✓ **Leading edge downhole technology for extended reach drilling**
  - ✓ Proprietary examples: Deep Casing Tools / Next Generation Stabilizers –Fixed Blade
  - ✓ RotoSteer™ / Drill-N-Ream® / SafeFloat™
- ✓ **Grow customer base and gain global market share utilizing acquisitions / technology**
- ✓ **Trend towards longer laterals favors DTI's new technology**
- ✓ **International markets adopting unconventional “shale type” drilling applications**
  - ✓ DTI is well positioned to supply in those markets

**OVERVIEW** BY THE CEO

# BUILT FOR OUTPERFORMANCE



*At DTI, we're not just adapting to the future of drilling – we're shaping it. We continue to have success in integrating our latest acquisitions, realizing synergies and positioning DTI for the future. Our strategic consolidation of the oilfield service rental tool industry, coupled with our focus on innovative technologies, allows us to meet the evolving needs of our customers. As we look ahead, we're committed to driving efficiency, expanding our global footprint, and delivering value to our stockholders in an industry that demands constant evolution.*

**Wayne Prejean**  
Chief Executive Officer

# DTI'S DIFFERENTIATED GROWTH STRATEGY **DRILLING TOOLS**<sup>®</sup> INTERNATIONAL

## Creates A Compelling Investment Profile

1 A Market Leader in Downhole Tools for the Oil & Gas Industry

2 Blue Chip Customers

3 Strategic Model Delivering Through-Cycle Outperformance

4 Proven Growth: Organic & M&A in Fragmented Industry

5 Strong Balance Sheet / Low Leverage / Significant Free Cash Flow

6 Experienced and Proven Leadership Team

7 Sustainable Financial Growth Outlook

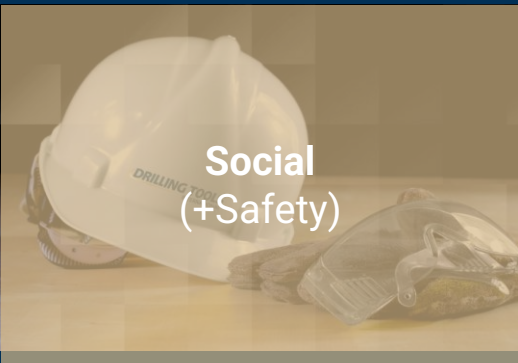
# ESG & SAFETY ARE INTEGRAL TO OUR SUCCESS

## DTI is committed to environmental stewardship



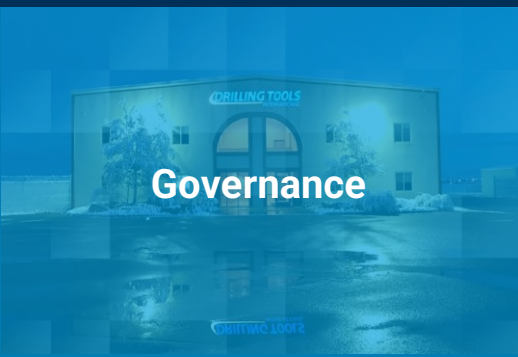
### Environmental

- ✓ Continuous evaluations and control measures to ensure minimization of waste
- ✓ Pursuing highest levels of operational proficiency to reduce rework, and use of chemicals and waste
- ✓ Actively promoting recycling including extensive rental tool recycling and refurbishment programs & opportunities to redeploy equipment for energy transition markets such as geothermal, carbon capture and storage



### Social (+Safety)

- ✓ Identify and control exposures to limit potential injury and production interruptions or damages
- ✓ Continual contributions to local community events, charities and employee activities



### Governance

DTI's leadership is focused on deriving long-term value for all stakeholders by:

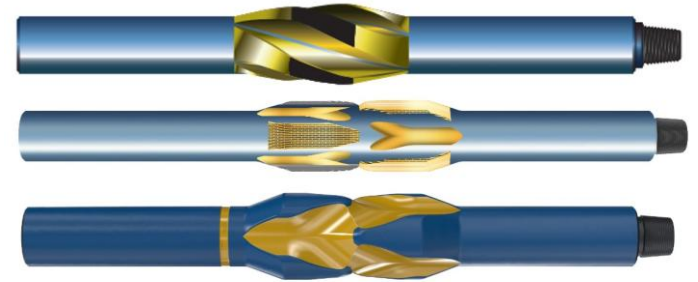
- ✓ Executive accountability through the election of an independent board<sup>(1)</sup>
- ✓ Strong internal controls

# OVERVIEW OF DIRECTIONAL TOOL RENTALS KEY EQUIPMENT



## Stabilizers

Reduces drill string vibration and torque...



