



# Critical. Energy. Infrastructure.

INVESTOR  
PRESENTATION

June 2024

**KGS**  
LISTED  
NYSE

**Cautionary Note Regarding Forward-Looking Statements.** This news release contains, and our officers and representatives may from time to time make, "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Forward-looking statements can be identified by words such as: "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding: (i) expected operating results, such as revenue growth and earnings, including changes due to the acquisition of CSI Compressco (the "CSI Acquisition"), and our ability to service our indebtedness; (ii) anticipated levels of capital expenditures and uses of capital; (iii) current or future volatility in the credit markets and future market conditions; (iv) potential and pending acquisition transactions or other strategic transactions, the timing thereof, the receipt of necessary approvals to close those transactions, our ability to finance such transactions and our ability to achieve the intended operational, financial and strategic benefits from any such transactions; (v) expected synergies and efficiencies to be achieved as a result of the CSI Acquisition; (vi) expectations regarding leverage and dividend profile as a result of the CSI Acquisition, including the amount and timing of future dividend payments; (vii) expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings; (viii) production and capacity forecasts for the natural gas and oil industry; (ix) strategy for customer retention, growth, fleet maintenance, market position, and financial results; (x) our interest rate hedges; and (xi) strategy for risk management.

Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements. Therefore, you should not place undue reliance on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: (i) a reduction in the demand for natural gas and oil; (ii) the loss of, or the deterioration of the financial condition of, any of our key customers; (iii) nonpayment and nonperformance by our customers, suppliers or vendors; (iv) competitive pressures that may cause us to lose market share; (v) the structure of our Compression Operations contracts and the failure of our customers to continue to contract for services after expiration of the primary term; (vi) our ability to successfully integrate any acquired business, including CSI Compressco, and realize the expected benefits thereof; (vii) our ability to fund purchases of additional compression equipment; (viii) a deterioration in general economic, business, geopolitical or industry conditions, including as a result of the conflict between Russia and Ukraine and the Israel—Hamas war, inflation, and slow economic growth in the United States; (ix) a downturn in the economic environment, as well as inflationary pressures, (x) tax legislation and administrative initiatives or challenges to our tax positions; (xi) the loss of key management, operational personnel or qualified technical personnel; (xii) our dependence on a limited number of suppliers; (xiii) the cost of compliance with existing and new, including climate change legislation; (xiv) the cost of compliance with regulatory initiatives and stakeholder pressures, including environmental, social and governance scrutiny; (xv) the inherent risks associated with our operations, such as equipment defects and malfunctions; (xvi) our reliance on third-party components for use in our information technology systems; (xvii) legal and reputational risks and expenses relating to the privacy, use and security of employee and client information; (xviii) threats of cyber-attacks or terrorism; (xix) agreements that govern our debt contain features that may limit our ability to operate our business and fund future growth and also increase our exposure to risk during adverse economic conditions; (xx) volatility in interest rates; (xxi) our ability to access the capital and credit markets or borrow on affordable terms to obtain additional capital that we may require; (xxii) the effectiveness of our disclosure controls and procedures; and (xxiii) such other factors as set forth in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2023 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2024, as filed with the U.S. Securities and Exchange Commission.

Any forward-looking statement made by us in this news release is based only on information currently available to us and speaks only as of the date on which it is made. Except as may be required by applicable law, we undertake no obligation to publicly update any forward-looking statement whether as a result of new information, future developments or otherwise.

**Non-GAAP Financial Measures.** This presentation contains certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP"), including Adjusted Gross Margin, Adjusted Gross Margin Percentage, Adjusted EBITDA, Adjusted EBITDA Percentage, Discretionary Cash Flow and Free Cash Flow. Such non-GAAP measures should not be considered an alternative to, or more meaningful than, the most directly comparable measure of financial performance presented in accordance with GAAP. Moreover, such non-GAAP measures may not be comparable to similarly titled measures of other companies. However, we believe these non-GAAP financial measures provide useful information to investors because, when viewed with our GAAP results and the accompanying reconciliation, they provide a more complete understanding of our performance than GAAP results alone.

**Industry & Market Data.** The market data and certain other statistical information used throughout this presentation are based on independent industry publications, government publications or other published independent sources. Although we believe these third-party sources are reliable as of their respective dates, we have not independently verified the accuracy or completeness of this information. Some data is also based on our good faith estimates and our management's understanding of industry conditions. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results to differ materially from those expressed in these publications.

This presentation contains trademarks, trade names and service marks of other companies, which are the property of their respective owners. We do not intend our use or display of other parties' trademarks, trade names or service marks to imply, and such use or display should not be construed to imply, a relationship with, or endorsement or sponsorship of us by, these other parties.

A leading provider of domestic energy infrastructure, enabling the reliable and secure flow of natural gas and oil to feed growing global demand

