NEWS RELEASE
ACT Energy Technologies Reports 2026 Q2 Interim Results

August 7, 2026

Calgary, Alberta

(TSX:ACX) ACT Energy Technologies Ltd (the "Company" or "ACT")'s news release contains "forward-looking statements" within the meaning of applicable Canadian securities laws. For a full disclosure of forward-looking statements and the risks to which they are subject, see the 'Forward-Looking Statements' section in this news release. This news release contains references to Adjusted gross margin, Adjusted gross margin percentage, Adjusted EBITDAS, Adjusted EBITDAS margin percentage, Free cash flow, Net debt, Working capital and Net capital expenditures. These terms do not have standardized meanings prescribed under International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and may not be comparable to similar measures used by other companies. See the 'Non-GAAP measures' section in this news release for definitions and tabular calculations.

2026 Q2 FINANCIAL RESULTS

- Revenues of $178.5 million in 2026 Q2 increased 59% compared to $112.0 million one year ago, reflecting higher activity in the Canadian segment together with the contributions of Stryker Directional Services, acquired January 5, 2026, and SB Directional Services, acquired April 1, 2026.
- Adjusted EBITDAS(1) of $26.9 million increased 76% compared to $15.3 million in 2025 Q2, the highest Adjusted EBITDAS the Company has recorded in a second quarter.
- Income before income taxes was $9.4 million, compared to a loss before income taxes of $9.0 million in 2025 Q2, resulting from stronger and expanded operational activity and foreign exchange gains.
- Canadian operating days(2) increased 81% to 3,805 well ahead of the 29% increase in the average Western Canadian directional rig count, reflecting new customer additions and the deployment of additional revenue-generating technologies. Canadian revenues increased 85% to $55.3 million.
- U.S. operating days(2) increased 76% to 5,000, while the average U.S. directional rig count increased 1%. The increase was principally attributable to the Stryker and SB acquisitions. U.S. revenues increased 50% to $123.2 million.
- Free cash flow(1) of $9.7 million in 2026 Q2, compared to $1.0 million in 2025 Q2.
- Cash flow from operating activities was $9.4 million, compared to $26.0 million in 2025 Q2, reflecting the investment in operating working capital required to support higher Canadian activity and the acquired businesses.
- Net debt(1) was $142.1 million as at June 30, 2026, compared to $53.6 million as at December 31, 2025, reflecting the debt used to fund the Stryker and SB acquisitions.
- The exchangeable subordinated promissory notes were repaid in full during the quarter and had a carrying value of $nil as at June 30, 2026, compared to US$20.0 million as at December 31, 2025.
- On April 1, 2026, the Company acquired the directional drilling services business of SB Directional Services for estimated total consideration of $65.6 million in cash and common shares (the "SB acquisition").
- During the six months ended June 30, 2026, the Company purchased 285,072 common shares under the normal course issuer bid ("NCIB") for a total purchase price of $1.7 million at an average cost of $5.79 per common share, of which 6,000 common shares were purchased during the second quarter.

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[1] As defined in the 'Non-GAAP measures' section of this News Release

[2] Per 'Supplementary financial measures and other definitions' section in this News Release.

PRESIDENT'S MESSAGE

Comments from President & CEO Tom Connors:

"The second quarter was the strongest second quarter in ACT's history, and the clearest evidence to date that the platform we have been building is working as designed. Revenues of $178.5 million increased 59% and Adjusted EBITDAS(1) of $26.9 million increased 76% over the same quarter last year. We delivered that growth in the quarter that is seasonally our most difficult, and against a United States land rig count that was essentially unchanged year over year.

"Canada produced a record second quarter for activity. Operating days(2) increased 81% to 3,805, well ahead of the 29% increase in the average Western Canadian directional rig count(2), reflecting new customer additions, the continued adoption of rotary steerable and other revenue-generating technologies, and the multi-lateral drilling franchise that remains the foundation of the Canadian business. Just as importantly, the incremental activity converted into margin rather than volume alone. Canadian direct costs declined to 67% of revenue from 72% a year ago, which is the operating leverage this business is built to deliver when equipment and crews are working.

"In the United States, operating days(2) increased 76% to 5,000 while the average U.S. directional rig count(2) rose 1%. Stryker and SB Directional were the principal drivers, and both businesses have performed in line with our expectations since closing. Our pre-existing U.S. operations held their position in a market where pricing remains competitive and where the industry continues to absorb the effects of customer consolidation.

"The quarter is also a proof point for how we operate. ACT is one platform with many strong local operators. Capital allocation, technology development and manufacturing, procurement, safety systems and financial discipline sit at the centre; customer relationships, basin-level judgement and day-to-day execution stay with the leaders who built these businesses and who understand their operators, their crews and their formations better than any head office can. Stryker and SB joined ACT with their teams, their customers and their identities intact, and their contribution this quarter reflects that. The model is designed to protect the earnings we acquire and then improve them, which is what allows us to integrate at pace without losing the entrepreneurial character that made these businesses worth owning in the first place.

"We also strengthened the balance sheet while absorbing two acquisitions. The Company generated Free cash flow(1) of $9.7 million in the quarter, retired the exchangeable promissory notes in full, and ended the period with Net debt(1) of $142.1 million and a Consolidated Funded Debt to Consolidated Credit Agreement EBITDA ratio of 1.4 times against a covenant limit of 3.0 times. Working capital(1) of $105.2 million reflects the investment required to support a materially larger business, and we expect a portion of that investment to unwind as activity levels normalize. Reducing leverage is the first call on free cash flow through the balance of the year, alongside continued measured purchases under our Normal Course Issuer Bid.

"Activity in the third quarter to date has continued to build in both Canada and the United States. We enter the second half with more scale and more owned technology in the field than at any prior point in the Company's history, and at a lower cost of delivery than a year ago," stated Tom Connors, ACT President and Chief Executive Officer.

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[1] As defined in the 'Non-GAAP measures' section of this News Release

[2] Per 'Supplementary financial measures and other definitions' section in this News Release.

FINANCIAL HIGHLIGHTS

(stated in thousands of Canadian dollars, except net income per common share amounts)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Revenues	$ 178,474	$ 112,010	$ 322,937	$ 247,367
Gross margin percentage	22%	22%	22%	22%
Adjusted gross margin percentage[1]	29%	29%	28%	28%
Adjusted EBITDAS[1]	$ 26,857	$ 15,256	$ 49,781	$ 34,955
Adjusted EBITDAS margin percentage[1]	15%	14%	15%	14%
Net income (loss)	$ 2,479	$ (9,959)	$ 7,324	$ (2,711)
Per common share - basic	$ 0.06	$ (0.30)	$ 0.20	$ (0.08)
Per common share - diluted	$ 0.06	$ (0.30)	$ 0.20	$ (0.08)
Cash flow - operating activities	$ 9,369	$ 26,029	$ 9,124	$ 44,714
Free cash flow[1]	$ 9,731	$ 1,048	$ 17,807	$ 6,779
Weighted average common shares outstanding:				
Basic (000s)	38,581	33,626	36,771	33,892
Diluted (000s)	38,764	33,626	36,916	33,892

(stated in thousands of Canadian dollars)	June 30, 2026	December 31, 2025
Current assets	$ 247,095	$ 184,250
Current liabilities	$ 155,746	$ 127,457
Working capital[1]	$ 105,247	$ 84,092
Total assets	$ 624,686	$ 462,382
Loans, borrowings and promissory notes	$ 160,577	$ 61,534
Net debt[1]	$ 142,055	$ 53,581
Exchangeable promissory notes (“EP notes”)	$ —	$ 26,697
Shareholders’ equity	$ 293,962	$ 248,773

[1] As defined in the ‘Non-GAAP measures’ section of this News Release.

OUTLOOK

The second quarter's commodity price environment was driven by supply risk rather than by demand. WTI averaged US$95.75 per barrel, up from US$71.98 in the first quarter, as disruption to traffic through the Strait of Hormuz removed barrels and shipping capacity from the market. Most of that risk premium has since unwound. WTI has traded in the low-to-mid US$80s through July, and forward curves and third-party forecasts point to a lower average price through the balance of the year as OPEC+ barrels return, shut-in production is restored and global inventories rebuild. We are planning the business against that lower and more volatile path rather than against second-quarter realized prices.

