Issuer Free Writing Prospectus
Dated August 11, 2026
Filed Pursuant to Rule 433
Registration No. 333-295905

KLX Energy Services

Q2 Update & ERO Transaction Overview

August 2026

Forward-Looking Statements

Cautionary Statement on Forward-looking Statements

This presentation includes certain "forward-looking statements" within the meaning of, and subject to the safe harbor created by, the Private Securities Litigation Reform Act of 1995 and other federal securities laws, which are referred to as the safe harbor provisions, with respect to the businesses, strategies and plans of the Company and its expectations relating to its future financial condition and performance, and the transactions described herein. Statements included in this presentation that are not historical facts are forward-looking statements, including, without limitation, the Company's expectations regarding the proposed Rights Offering, including the size, timing, price, and use of proceeds. Words such as "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "forecast," "potential," "project," "continue," "may," "might," "should," "could," "would," "will" or the negative thereof and similar expressions are intended to identify such forward-looking statements that are intended to be covered by the safe harbor provisions.

Any forward-looking statements in this presentation reflect our current views with respect to future events or to our future financial performance and involve known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by these forward-looking statements. Factors that may cause actual results to differ materially from current expectations, including prevailing market conditions, the Company's ability to launch the Rights Offering as expected, whether holders of record will exercise their rights to purchase Common Stock and the amount subscribed, and whether the Company will be able to successfully complete the Rights Offering, a decline in demand for our services, declining commodity prices, overcapacity and other competitive factors affecting our industry; the cyclical nature and volatility of the oil and gas industry, which impacts the level of exploration, production and development activity and spending patterns by oil and natural gas exploration and production companies; a decline in, or substantial volatility of, crude oil and gas commodity prices, which generally leads to decreased spending by our customers and negatively impacts drilling, completion and production activity; inflation; increases in interest rates; the ongoing conflict in Ukraine and its continuing effects on global trade; the on-going conflict in Israel; supply chain issues; in addition to, without limitation, those risks described under the heading "Risk Factors" in our most recent Annual Report on Form 10-K filed with the SEC, as supplemented by our Quarterly Reports on Form 10-Q or our Current Reports on Form 8-K, and discussed elsewhere in this presentation, and the information incorporated by reference in this presentation. Given these uncertainties, you should not place undue reliance on these forward-looking statements.

All subsequent written or oral forward-looking statements attributable to the Company or any person acting on behalf of the Company are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. The Company is not under any obligation, and the Company expressly disclaims any obligation, to update, alter, or otherwise revise any forward-looking statements, whether written or oral, that may be made from time to time, whether as a result of new information, future events or otherwise, except as may be required by law.

Additional Information for Investors

The Company has filed a registration statement on Form S-3 (Registration No. 333-295905) (including a base prospectus) with the SEC for the offering to which this communication relates, which can be accessed through the following link: https://www.sec.gov/Archives/edgar/data/1738827/000119312526224308/d63698ds3.htm. The registration statement was filed on May 14, 2026, and has been declared effective by the SEC. A prospectus supplement relating to the rights offering described herein has not yet been filed with the SEC. When filed, the prospectus supplement will contain the specific terms and conditions of the offering to which this communication relates.

Before you invest, you should read the base prospectus in the registration statement and, when available, the prospectus supplement and other documents the Company has filed or will file with the SEC for more complete information about the Company and the offering to which this communication relates. You may obtain these documents for free by visiting EDGAR on the SEC's website at www.sec.gov. Alternatively, the Company will arrange to send you the base prospectus and, when available, the prospectus supplement, if you request them by contacting InvestorCom, which will be acting as the information agent for the Rights Offering, at (877) 972-0090, or via email at info@investor-com.com.

Any free writing prospectus that the Company has filed or may file pursuant to Rule 433 under the Securities Act of 1933 relating to the offering to which this communication relates should be read in conjunction with the base prospectus and the prospectus supplement described above, when available.

Disclaimer on Non-GAAP Financial Measures

This presentation includes Adjusted EBITDA, Adjusted EBITDA margin, levered free cash flow, unlevered free cash flow, net debt, net debt excluding ABL facilities, and net leverage ratio measures. Each of the metrics are "non-GAAP financial measures" as defined in Regulation G of the Securities Exchange Act of 1934.

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA is not a measure of net earnings or cash flows as determined by GAAP. We define Adjusted EBITDA as net earnings (loss) before interest, taxes, depreciation and amortization, further adjusted for (i) long-lived asset impairment charges, (ii) stock-based compensation expense, (iii) restructuring charges, (iv) transaction and integration costs related to acquisitions, and (v) other expenses or charges to exclude certain items that we believe are not reflective of the ongoing performance of our business. Adjusted EBITDA is used to calculate the Company's leverage ratio, consistent with the terms of the Company's ABL Facility.

We believe Adjusted EBITDA is useful because it allows us to supplement the GAAP measures in order to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure. We exclude the items listed above in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP, or as an indicator of our operating performance or liquidity. 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 the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

Adjusted EBITDA margin is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA margin is not a measure of net earnings or cash flows as determined by GAAP. Adjusted EBITDA margin is defined as the quotient of Adjusted EBITDA and total revenue. We believe Adjusted EBITDA margin is useful because it allows us to supplement the GAAP measures in order to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure, as a percentage of revenues.

We define Unlevered Free Cash Flow as net cash provided by operating activities less capital expenditures and proceeds from sale of property and equipment and other proceeds plus cash interest expense. We define Levered Free Cash Flow as net cash provided by operating activities less capital expenditures and proceeds from sale of property and equipment and other proceeds. Our management uses Unlevered and Levered Free Cash Flow to assess the Company's liquidity and ability to repay maturing debt, fund operations and make additional investments. We believe that each of Unlevered and Levered Free Cash Flow provide useful information to investors because it is an important indicator of the Company's liquidity, including its ability to reduce Net Debt and make strategic investments.

We define Adjusted EBITDA per Rig Count as the quotient of quarterly Adjusted EBITDA and the quarterly average number of active US land rigs as provided by Baker Hughes.

We define Net Debt as total debt less cash and cash equivalents. We believe that Net Debt provides useful information to investors because it is an important indicator of the Company's indebtedness.

We define Net Debt excluding ABL facilities as total debt excluding ABL facilities less cash and cash equivalents. We believe that Net Debt excluding ABL facilities provides useful information to investors because it is an important indicator of the Company's indebtedness.

We define net leverage ratio (or 'Net Debt / LTM EBITDA') as net debt divided by the last twelve months of Adjusted EBITDA. We believe that net leverage ratio provides useful information to investors because it is an important indicator of the Company's indebtedness in relation to its operating performance.

We define Adjusted SG&A margin as the quotient of selling, general and administrative expenses, adjusted for one-time costs and non-cash compensation, and revenues. We believe that Adjusted SG&A margin provides useful information to investors to understand and evaluate the non-core cost structure of the Company, excluding non-recurring costs.

We define Consolidated net (loss) income margin as the quotient of consolidated net (loss) income and total revenue. We define Segment operating (loss) income margin as the quotient of segment operating (loss) income and segment revenue. We believe that Consolidated net (loss) income margin and Segment operating (loss) income margin provide useful information to investors to understand and evaluate core operating performance and trends across fiscal periods.

Additional information is available on our website, www.klx.com.