**We Move Energy.  
Reliably.  
Safely.  
Responsibly.**

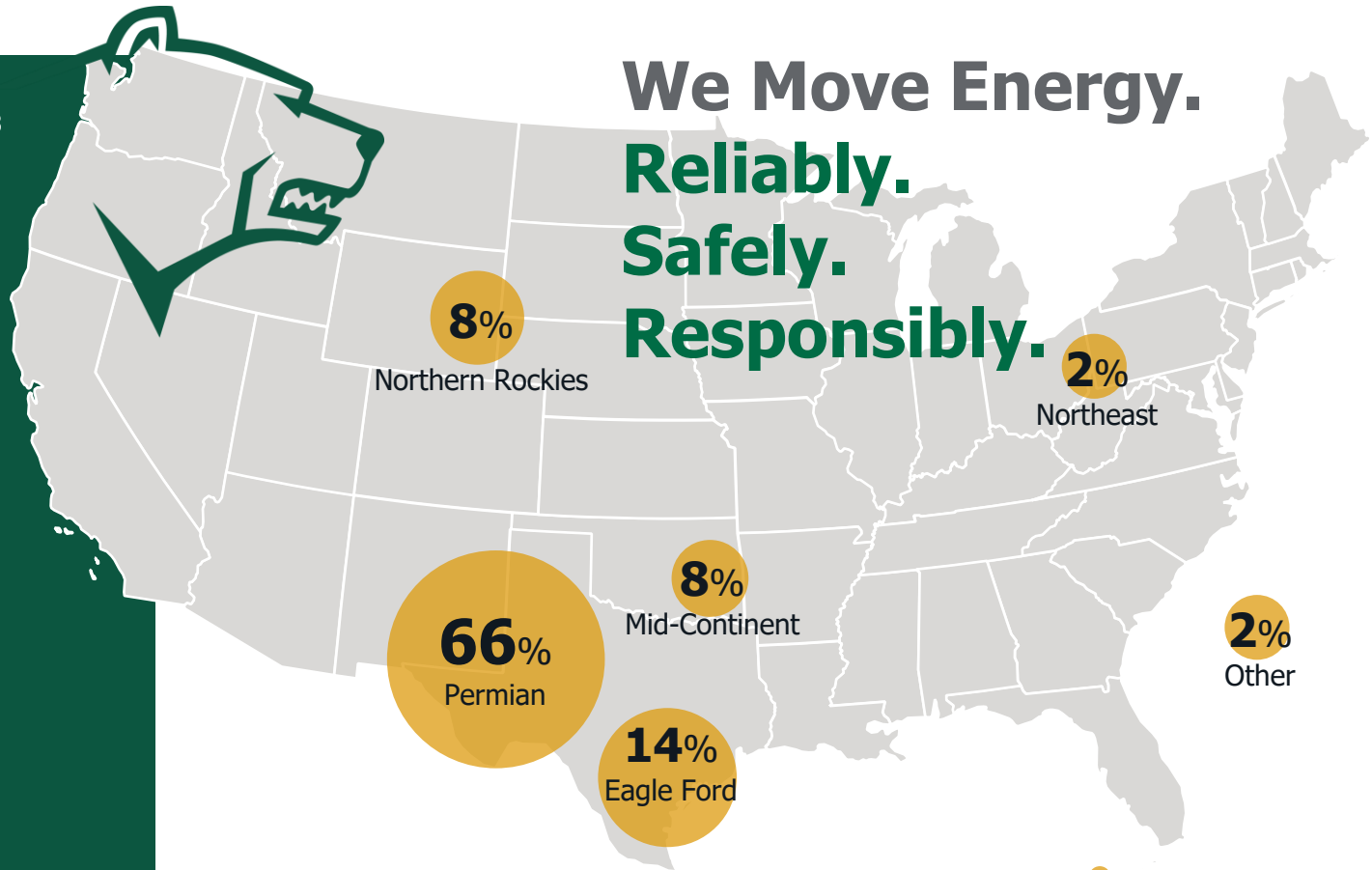
## AT-A-GLANCE <sup>1, 2, 3</sup>

Market Cap  
**\$2.5 billion**

Enterprise Value  
**\$5.0 billion**

Dividend Yield  
**5.5%**

Industry-Leading  
**4.4 million**  
Contract Compression  
Horsepower



● % of domestic revenue-generating horsepower as of April 1, 2024

<sup>1</sup> Based on KGS stock price as of May 10, 2024, dividend yield based on first quarter 2024 dividend of \$0.38 per share annualized

<sup>2</sup> Market capitalization and enterprise value are calculated as of May 10, 2024 and debt outstanding as of April 1, 2024

<sup>3</sup> Contract compression horsepower as of April 1, 2024

- ✔ **Leading Market Position**
  - ▶ Purpose-built fleet of 4.4 million HP<sup>1</sup>
  - ▶ Market leader with 2.8 million HP in the Permian
- ✔ **Industry Leader in Both Growth & Utilization**
  - ▶ 0 to 4.4 million horsepower in 12 years
  - ▶ ~97% utilization rate
- ✔ **Attractive Industry Fundamentals**
  - ▶ Highly visible, multi-year natural gas demand growth from LNG exports
  - ▶ Evolving buildout of AI data centers driving significant natural gas-fired power demand
  - ▶ Tight equipment market with industrywide capital discipline
- ✔ **Strong and Stable Cash Returns**
  - ▶ Fixed-revenue contracts
  - ▶ Business model delivers high cash returns



<sup>1</sup> As of April 1, 2024

# Kodiak Standalone Q1 2024 Financial & Operational Highlights



## Total Revenues

**\$215** million

+13% vs Q1 2023

## Compression Operations

**66%** AGM

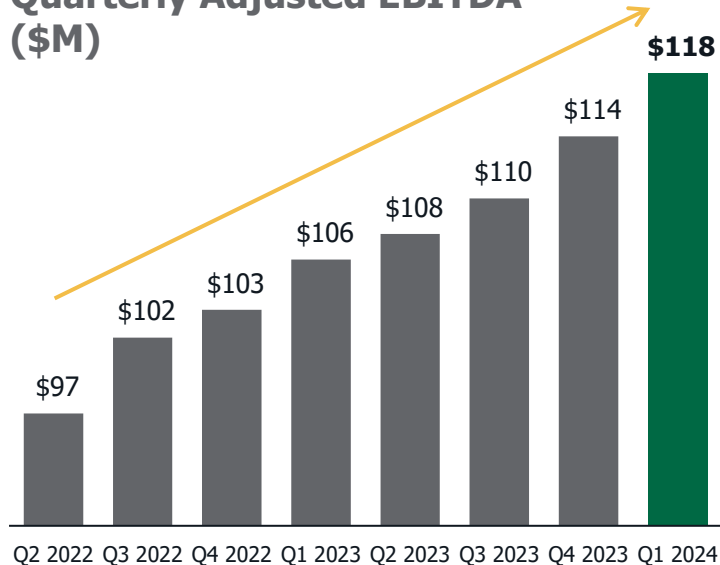
+120 bps vs Q1 2023

## Discretionary Cash Flow

**\$72** million

+45% vs Q1 2023

## Quarterly Adjusted EBITDA (\$M)



## Operational Statistics

**29K HP**

Increase in fleet horsepower during the first quarter

**99.8%**

Horsepower utilization at end of Q1 2024

# Latest Milestone Drives Kodiak to a Market Leading Position



**May 2010**  
Kodiak Gas Services founded



**November 2018**



**October 2019**



**April 2022**



YE 2013   YE 2014   YE 2015   YE 2016   YE 2017   YE 2018   YE 2019   YE 2020   YE 2021   YE 2022   YE 2023   4/1/2024

**January 2013**  
First Permian compressors



**February 2019**  
EQT Acquired Kodiak



**October 2019**  
Acquired Pegasus Optimization Managers



**June 2023**  
Priced IPO



**April 2024**  
Acquired CSI Compressco LP





# Pro Forma Industry Leading Compression Capacity

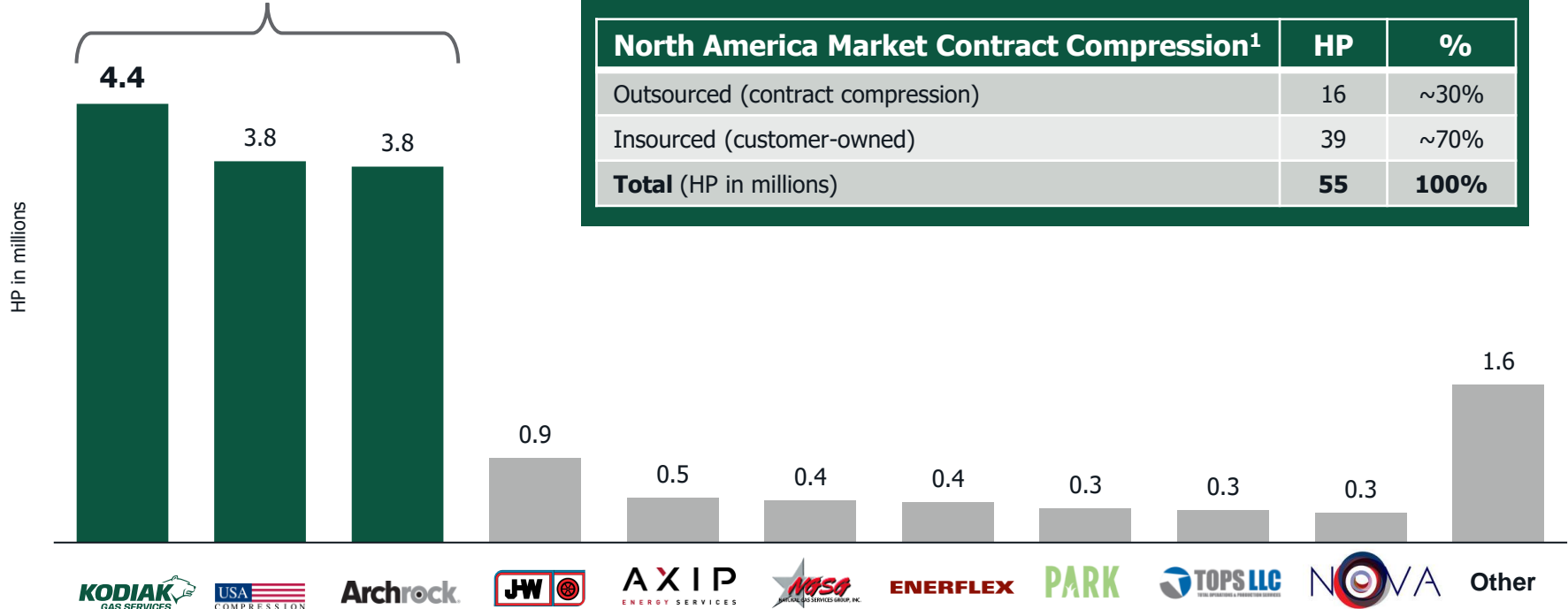


**2.8** million  
Permian  
horsepower

**~1,150**  
Average Permian  
horsepower per unit

**~97%**  
Total company  
utilization rate

Top 3 Contract Compression Providers =  
**>70% of the outsourced market<sup>1</sup>**