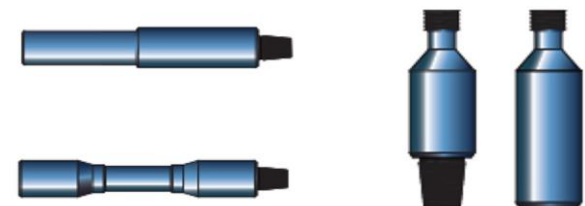
## Drill collars

Adds weight to the BHA to increase rate of penetration ("ROP") and reduce vibration...



## Subs & other equipment

Variety of subs, crossovers and handling tools used in the drill string



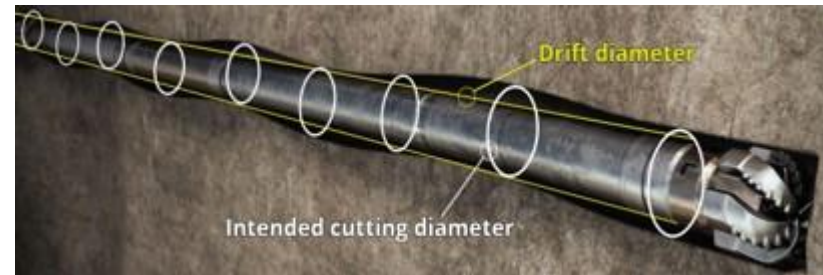
# OVERVIEW OF WELLBORE OPTIMIZATION TOOLS

Specialty tools division with focused field sales and service professionals providing rig site visits and customer service, enabling consistent product performance and customer satisfaction

## PRODUCTS OFFERED

### Drill-N-Ream<sup>®</sup> (DNR) Wellbore Conditioning Tool

Substantial Improvements in Wellbore Quality



Patented technology allows the tool to maintain a market leading position

Numerous benefits to the customer

Allows operators to extend length of wellbore at a lower cost

### Emerging Technology RotoSteer<sup>™</sup>

**ROTOSTEER**<sup>™</sup>



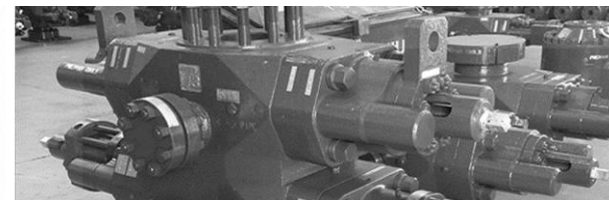
2023: Commercially launched

Improves ROP, reduces torque and drag and eliminates slides

Potential application for hundreds of wells annually

# OVERVIEW OF PREMIUM TOOLS KEY EQUIPMENT

DTI offers a wide array of premium tubulars for drilling, workover and completion operations, API blowout preventers and pressure control accessories as well as a comprehensive suite of related handling tools



## Tubulars

**Drill Pipe** – 2 7/8 to 5 1/2 inch API bottleneck, slim-hole, API, proprietary double shoulder-high torque connections

**Heavy-Weight Drill Pipe** – 3 1/2 to 5 1/2 inch API bottleneck, slim-hole, API, proprietary double shoulder-high torque connections