Executive Summary

SUMMARY

- KLX Energy Services Holdings, Inc. ("KLX" or the "Company") is pleased to announce the launch of an equity rights offering (the "Transaction") to raise up to $125MM
  - $94MM of the Transaction will be backstopped by existing noteholders via equitization of existing Senior Secured Floating Rate Cash / PIK Notes due 2030 (the "2030 Notes"), with all institutions that are noteholders participating in the backstop
  - All shareholders of common stock on the rights offering record date will have the opportunity to participate on a pro rata basis as well as participate in oversubscription rights up to an ownership cap of 9.99%
  - Each subscription right will entitle holders to purchase 3.885 shares of common stock at a $1.49 subscription price per share
- Upon completion of the Backstop Exchange, we will amend and restate the existing indenture governing our 2030 Notes with several key modifications

TRANSACTION HIGHLIGHTS

✓ **Will achieve significant deleveraging and will increase financing flexibility**
  - Pro forma net leverage ratio of 2.4 – 2.9x[1]
  - ~$11MM reduction in annual cash fixed charges / interest savings

✓ **De-risks covenant compliance and future refinancing**
  - Avoids potentially more dilutive or costly deleveraging alternatives
  - Opportunity to achieve more favorable terms on next refinancing

✓ **Favorable Backstop Terms**
  - Backstop guarantees $94MM of deleveraging
  - Cost effective relative to other deleveraging options
  - No fees or incremental economics for backstopping noteholders

✓ **Preserves Opportunity for Existing Shareholder Participation**
  - Investment on same terms as backstop parties
  - Compelling valuation versus OFS peers
  - Transferable right allows shareholders to monetize right

✓ **Enhances alternatives to deliver growth and equity re-rating**
  - Pro forma market capitalization expected to increase significantly, providing a more attractive equity currency

[1] Excluding capital leases.

Overview of Equity Rights Offering Terms

	Term Sheet Summary
Transaction Overview	▪ KLX Energy Services Holdings, Inc. (the "Issuer") is to distribute one transferable subscription right to its stockholders on account of each share of common stock they own as of the record date ▪ Each subscription right will entitle holders to purchase 3.885 shares of common stock at the subscription price of $1.49 per share ▪ The total rights offering will be sized at $125MM ▪ Rights holders who fully exercise their basic subscription rights will be entitled to subscribe for additional shares of common stock that remain unsubscribed as a result of any unexercised basic subscription rights (the "over-subscription right") subject to a 9.99% ownership cap ▪ $94MM of the rights offering to be backstopped by existing noteholders via equitization of existing 2030 Notes
Backstop Commitment	▪ All note holder institutions ("Backstop Parties") have committed to backstopping $94MM of the total Rights Offering (represents a commitment of 37%[1] of notes outstanding) – Backstop Parties maintain the right to exercise their basic and over-subscription rights – Backstop Parties have committed to vote in favor of (i) an increase to the Issuer's authorized shares of common stock, and (ii) an increase in the shares available under the long-term incentive plan, to be approved at a future shareholders' meeting – Each individual Backstop Party is subject to an aggregate 30% ownership limitation on a pro forma fully diluted basis
Subscription Price	▪ Each subscription right will entitle holders to purchase shares of common stock at a $1.49 subscription price
Board Rights	▪ Certain backstop parties holding over 10% of common stock after the offering may be able to designate two independent members to the Issuer's board of directors[2]
Use of Proceeds	▪ Proceeds from parties shall be applied in the following order: – Backstop parties' proceeds shall be in the form of equitization of their respective share of outstanding 2030 Notes – Shareholder participation funds up to $31MM cash to balance sheet – Proceeds from shareholder participation that, together with backstop commitments, exceed $125MM will reduce backstop commitments dollar for dollar on a pro rata basis and, after funding $31MM cash to balance sheet, will be used to repurchase 2030 Notes at par
2030 Notes Amendment	▪ 2030 Notes held by backstop parties that are not equitized pursuant to the Rights Offering shall be amended to cover i) a reset maintenance covenant step-down schedule, ii) a relaxed 3.00:1.00 (from 2.50:1.00) total net leverage incurrence test, iii) a permanent carve-out of capital lease obligations from "Indebtedness" for all covenant/ratio/basket purposes, iv) an increased $85.0mm (from $75.0mm) purchase money/capital lease basket, v) par redemption tied to the Backstop Exchange with Rights Offering proceeds excluded from the excess cash flow sweep, vi) a reset make-whole (two years from the effective date, premium reduced from 102% to 101%), vii) grant the holders of the 2030 Notes a right of first offer with respect to any debtor-in-possession financing secured by notes priority collateral on a pro rata basis, and viii) require that any opportunity to provide permitted pari passu notes lien indebtedness be offered first to existing holders on a pro rata basis

[1] Balance as of 6/30/2026.
[2] Board designation rights will be subject to backstop parties stock ownership which will be influenced by shareholder ERO participation.

Illustrative Pro Forma Capital Structure

The Transaction provides as much as $125MM of net-deleveraging, while reducing the existing interest burden

(dollar amounts in millions)	Pre-Transaction		Pro Forma								
			No Shareholder Participation			25% / $31M Shareholder Participation			100% / $125M Shareholder Participation[1]		
Tranche	**Balance**	**(x) EBITDA**	**Txn. Adj.**	**Balance**	**(x) EBITDA**	**Txn. Adj.**	**Balance**	**(x) EBITDA**	**Txn. Adj.**	**Balance**	**(x) EBITDA**
2028 ABL Facility ($150M Commitment)	$56		$-	$56		$-	$56		$-	$56	
FILO Facility ($10M Commitment)	-		-	-		-	-		-	-	
Amended 2030 Senior Notes	254		(94)	160		(94)	160		(94)	160	
Total Debt	**$310**	**4.2x**	**($94)**	**$216**	**3.0x**	**($94)**	**$216**	**3.0x**	**($94)**	**$216**	**3.0x**
(-) Cash & Cash Equivalents	(8)		-	(8)		(31)	(39)		(31)	(39)	
Net Debt[2]	**$302**	**4.1x**	**($94)**	**$208**	**2.9x**	**($125)**	**$177**	**2.4x**	**($125)**	**$177**	**2.4x**
Net Debt (Excluding ABL Facilities)	**$246**	**3.4x**		**$152**	**2.1x**		**$121**	**1.7x**		**$121**	**1.7x**
Cash Interest[3]	**$36**	**0.5x**		**$24**	**0.3x**		**$24**	**0.3x**		**$24**	**0.3x**

LTM Q2'26 Adjusted EBITDA [4]	***$73***

Pro Forma Ownership:	Pre-Transaction	No Shareholder Participation	25% / $31M Shareholder Participation	100% / $125M Shareholder Participation
Existing Shareholders & ERO Participation	100.0%	25.5%	40.2%	100.0%
Backstopping Noteholders	-%	74.5%	59.8%	-%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

[1] In the 100% Shareholder Participation scenario, assumed $94M repayment of 2030 Senior Notes at par, remaining shareholder participation assumed to fund balance sheet.
[2] Excluding capital leases.
[3] Assumes 100% cash interest election on the Amended 2030 Senior Notes.
[4] LTM EBITDA is not pro forma for the Wolfpack acquisition; includes ~1 month of contribution only.

KLX Q2 Financial Update & Transaction Rationale

Compelling Rationale for Shareholders and Noteholders

1. **Will Achieve Significant Deleveraging and Will Increase Financing Flexibility**
   - Pro forma net leverage ratio of 2.4x – 2.9x[1]
   - ~$11 million reduction of annual cash fixed charges / interest savings

2. **De-Risks Covenant Compliance and Future Refinancing**
   - Avoids more dilutive or costly alternatives
   - Positions the Company for more favorable terms on the next refinancing

3. **Favorable Backstop Terms**
   - Backstop guarantees $94 million of deleveraging with no fees or incremental economics for participating noteholders

4. **Preserves Opportunity for Existing Shareholder Participation**
   - Shareholders may invest on the same terms as the backstop parties at a compelling valuation versus OFS peers

5. **Enhances Alternatives to Deliver Growth and Equity Re-Rating**
   - Pro forma market capitalization expected to increase significantly, providing a more attractive equity currency
   - Shareholder participation provides up to $31 million of liquidity for accretive organic and M&A opportunities

[1] Excluding capital leases.