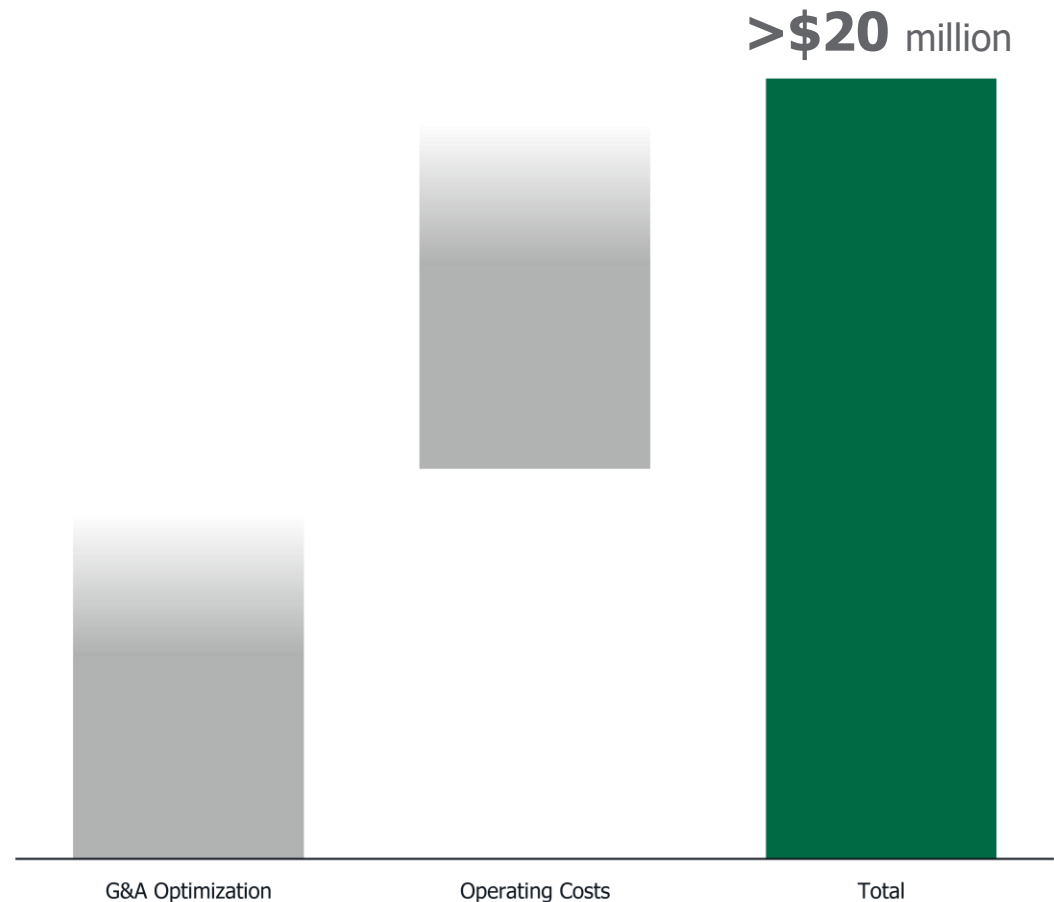
North America Market Contract Compression <sup>1</sup>	HP	%
Outsourced (contract compression)	16	~30%
Insourced (customer-owned)	39	~70%
<b>Total (HP in millions)</b>	<b>55</b>	<b>100%</b>

<sup>1</sup> Company websites, investor presentations, Kodiak Management, public filings as of May 10, 2024 and Spears & Associates Report: The Upstream Gas Compression Market as of April 2024.

## Identified Cost Synergies

- ▶ Eliminating duplicate public company costs
- ▶ Optimizing G&A across the company
- ▶ Improving purchasing power
- ▶ Increasing supply chain optimization
- ▶ Eliminating redundant facilities

## Annual Run-Rate Cost Synergies

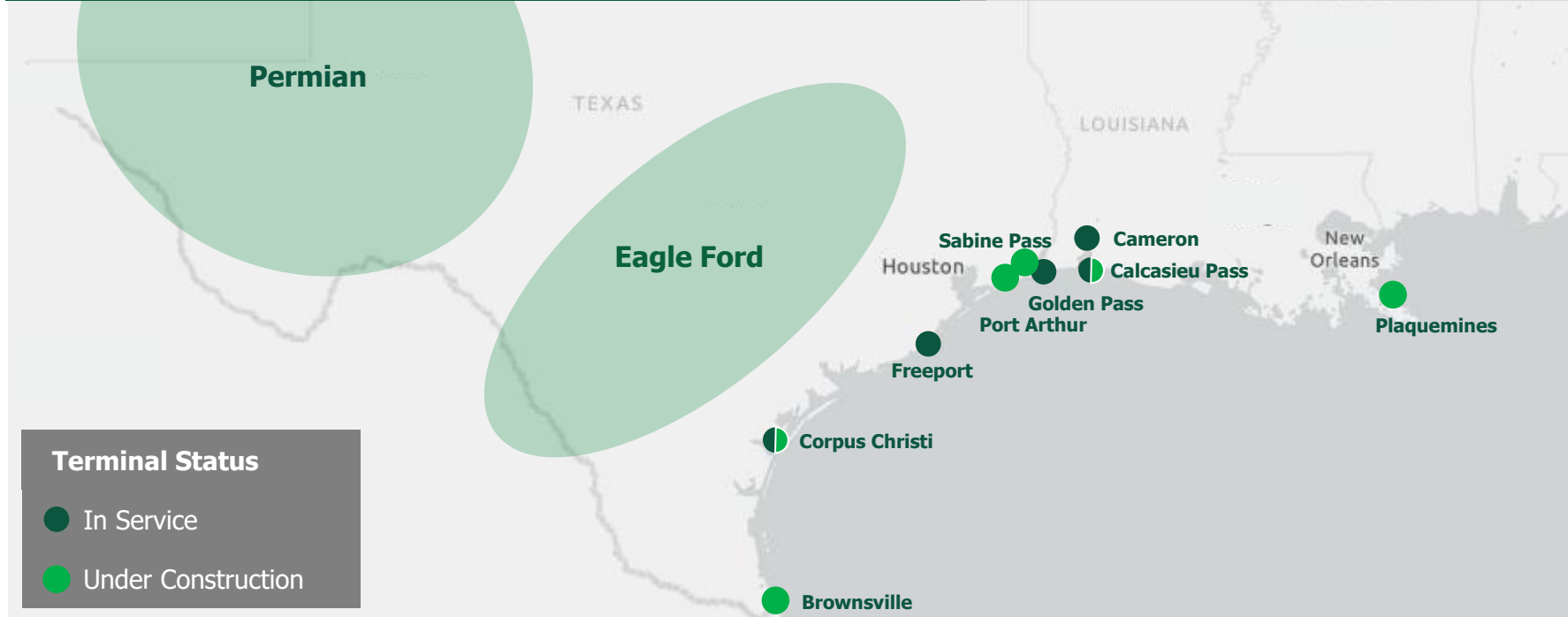
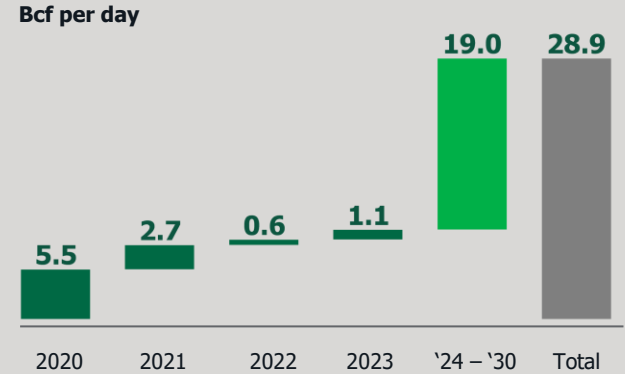