The more instructive observation from the quarter is that the price move did not move the rig count. A one-third sequential increase in WTI produced a 1% year-over-year change in the U.S. land rig count and a Western Canadian rig count that, while up 29% against a weak comparative period, remains well below prior-cycle peaks. Exploration and production companies are budgeting against mid-cycle assumptions and the strip prices, not spot, and a more consolidated customer base has reinforced that discipline. At the same time, well designs continue to lengthen and drilling performance continues to improve, so each active rig delivers more lateral footage and more technical complexity than it did even two years ago. The practical consequence for our sector is that rig count is a weaker proxy for demand than it once was. Footage, well complexity and technology intensity per rig are the better indicators, and each of those factors favours service providers with owned downhole technology and consistent performance across basins.

North American natural gas presents the opposite picture. NYMEX averaged US$2.95 per Mmbtu in the second quarter, down from US$4.79 in the first, and near-term gas-directed drilling is likely to remain restrained. The medium-term case is considerably more constructive: LNG Canada volumes, incremental liquefaction capacity on the U.S. Gulf Coast and growing gas-fired power demand all point to a call on additional supply from the Montney, Duvernay, Deep Basin and Haynesville from 2027 onward. These are long-lateral, technically demanding plays that align closely with our capabilities and with the technology we manufacture.

In Canada, we expect a seasonally stronger third quarter and a busier second half than the same period last year. Industry commentary points to increased drilling in the Western Canadian Sedimentary Basin through the balance of 2026, and oil-directed multi-lateral development in the Clearwater, Mannville and adjacent plays continues to offer some of the most attractive drilling economics in North America. Our objective is to hold and, where possible, extend the market share gains achieved in the first half of the year, and to continue converting activity into margin as owned measurement-while-drilling systems and mud motors displace third-party rentals. Weather-related interruptions remain a normal source of quarter-to-quarter variability.

In the United States, we expect activity to build modestly from second-quarter levels rather than to step change. Consolidation on both sides of the market - fewer and larger operators, and reduced directional drilling capacity following several years of attrition - is concentrating work with providers that can demonstrate scale, technical capability and balance sheet strength. Continued adoption of rotary steerable systems raises revenue capture per operating day and remains a priority for capital deployment. A weaker Canadian dollar remains a modest tailwind on the translation of U.S. earnings. Trade policy and cross-border tariff treatment of equipment remain unresolved, and the Company continues to monitor and assess the potential impact on its supply chain and cost base.

From an oilfield services perspective, we continue to expect a gradual, technology-led recovery rather than a conventional cyclical upswing, and we do not require a higher rig count to grow. Our priorities for the balance of 2026 are unchanged: convert activity into cash, reduce leverage, complete the integration of Stryker and SB, and retain the flexibility to act on further consolidation opportunities where they are accretive and where the acquired team and customer base can be preserved.

RESULTS OF OPERATIONS

Financial

(stated in thousands of Canadian dollars, except percentages)	Three months ended June 30, 2026	2025	Six months ended June 30, 2026	2025
Revenues				
United States	$ 123,212	$ 82,068	$ 206,385	$ 163,684
Canada	55,262	29,942	116,552	83,683
Total revenues	178,474	112,010	322,937	247,367
Cost of sales				
Direct costs	(126,990)	(79,559)	(231,712)	(177,432)
Depreciation and amortization	(11,316)	(7,448)	(21,008)	(14,796)
Share-based compensation	(43)	(129)	(73)	(260)
Total cost of sales	(138,349)	(87,136)	(252,793)	(192,488)
Gross margin	$ 40,125	$ 24,874	$ 70,144	$ 54,879
Gross margin percentage	22%	22%	22%	22%
Adjusted gross margin percentage[(1)]	29%	29%	28%	28%

[(1)] As defined in the 'Non-GAAP measures' section of this News Release.

Operational

(stated in Canadian dollars, except operating days and average industry land rig counts)	Three months ended June 30, 2026	2025	% Change	Six months ended June 30, 2026	2025	% Change
Operating days[(1)]						
United States	5,000	2,838	76%	8,184	5,878	39%
Canada	3,805	2,107	81%	8,278	6,361	30%
	8,805	4,945	78%	16,462	12,239	35%
Average industry land rig count - directional[(2)]						
United States	543	540	1%	530	539	(2%)
Canada	151	117	29%	171	158	8%
Average revenues per operating day[(1)]						
United States	$ 24,642	$ 28,918	(15%)	$ 25,218	$ 27,847	(9%)
Canada	$ 14,524	$ 14,211	2%	$ 14,080	$ 13,156	7%
	$ 20,270	$ 22,651	(11%)	$ 19,617	$ 20,211	(3%)
Net lost-in-hole equipment reimbursements[(3)]	$ 9,143	$ 6,841	34%	$ 14,035	$ 7,957	76%

[(1)] Per 'Supplementary financial measures and other definitions' section in this News Release.
[(2)] Per JWN RigLocator and Enverus.
[(3)] As defined in the 'Non-GAAP measures' section of this News Release.

Summary

The Company delivered the strongest second quarter in its history, demonstrating the effectiveness of its operating platform despite a challenging seasonal period and relatively flat U.S. land drilling activity. The combination of record second-quarter activity in Canada and the successful integration of the Stryker and SB acquisitions in the United States led to significantly higher operating activity and revenue compared to the prior-year quarter. Gross margin and Adjusted gross margin percentages(1) remained stable, reflecting disciplined operational execution.

Net income of $2.5 million in 2026 Q2, and $7.3 million for the six months ended June 30, 2026 was an improvement from the losses realized a year earlier (net losses of $10.0 million and $2.7 million for the same periods in 2025, respectively). The improvement is a direct result of increased Canadian activity and the Company's operating model which enabled the successful integration of Stryker and SB, contributing to earnings growth while preserving the entrepreneurial culture and operational strengths of the acquired businesses. Net income for the current periods did benefit from a foreign exchange gain, comparative periods foreign exchange loss, offset by a higher income tax expense compared to the prior periods. Additional details on key impacts to net income are described below.

SEGMENTED INFORMATION

United States

Revenues

U.S. revenues were $123.2 million in 2026 Q2, an increase of $41.1 million or 50%, compared to $82.1 million in 2025 Q2. The Company experienced a 76% increase in operating days(2) in 2026 Q2 (2026 - 5,000 days; 2025 - 2,838 days). The Company's activity outperformed a 1% increase in the average U.S. land rig count, mainly due to the recent Stryker and SB acquisitions, combined with steady activity from its pre-existing U.S. business. The average revenues per operating day(2) decreased 15% in 2026 Q2 (2026 - $24,642 per day; 2025 - $28,918 per day) due to a lower proportion of revenue from our rental and technology businesses, which have no associated operating days.

U.S. revenues were $206.4 million in the six months ended June 30, 2026, an increase of $42.7 million or 26%, compared to $163.7 million for the same period in 2025. The Company experienced a 39% increase in operating days(2) in the six months ended June 30, 2026 in comparison to the same period in 2025 (2026 - 8,184 days; 2025 - 5,878 days). The Company's activity increased despite a 2% decrease in the average U.S. land rig count, mainly due to the recent Stryker and SB acquisitions. The average revenues per operating day(2) decreased 9% in the six months ended June 30, 2026 (2026 - $25,218 per day; 2025 - $27,847 per day), compared to the same period in 2025 due to a lower proportion of revenue from our rental and technology businesses, which have no associated operating days.

Direct costs

U.S. direct costs included in cost of sales were $90.1 million in 2026 Q2, an increase of $32.0 million or 55%, compared to $58.1 million in 2025 Q2. Direct costs as a percentage of revenues were 73% in 2026 Q2, compared to 71% in 2025 Q2, which reflects a higher proportion of lost-in-hole revenue in the prior year period.