KLX is Poised To Scale

The offering provides KLXE with additional flexibility for acquisitions, with enhanced financials and strategic optionality

PLATFORM HIGHLIGHTS

- **Large, diversified operational footprint:** ~1,670 employees across the three business segments spanning every major US basin
- **Full Well Life-Cycle Service Suite:** Technologically-differentiated drilling, completion, and production services backed by 40 patents supporting proprietary products and services
- **Cycle-tested team with a track record of successful integrations:** Executed on accretive Greene's and Wolfpack transactions despite substantial balance sheet constraints post-COVID; pro forma balance sheet will enable more significant growth opportunities

POST-TRANSACTION PROFILE

- ✓ **2.4 – 2.9x[1] pro forma leverage:** Converting $94 million of the 2030 Senior Notes into equity materially deleverages the balance sheet, re-positioning KLX to pursue future growth from an improved position
- ✓ **Meaningful covenant headroom:** Expanding the cushion beneath the 4.5x net leverage covenant will enable KLX to better absorb integration cost and navigate industry volatility without need for hesitation
- ✓ **Stock becomes a more credible acquisition currency:** A stronger financial profile makes KLX equity more attractive to potential sellers, increasing the viability of the company using stock as consideration in future M&A driving further deleveraging
- ✓ **Increased free cash flow:** ~$8mm/year of annual coiled tubing leases roll off by year end 2026 and $11 million interest savings from ERO transaction enables future FCF to further delever

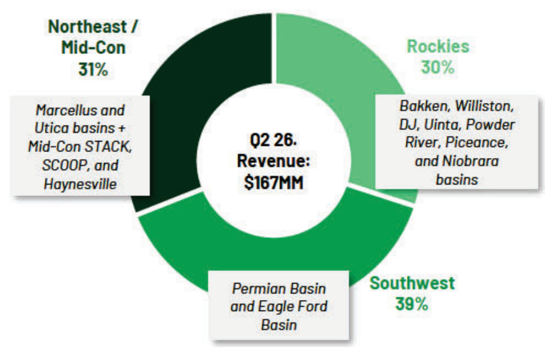
[1] Excluding capital leases

KLX Energy Services At A Glance

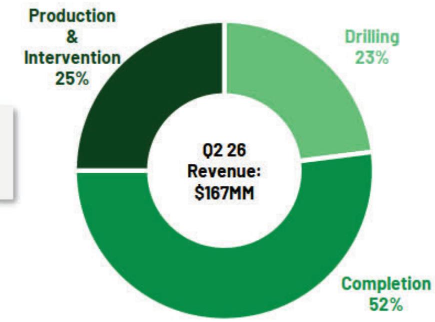
COMPANY OVERVIEW

- Leading U.S. onshore provider of technologically-differentiated, mission critical services for the full life-cycle of technically demanding wells across major US oil and gas basins
- ~1,670 total team members, including a deeply experienced ops leadership team with an average of 30+ years of industry experience and 10+ years with KLX
- 40 patents supporting proprietary products and services
- Vertical integration with in-house machining and R&D
- Long-standing relationships with blue-chip customer base
- Platform created through combination of organic and inorganic growth

DIVERSIFIED BUSINESS MODEL



DIVERSIFIED PRODUCT OFFERINGS



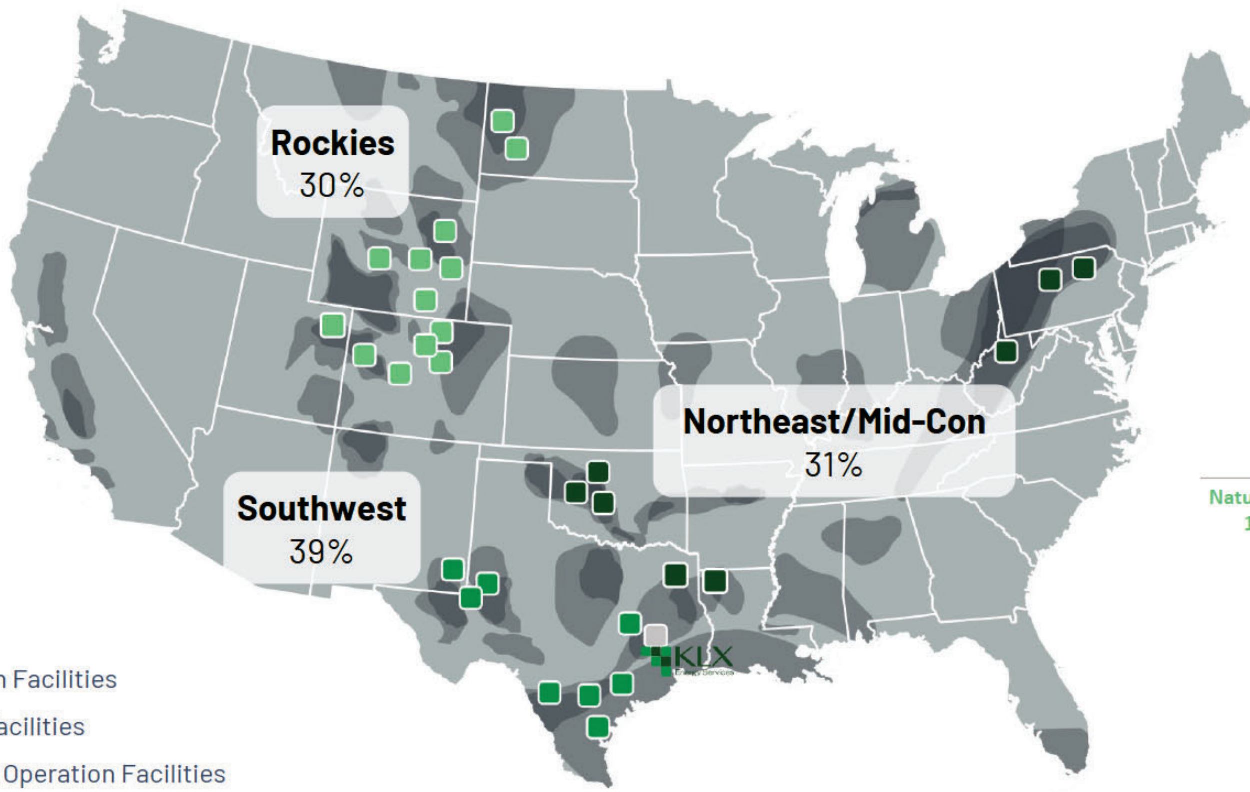
DIVERSIFIED PRODUCT OFFERING

Drilling (23% revenue)	▪ 95 measurement-while-drilling kits ▪ 470+ latest gen mud motors	▪ Leading team of Directional Drillers and MWD techs ▪ 750 accommodation trailers (split with Completion)
Completion (52% revenue)	▪ 17 modern, large-diameter Coiled Tubing Units ▪ 47 Wireline Units (split with Production) ▪ 150+ Frac Trees and 50+ Guardian Isolation Tools	▪ 200,000+ frac horsepower (2 spreads staffed and operating) ▪ Suite of proprietary tools & consumables ▪ Flowback and testing services
Production & Intervention (25% revenue)	▪ Leading fleet of fishing and rentals tools ▪ Leading fleet of 1,000+ rental BOPs ▪ 22 small diameter (2" or less) Coiled Tubing Units	▪ 30+ rig-assisted Snubbing Units ▪ Downhole production services

As of Q2 2026. Company disclosure.

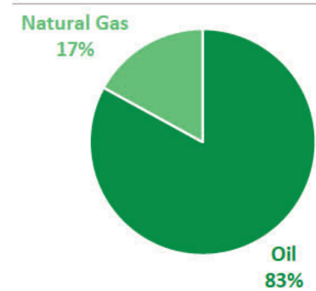
KLX Energy Services

Areas of Operation



KLX Headquarters
Technology Center
Southwest Operation Facilities
Rockies Operation Facilities
Northeast / Mid-Con Operation Facilities

YTD 2026 REVENUE SPLIT BY COMMODITY[1]



Revenue contribution based on Q2 2026 results.
[1] Gas contribution includes Haynesville and Marcellus activity as primary dry gas exposure.