# LNG Driving U.S. Natural Gas Demand Outlook

- ▶ Associated natural gas from the Permian and the Eagle Ford are expected to be one of the primary supply sources for Gulf Coast LNG projects
- ▶ Kodiak is a leader in the Permian and Eagle Ford with ~3.4 million horsepower - ~80% of company's total HP<sup>1</sup>

## North American LNG Demand<sup>2</sup>



<sup>1</sup> As of April 1, 2024; <sup>2</sup> EIA historical data and East Daley: 2024 Annual Natural Gas Outlook

# Data Centers & AI Expected to Drive A Surge in Power Demand



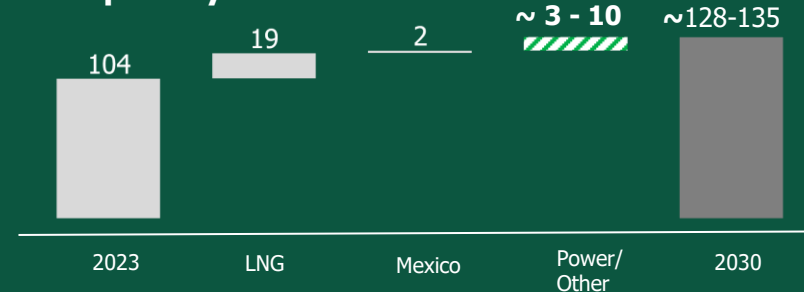
## RAPID ACCELERATION OF DATA CENTERS AND ARTIFICIAL INTELLIGENCE PROJECTED TO DRIVE SURGE IN POWER DEMAND

**15%** Per year  
Forecasted growth in data center demand from 2023-2030<sup>1</sup>

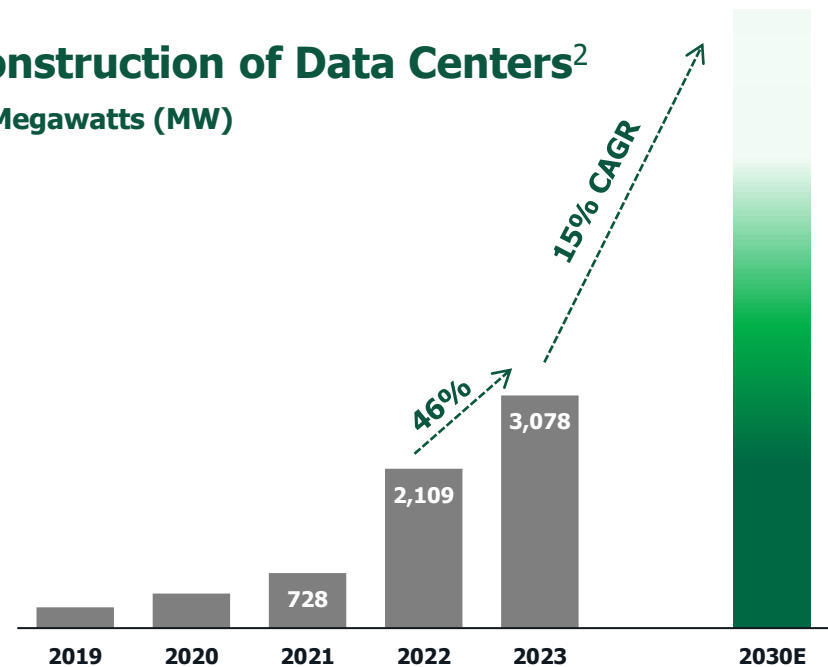
**~60%** % of incremental of electricity expected to be natural gas-sourced<sup>1</sup>

**3-10** Bcf/d  
Range of incremental data center-driven natural gas demand by 2030<sup>1</sup>

### U.S. Gas Demand Outlook Bcf per day



### Construction of Data Centers<sup>2</sup> in Megawatts (MW)



<sup>1</sup> Goldman Sachs Research: "AI, data centers and the coming US power demand surge" & Raymond James Research: "Can the U.S. Generate Enough Electricity for the AI Boom"

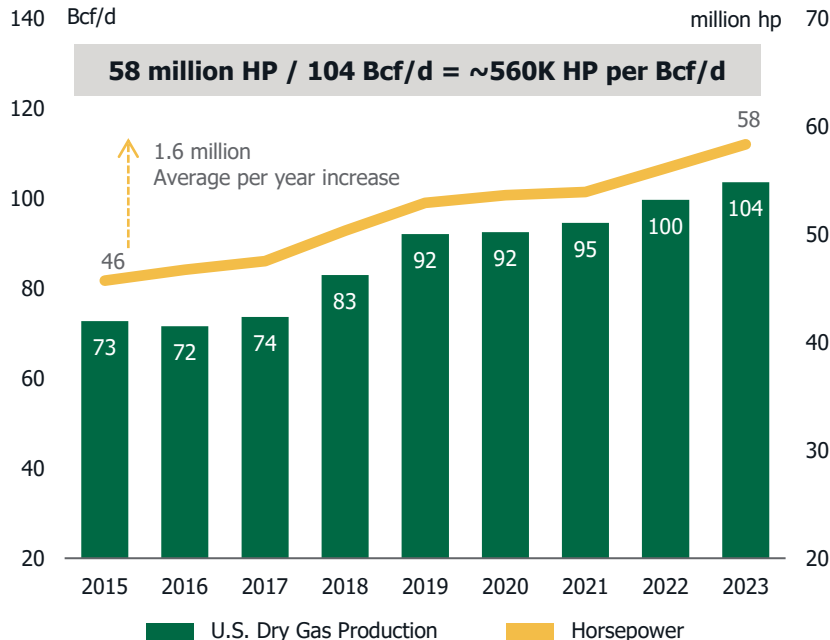
<sup>2</sup> CBRE Research: North America Data Center Trends H2 2023 – Incorporates primary market data centers: Virginia, Dallas-Ft. Worth, Chicago, Silicon Valley, Phoenix, Atlanta, Hillsboro, & New York

# Compression Demand Outlook

- ▶ Based on midpoint of power demand forecast range - U.S. gas demand to increase by 28 Bcf/d by 2030
- ▶ An increase of ~2.2 million horsepower per year through 2030 required to meet this demand

$$\begin{array}{ccccc}
 \text{U.S. Compression Intensity} & \times & \text{U.S. Gas Demand Outlook} & = & \text{Compression Demand Outlook}
 \end{array}$$