U.S. direct costs included in cost of sales were $156.3 million in the six months ended June 30, 2026, an increase of $36.1 million or 30%, compared to $120.2 million for the same period in 2025, below the 39% increase in U.S. operating days(2). Direct costs as a percentage of revenues were 76% in the six months ended June 30, 2026, compared to 73% in the same period in 2025, which reflects a higher proportion of lost-in-hole revenue in the prior year period.

Canadian

Revenues

Canadian revenues were $55.3 million in 2026 Q2, an increase of $25.4 million or 85%, compared to $29.9 million in 2025 Q2, due to an 81% increase in operating days(2) in 2026 Q2 (2026 - 3,805 days; 2025 - 2,107 days), significantly higher than the Canada average land rig count increase of 29%. Canadian activity increased more than the industry activity levels reflecting new customer additions, partially as a result of the deployment of additional revenue generating technologies. The average revenues per operating day(2) increased 2% in 2026 Q2 (2026 - $14,524 per day; 2025 - $14,211 per day). The increase in the average revenues per operating day(2) is mainly attributable to a favorable job mix requiring additional revenue generating technologies.

Canadian revenues were $116.6 million in the six months ended June 30, 2026, an increase of $32.9 million or 39%, compared to $83.7 million for the same period in 2025, with the increase primarily attributable to a 30% increase in operating days(2) in the six months ended June 30, 2026 (2026 - 8,278 days; 2025 - 6,361 days). Canadian activity increased more than the industry activity levels reflecting new customer additions, partially as a result of the deployment of additional revenue generating technologies. The average revenues per operating day(2) increased in the six months ended June 30, 2026 (2026 - $14,080 per day; 2025 - $13,156 per day). The increase in the average revenues per operating day(2) is mainly attributable to a favorable job mix requiring additional revenue generating technologies.

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1 As defined in the 'Non-GAAP measures' section of this News Release.

2 Per 'Supplementary financial measures and other definitions' section in this News Release.

Direct costs

Canadian direct costs included in cost of sales were $36.9 million in 2026 Q2, an increase of $15.4 million or 72%, compared to $21.5 million in 2025 Q2. The increase is mainly due to higher operating activities in 2026 Q2. As a percentage of revenues, direct costs were 67% in 2026 Q2, compared to 72% in 2025 Q2, reflecting disciplined cost management and economies of scale associated with higher activity levels.

Canadian direct costs included in cost of sales were $75.4 million in the six months ended June 30, 2026, an increase of $18.2 million or 32%, compared to $57.2 million for the same period in 2025. The increase is mainly due to higher activity levels in the six months ended June 30, 2026. As a percentage of revenues, direct costs were 65% in the six months ended June 30, 2026, compared to 68% for the same period in 2025, reflecting disciplined cost management and economies of scale associated with higher activity levels.

CONSOLIDATED

Revenues

The Company's revenues were $178.5 million in 2026 Q2, an increase of $66.5 million or 59%, compared to $112.0 million in 2025 Q2. The increase is driven by a 78% increase in operating days(2) (2026 - 8,805 days; 2025 - 4,945 days) offset by an 11% decrease in the average revenues per operating day(2) (2026 - $20,270; 2025 - $22,651). The decrease in average revenues per operating day(2) is due to a lower proportion of revenue from our rental and technology businesses, which have no associated operating days.

The Company recognized $322.9 million of revenues in the six months ended June 30, 2026, an increase of $75.5 million or 31%, compared to $247.4 million for the same period in 2025. The increase is driven by a 35% increase in operating days(2) (2026 - 16,462 days; 2025 - 12,239 days).

Direct Costs

The Company recognized $127.0 million of direct costs in 2026 Q2, an increase of $47.4 million or 60%, compared to $79.6 million in 2025 Q2. The increase is mainly due the 78% increase in consolidated operating days(2).

The Company recognized $231.7 million of direct costs in the six months ended June 30, 2026, an increase of $54.3 million or 31%, compared to $177.4 million for the same period in 2025. The increase is mainly due to an increase in operating days(2).

Direct costs as a percentage of revenues remained consistent at 71% in 2026 Q2, compared to 71% in 2025 Q2. Direct costs for the six months ended June 30, 2026 remained consistent as a percentage of revenues at 72% when compared to the same period in 2025.

Gross margin and Adjusted gross margin(1)

The Gross margin and Adjusted gross margin percentages(1) remained consistent in 2026 periods when compared to the same periods in 2025. However, dollar margins improved for the three and six months ended June 30, 2026 compared to the same periods in 2025 arising from a 59% and 31% year-over-year increase in revenues in 2026 Q2 and the six months ended June 30, 2026, respectively. Improved results are primarily driven by higher activity levels.

Depreciation and amortization expense

Depreciation and amortization expense included in cost of sales increased to $11.3 million in 2026 Q2 (2025 Q2 - $7.4 million), and $21.0 million for the six months ended June 30, 2026 (six months ended June 30, 2025 - $14.8 million). The increases noted are mainly due to the addition of Stryker and SB assets.

Selling, general and administrative ("SG&A") expenses

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
Selling, general and administrative expenses:				
Direct costs	$ 21,755	$ 14,937	$ 38,661	$ 31,370
Depreciation and amortization	4,063	2,730	7,220	5,556
Share-based compensation	677	968	1,174	1,509
Selling, general and administrative expenses	$ 26,495	$ 18,635	$ 47,055	$ 38,435

The Company recognized direct costs included in SG&A expenses of $21.8 million and $38.7 million in 2026 Q2 and the six months ended June 30, 2026, which were higher than $14.9 million and $31.4 million for the same periods in 2025, respectively. The increases noted are mainly due to the recent Stryker and SB acquisitions. Severance costs paid in the three and six months ended June 30, 2026 of $0.2 million and $2.0 million, respectively also impacted SG&A expenses. Direct costs included in SG&A expenses as a percentage of revenues improved to 12% for 2026 Q2 and the six months ended June 30, 2026, compared to 13% for the same periods in 2025.

1 Refer to the 'Non-GAAP measures' section in this News Release.

2 Per 'Supplementary financial measures and other definitions' section in this News Release.

Depreciation and amortization included in SG&A expenses were $4.1 million and $7.2 million in 2026 Q2 and the six months ended June 30, 2026, compared to $2.7 million and $5.6 million for the same periods in 2025, respectively. The increases are mainly due to amortization expense associated with intangible assets associated with the acquisitions of Stryker and SB.

Share-based compensation included in SG&A expenses were $0.7 million and $1.2 million in 2026 Q2 and the six months ended June 30, 2026, compared to $1.0 million and $1.5 million for the same periods in 2025, respectively. The decrease for the three and six months ended June 30, 2026 is mainly due to certain stock options being fully vested and therefore no longer accruing an expense during the 2026 period. The cash portion of share-based compensation expense were $0.5 million and $0.9 million in 2026 Q2 and the six months ended June 30, 2026, compared to $0.4 million and $0.4 million for the same periods in 2025, respectively. Cash settled share-based compensation expense will fluctuate with the Company's share price and therefore amounts recognized are subject to this volatility.

Provision

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
Provision	$ —	$ 4,846	$ —	$ 4,846

The Company is subject to a historical U.S. sales and use tax audit (the "Audit") period that originated prior to the Company's acquisition of Altitude Energy Partners ("AEP Acquisition") on July 14, 2022, with certain errors extending into the period after the AEP Acquisition (the "Post-Closing Audit Period"). In 2025, the Company received additional information relating to this Audit impacting the Post-Closing Audit Period and recorded an incremental provision of $4.8 million. No revisions to this estimate were made in the six months ended June 30, 2026.

Also in relation to the Audit, certain liabilities originated prior to the AEP Acquisition (the "Pre-Closing Audit Period"). Pursuant to the Equity Purchase Agreement related to the AEP Acquisition, the sellers provided the Company with an indemnity related to pre-closing tax issues, specifically identifying the risk related to the Audit. Accordingly, the Company has recognized an offsetting indemnity receivable included in Other receivable of $15.9 million. This assessment relies on estimates and assumptions and may involve a series of judgments about future events.

All figures in this section are presented in Canadian dollars; however, the underlying figures are denominated in U.S. dollars and are therefore subject to fluctuations in foreign currency exchange rates. New information may become available that prompts the Company to adjust its judgment regarding the adequacy of this provision.