**Drill Collars** – 3 1/8 to 9 1/2 steel spiral and slick

**Kellys** – hex or square from 38 to 46 inch

**Pup Joints** – drill pipe and tubing

**Tubing** – premium PH-6, CS-8 and API 8Rd with thread from 2 3/8 to 4 1/2

## Handling Tools

**Stabbing Guides** – for tubing and drill pipe

**Drifts** – for all pipe sizes (Teflon, steel and aluminum)

**Rotary Slips** – for tubing, casing, drill pipe and drill collars

**Safety Clamps** – for pipe and collars

**Manual Tongs** – K-25 to K-70 hand tongs and HT-200 manual rotary tongs

**Elevators** – slip grip, bottleneck and bushing types

**Subs** – TDS, wear, float, X-over, bit, lift and pump-ins

## Other Products

**Blowout Preventers** – 5M, 10M and 15M psi

**Accumulators** – diesel, electric and air powered

**Hoses** – high pressure, fire retardant and steel flex

**Spools** – spacers, adaptors and diverters

**Double Studded Adaptors**

**Gate Valves** – manual, hydraulic and air actuated

**Chokes** – manual adjustable and fixed orifice

**Manifolds** – skid mounted custom buffers assembled to specification

**Flanged Accessories** – tees, crosses (flanged and studded)

**Stud Bolts** – B7M H<sub>2</sub>S service

**Chiksan Iron** – loops, swivel joints and pups

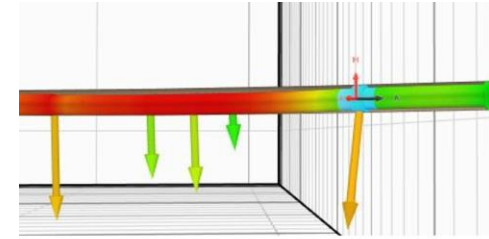
# OTHER PRODUCTS & SERVICES

## Downhole Inspection Services

- ✓ Independent inspection services equipment of all DTI divisions and select external customers
- ✓ Critical to efficient operations
- ✓ Services across North America including network of six domestic and one Canadian inspection facilities

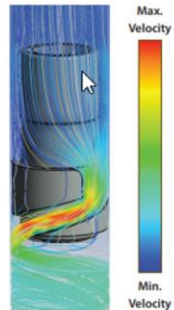
## Product Sales

- ✓ Made-to-order downhole drilling tools
- ✓ Completion and production Product Sales
- ✓ Production desander tool operations
- ✓ Williston, ND manufacturing and distribution facility



## Technical Services Group

- ✓ Sustaining engineering
- ✓ Performance analysis
- ✓ Product development
- ✓ Technical support to quality assurance



## Internal Support & Emerging Products





## FINANCIAL INFORMATION

# SECOND QUARTER 2025

## INCOME STATEMENT

**Drilling Tools International Corp.**  
**Consolidated Statements of Comprehensive Income (Loss) (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	<b>Three Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Revenue, net:</b>		
Tool rental	\$ 32,756	\$ 28,328
Product sale	6,665	9,205
<b>Total revenue, net</b>	<b>39,421</b>	<b>37,533</b>
<b>Costs and other deductions:</b>		
Cost of tool rental revenue	7,402	6,998
Cost of product sale revenue	2,494	3,000
Selling, general, and administrative expense	21,023	19,619
Depreciation and amortization expense	6,830	5,681
Interest expense, net	1,336	811
Loss (gain) on asset disposal	85	(51)
Loss (gain) on remeasurement of previously held equity interest	—	(480)
Goodwill impairment	—	—
Other operating and non-operating expense, net	1,912	1,672
<b>Total costs and other deductions</b>	<b>41,082</b>	<b>37,250</b>
Income (loss) before income tax expense	(1,661)	283
Income tax benefit (expense)	(746)	82
<b>Net income (loss)</b>	<b>\$ (2,407)</b>	<b>\$ 365</b>
Basic earnings (loss) per share	\$ (0.07)	\$ 0.01
Diluted earnings (loss) per share	\$ (0.07)	\$ 0.01
Basic weighted-average common shares outstanding	35,573,749	29,816,202
Diluted weighted-average common shares outstanding	35,573,749	30,873,436
<b>Comprehensive income (loss):</b>		
Net income (loss)	\$ (2,407)	\$ 365
Foreign currency translation adjustment, net of tax	2,199	102
<b>Net comprehensive income (loss)</b>	<b>\$ (208)</b>	<b>\$ 467</b>