Diversified & Complementary Product Service Offering

- Diversified product service offering positions KLX to capture a larger percentage of customer spending across the lifecycle
- Refocused product service offering across core geographies to improve scale, utilization and returns

	Q2 2026 Revenue	Market Leader	Rockies	Southwest	Northeast/ Mid-Con	Select Products & Services
Directional Drilling	13%	✓	✓	✓	✓	MWD, proprietary K-Series mud motor, directional electronics and other modules
Accommodations	9%			✓	✓	Water filtration services, light plants, generators and other
Coiled Tubing	19%	✓	✓	✓	✓	1-1/4" to 2-5/8" coiled tubing units
Pressure Pumping	14%		✓		✓	Acidizing, cement, frac
Other Completion Products & Services	14%		✓	✓	✓	Wireline, flowback, frac valve rental, proprietary composite & dissolvable plugs and other proprietary products
Tech Services	15%	✓	✓	✓	✓	Fishing tools & services, thru tubing, reverse units and snubbing
Rentals	16%	✓	✓	✓	✓	API certified BOPs, pressure control equipment, tubulars, torque and testing and pipe handling

Note: Market Leading refers to leading market share across the U.S. market per independent researchers and KLX estimates; Sum of 2026 Revenue Contribution % per each End Market differs from public filings due to presentation purposes herein; KLX acquired Wolfpack Rentals, LLC on 6/2/26, figures prior to acquisition closing are not pro forma adjusted for the Wolfpack acquisition.

Technological Differentiation Drives Operational Efficiencies

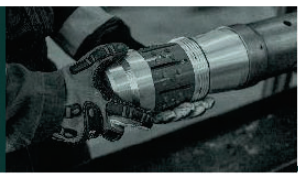
Directional Drilling

- Proprietary MWD tool design and packaging
- Proprietary surface system
- SHRIMP™ – Slim High-Res Inertial Measurement Probe
- Mud Motor – proprietary lower end and in-house manufacturing
- Fleet of open-hole fishing tools

Well Construction

- Wide range of well construction equipment spanning a variety of sizes and configurations
  - HPHT float equipment
  - Latch-in plugs and wiper plugs
  - Centralizers
  - 2-stage cement tools and annular casing packers
  - Liner hanger systems

Completions



- Composite and PhantM dissolvable frac plugs
- Retrievable packers and bridge plugs
- Proprietary Oracle SRT Extended Reach Tool ("ERT") (Two patents issued and two patents pending)
- Proprietary and patented PDC bearing mud motor
- Suite of Whisper Series electric Wireline, Snubbing and Coiled Tubing equipment

Production

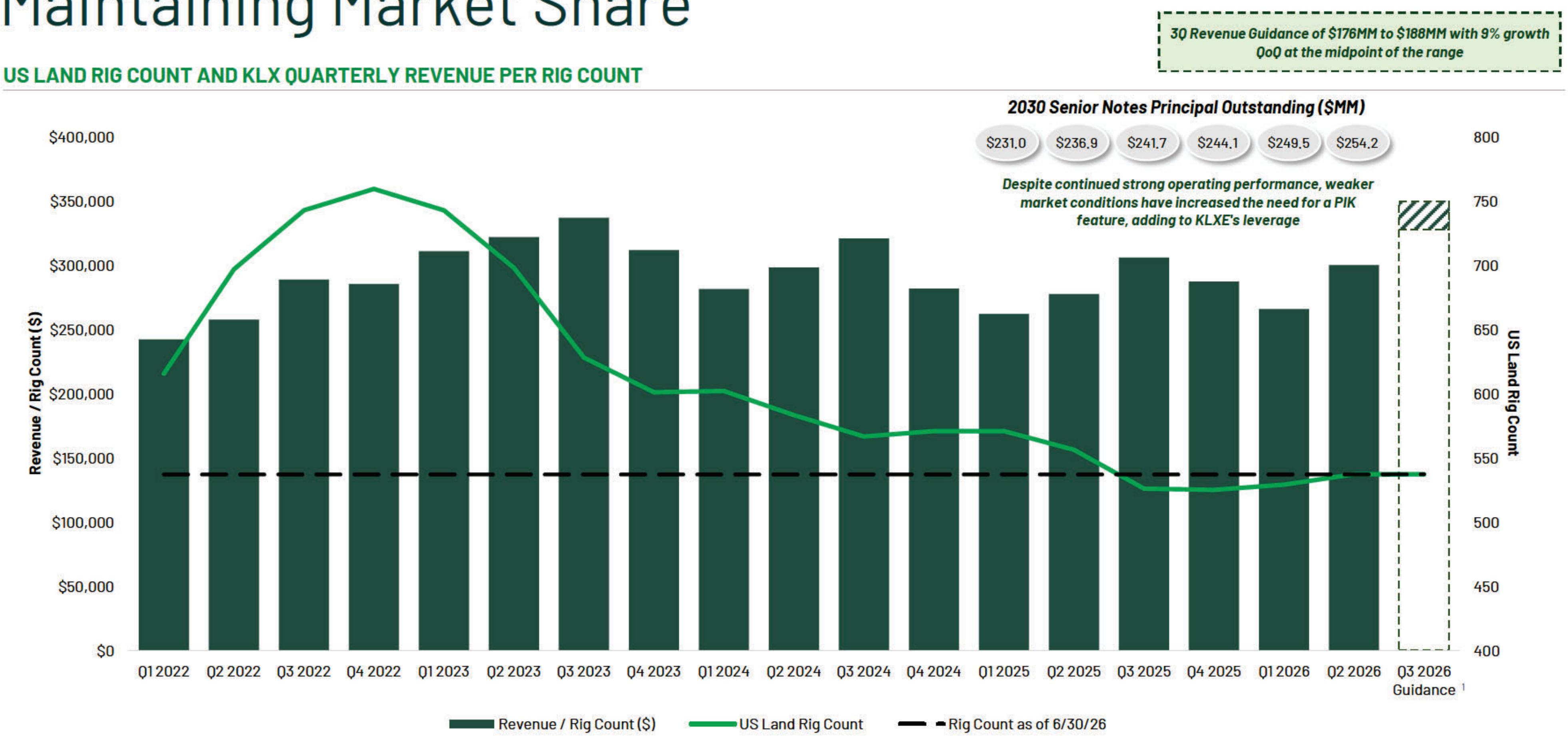
- Production packers
- Packer tubing accessories
- Service tools for remedial and workover, including squeeze, cement, swab testing, etc.
- Extensive inventory and comprehensive suite of specialized fishing tools

KLX – The Choice of Top Operators

~550	45%	∞
Unique customers serviced in 2025 with no one customer accounting for more than 10% of 2025 revenue	Revenue driven by top 10 customers in 2025	Significant leverage to and long-term relationships with the most active operators and industry consolidators