Research and development ("R&D") costs

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
Research and development costs	$ 1,426	$ 1,220	$ 2,836	$ 2,584

The Company recognized R&D costs of $1.4 million and $2.8 million in 2026 Q2 and the six months ended June 30, 2026, compared to $1.2 million and $2.6 million for the same periods in 2025, respectively. R&D costs include salaries, benefits, purchased materials and shop supply costs related to new product development and technology and engineering.

Write-off of property, plant and equipment

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
Write-off of property, plant and equipment	$ 1,470	$ 1,207	$ 2,452	$ 1,386

The Company recognized a write-off of property, plant and equipment of $1.5 million and $2.5 million in 2026 Q2 and the six months ended June 30, 2026, compared to $1.2 million and $1.4 million for the same periods in 2025, respectively. The write-offs related to equipment lost-in-hole and damaged beyond repair. Lost-in-hole equipment and damaged beyond repair reimbursements from customers are based on service agreements held with clients and are recognized as revenue.

Finance costs

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
Finance costs - loans and borrowings and promissory notes	$ 3,393	$ 1,284	$ 5,702	$ 3,519
Finance costs - lease liabilities	$ 332	$ 260	$ 685	$ 541

Finance costs - loans and borrowings and promissory notes were $3.4 million, an increase of $2.1 million, compared to $1.3 million in 2025 Q2. Finance costs - loans and borrowings and promissory notes were $5.7 million in the six months ended June 30, 2026, an increase of $2.2 million, compared to $3.5 million for the same period in 2025. The increase is mainly due to a higher outstanding balance of loans and borrowings in 2026 Q2 compared to 2025 Q2 resulting from the acquisitions of Stryker and SB and due to payment of the remaining scheduled interest through the original maturity date on the EP Notes.

In addition, the Company had finance costs - lease liabilities of $0.3 million and $0.7 million in 2026 Q2 and the six months ended June 30, 2026, related to lease liabilities, compared to $0.3 million and $0.5 million for the same periods in 2025, respectively.

Foreign exchange

(stated in thousands of Canadian dollars)		Three months ended June 30, 2026	2025	Six months ended June 30, 2026	2025
Foreign exchange gain (loss)	$	3,509	$ (6,575)	$ 5,811	$ (6,825)
Foreign currency translation gain (loss) on foreign operations	$	1,232	$ (4,045)	$ 2,273	$ (4,124)

The Company recognized a foreign exchange gain of $3.5 million and a foreign exchange gain of $5.8 million in 2026 Q2 and the six months ended June 30, 2026, respectively, compared to a foreign exchange loss of $6.6 million and a foreign exchange loss of $6.8 million for the same periods in 2025, respectively. During 2026, the Canadian dollar has depreciated against the U.S.dollar with the Company recognizing foreign exchange gains on the revaluation of the Company's intercompany loans issued by the parent company to its self-sustaining foreign subsidiaries.

The Company's foreign operations are denominated in USD and differences due to fluctuations in the foreign currency exchange rates are recorded in other comprehensive income. The Company recognized a foreign currency translation gain on foreign operations of $1.2 million in 2026 Q2, compared to a loss of $4.0 million in 2025 Q2. The Company recognized a foreign currency translation gain of $2.3 million in the six months ended June 30, 2026, compared to a loss of $4.1 million for the same period in 2025. As the Canadian dollar depreciated against the U.S. dollar, the Company's net investments in its US subsidiaries result in gains recognized in other comprehensive income.

Acquisition costs

Acquisition costs were $0.8 million in 2026 Q2 and $1.7 million in the six months ended June 30, 2026. The costs are related to the acquisition of Stryker in January 2026 and SB Directional in April 2026. See the Transactions section of this News Release for further discussion.

Income tax expense (recovery)

(stated in thousands of Canadian dollars)		Three months ended June 30, 2026	2025	Six months ended June 30, 2026	2025
Current tax expense	$	117	$ 107	$ 227	$ 181
Deferred tax expense (recovery)		6,762	877	8,396	(392)
Income tax expense (recovery)	$	6,879	$ 984	$ 8,623	$ (211)

The Company recognized an income tax expense of $6.9 million and $8.6 million in 2026 Q2 and the six months ended June 30, 2026, compared to an income tax expense of $1.0 million and an income tax recovery of $0.2 million for the same periods in 2025, respectively.

During three and six months ended June 30, 2026, the Company recognized a deferred tax expense of $5.3 million, being an adjustment in respect of prior period tax returns. The amount is non-cash and no current income tax is payable in respect of it. The adjustment has been excluded from the estimated average annual effective tax rate applied to income in the current period. The change has no effect on gross margin, Adjusted EBITDAS(1) or Net Debt(1).

In addition to the change in estimates, the increase in deferred income tax expense is partly attributable to higher earnings before income taxes in 2026 compared with the same periods in 2025, as well as the full utilization of previously unrecognized deferred tax assets by the end of 2025, resulting in fewer available tax attributes to offset taxable income in 2026.

Income tax expense (recovery) is recognized based upon expected annualized rates using the statutory rates of 23% for both Canada and the U.S. adjusted for key items that will affect the Company's actual tax for the period.

LIQUIDITY AND CAPITAL RESOURCES

Annually, the Company's principal source of liquidity is cash generated from its operations. In addition, the Company has the ability to fund liquidity requirements through its credit facility and the issuance of additional debt and/or equity, if available. The Company remains focused on sustaining reasonable levels of Net debt(1), deploying excess Free cash flow(1) and utilizing excess available capital resources for high return investment opportunities, including the NCIB and strategic and accretive acquisitions.

In order to facilitate the management of its liquidity, the Company prepares an annual budget, which is updated, as necessary, depending on varying factors, including changes in capital structure, execution of the Company's business plan and general industry conditions. The annual budget is approved by the Board of Directors and updated forecasts are prepared as the fiscal year progresses with changes reviewed by the Board of Directors.

Cash flow - operating activities was $9.4 million and $9.1 million in 2026 Q2 and the six months ended June 30, 2026, compared to $26.0 million and $44.7 million for the same periods in 2025, respectively. The decrease was primarily attributable to higher working

[1] Refer to the 'Non-GAAP measures' section in this News Release.

capital requirements resulting from increased business activity, including stronger Canadian operations, as well as the acquisitions of Stryker and SB, which did not include the acquisition of working capital. As a result, working capital investment in 2026 Q2 was higher than in the prior-year period.

Free cash flow(1) of $9.7 million in 2026 Q2, compared to Free cash flow(1) of $1.0 million in 2025 Q2. The increase is attributable to higher levels of revenues and Adjusted EBITDAS(1).

At June 30, 2026, the Company had Working capital(1), excluding current portion of debt (loans and borrowings and promissory notes) of $105.2 million (December 31, 2025 - $84.1 million).

Normal course issuer bid

During the six months ended June 30, 2026, 285,072 (2025 - 1,110,858) common shares were purchased under the NCIB for a total purchase amount of $1.7 million (2025 - $6.3 million) at an average price of $5.79 (2025 - $5.69) per common share. A portion of the purchase amount reduced share capital by $1.6 million (2025 - $6.0 million) and the residual purchase amount of $0.1 million (2025 - $0.3 million) was recorded to the surplus.

The maximum number of shares approved for purchase under the NCIB is 2,034,285. The NCIB commenced on August 11, 2025 and expires August 10, 2026. The company intends to seek renewal once the current NCIB has expired.

In connection with the NCIB, the Company established an automatic securities purchase plan ("the Plan"). Accordingly, the Company may repurchase its common shares under the Plan on any trading day during the NCIB, including during regulatory restrictions or self-imposed trading blackout periods. The Plan commenced on August 11, 2025, and will terminate on August 10, 2026. As at June 30, 2026, the Company did not recognize accrued liability for the common shares to be purchased under the Plan. As at December 31, 2025, the accrued liability related to the reduction of share capital was $1.4 million. During the six months ended June 30, 2026, the Company reversed the previously recognized accrual, resulting in a net decrease to share capital of $1.4 million.