# SIX MONTHS ENDED 6/30/2025

## INCOME STATEMENT

**Drilling Tools International Corp.**  
**Consolidated Statements of Comprehensive Income (Loss) (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	Six months ended June 30,	
	2025	2024
<b>Revenue, net:</b>		
Tool rental	\$ 67,289	\$ 58,294
Product sale	15,012	16,213
<b>Total revenue, net</b>	<b>82,301</b>	<b>74,507</b>
<b>Costs and other deductions:</b>		
Cost of tool rental revenue	15,090	13,482
Cost of product sale revenue	6,051	5,053
Selling, general, and administrative expense	42,633	37,560
Depreciation and amortization expense	13,552	11,047
Interest expense, net	2,645	992
Loss (gain) on asset disposal	72	(42)
Loss (gain) on remeasurement of previously held equity interest	—	(729)
Goodwill impairment	1,901	—
Other operating and non-operating expense, net	3,846	2,798
<b>Total costs and other deductions</b>	<b>85,790</b>	<b>70,161</b>
Income (loss) before income tax expense	(3,489)	4,346
Income tax benefit (expense)	(587)	(854)
<b>Net income (loss)</b>	<b>\$ (4,076)</b>	<b>\$ 3,492</b>
Basic earnings (loss) per share	\$ (0.11)	\$ 0.12
Diluted earnings (loss) per share	\$ (0.11)	\$ 0.12
Basic weighted-average common shares outstanding	35,583,139	29,792,385
Diluted weighted-average common shares outstanding	35,583,139	30,321,002
<b>Comprehensive income (loss):</b>		
Net income (loss)	\$ (4,076)	\$ 3,492
Foreign currency translation adjustment, net of tax	3,141	(409)
<b>Net comprehensive income (loss)</b>	<b>\$ (935)</b>	<b>\$ 3,083</b>

# SECOND QUARTER 2025

## BALANCE SHEET

**Drilling Tools International Corp.**  
**Consolidated Balance Sheets (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	June 30, 2025	December 31, 2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 1,145	\$ 6,185
Accounts receivable, net	41,557	39,606
Related party note receivable, current	909	909
Inventories	18,279	17,502
Prepaid expenses and other current assets	4,245	3,874
<b>Total current assets</b>	<b>66,134</b>	<b>68,076</b>
Property, plant and equipment, net	79,310	75,571
Operating lease right-of-use asset	22,831	22,718
Intangible assets, net	40,666	37,232
Goodwill, net	14,704	12,147
Deferred financing costs, net	642	817
Related party note receivable, less current portion	4,443	4,262
Deposits and other long-term assets	1,549	1,608
<b>Total assets</b>	<b>\$ 230,279</b>	<b>\$ 222,431</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 11,534	\$ 11,983
Accrued expenses and other current liabilities	9,927	7,864
Current portion of operating lease liabilities	4,296	4,121
Current maturities of long-term debt	6,291	6,995
<b>Total current liabilities</b>	<b>32,047</b>	<b>30,963</b>
Operating lease liabilities, less current portion	18,917	18,765
Revolving line of credit	33,140	27,142
Long-term debt, less current portion	17,485	19,676
Deferred tax liabilities, net	6,168	5,926
<b>Total liabilities</b>	<b>107,757</b>	<b>102,472</b>
<b>Commitments and contingencies (See Note 15)</b>		
<b>Shareholders' equity</b>		
Common stock, \$0.0001 par value, shares authorized 500,000,000 as of June 30, 2025 and December 31, 2024, 35,661,297 issued and outstanding as of June 30, 2025 and 34,704,696 shares issued and outstanding as of December 31, 2024	4	3
Less: Treasury stock at cost, 202,611 and 0 shares as of June 30, 2025 and December 31, 2024, respectively	(608)	—
Additional paid-in-capital	129,520	125,415
Accumulated deficit	(7,657)	(3,582)
Accumulated other comprehensive income (loss)	1,264	(1,877)
<b>Total shareholders' equity</b>	<b>122,522</b>	<b>119,959</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 230,279</b>	<b>\$ 222,431</b>