Maintaining Market Share

US LAND RIG COUNT AND KLX QUARTERLY REVENUE PER RIG COUNT

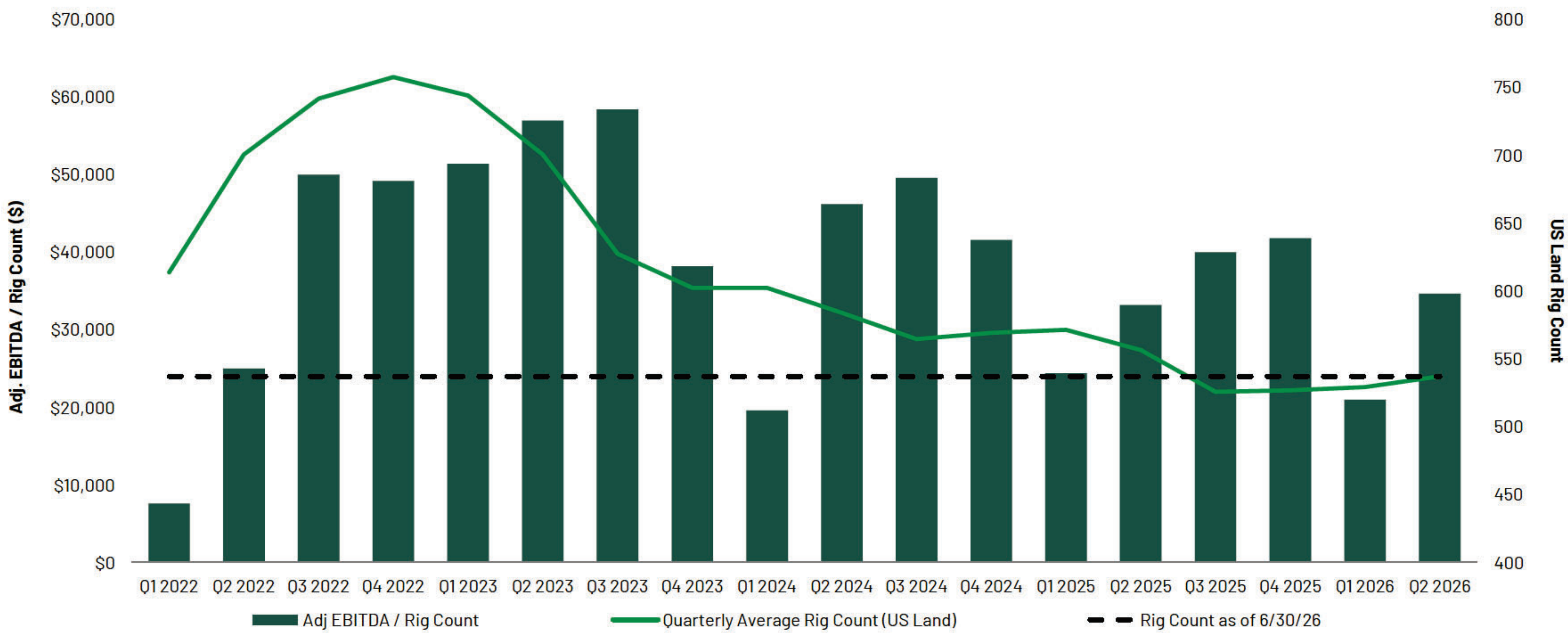


Source: Company & Baker Hughes.

[1] Assumes US Land Rig Count remains flat after 6/30/2026 for illustrative purposes.

Significant Operating Leverage to a Rising Rig Count Environment

US LAND RIG COUNT AND KLX QUARTERLY ADJ. EBITDA PER RIG COUNT



Source: Company & Baker Hughes.

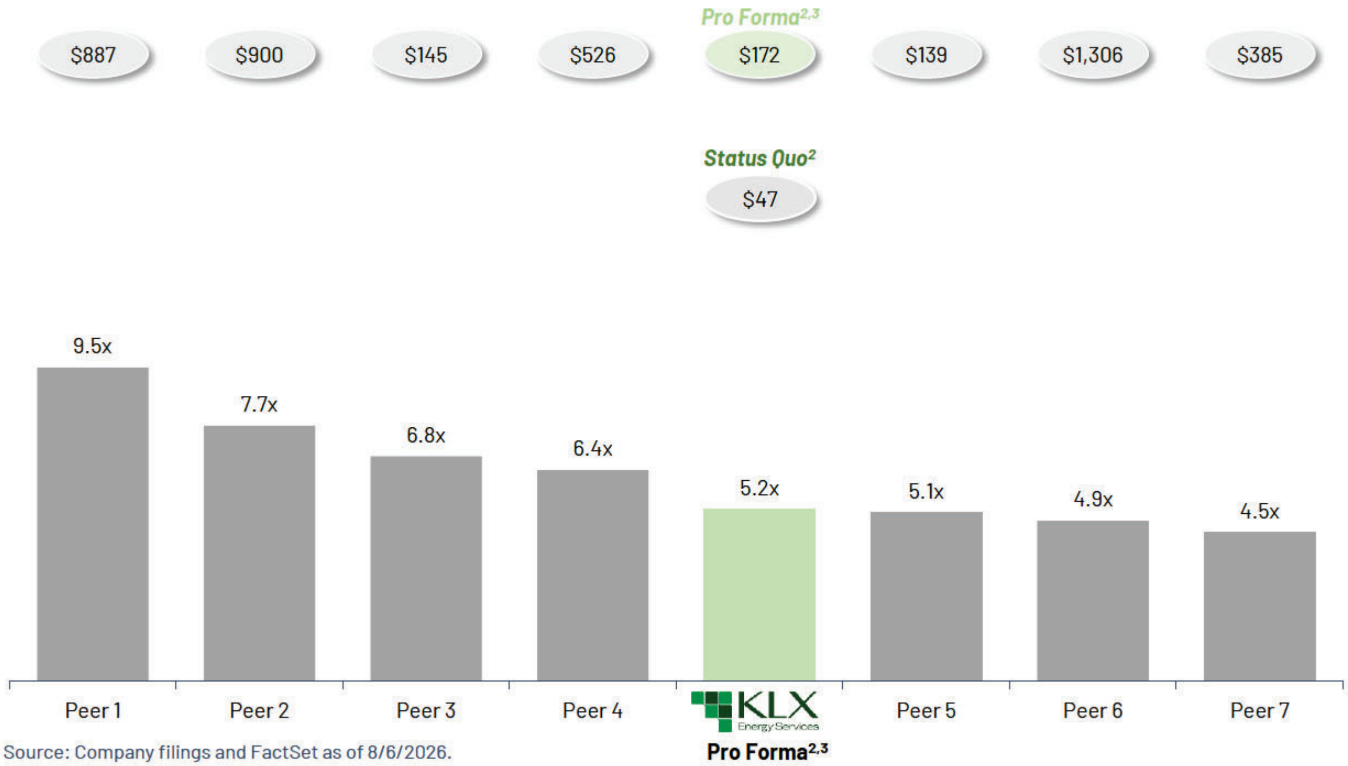
KLX Energy Services

Compelling Investment Opportunity

(dollar amounts in millions)

EV / LTM EBITDA - PF KLXE VS. PUBLIC US OFS COMPANIES ($100MM - $1.5B TEV)[1]

Market Cap ($MM)



NET DEBT / LTM EBITDA – SQ & PF KLXE VS PEERS

Peer	Net Debt / LTM EBITDA
KLXE SQ[2]	4.1x
Peer 1	2.7x
KLXE PF[2,3]	2.4x
Peer 2	2.1x
Peer 3	1.1x
Peer 4	0.3x
Peer 5	(0.0x)
Peer 6	(0.6x)
Peer 7	(0.9x)

Source: Company filings and FactSet as of 8/6/2026.

[1] Peer group is comprised of FET, HMH, NCSM, NINE, OIS, RES, RNGR.

[2] PF and SQ KLXE net debt excludes capital leases. PF and SQ KLXE LTM Adjusted EBITDA of $73MM is not pro forma for the Wolfpack acquisition; includes ~1 month of contribution only.

[3] PF KLXE assumes full $125MM ERO subscription, $94M repayment of 2030 Senior Notes at par, and remaining shareholder participation assumed to fund balance sheet. Assumes diluted share count is impacted by ERO accordingly, with equity priced at weighted average of 8/6/2026 trading price and subscription price of $1.49.