Syndicated and revolving credit facilities

On March 24, 2026, the Company entered into a Sixth Amended and Restated Credit Agreement with its existing syndicate of lenders co-led by ATB Financial and Royal Bank of Canada ("Amended Credit Agreement"). The Amended Credit Agreement took effect as at April 1, 2026 in connection with the closing of the SB Directional Services acquisition on April 1, 2026 (see the Transactions section in this News Release). The Amended Credit Agreement provided for the following:

i. A credit facility with an approximate principal amount of $187.6 million comprised of: i) a $130.0 million syndicated revolving facility ("CAD Syndicated Revolving Facility"); ii) a $15.0 million revolving facility provided by ATB Financial ("ATB Revolving Facility"); iii) a USD $10.0 million revolving facility provided by HSBC Bank USA, N.A. ("HSBC Revolving Facility"); and iv) a new USD $20.0 million 3 year term facility which was used to repay the Exchangeable Promissory Notes;
ii. The interest rate remained unchanged at the financial institution's prime rate plus 1.0% to 1.75% or Canadian Overnight Repo Rate Average Rate / Secured Overnight Financing Rate plus 2.0% to 2.75%;
iii. The maturity date remained as March 21, 2028;
iv. An increase to the financial covenant of Consolidated Funded Debt to Consolidated Credit Agreement EBITDA ratio to 3.0:1 (previously required to be no greater than 2.5:1). The Consolidated Interest Coverage ratio remained unchanged and shall not be less than 3.0:1. The Consolidated Fixed Charge Coverage Ratio shall not be less than 1.25:1; and
v. The syndicate of lenders remained unchanged.

As at June 30, 2026, $36.8 million of the $187.6 million total credit facility remained undrawn.

At June 30, 2026, the Company was in compliance with all covenants, including its financial covenants, which were as follows:

- Consolidated Funded Debt to Consolidated Credit Agreement EBITDA ratio shall not exceed 3.0 : 1.0 (calculated - 1.4);
- Consolidated Interest Coverage ratio shall not be less than 3.0 : 1.0 (calculated - 12.0); and
- Consolidated Fixed Charge Coverage Ratio shall not be less than 1.25 : 1.0 (calculated - 2.8).

Contractual obligations and contingencies

As at June 30, 2026, the Company's commitment to capital is approximately $25.9 million (December 31, 2025 - $3.7 million), which is expected to be incurred over the next six to nine months.

The Company holds six letters of credit totaling $1.8 million (December 31, 2025 - $1.7 million) related to rent payments, corporate credit cards and a utilities deposit.

The Company is involved in various other legal claims and tax audits associated with the normal course of operations. The Company believes that any liabilities that may arise pertaining to such matters would not have a material impact on its financial position. Refer to the 'Provision' section in this News Release for more details.

The following table outlines the anticipated payments related to contractual commitments subsequent to June 30, 2026:

(stated in thousands of Canadian dollars)	Carrying amount	One year	2 years	3-5 years	Thereafter
Loans and borrowings and promissory notes - principal	$ 160,577	$ 13,898	$ 144,263	$ 2,416	$ —
Interest payments on loans and borrowings and promissory notes	14,558	8,719	5,707	132	—
Lease liabilities - undiscounted	23,635	6,766	5,844	7,539	3,486
Trade and other payables	135,961	135,961	—	—	—
Income taxes payable	118	118	—	—	—
Total	$ 334,849	$ 165,462	$ 155,814	$ 10,087	$ 3,486

Off balance sheet

Other than letters of credit totaling $1.8 million (December 31, 2025 - $1.7 million) related to rent payments, corporate credit cards and a utilities deposit, there are no other off balance sheet arrangements.

Capital structure

As at August 6, 2026, the Company has 38,634,896 common shares and 1,866,985 stock options.

NET CAPITAL EXPENDITURES

The following table details the Company's Net capital expenditures(1):

	Three months ended June 30,		Six months ended June 30,	
(stated in thousands of Canadian dollars)	2026	2025	2026	2025
MWD and related equipment	$ 14,021	$ 2,345	$ 14,515	$ 17,200
Motors and related equipment	254	3,271	10,749	11,256
Shop and automotive equipment	186	859	318	915
Other	183	879	442	1,532
Gross capital expenditures	14,644	7,354	26,024	30,903
Less: net lost-in-hole equipment reimbursements(1)	(9,143)	(6,841)	(14,035)	(7,957)
Net capital expenditures(1)	$ 5,501	$ 513	$ 11,989	$ 22,946

(1) As defined in the 'Non-GAAP measures' section of this News Release.

As at June 30, 2026, property, plant and equipment included $1.2 million (June 30, 2025 - $14.3 million) of equipment not yet being depreciated as they are currently being manufactured and tested. Depreciation of these assets will commence upon the assets being fully operational.

Given the current market uncertainty, the Company's 2026 gross and Net capital expenditures(1) budget will be dynamic and adjusted to reflect management's expectation of future activity levels. Currently, the Company's target Net capital expenditures(1) budget is anticipated to relate to sustaining and growth capital expenditures that will enhance realized gross margin percentage levels, including optimizing ACT's high-performance mud motors, MWD in both Canada and the U.S., and selective RSS deployments. ACT intends to fund its 2026 capital plan from cash flow - operating activities.

TRANSACTIONS

On January 5, 2026 the Company acquired all the assets of Stryker Energy Directional Services, LLC ("Stryker") for total purchase consideration of $32.8 million. Stryker was founded in 2010 and is based in Conroe, Texas. It is a well-established directional drilling services provider with a highly experienced management team and a strong operating history across the Southern United States. In 2025, Stryker averaged approximately 17 active jobs per operating day, including work utilizing RSS technology. See the notes to the financial statements for further details on the purchase price allocation.

On April 1, 2026, the Company acquired the directional drilling services business of SB Directional Services ("SB"). The total consideration is estimated around $65.6 million. The consideration was comprised of US$30 million in cash and 3,624,232 in ACT common shares valued at approximately US$17.6 million. The acquisition of SB adds to ACT's position as one of the leading independent directional drilling companies in the US, increasing exposure in the Anadarko and Permian basins. In addition, the acquisition included SB's proven leadership team with deep industry expertise and established customer relationships, as well as key personnel, strengthening ACT's U.S. operations through enhanced leadership, skilled work crews, and expanded sales capabilities. See the notes to the financial statements for further details on the purchase price allocation.

In connection with the SB Acquisition, the Company entered into a Sixth Amended and Restated Credit Agreement with its existing syndicate of lenders co-led by ATB Financial and Royal Bank of Canada (refer to Liquidity and Capital Resources section of this News Release).

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[1] Refer to the 'Non-GAAP measures' section in this News Release.

There are no further proposed transactions as at the date of this News Release.

NON-GAAP MEASURES

ACT uses certain performance measures throughout this News Release that are not defined under IFRS Accounting Standards or Generally Accepted Accounting Principles ("GAAP"). These non-GAAP measures do not have a standardized meaning and may differ from that of other organizations, and accordingly, may not be comparable. Investors should be cautioned that these measures should not be construed as alternatives to IFRS Accounting Standards measures as an indicator of ACT's performance.

These measures include the Adjusted gross margin, Adjusted gross margin percentage, Adjusted EBITDAS, Adjusted EBITDAS margin percentage, Free cash flow, Net debt, Working capital and Net capital expenditures. Management believes these measures provide supplemental financial information that is useful in the evaluation of ACT's operations.