# SECOND QUARTER 2025

## CASH FLOW STATEMENT

**Drilling Tools International Corp.**  
**Consolidated Statement of Cash Flows (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	<b>For the six months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net income (loss)	\$ (4,076)	\$ 3,492
Adjustments to reconcile net income to net cash from operating activities:		
Depreciation and amortization	13,552	11,047
Amortization of deferred financing costs	174	139
Non-cash lease expense	2,466	2,315
Unrealized loss on currency translation	567	—
Write off of excess and obsolete inventory	510	—
Write off of excess and obsolete property and equipment	195	179
Provision (recovery) for credit losses	356	(16)
Deferred tax expense	(1,766)	(400)
Loss (gain) on sale of property	72	(42)
Unrealized loss (gain) on equity securities	—	(729)
Gain on sale of lost-in-hole equipment	(5,454)	(4,987)
Stock-based compensation expense	1,183	1,064
Interest income on related party note receivable	(182)	—
Goodwill impairment	1,901	—
Changes in operating assets and liabilities:		
Accounts receivable, net	453	(1,449)
Prepaid expenses and other current assets	670	1,958
Inventories	1,291	(49)
Operating lease liabilities	(2,250)	(2,226)
Accounts payable	(3,963)	(2,158)
Accrued expenses and other current liabilities	(1,073)	(3,745)
<b>Net cash flows from operating activities</b>	<b>4,626</b>	<b>4,393</b>
<b>Cash flows from investing activities:</b>		
Acquisition of a business, net of cash acquired	(5,622)	(18,261)
Purchase of intangible assets	(1,095)	—
Proceeds from sale of property, plant, and equipment	38	59
Purchase of property, plant, and equipment	(12,594)	(16,312)
Proceeds from sale of lost-in-hole equipment	7,132	7,786
<b>Net cash flows from investing activities</b>	<b>(12,141)</b>	<b>(26,728)</b>
<b>Cash flows from financing activities:</b>		
Payment of deferred financing costs	—	(672)
Purchase of treasury stock	(608)	—
Proceeds from term loan	—	25,000
Repayment of term loan	(2,500)	(833)
Repayment of promissory note	(442)	—
Proceeds from revolving line of credit	33,789	1,469
Repayment on revolving line of credit	(27,791)	(1,469)
<b>Net cash flows from financing activities</b>	<b>2,448</b>	<b>23,495</b>
<b>Effect of changes in foreign exchange rates</b>	<b>27</b>	<b>(377)</b>
<b>Net change in cash</b>	<b>(5,040)</b>	<b>783</b>
<b>Cash at beginning of period</b>	<b>6,185</b>	<b>6,003</b>
<b>Cash at end of period</b>	<b>\$ 1,145</b>	<b>\$ 6,786</b>

# RECONCILIATION OF SECOND QUARTER 2025

## ADJUSTED EBITDA

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	<b>Three months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
Net income (loss)	\$ (2,407)	\$ 365
Add (deduct):		
Income tax expense (benefit)	746	(82)
Depreciation and amortization	6,830	5,681
Interest expense, net	1,336	811
Stock option expense	642	855
Management fees	188	187
Loss (gain) on sale of property	85	(51)
Loss (gain) on remeasurement of previously held equity interest	—	(480)
Goodwill impairment	—	—
Transaction expense	215	2,020
Other operating and non-operating expense, net	1,697	(341)
Adjusted EBITDA	<u>\$ 9,332</u>	<u>\$ 8,965</u>

# RECONCILIATION OF SIX MONTHS ENDED 6/30/2025

## ADJUSTED EBITDA

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	<u>Six months ended June 30,</u>	
	<u>2025</u>	<u>2024</u>
Net income (loss)	\$ (4,076)	\$ 3,492
Add (deduct):		
Income tax expense (benefit)	587	854
Depreciation and amortization	13,552	11,047
Interest expense, net	2,645	992
Stock option expense	1,183	1,064
Management fees	375	375
Loss (gain) on sale of property	71	(42)
Loss (gain) on remeasurement of previously held equity interest	—	(729)
Goodwill impairment	1,901	—
Transaction expense	947	2,909
Other operating and non-operating expense, net	2,900	(104)
Adjusted EBITDA	<u>\$ 20,085</u>	<u>\$ 19,858</u>

# RECONCILIATION OF SECOND QUARTER 2025

## ADJUSTED FREE CASH FLOW

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	Three months ended June 30,	
	2025	2024
Net income (loss)	\$ (2,407)	\$ 365
Add (deduct):		
Income tax expense (benefit)	746	(82)
Depreciation and amortization	6,830	5,681
Interest expense, net	1,336	811
Stock option expense	642	855
Management fees	188	187
Loss (gain) on sale of property	85	(51)
Loss (gain) on remeasurement of previously held equity interest	—	(480)
Goodwill impairment	—	—
Transaction expense	215	2,020
Other operating and non-operating expense, net	1,697	(341)
Capital expenditures	(7,551)	(10,084)
Adjusted Free Cash Flow	<u>\$ 1,781</u>	<u>\$ (1,119)</u>

# RECONCILIATION OF SIX MONTHS ENDED 6/30/2025

## ADJUSTED FREE CASH FLOW

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	Six months ended June 30,	
	2025	2024
Net income (loss)	\$ (4,076)	\$ 3,492
Add (deduct):		
Income tax expense (benefit)	587	854
Depreciation and amortization	13,552	11,047
Interest expense, net	2,645	992
Stock option expense	1,183	1,064
Management fees	375	375
Loss (gain) on sale of property	71	(42)
Loss (gain) on remeasurement of previously held equity interest	—	(729)
Goodwill impairment	1,901	—
Transaction expense	947	2,909
Other operating and non-operating expense, net	2,900	(104)
Capital expenditures	(12,594)	(16,312)
Adjusted Free Cash Flow	<u>\$ 7,491</u>	<u>\$ 3,545</u>