KLX Energy Services

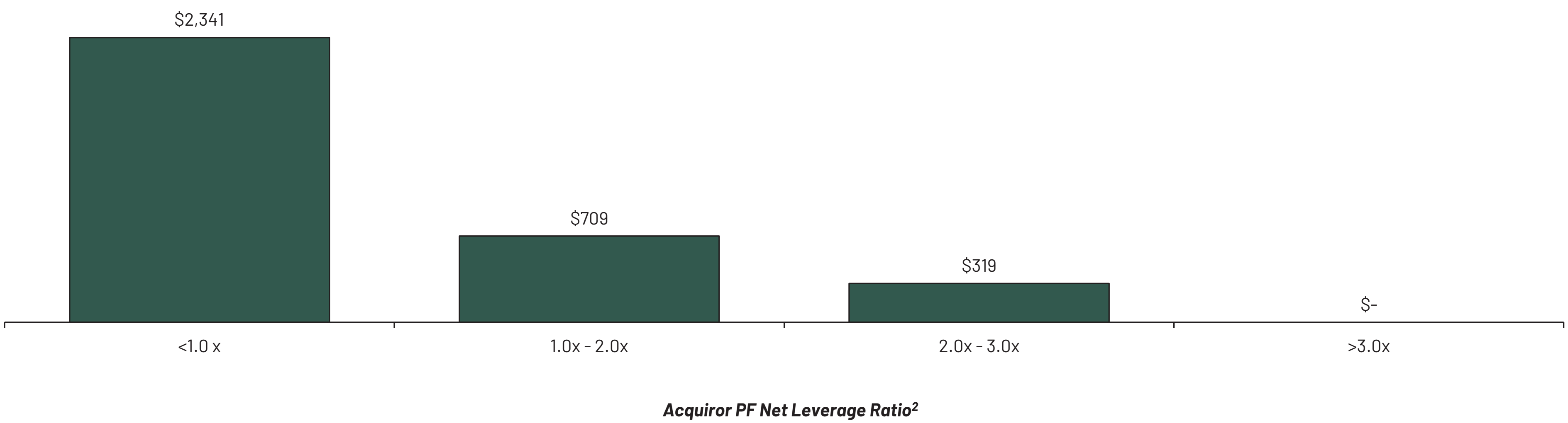
Stock Consideration in Recent OFS M&A

(dollar amounts in millions)

Public OFS companies with lower leverage have been able to use more stock currency to finance M&A, positioning them to capture benefits of synergies and greater scale

TOTAL VALUE OF STOCK CONSIDERATION PAID IN M&A[1]

PUBLIC OFS BUYERS LAST 5 YEARS



Source: Company filings and FactSet as of 8/6/2026.

[1] Selected onshore service and product transactions over $20MM in last five years with a public company buyer, excludes all-cash transactions.

[2] Acquiror post-transaction net debt reflects status quo net debt plus transaction debt issued (or cash utilized); post-transaction NTM EBITDA reflects status quo NTM EBITDA plus target's disclosed NTM / run-rate EBITDA, or disclosed LTM EBITDA if no forward estimates were disclosed. Where neither was disclosed, buyer consensus NTM EBITDA 30 days post-closing (pro forma for the transaction) was used.

Corporate Headquarters

3040 POST OAK BLVD
15th Floor
Houston, TX 77056

Investor Relations

Geoffrey C. Stanford, SVP, Interim CFO & CAO
(832) 930-8066
IR@klx.com

Appendix

Reconciliation of Consolidated Net (Loss) Income to Adjusted EBITDA (Loss)

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Consolidated net (loss) income[1]	($19.9)	($7.5)	$11.1	$13.2	$9.4	$11.4	$7.6	($9.2)	($22.2)	($8.0)	($8.2)	($14.7)	($27.9)	($19.9)	($14.3)	($15.0)	($24.0)	($8.4)
Income tax expense (benefit)	0.1	0.2	0.3	-	0.2	(0.3)	0.3	2.8	0.2	0.2	0.2	-	0.2	0.2	0.2	0.2	0.2	(1.7)
Interest expense, net	8.3	8.7	9.0	9.0	9.3	8.5	8.5	8.4	8.9	9.2	9.1	9.7	10.0	11.0	11.1	12.6	11.7	12.5
Loss (gain) on debt extinguishment	-	-	-	-	-	-	-	-	-	-	-	-	1.2	-	-	-	-	(0.3)
Operating (loss) income	(11.5)	1.4	20.4	22.2	18.9	19.6	16.4	2.0	(13.1)	1.4	1.1	(5.0)	(16.5)	(8.7)	(3.0)	(2.2)	(12.1)	2.1
Bargain purchase gain	-	-	-	-	(3.2)	1.2	0.1	-	-	-	-	-	-	-	-	-	-	(6.5)
Impairment and other charges	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	0.5
One-time costs (benefits), excluding impairment and other charges	2.0	1.2	1.7	(0.5)	5.3	0.5	0.5	0.5	2.3	1.4	1.8	1.6	4.8	2.9	0.3	0.5	1.0	1.2
Adjusted operating (loss) income	(9.5)	2.6	22.1	21.7	21.0	21.3	17.0	2.5	(10.8)	2.9	2.9	(3.4)	(11.7)	(5.8)	(2.7)	(1.7)	(11.1)	(2.7)
Depreciation and amortization	13.7	14.0	14.2	14.9	16.5	17.6	18.9	19.8	21.9	23.1	23.9	25.1	24.7	23.7	23.2	23.7	21.9	20.8
Non-cash compensation	0.7	0.8	0.8	0.7	0.7	0.8	0.8	0.7	0.9	1.0	1.0	1.0	0.8	0.6	0.6	0.5	0.3	0.6
Adjusted EBITDA (loss)	**$ 4.9**	**$ 17.4**	**$ 37.1**	**$ 37.3**	**$ 38.2**	**$ 39.7**	**$ 36.7**	**$ 23.0**	**$ 12.0**	**$ 27.0**	**$ 27.8**	**$ 22.7**	**$ 13.8**	**$ 18.5**	**$ 21.1**	**$ 22.5**	**$ 11.1**	**$ 18.7**

*Previously announced quarterly numbers may not sum to the year-end total due to rounding.

[1] Quarterly cost of sales includes lease expense associated with five coiled tubing unit leases of $2.1 million in Q1 '21 through Q3 '23 and $2.0 million in Q4 '23.

[2] The one-time costs during the second quarter of 2026 relate mainly to legal costs, facility costs and other.

KLX Energy Services

Consolidated Net (Loss) Income Margin and Consolidated Adjusted EBITDA Margin Reconciliations

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Net (loss) income	($19.9)	($7.5)	$11.1	$13.2	$9.4	$11.4	$7.6	($9.2)	($22.2)	($8.0)	($8.2)	($14.7)	($27.9)	($19.9)	($14.3)	($15.0)	($24.0)	($8.4)
Revenue	152.3	184.4	221.6	223.3	239.6	234.0	220.6	194.2	174.7	180.2	188.9	165.5	154.0	159.0	166.7	156.8	144.7	167.3
Consolidated net (loss) income margin percentage	**(13.1%)**	**(4.1%)**	**5.0%**	**5.9%**	**3.9%**	**4.9%**	**3.4%**	**(4.7%)**	**(12.7%)**	**(4.4%)**	**(4.3%)**	**(8.9%)**	**(18.1%)**	**(12.5%)**	**(8.6%)**	**(9.6%)**	**(16.6%)**	**(5.0%)**

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Adjusted EBITDA	$4.9	$17.4	$37.1	$37.3	$38.2	$39.7	$36.7	$23.0	$12.0	$27.0	$27.8	$22.7	$13.8	$18.5	$21.1	$22.5	$11.1	$18.7
Revenue	152.3	184.4	221.6	223.3	239.6	234.0	220.6	194.2	174.7	180.2	188.9	165.5	154.0	159.0	166.7	156.8	144.7	167.3
Consolidated Adjusted EBITDA margin percentage	**3.2%**	**9.4%**	**16.7%**	**16.7%**	**15.9%**	**17.0%**	**16.6%**	**11.8%**	**6.9%**	**15.0%**	**14.7%**	**13.7%**	**9.0%**	**11.6%**	**12.7%**	**14.3%**	**7.7%**	**11.2%**