## U.S. Compression Intensity<sup>1</sup>

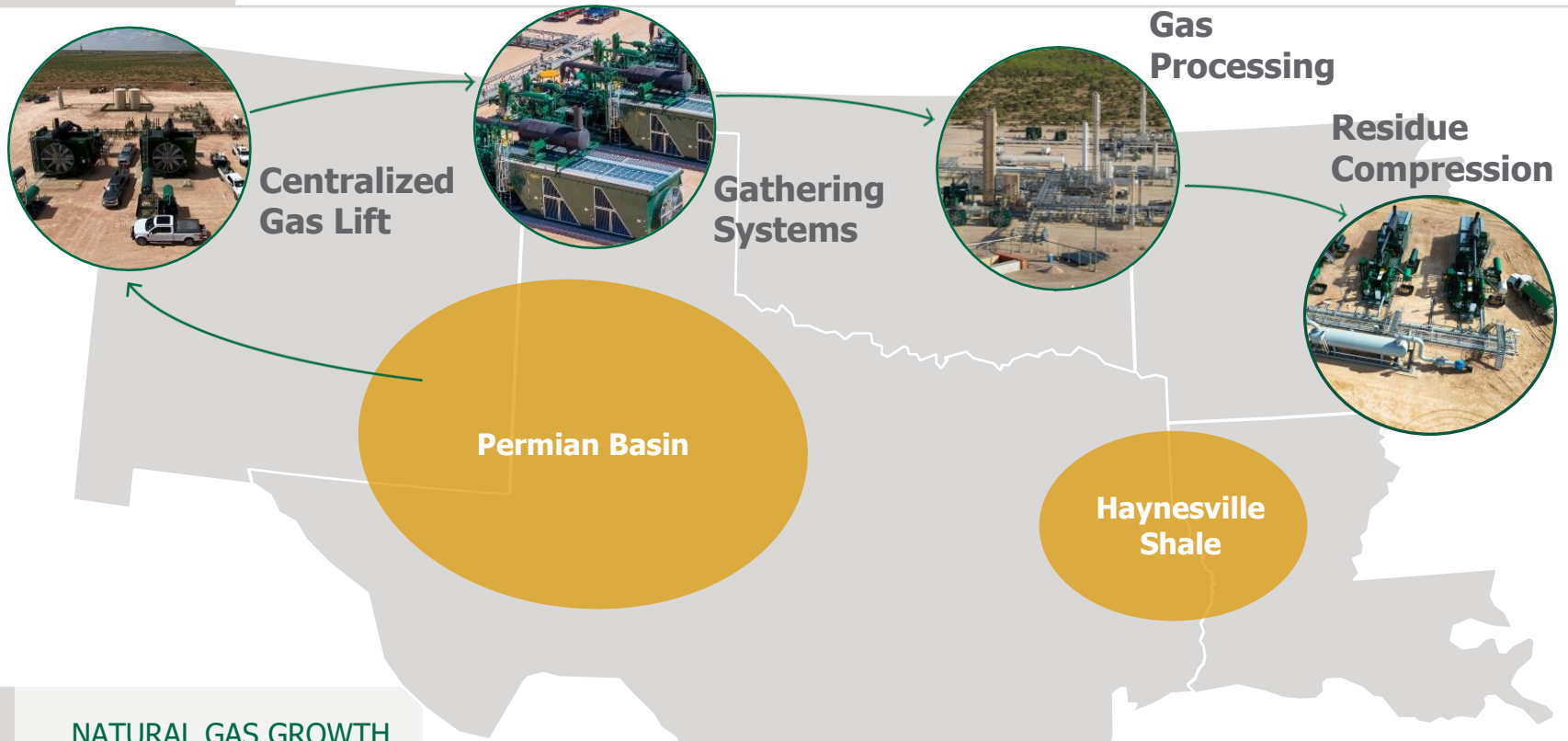


**28 Bcf/d = ~16 M**  
 Growth by 2030                      Incremental HP

Represents a ~28% increase in total domestic horsepower

<sup>1</sup> Spears & Associates: The Upstream Gas Compression Market: January 2024

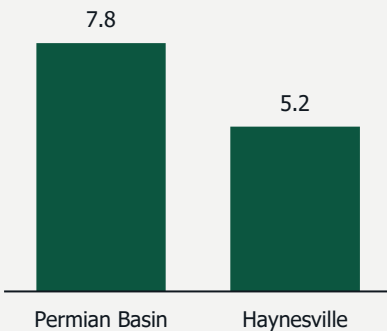
# Multiple Compression Touch Points



## NATURAL GAS GROWTH

2020-2023<sup>1</sup>

Bcf/d



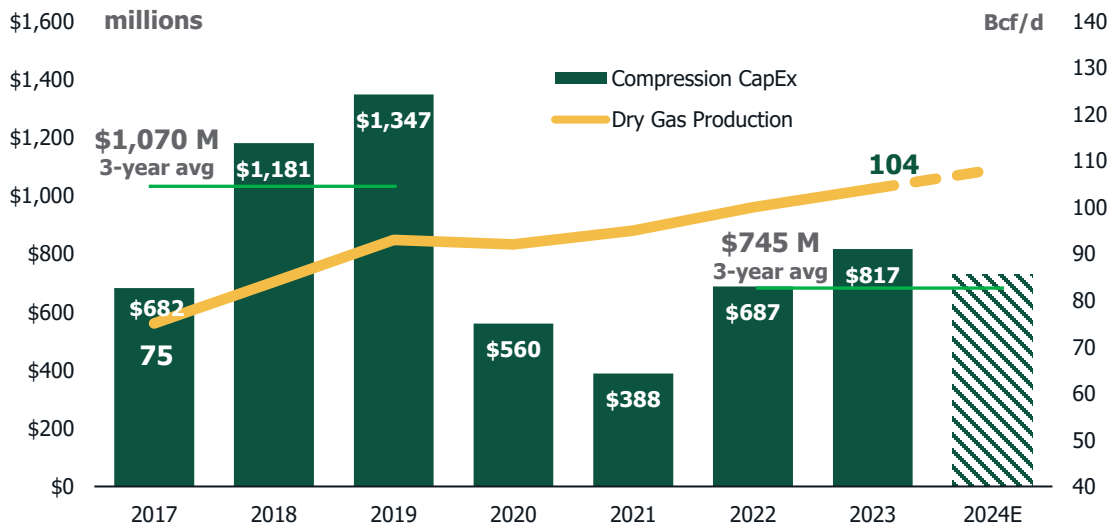
<sup>1</sup> EIA Drilling Productivity Report

**3x – 4x**  
**Compression Required**  
**in the Permian Basin**  
**vs Haynesville**

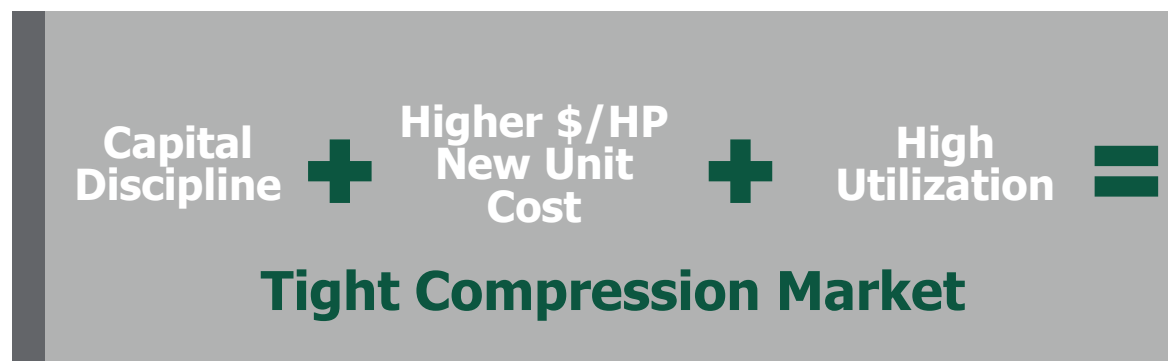
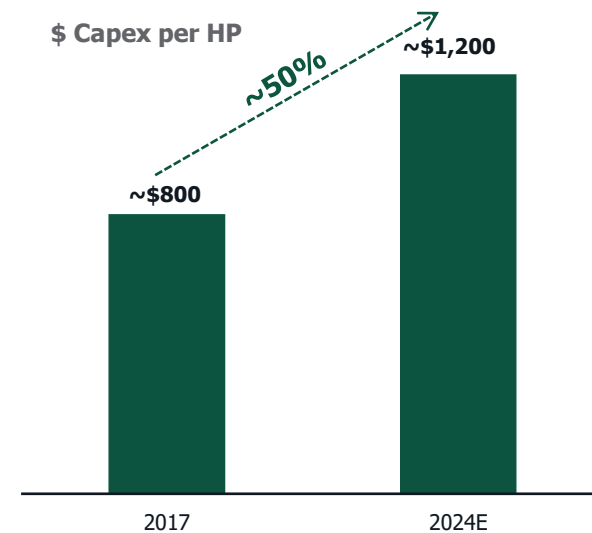
# Compression Industry Has Displayed Capital Discipline



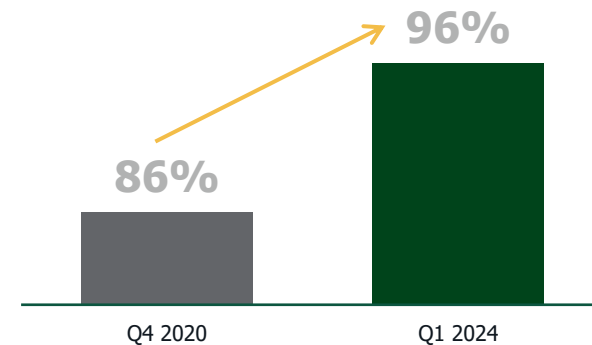
## Compression industry capital spending remains below historical levels<sup>1</sup>...