These non-GAAP measures are defined as follows:

i) **"Adjusted gross margin"** is a non-GAAP financial measure and has been reconciled to gross margin, being the most directly comparable measure calculated in accordance with IFRS. Adjusted gross margin is a non-GAAP measure of changes in financial performance that are closely related to the Company's core operating activities, by excluding items that management evaluates separately when assessing underlying margin trends, including inventory valuation adjustments, depreciation and amortization and equity dilution costs reflected as share based compensation, all included in cost of sales (see tabular calculation);

ii) **"Adjusted gross margin percentage"** - calculated as Adjusted gross margin divided by revenues; is considered a primary indicator of operating performance (see tabular calculation);

iii) **"Adjusted EBITDAS"** is a non-GAAP financial measure and has been reconciled to net income / (loss) for the applicable financial periods, being the most directly comparable measure calculated in accordance with IFRS. Management utilizes Adjusted EBITDAS to translate historical variability in the Company's principal business activities into future financial expectations. By isolating incremental items from net income, including income / expense items related to how the Company chooses to manage financing elements of the business (including elements affecting shareholder dilution), taxation, and non-cash charges, management can better predict future financial results from our principal business activities (see tabular calculation). The items included in this calculation are as follows:

1. Non-cash expenditures, including depreciation, amortization and impairment of non-financial assets;
2. Consideration as to how the Company chose to finance its business, generate financial income and incur financial expenses, including foreign exchange income / (expenses), share based compensation (reflected in common share dilution calculations) and finance costs;
3. Other specified items are items impacting current period operating performance not reflective of ongoing operating and financial performance, including costs incurred for business acquisitions, severance charges and inventory valuation adjustments; and
4. Taxation in various jurisdictions.

Prior period Adjusted EBITDAS figures were updated to ensure consistency with year-end News Release, reflecting changes in the treatment of share-based awards.

iv) **"Adjusted EBITDAS margin percentage"** - calculated as Adjusted EBITDAS divided by revenues; provides supplemental information to net income that is useful in evaluating the results and financing of the Company's business activities before considering certain charges as a percentage of revenues (see tabular calculation);

v) **"Free cash flow"** - calculated as cash flow - operating activities prior to changes in non-cash working capital and non-recurring expenses, less: i) cash flow - investing activities excluding cash paid on acquisitions, ii) cash interest paid and iii) repayments of lease liabilities, net of finance costs, offset by proceeds on disposal of PP&E. This is a useful supplemental measure of the Company's ability to generate funds from operations available for future capital expenditures, debt repayments, or other strategic initiatives (see tabular calculation).

Free cash flow was updated from prior periods to no longer add back cash taxes paid and to deduct cash interest expense instead of required debt repayments. This change was made in order to more accurately portray the ongoing operating cash flows of the business and align with disclosures from other oilfield services peers, in order to provide a more accurate depiction of ACT's cash generation and improve comparability for financial statement users.

vi) **"Net capital expenditures"** - calculated as the gross capital expenditures less Net lost-in-hole equipment reimbursements, as defined below - refer to the "Net capital expenditures" section of this News Release for tabular calculation. The timing and amount of equipment lost-in-hole can vary from period to period. Therefore, Net capital expenditures is a useful supplemental financial measure as it provides insight on the amount of investing capital requirements attributable to lost-in-hole equipment. Components impacting Net capital expenditures are as follows:

1. **"Lost-in-hole revenues"** - represent reimbursements received from customers and insurance proceeds related to directional drilling equipment that is lost in-hole or damaged beyond repair. Management considers lost-in-hole revenue to be supplemental information that assists in understanding fluctuations in the Company's reported revenues under IFRS Accounting Standards. Although lost-in-hole revenues tend to remain relatively consistent over longer periods, they can vary significantly from period to period, causing fluctuations in the Company's financial results;

2. **“Net lost-in-hole equipment reimbursements”** - represent lost-in-hole revenues, as defined above, less outflows associated with vendor payments for insurance coverage and third-party rental equipment replacement related to equipment lost-in-hole or damaged beyond repair.

vii) “Working capital” - calculated as current assets less current liabilities, excluding the current portion of loans and borrowings and promissory notes. Management uses this measure as an indication of the Company’s financial and cash liquidity position.

viii) “Net debt” - calculated as the sum of current and long-term loans and borrowings and promissory notes, less cash. This is a useful supplemental measure of the company’s total debt levels, adjusted for its cash position (see tabular calculation), as the Company’s credit agreements provide for a reduction of total debt by certain of its cash position in calculating covenants.

The following tables provide reconciliations from the IFRS Accounting Standards to non-GAAP measures included in this News Release.

Adjusted gross margin

(stated in thousands of Canadian dollars)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Gross margin	$ 40,125	$ 24,874	$ 70,144	$ 54,879
Add non-cash items included in cost of sales:				
Write-down of inventory included in cost of sales	158	39	121	39
Depreciation and amortization	11,316	7,448	21,008	14,796
Share-based compensation	43	129	73	260
Adjusted gross margin	$ 51,642	$ 32,490	$ 91,346	$ 69,974
Adjusted gross margin percentage	29%	29%	28%	28%

Adjusted EBITDAS

(stated in thousands of Canadian dollars, except percentages)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Net income (loss)	$ 2,479	$ (9,959)	$ 7,324	$ (2,711)
Add (deduct):				
Income tax expense (recovery)	6,879	984	8,623	(211)
Non-cash expenditures, including depreciation, amortization and impairment	15,379	10,178	28,228	20,352
Share-based compensation	720	1,097	1,247	1,769
Finance costs - loans and borrowings and promissory notes	3,393	1,284	5,702	3,519
Finance costs - lease liabilities	332	260	685	541
Unrealized foreign exchange (gain) loss	(3,727)	6,527	(6,060)	6,811
Other items - provision	—	4,846	—	4,846
Acquisition and restructuring costs	1,001	—	3,668	—
Other items, including inventory write off	401	39	364	39
Adjusted EBITDAS	$ 26,857	$ 15,256	$ 49,781	$ 34,955
Adjusted EBITDAS margin percentage	15%	14%	15%	14%

Free cash flow

(stated in thousands of Canadian dollars)	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash flow - operating activities	$ 9,369	$ 26,029	$ 9,124	$ 44,714
Add (deduct):				
Changes in non-cash operating working capital	17,324	(10,183)	37,751	(9,092)
Less:				
Cash flow - investing activities excluding cash paid on acquisitions	(12,038)	(12,588)	(20,511)	(23,397)
Interest paid	(3,222)	(1,239)	(5,352)	(3,438)
Repayments of lease liabilities, net of finance costs	(1,702)	(971)	(3,205)	(2,008)
Free cash flow	$ 9,731	$ 1,048	$ 17,807	$ 6,779

Working capital

(stated in thousands of Canadian dollars)		June 30, 2026		December 31, 2025
Current assets	$	247,095	$	184,250
Current liabilities		(155,746)		(127,457)
excluding:				
Loans and borrowings and promissory notes, current		13,898		602
Exchangeable promissory notes, current		—		26,697
Working capital	$	105,247	$	84,092

Net debt

(stated in thousands of Canadian dollars)		June 30, 2026		December 31, 2025
Loans and borrowings and promissory notes, current	$	13,898	$	602
Loans and borrowings and promissory notes, long term		146,679		60,932
Exchangeable promissory notes, current		—		26,697
Less:				
Cash		(18,522)		(34,650)
Net debt	$	142,055	$	53,581

SUPPLEMENTARY FINANCIAL MEASURES AND OTHER DEFINITIONS

i) **“Operating days”** - are defined as the total number of calendar days during which directional drilling services were actively provided to a customer at a rig site, excluding any days where personnel or equipment were on location but not engaged in active drilling operations (such as standby, rig move days, or other non-operational periods, regardless of whether partial revenues were recognized);

ii) **“Average revenues per operating day”** - is a supplemental operational metric calculated by dividing revenues, either for a specific geographic segment or on a consolidated basis as reported under IFRS Accounting Standards, by the corresponding number of operating days for that segment or on a consolidated basis. Management uses revenues per operating day to assess pricing strength, service intensity, and comparative financial performance against different periods and across different geographic markets; and

iii) **“Job count”** - sometimes referred to as daily jobs, refers to the number of drilling rigs on which our directional equipment is used for operation.