Reconciliation of Segment Operating (Loss) Income to Adjusted EBITDA

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Rocky Mountains operating (loss) income	($0.8)	$4.0	$11.7	$12.4	$9.8	$11.9	$17.7	$6.7	($1.2)	$10.5	$9.7	$4.7	($0.2)	$3.3	$1.8	$0.8	($3.8)	$0.3
One-time costs[1]	0.1	0.1	0.3	-	-	-	-	-	-	-	-	-	-	0.5	0.1	-	-	0.5
Adjusted operating (loss) income	(0.7)	4.1	12.0	12.4	9.8	11.9	17.7	6.7	(1.2)	10.5	9.7	4.7	(0.2)	3.8	1.9	0.8	(3.8)	0.8
Depreciation and amortization expense	5.4	5.2	5.3	5.5	5.7	5.1	5.6	6.0	6.6	6.7	6.9	7.1	6.8	6.5	6.1	6.1	5.9	5.4
Non-cash compensation	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	-	-	0.1
Rocky Mountains Adjusted EBITDA	**$ 4.7**	**$ 9.3**	**$ 17.3**	**$ 17.9**	**$ 15.5**	**$ 17.0**	**$ 23.3**	**$ 12.7**	**$ 5.4**	**$ 17.2**	**$ 16.6**	**$ 11.8**	**$ 6.7**	**$ 10.4**	**$ 8.1**	**$ 6.9**	**$ 2.1**	**$ 6.3**

[1] One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

Reconciliation of Segment Operating (Loss) Income to Adjusted EBITDA

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Southwest operating (loss) income	($0.4)	$2.0	$5.2	$7.7	$4.8	$8.1	$4.8	$1.7	($0.7)	$2.6	$0.7	$1.1	$3.0	($1.7)	($3.4)	($1.6)	($3.4)	$0.1
One-time costs[1]	0.1	(0.2)	0.4	0.1	-	-	0.2	0.3	-	0.4	0.2	0.3	0.3	0.5	0.1	0.2	0.1	-
Adjusted operating (loss) income	(0.3)	1.8	5.6	7.8	4.8	8.1	5.0	2.0	(0.7)	3.0	0.9	1.4	3.3	(1.2)	(3.3)	(1.4)	(3.3)	0.1
Depreciation and amortization expense	4.5	4.6	4.6	4.6	5.4	6.7	6.8	6.8	7.4	7.4	7.8	8.2	8.3	8.4	8.4	8.2	7.9	7.5
Non-cash compensation	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-
Southwest Adjusted EBITDA	**$ 4.2**	**$ 6.4**	**$ 10.2**	**$ 12.4**	**$ 10.2**	**$ 14.8**	**$ 11.8**	**$ 8.8**	**$ 6.7**	**$ 10.4**	**$ 8.7**	**$ 9.6**	**$ 11.7**	**$ 7.2**	**$ 5.1**	**$ 6.8**	**$ 4.6**	**$ 7.6**

[1] One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

KLX Energy Services

Reconciliation of Segment Operating (Loss) Income to Adjusted EBITDA

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Northeast/Mid-Con operating (loss) income	($0.8)	$7.3	$17.2	$15.4	$18.7	$12.6	$5.2	$4.1	$2.4	($2.5)	$2.0	$0.3	($8.1)	($1.3)	$6.6	$6.5	$3.0	$5.1
One-time costs[1]	0.1	0.1	-	0.1	-	-	-	0.1	0.3	0.2	-	0.1	1.8	0.1	(0.4)	0.1	-	0.2
Adjusted operating (loss) income	(0.7)	7.4	17.2	15.5	18.7	12.6	5.2	4.2	2.7	(2.3)	2.0	0.4	(6.3)	(1.2)	6.2	6.6	3.0	5.3
Depreciation and amortization expense	3.4	3.6	4.0	4.2	5.0	5.4	6.1	6.4	7.4	8.6	8.9	9.3	9.0	8.4	8.3	8.5	7.9	7.2
Non-cash compensation	-	0.1	0.1	-	-	-	0.1	0.1	0.1	0.1	-	0.1	-	-	-	-	-	-
Northeast/Mid-Con Adjusted EBITDA	**$ 2.7**	**$ 11.1**	**$ 21.3**	**$ 19.7**	**$ 23.7**	**$ 18.0**	**$ 11.4**	**$ 10.7**	**$ 10.2**	**$ 6.4**	**$ 10.9**	**$ 9.8**	**$ 2.7**	**$ 7.2**	**$ 14.5**	**$ 15.1**	**$ 10.9**	**$ 12.5**

[1] One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

KLX Energy Services

Segment Operating (Loss) Income Margin Reconciliation

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Rocky Mountains																		
Operating (loss) income	($0.8)	$4.0	$11.7	$12.4	$9.8	$11.9	$17.7	$6.7	($1.2)	$10.5	$9.7	$4.7	($0.2)	$3.3	$1.8	$0.8	($3.8)	$0.3
Revenue	43.3	53.1	66.5	66.1	67.9	66.4	77.0	60.0	45.6	61.4	67.9	54.0	47.8	54.1	50.8	46.3	38.6	50.8
Segment operating (loss) income margin percentage	**(1.8%)**	**7.5%**	**17.6%**	**18.8%**	**14.4%**	**17.9%**	**23.0%**	**11.2%**	**(2.6%)**	**17.1%**	**14.3%**	**8.7%**	**(0.4%)**	**6.1%**	**3.5%**	**1.7%**	**(9.8%)**	**0.6%**
Southwest																		
Operating (loss) income	($0.4)	$2.0	$5.2	$7.7	$4.8	$8.1	$4.8	$1.7	($0.7)	$2.6	$0.7	$1.1	$3.0	($1.7)	($3.4)	($1.6)	($3.4)	$0.1
Revenue	51.9	60.0	68.5	74.8	73.4	86.3	77.8	67.3	69.4	69.9	68.6	61.4	65.2	58.8	56.6	50.9	53.6	64.5
Segment operating (loss) income margin percentage	**(0.8%)**	**3.3%**	**7.6%**	**10.3%**	**6.5%**	**9.4%**	**6.2%**	**2.5%**	**(1.0%)**	**3.7%**	**1.0%**	**1.8%**	**4.6%**	**(2.9%)**	**(6.0%)**	**(3.1%)**	**(6.3%)**	**0.2%**
Northeast/Mid-Con																		
Operating (loss) income	($0.8)	$7.3	$17.2	$15.4	$18.7	$12.6	$5.2	$4.1	$2.4	($2.5)	$2.0	$0.3	($8.1)	($1.3)	$6.6	$6.5	$3.0	$5.1
Revenue	57.1	71.3	86.6	82.4	98.3	81.3	65.8	66.9	59.7	48.9	52.4	50.1	41.0	46.1	59.3	59.6	52.5	52.0
Segment operating (loss) income margin percentage	**(1.4%)**	**10.2%**	**19.9%**	**18.7%**	**19.0%**	**15.5%**	**7.9%**	**6.1%**	**4.0%**	**(5.1%)**	**3.8%**	**0.6%**	**(19.8%)**	**(2.8%)**	**11.1%**	**10.9%**	**5.7%**	**9.8%**