## ...while costs to add HP have risen significantly<sup>2</sup>



## Industry Utilization Rate<sup>3</sup>



<sup>1</sup> Source: Company reports; Included in the capital spending dataset are AROC, CCLP, KGS and USAC; 2024E represents the midpoint of company guidance

<sup>2</sup> Management estimates

<sup>3</sup> Calculated as the weighted average utilization rate as of period end for AROC, CCLP (excluding 0-100 HP), KGS and USAC

# Operational Systems Designed to Maximize Mechanical Availability



Every aspect of the business is geared towards providing superior service as defined by industry leading mechanical availability

**>99% Mechanical Availability Over Past 5 Years**

**Rigorous Engine and Compressor Maintenance**

**Data-driven, preventative maintenance strategy**

Program systemically ensures unit engines are “zero-houred” every 8-10 years

**Superior Training = Superior Runtime<sup>1</sup>**

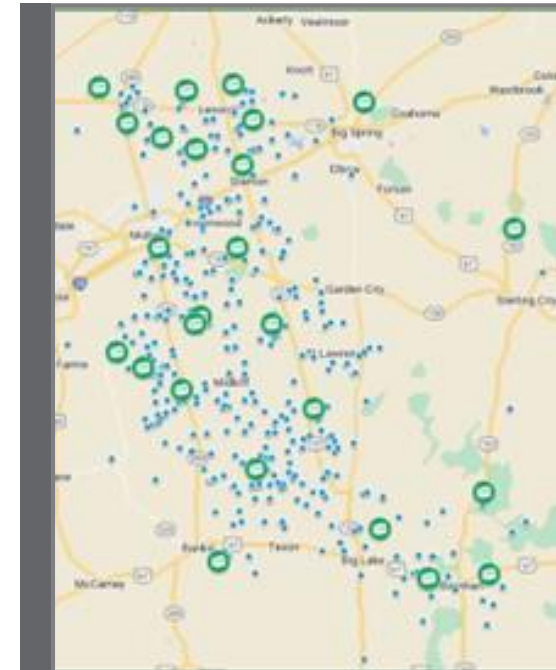
**~19,000** Hours of Technical Training

**~1,800** Hours of Compliance Training

**~1,000** Hours of Professional Training

**~13,500** Hours of Safety Training

**Inventory System Designed to Minimize Downtime**



● Kodiak Unit

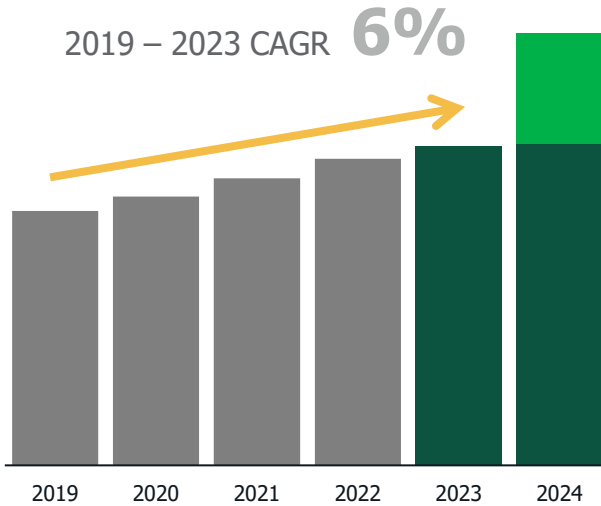
● Inventory Storage

<sup>1</sup> For the twelve-month period ending December 31, 2023

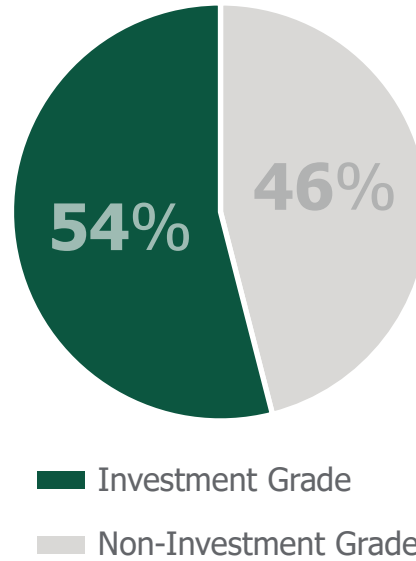
# Premier Customer Base Drives Growth & Stability



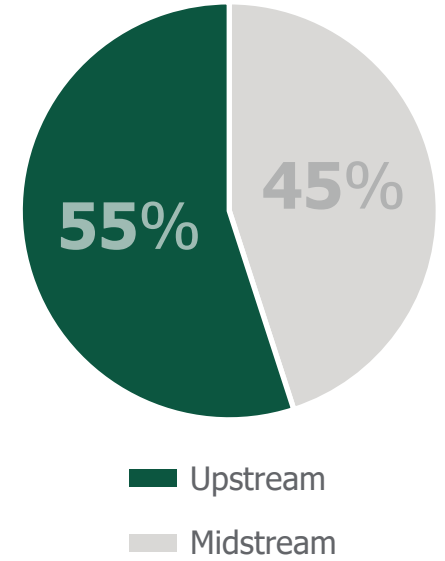
Continuous HP Growth<sup>1</sup>



Customers by Credit Rating<sup>2</sup>



Customers by Type<sup>2</sup>



<sup>1</sup> Reflects end-of-period Revenue-generating HP

<sup>2</sup> Based on Revenue-generating horsepower as of March 31, 2024, includes CSI (domestic only)





# Contract Structure Supports Cash Flow Visibility



**1** Fixed monthly revenue with multi-year terms

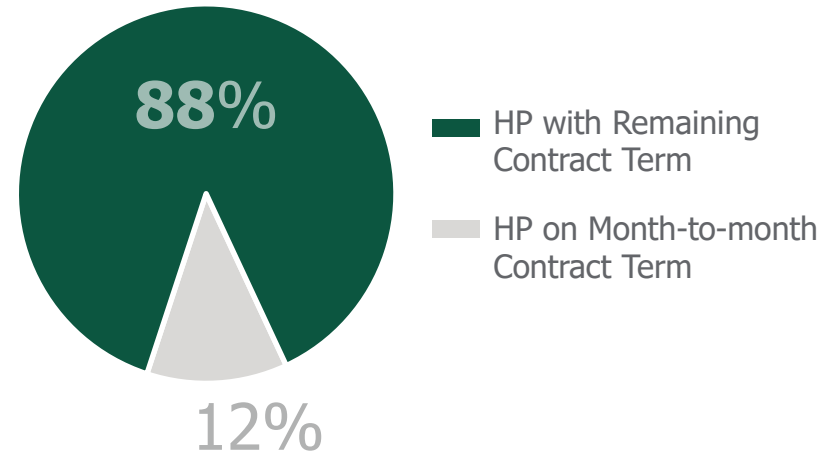
**2** Annual inflation index adjustments

**3** Advance billing improves working capital cycle

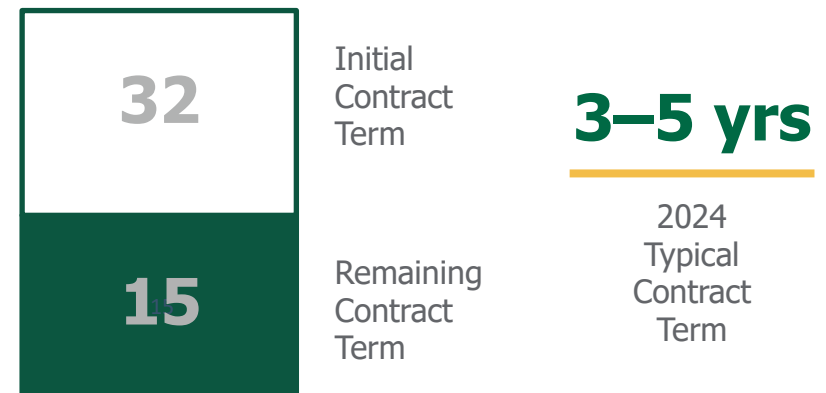
**4** 98% mechanical availability guarantee