COMMON INDUSTRY TERMS

i) **“LNG”** - natural gas that typically is transported via pipeline with customer demand limited to regions with access to these pipelines. Through liquefaction, larger volumes of natural gas can be economically exported by sea to new markets;

ii) **“LNG Train” or “Train”** - refers to a complete processing unit within an LNG facility that converts natural gas into liquefied natural gas (LNG). Each train includes all the required equipment — such as compressors, heat exchangers, and refrigeration systems — to carry out the liquefaction process independently;

iii) **“Lost-in-hole” or “lost-in-hole equipment”** - refers to directional drilling tools or equipment (such as MWD or RSS systems) that become significantly damaged or unrecoverable downhole during drilling operations. This situation typically results in the customer being charged for the replacement cost of the lost equipment;

iv) **“MWD” -** Measurement-while-drilling is a down-hole tool used in oil, natural gas and geothermal wells that provides real-time drilling data to the directional driller enabling more precise placement and optimized drilling operations;

v) **“OPEC+”** - is a group of oil-producing countries that work together to control the supply of oil in the global market to help keep prices stable;

vi) **“Rig count”** - is the estimated number of active rigs drilling directionally as tracked by JWN RigLocator for Canada and Enverus for the U.S. industry rig count levels. This industry data can help provide an indication of potential activity for the Company. Rig count levels include only those estimated to be drilling directionally in both Canada and the U.S., excluding rigs drilling vertically (estimated internally); and

vii) **“RSS”** - Rotary steerable system which is a high-technological drilling tool that simultaneously steers and rotates the drill bit without manual intervention enabling for more accurate drilling, especially in curved or horizontal wells.

INDUSTRY PRICING METRICS

Common industry pricing metrics that affect our business directly, such as $CAD/$US foreign exchange, and indirectly through our customer's cash flows, such as WTI and US NYMEX natural gas, are as follows:

	2026 Q2	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3
Average exchange rate ($CAD/$US)	1.3838	1.3713	1.395	1.3775	1.3842	1.4354	1.3986	1.3637
WTI ($US/bbl)	95.75	71.98	59.64	65.74	64.63	71.84	70.69	76.24
US NYMEX natural gas ($US/Mmbtu)	2.95	4.79	3.75	3.03	3.19	4.15	2.44	2.11

i) **"WTI"** - West Texas Intermediate is a widely used benchmark price for light, sweet crude oil in North America and is a key reference point for crude oil pricing and industry activity levels;

ii) **"bbl"** - is the standard unit of measurement for crude oil and stands for one barrel, equivalent to 42 U.S. gallon;

iii) **"US NYMEX"** - refers to the benchmark price for natural gas traded on the New York Mercantile Exchange ("NYMEX") and is widely used as the reference pricing indicator for North American natural gas markets; and

iv) **"Mmbtu" -** stands for one million British thermal units and is a standard unit of measurement used to quantify the energy content of natural gas.

FORWARD LOOKING STATEMENTS

This News Release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of present or historical fact are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "achieve", "believe", "plan", "intend", "objective", "continuous", "ongoing", "estimate", "outlook", "expect", "may", "will", "project", "should" or similar words suggesting future outcomes. In particular, this News Release contains forward-looking statements relating to, among other things:

- The 2026 Net capital expenditure budget and financing thereof;
- Given the current market uncertainty, the Company's 2026 Net capital expenditure budget will be dynamic and adjusted to reflect management's expectation of future activity levels;
- The expectation that the model is designed to protect the earnings the Company acquire and then improve them which is what allows the Company to integrate at pace without losing the entrepreneurial character that made these businesses worth owning in the first place;
- The expectation that a portion of the working capital investment will unwind as activity levels normalize;
- The statement that reducing leverage is the first call on free cash flow through the balance of the year, alongside continued measured purchases under our Normal Course Issuer Bid;
- The expectation that most of the second-quarter crude oil risk premium has unwound and that average prices through the balance of 2026 will be lower and more volatile than second-quarter realized prices;
- The expectation that near-term North American gas-directed drilling will remain restrained, and that LNG Canada volumes, incremental U.S. Gulf Coast liquefaction capacity and gas-fired power demand will support a call on additional supply from the Montney, Duvernay, Deep Basin and Haynesville from 2027 onward;
- The expectation of a seasonally stronger third quarter in Canada and a busier second half of 2026 than the comparable period of 2025, and the Company's objective of holding or extending its Canadian customer base and market share;
- Industry commentary about increased drilling in the Western Canadian Sedimentary Basin through the balance of 2026;
- The expectation that U.S. activity will build modestly from second-quarter levels, and that industry consolidation and reduced service capacity will concentrate work with providers demonstrating scale, technical capability and balance sheet strength;
- The expectation that continued adoption of rotary steerable systems will raise revenue capture per operating day and remain a priority for capital deployment;
- The expectation that the displacement of third-party rental equipment with owned measurement-while-drilling systems and mud motors will continue to support margins;
- The expectation of a gradual, technology-led recovery in oilfield services activity rather than a conventional cyclical upswing;
- The Company's intention to cover activity into cash, reduce leverage and complete the integration of Stryker and SB and to retain flexibility to pursue further accretive consolidation opportunities;
- The statement that the Company does not require a higher rig count to grow;
- The statement that a weaker Canadian dollar remains a modest tailwind on translation of U.S. earnings.

The Company believes the expectations reflected in such forward-looking statements are reasonable as of the date hereof but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Various material factors and assumptions are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking statements. Those material factors and assumptions are based on information currently available to the Company, including information obtained from third-party industry analysts and other third-party sources. In some instances, material assumptions and material factors are presented elsewhere in this News Release in connection with the forward-looking statements. You are cautioned that the following list of material factors and assumptions is not exhaustive. Specific material factors and assumptions include, but are not limited to:

- the performance of ACT's business;
- impact of economic and social trends;
- oil and natural gas commodity prices and production levels;
- capital expenditure programs and other expenditures by ACT and its customers;
- the ability of ACT to attract and retain key management personnel;
- the ability of ACT to retain and hire qualified personnel;
- the ability of ACT to obtain parts, consumables, equipment, technology, and supplies in a timely manner to carry out its activities;
- the ability of ACT to maintain good working relationships with key suppliers;
- the ability of ACT to retain customers, market its services successfully to existing and new customers and reliance on major customers;
- risks associated with technology development and intellectual property rights;
- obsolescence of ACT's equipment and/or technology;
- the ability of ACT to maintain safety performance;
- the ability of ACT to obtain adequate and timely financing on acceptable terms;
- the ability of ACT to comply with the terms and conditions of its credit facility;
- the ability to obtain sufficient insurance coverage to mitigate operational risks;
- currency exchange and interest rates;
- risks associated with future foreign operations;
- the ability of ACT to integrate its transactions and the benefits of any acquisitions, dispositions and business development efforts;
- environmental risks;
- business risks resulting from weather, disasters and related to information technology;
- changes under governmental regulatory regimes including tariffs and tax, environmental, climate and other laws in Canada and the U.S.; and
- competitive risks.

Forward-looking statements are not a guarantee of future performance and involve a number of risks and uncertainties some of which are described herein. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause the Company's actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, the risks identified in this News Release and in the Company's Annual Information Form under the heading "Risk Factors". Any forward-looking statements are made as of the date hereof and, except as required by law, the Company assumes no obligation to publicly update or revise such statements to reflect new information, subsequent or otherwise.

All forward-looking statements contained in this News Release are expressly qualified by this cautionary statement. Further information about the factors affecting forward-looking statements is available in the Company's current Annual Information Form that has been filed with Canadian provincial securities commissions and is available on www.sedarplus.ca and the Company's website (www.actenergy.com).