# RECONCILIATION OF SECOND QUARTER 2025

## ADJUSTED NET INCOME (LOSS)

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	<b>Three months ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
Net income (loss)	\$ (2,407)	\$ 365
Transaction expense	215	2,020
Goodwill impairment	—	—
Restructuring charges	629	—
Software implementation	316	—
Income tax expense (benefit)	746	(82)
Adjusted Income Before Tax	<u>\$ (501)</u>	<u>\$ 2,303</u>
Adjusted Income tax expense (benefit)	225	(666)
Adjusted Net Income (loss)	<u>\$ (726)</u>	<u>\$ 2,968</u>
Adjusted Basic earnings (loss) per share	\$ (0.02)	\$ 0.10
Adjusted Diluted earnings (loss) per share	\$ (0.02)	\$ 0.10
Basic weighted-average common shares outstanding	35,573,749	29,816,202
Diluted weighted-average common shares outstanding	35,573,749	30,873,436

# RECONCILIATION OF SIX MONTHS ENDED 6/30/2025

## ADJUSTED NET INCOME (LOSS)

**Drilling Tools International Corp.**  
**Reconciliation of GAAP to Non-GAAP Measures (Unaudited)**  
*(In thousands of U.S. dollars and rounded)*

	Six months ended June 30,	
	2025	2024
Net income (loss)	\$ (4,076)	\$ 3,492
Transaction expense	947	2,909
Goodwill impairment	1,901	—
Restructuring charges	998	—
Software implementation	448	—
Income tax expense (benefit)	587	854
Adjusted Income Before Tax	<u>\$ 805</u>	<u>\$ 7,255</u>
Adjusted Income tax expense (benefit)	(135)	1,426
Adjusted Net Income (loss)	<u>\$ 940</u>	<u>\$ 5,829</u>
Adjusted Basic earnings (loss) per share	\$ 0.03	\$ 0.20
Adjusted Diluted earnings (loss) per share	\$ 0.03	\$ 0.19
Basic weighted-average common shares outstanding	35,583,139	29,792,385
Diluted weighted-average common shares outstanding	35,622,914	30,321,002

# RECONCILIATION OF 2025 OUTLOOK

**Drilling Tools International Corp.**  
**Reconciliation of Estimated Consolidated Net Income (Loss) to Adjusted EBITDA**  
*(In thousands of U.S. dollars and rounded)*  
*(Unaudited)*

	<b>Twelve Months Ended December 31, 2025</b>	
	<b>Low</b>	<b>High</b>
Net income (loss)	\$ (8,500)	\$ (3,000)
Add (deduct)		
Interest expense, net	4,600	5,300
Income tax expense (benefit)	(500)	500
Depreciation and amortization	26,900	28,000
Management fees	700	800
Other expense	3,600	4,300
Stock option expense	2,400	2,900
Goodwill impairment	1,900	2,000
Transaction expense	900	1,200
<b>Adjusted EBITDA</b>	<b>\$ 32,000</b>	<b>\$ 42,000</b>
Revenue	145,000	165,000
<b>Adjusted EBITDA Margin</b>	<b>22%</b>	<b>25%</b>

# RECONCILIATION OF 2025 OUTLOOK

**Drilling Tools International Corp.**  
**Reconciliation of Estimated Consolidated Net Income (Loss) to Adjusted Free Cash Flow**  
*(In thousands of U.S. dollars and rounded)*  
*(Unaudited)*

	Twelve Months Ended December 31, 2025	
	Low	High
Net income (loss)	\$ (8,500)	\$ (3,000)
Add (deduct)		
Interest expense, net	4,600	5,300
Income tax expense (benefit)	(500)	500
Depreciation and amortization	26,900	28,000
Management fees	700	800
Other expense	3,600	4,300
Stock option expense	2,400	2,900
Goodwill impairment	1,900	2,000
Transaction expense	900	1,200
Capital expenditures	(18,000)	(23,000)
<b>Adjusted Free Cash Flow</b>	<b>\$ 14,000</b>	<b>\$ 19,000</b>
<b>Adjusted Free Cash Flow Margin</b>	<b>10%</b>	<b>12%</b>