**5** Customer bears mobilization and demobilization costs

Percent of Month-to-Month Contracts<sup>1</sup>



Weighted Average Contract Term (months)<sup>1</sup>

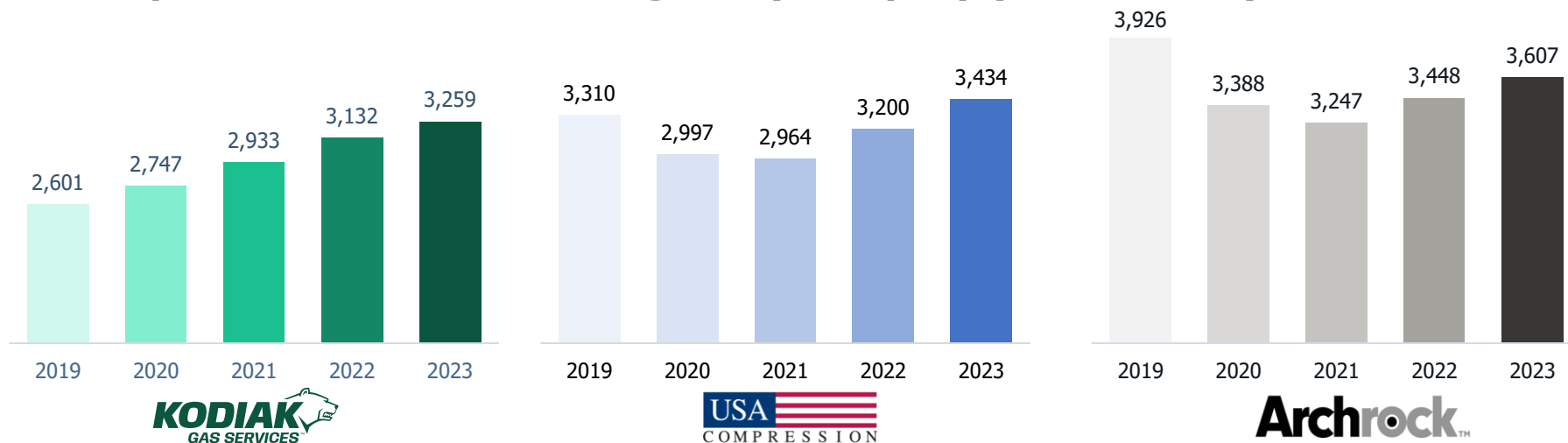


<sup>1</sup> As of March 31, 2024, includes CSI (domestic only)

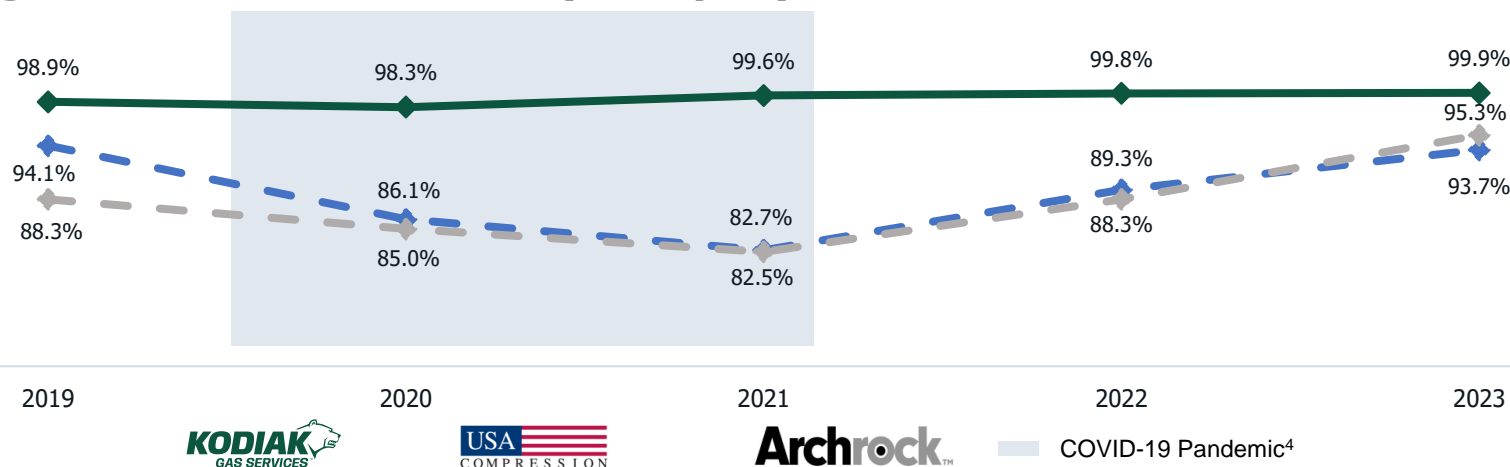
# Strategy Translates Into Industry-Leading Growth and Utilization