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at June 30, 2026 and December 31, 2025

Canadian dollars in '000s

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash	$ 18,522	$ 34,650
Trade receivables	149,074	78,408
Other receivable	15,866	14,789
Current taxes receivable	3,254	3,066
Prepaid expenses	7,211	6,320
Inventories	53,168	47,017
Total current assets	247,095	184,250
Property, plant and equipment	208,033	141,897
Intangible assets	85,597	62,793
Right-of-use assets	21,052	16,266
Goodwill	56,373	41,382
Deferred tax asset	6,536	15,794
Total non-current assets	377,591	278,132
Total assets	$ 624,686	$ 462,382
Liabilities and Shareholders' Equity		
Current liabilities:		
Trade and other payables	$ 135,961	$ 95,711
Current taxes payable	118	—
Loans and borrowings, current	10,345	602
Exchangeable promissory notes	—	26,697
Promissory notes, current	3,553	—
Lease liabilities, current	5,769	4,447
Total current liabilities	155,746	127,457
Loans and borrowings, long-term	140,711	60,932
Promissory notes, long-term	5,968	—
Lease liabilities, long-term	17,866	15,502
Deferred tax liability	10,433	9,718
Total non-current liabilities	174,978	86,152
Total liabilities	330,724	213,609
Shareholders' equity:		
Share capital	225,957	190,255
Treasury shares	—	(229)
Exchangeable promissory notes	—	1,242
Contributed surplus	17,540	17,811
Accumulated other comprehensive income	17,745	15,472
Retained earnings	32,720	24,222
Total shareholders' equity	293,962	248,773
Total liabilities and shareholders' equity	$ 624,686	$ 462,382

See accompanying notes to the unaudited condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Three and six months ended June 30, 2026 and 2025

Canadian dollars in '000s except per share amounts

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Revenues	$ 178,474	$ 112,010	$ 322,937	$ 247,367
Cost of sales:				
Direct costs	(126,990)	(79,559)	(231,712)	(177,432)
Depreciation and amortization	(11,316)	(7,448)	(21,008)	(14,796)
Share-based compensation	(43)	(129)	(73)	(260)
Total cost of sales	(138,349)	(87,136)	(252,793)	(192,488)
Gross margin	40,125	24,874	70,144	54,879
Selling, general and administrative expenses:				
Direct costs	(21,755)	(14,937)	(38,661)	(31,370)
Depreciation and amortization	(4,063)	(2,730)	(7,220)	(5,556)
Share-based compensation	(677)	(968)	(1,174)	(1,509)
Total selling, general and administrative expenses	(26,495)	(18,635)	(47,055)	(38,435)
Provision	—	(4,846)	—	(4,846)
Research and development costs	(1,426)	(1,220)	(2,836)	(2,584)
Write-off of equipment	(1,470)	(1,207)	(2,452)	(1,386)
Gain (loss) on disposal of equipment	(105)	178	658	335
Income (loss) from operating activities	10,629	(856)	18,459	7,963
Finance costs - loans and borrowings and promissory notes	(3,393)	(1,284)	(5,702)	(3,519)
Finance costs - lease liabilities	(332)	(260)	(685)	(541)
Impairment and write-off of intangible assets	(243)	—	(243)	—
Foreign exchange gain (loss)	3,509	(6,575)	5,811	(6,825)
Acquisition costs	(812)	—	(1,693)	—
Income (loss) before income taxes	9,358	(8,975)	15,947	(2,922)
Income tax (expense) recovery:				
Current	(117)	(107)	(227)	(181)
Deferred	(6,762)	(877)	(8,396)	392
Income tax (expense) recovery	(6,879)	(984)	(8,623)	211
Net income (loss)	2,479	(9,959)	7,324	(2,711)
Other comprehensive income (loss)				
Foreign currency translation differences on foreign operations	1,232	(4,045)	2,273	(4,124)
Total comprehensive income (loss)	**$ 3,711**	**$ (14,004)**	**$ 9,597**	**$ (6,835)**
Net income (loss) per share - basic	$ 0.06	$ (0.30)	$ 0.20	$ (0.08)
Net income (loss) per share - diluted	$ 0.06	$ (0.30)	$ 0.20	$ (0.08)

See accompanying notes to the unaudited condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

Six months ended June 30, 2026 and 2025

Canadian dollars in '000s

	Share capital	Treasury Shares	Exchangeable promissory ("EP") Notes	Contributed surplus	Accumulated other comprehensive income (loss)	Retained earnings	Total shareholders' equity
Balance, December 31, 2024	$195,516	$ (469)	$ 1,242	$ 17,408	$ 19,151	$ 8,732	$ 241,580
Comprehensive loss	—	—	—	—	(4,124)	(2,711)	(6,835)
Repurchased pursuant to normal course issuer bid	(6,021)	—	—	—	—	(303)	(6,324)
Accrued purchases under the normal course issuer bid	1,854	—	—	—	—	214	2,068
Contributed surplus on treasury shares vesting	—	240	—	(240)	—	—	—
Issued pursuant to stock option exercises	3,774	—	—	(1,483)	—	—	2,291
Share-based compensation	—	—	—	1,339	—	—	1,339
Balance, June 30, 2025	$195,123	$ (229)	$ 1,242	$ 17,024	$ 15,027	$ 5,932	$ 234,119

	Share capital	Treasury shares	EP Notes	Contributed surplus	Accumulated other comprehensive income	Retained earnings	Total shareholders' equity
Balance, December 31, 2025	$190,255	$ (229)	$ 1,242	$ 17,811	$ 15,472	$ 24,222	$ 248,773
Comprehensive income	—	—	—	—	2,273	7,324	9,597
EP notes cancelled upon repayment	—	—	(1,242)	—	—	1,242	—
Consideration for business combination, net of share issue costs	30,818	—	—	—	—	—	30,818
Issued pursuant to private placements, net of share issue costs	3,849	—	—	—	—	—	3,849
Repurchased pursuant to normal course issuer bid	(1,582)	—	—	—	—	(68)	(1,650)
Accrued purchases under the normal course issuer bid	1,387	—	—	—	—	—	1,387
Contributed surplus on treasury shares vested	—	229	—	(229)	—	—	—
Issued pursuant to stock options exercised	1,230	—	—	(426)	—	—	804
Share-based compensation	—	—	—	384	—	—	384
Balance, June 30, 2026	$225,957	$ —	$ —	$ 17,540	$ 17,745	$ 32,720	$ 293,962

See accompanying notes to the unaudited condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Three and six months ended June 30, 2026 and 2025

Canadian dollars in '000s

	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cash provided by (used in):				
Operating activities:				
Net income (loss)	$ 2,479	$ (9,959)	$ 7,324	$ (2,711)
Non-cash adjustments:				
Income tax (expense) recovery	6,879	984	8,623	(211)
Depreciation, amortization and impairment	15,379	10,178	28,228	20,352
Share-based compensation	225	1,097	384	1,769
Write-off of equipment	1,470	1,207	2,452	1,386
Gain on disposal of equipment	105	(178)	(658)	(335)
Provision	—	4,846	—	4,846
Write-down of inventory included in cost of sales	158	39	121	39
Finance costs - loans and borrowings and promissory notes	3,393	1,284	5,702	3,519
Finance costs - lease liabilities	332	260	685	541
Income tax paid (refunded)	—	(439)	74	(384)
Unrealized foreign exchange (gain) loss	(3,727)	6,527	(6,060)	6,811
	26,693	15,846	46,875	35,622
Changes in non-cash operating working capital	(17,324)	10,183	(37,751)	9,092
Cash flow - operating activities	9,369	26,029	9,124	44,714
Investing activities:				
Cash paid on acquisitions, net of cash acquired	(41,185)	—	(58,420)	—
Property, plant and equipment additions	(15,462)	(7,354)	(26,024)	(30,903)
Intangible asset additions	(16)	(158)	(79)	(346)
Proceeds on disposal of equipment	610	115	1,281	323
Changes in non-cash investing working capital	2,830	(5,191)	4,311	7,529
Cash flow - investing activities	(53,223)	(12,588)	(78,931)	(23,397)
Financing activities:				
Advances of loans and borrowings, net of upfront financing fees	85,636	—	94,716	(335)
Proceeds on shares issuance	688	2,090	4,653	2,291
Repayments on loans and borrowings	(37,882)	(24)	(38,274)	(52)
Payments on lease liabilities, net of finance costs	(1,702)	(971)	(3,205)	(2,008)
Interest paid	(3,222)	(1,239)	(5,352)	(3,438)
Common shares repurchased pursuant to normal course issuer bid	(39)	(1,803)	(1,657)	(4,255)
Changes in non-cash financing working capital	—	—	34	(2,069)
Cash flow - financing activities	43,479	(1,947)	50,915	(9,866)
Effect of exchange rate on changes in cash	2,444	(395)	2,764	(195)
Change in cash	2,069	11,099	(16,128)	11,256
Cash, beginning of period	16,453	12,949	34,650	12,792
Cash, end of period	$ 18,522	$ 24,048	$ 18,522	$ 24,048

See accompanying notes to the unaudited condensed consolidated financial statements.