KLX Energy Services

Segment Adjusted EBITDA Margin Reconciliation

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Rocky Mountains																		
Adjusted EBITDA	$4.7	$9.3	$17.3	$17.9	$15.5	$17.0	$23.3	$12.7	$5.4	$17.2	$16.6	$11.8	$6.7	$10.4	$8.1	$6.9	$2.1	$6.3
Revenue	43.3	53.1	66.5	66.1	67.9	66.4	77.0	60.0	45.6	61.4	67.9	54.0	47.8	54.1	50.8	46.3	38.6	50.8
Adjusted EBITDA margin percentage	**10.9%**	**17.5%**	**26.0%**	**27.1%**	**22.8%**	**25.6%**	**30.3%**	**21.2%**	**11.8%**	**28.0%**	**24.4%**	**21.9%**	**14.0%**	**19.2%**	**15.9%**	**14.9%**	**5.4%**	**12.4%**
Southwest																		
Adjusted EBITDA	$4.2	$6.4	$10.2	$12.4	$10.2	$14.8	$11.8	$8.8	$6.7	$10.4	$8.7	$9.6	$11.7	$7.2	$5.1	$6.8	$4.6	$7.6
Revenue	51.9	60.0	68.5	74.8	73.4	86.3	77.8	67.3	69.4	69.9	68.6	61.4	65.2	58.8	56.6	50.9	53.6	64.5
Adjusted EBITDA margin percentage	**8.1%**	**10.7%**	**14.9%**	**16.6%**	**13.9%**	**17.1%**	**15.2%**	**13.1%**	**9.7%**	**14.9%**	**12.7%**	**15.6%**	**17.9%**	**12.2%**	**9.0%**	**13.4%**	**8.6%**	**11.8%**
Northeast/Mid-Con																		
Adjusted EBITDA	$2.7	$11.1	$21.3	$19.7	$23.7	$18.0	$11.4	$10.7	$10.2	$6.4	$10.9	$9.8	$2.7	$7.2	$14.5	$15.1	$10.9	$12.5
Revenue	57.1	71.3	86.6	82.4	98.3	81.3	65.8	66.9	59.7	48.9	52.4	50.1	41.0	46.1	59.3	59.6	52.5	52.0
Adjusted EBITDA margin percentage	**4.7%**	**15.6%**	**24.6%**	**23.9%**	**24.1%**	**22.1%**	**17.3%**	**16.0%**	**17.1%**	**13.1%**	**20.8%**	**19.6%**	**6.6%**	**15.6%**	**24.5%**	**25.3%**	**20.8%**	**24.0%**

Adjusted SG&A Margin Reconciliation

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Adjusted selling, general and administrative expenses	$14.3	$15.9	$17.1	$19.4	$20.2	$20.7	$17.5	$19.0	$18.7	$17.1	$18.6	$15.8	$16.5	$15.1	$14.8	$12.5	$10.8	$17.3
Revenue	152.3	184.4	221.6	223.3	239.6	234.0	220.6	194.2	174.7	180.2	188.9	165.5	154.0	159.0	166.7	156.8	144.7	167.3
Adjusted SG&A margin percentage	**9.4%**	**8.6%**	**7.7%**	**8.7%**	**8.4%**	**8.8%**	**7.9%**	**9.8%**	**10.7%**	**9.5%**	**9.9%**	**9.5%**	**10.7%**	**9.5%**	**8.9%**	**8.0%**	**7.5%**	**10.3%**

Annualized Quarterly (LQA) Adjusted EBITDA Reconciliation

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Adjusted EBITDA	$4.9	$17.4	$37.1	$37.3	$38.2	$39.7	$36.7	$23.0	$12.0	$27.0	$27.8	$22.7	$13.8	$18.5	$21.1	$22.5	$11.1	$18.7
Multiplied by four quarters	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
Annualized Quarterly Adjusted EBITDA	**$19.6**	**$69.6**	**$148.4**	**$149.2**	**$152.8**	**$158.8**	**$146.8**	**$92.0**	**$48.0**	**$108.0**	**$111.2**	**$90.8**	**$55.2**	**$74.0**	**$84.4**	**$90.0**	**$44.4**	**$74.8**

KLX Energy Services

Free Cash Flow Reconciliation

(dollar amounts in millions)

	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Net cash flow (used in) provided by operating activities	($6.2)	($8.4)	$18.5	$11.8	($8.6)	$60.0	$25.6	$38.6	($10.8)	$22.2	$16.8	$26.0	($37.6)	$19.1	$13.5	$12.5	$0.3	$10.5
Capital expenditures	(5.8)	(7.8)	(12.5)	(9.5)	(10.3)	(16.2)	(17.8)	(12.8)	(13.5)	(15.3)	(21.0)	(15.3)	(15.0)	(12.7)	(12.0)	(9.4)	(8.7)	(8.6)
Proceeds from sale of property and equipment	2.6	3.9	5.3	5.1	5.0	3.5	4.8	3.0	3.3	3.3	2.6	4.8	4.8	1.6	4.2	5.6	3.4	2.2
Pro forma adjustment for Q1 2025	-	-	-	-	-	-	-	-	-	-	-	-	33.0	-	-	-	-	-
Levered Free Cash Flow	(9.4)	(12.3)	11.3	7.4	(13.9)	47.3	12.6	28.8	(21.0)	10.2	(1.6)	15.5	(14.8)	8.0	5.7	8.7	(5.0)	4.1
Add: Cash interest expense, net	8.3	8.7	9.0	9.0	9.3	8.5	9.1	8.4	8.9	9.2	9.1	9.7	9.4	3.9	5.1	6.7	3.6	2.5
Unlevered Free Cash Flow	**$ (1.1)**	**$ (3.6)**	**$ 20.3**	**$ 16.4**	**$ (4.6)**	**$ 55.8**	**$ 21.7**	**$ 37.2**	**$ (12.1)**	**$ 19.4**	**$ 7.5**	**$ 25.2**	**$ (5.4)**	**$ 11.9**	**$ 10.8**	**$ 15.4**	**$ (1.4)**	**$ 6.6**

Disclaimer

This presentation includes Adjusted EBITDA, Adjusted EBITDA margin, levered free cash flow, net debt and net leverage ratio measures. Each of the metrics are "non-GAAP financial measures" as defined in Regulation G of the Securities Exchange Act of 1934.

Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA is not a measure of net earnings or cash flows as determined by GAAP. We define Adjusted EBITDA as net earnings (loss) before interest, taxes, depreciation and amortization, further adjusted for (i) goodwill and/or long-lived asset impairment charges, (ii) stock-based compensation expense, (iii) restructuring charges, (iv) transaction and integration costs related to acquisitions, and (v) other expenses or charges to exclude certain items that we believe are not reflective of the ongoing performance of our business. Adjusted EBITDA is used to calculate the Company's leverage ratio, consistent with the terms of the Company's ABL Facility.

We believe Adjusted EBITDA is useful because it allows us to supplement the GAAP measures in order to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure. We exclude the items listed above in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP, or as an indicator of our operating performance or liquidity. 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 the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

Adjusted EBITDA margin is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA margin is not a measure of net earnings or cash flows as determined by GAAP. Adjusted EBITDA margin is defined as the quotient of Adjusted EBITDA and total revenue. We believe Adjusted EBITDA margin is useful because it allows us to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure, as a percentage of revenues.

We define levered free cash flow as net cash provided by operating activities less capital expenditures and proceeds from sale of property and equipment. Our management uses levered free cash flow to assess the Company's liquidity and ability to repay maturing debt, fund operations and make additional investments. We believe that levered free cash flow provides useful information to investors because it is an important indicator of the Company's liquidity, including its ability to reduce net debt, make strategic investments and repurchase stock.

We define net debt as total debt less cash and cash equivalents. We believe that net debt provides useful information to investors because it is an important indicator of the Company's indebtedness.

We define net leverage ratio as net debt divided by Adjusted EBITDA. We believe that net leverage ratio provides useful information to investors because it is an important indicator of the Company's indebtedness in relation to its operating performance.

Results of KLX Energy Services Holdings, Inc. (the "Company", "KLXE", "KLX", "KLX Energy Services", "we", "us" or "our") for the periods Q1'19 through Q1'20 are presented on a pre-merger combined basis, which is the sum of the Company and Quintana Energy Services, Inc. ("QES") results as disclosed for the given period, without any pro forma adjustments. Note that legacy QES fiscal year ended on December 31 and legacy KLXE fiscal year ended on January 31, which continued for KLXE until the Company changed its fiscal year-end from January 31 to December 31, effective beginning with the year ended December 31, 2021.

Additional information is available from KLX at its website, www.klx.com.