## End-of-period Revenue-Generating HP by Company (in thousands)<sup>1,2</sup>



## Average Annual HP Utilization by Company<sup>3</sup>

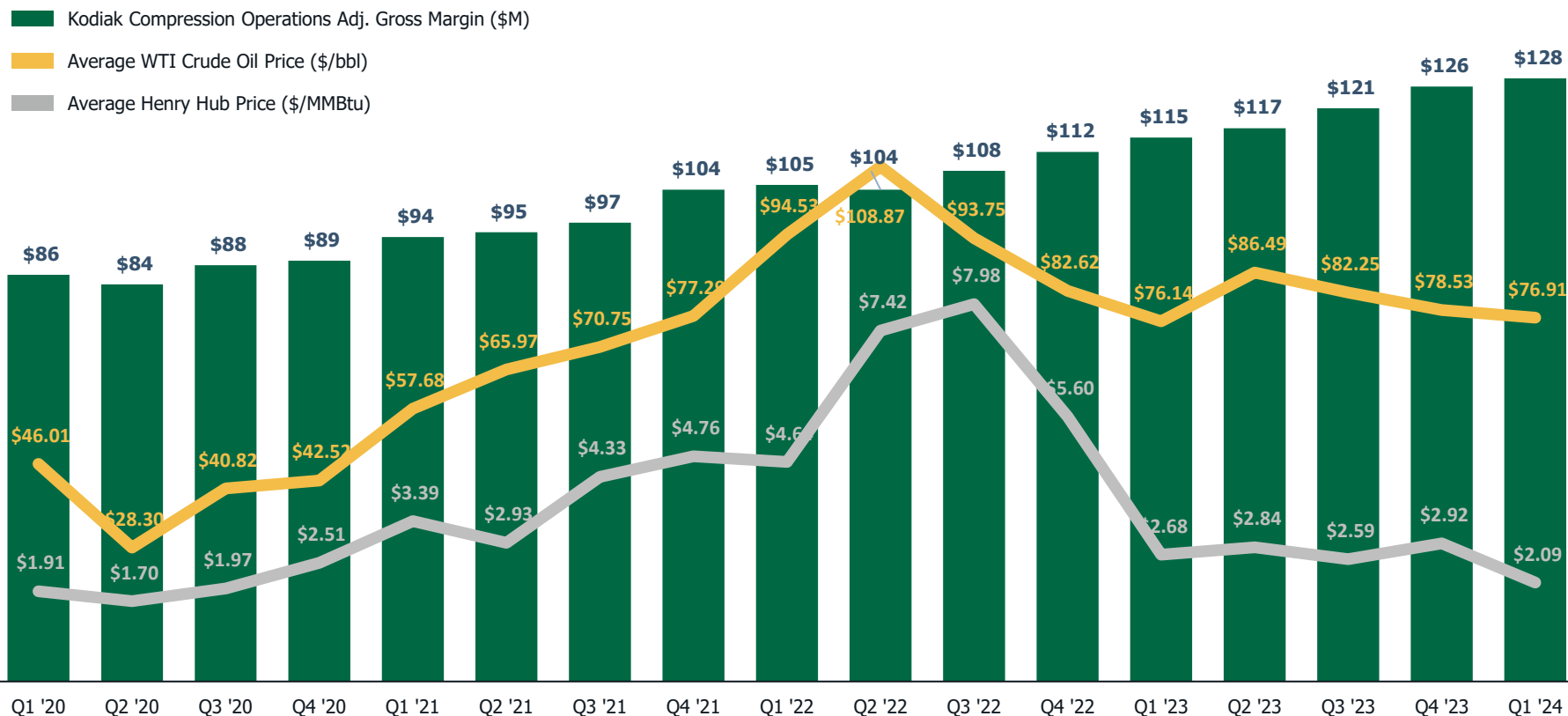


<sup>1</sup> Kodiak's 2019 HP shown pro forma for Pegasus acquisition; <sup>2</sup> AROC HP reflects total operating HP (at period end) since revenue-generating HP is not provided in public filings; <sup>3</sup> Average Annual HP Utilization calculated as the average of the four quarter-end utilization percentages for the year; <sup>4</sup> COVID-19 Pandemic is defined as Q1 2020 through Q2 2021

# Steady Business in any Commodity Price Environment



## Quarterly Compression Operations Adjusted Gross Margin (\$M)



Source: Company filings; FactSet; Note: Adjusted Gross Margin is a non-GAAP financial measure; see Supplemental Slides for reconciliation

**Returning capital** to shareholders through an attractive dividend

**Investing** in increasing fleet capacity that exceeds internal hurdle rate

**Reducing leverage** and further balance sheet **improvements**

## Dividends

**\$0.38** per share

Quarterly dividend with strong cash flow coverage

## Organic Growth

**~7-9%** growth

Targeting upper-single digit annual growth in Adj. EBITDA

## Improving Balance Sheet

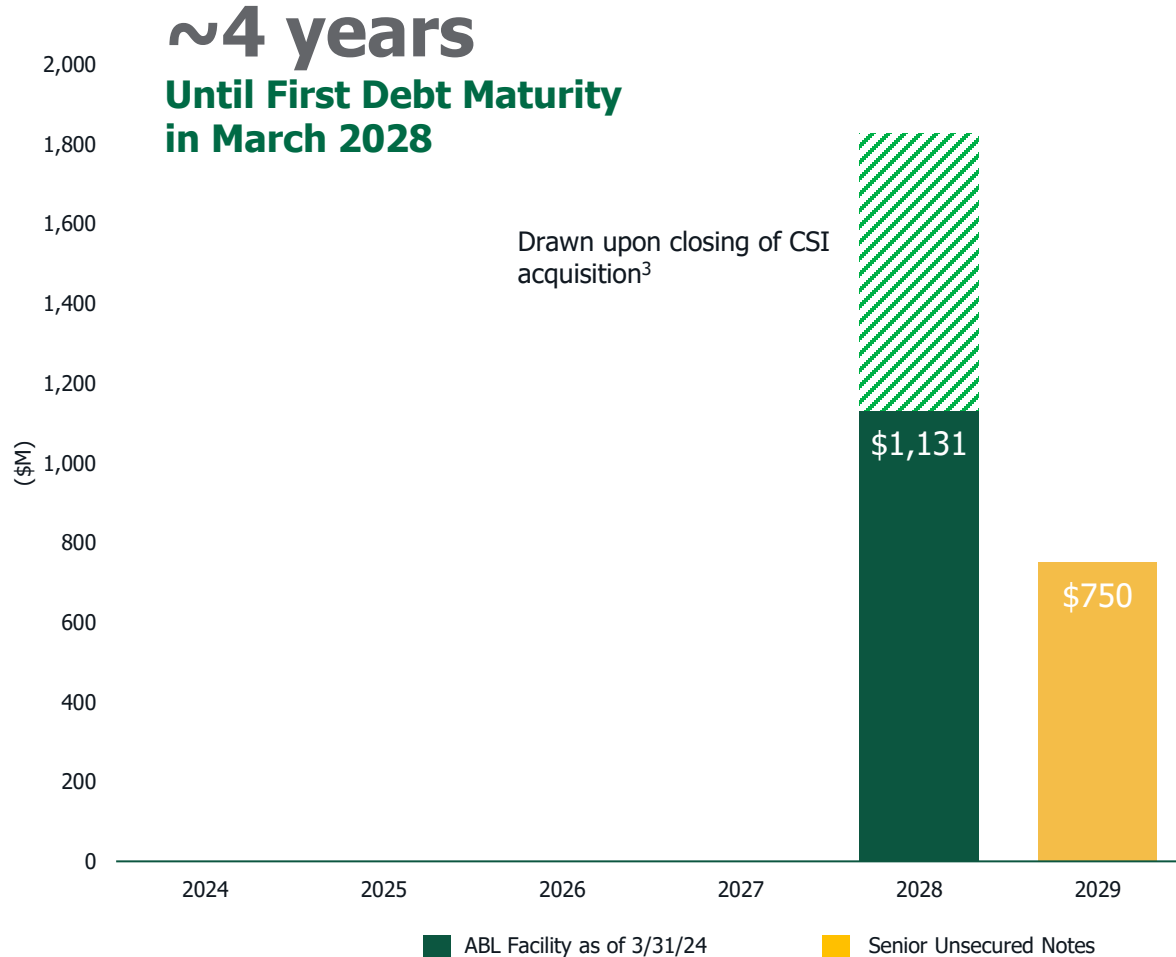
**<3.5x**

Focused on achieving leverage ratio of 3.5x or below by year-end 2025

# No Near-Term Maturities



## Kodiak's Debt Maturity Profile<sup>1</sup>



**<3.5x**

**Focused on achieving leverage ratio of 3.5x or below by year-end 2025**

**>\$375 million**

**Availability on the ABL Facility<sup>1</sup>**

**6.7%**

**Weighted average borrowing cost<sup>2</sup>**

<sup>1</sup> As of April 1, 2024

<sup>2</sup> Weighted average borrowing cost as of April 1, 2024; includes the effect of interest rate swaps

<sup>3</sup> Includes the repayment of \$652 million of debt assumed in the CSI acquisition plus transaction fees

# Full-year 2024 Guidance



(All amounts below are in millions)

	Low	High
Total Revenues	\$ 1,125	\$ 1,175
Adjusted EBITDA (1)	\$ 580	\$ 610
Discretionary Cash Flow (1)(2)	\$ 360	\$ 390
<b>Capital Expenditures</b>		
Growth capital expenditures, net (3)	\$ 215	\$ 235
Maintenance capital expenditures	\$ 55	\$ 65

- 1 The Company is unable to reconcile projected Adjusted EBITDA to projected net income (loss) and Discretionary Cash Flow to projected net cash provided by operating activities, the most comparable financial measures calculated in accordance with GAAP, respectively, without unreasonable efforts because components of the calculations are inherently unpredictable, such as changes to current assets and liabilities, unknown future events, and estimating certain future GAAP measures. The inability to project certain components of the calculation would significantly affect the accuracy of the reconciliations
- 2 Discretionary Cash Flow assumes no change to Secured Overnight Financing Rate futures
- 3 Growth capital expenditures exclude approximately \$35 million in extraordinary capital expenditures related to the acquisition of CSI, including safety and emissions upgrades to the acquired fleet, facilities rationalization and vehicle and rolling stock purchases

# Industry Leader in Sustainability Initiatives



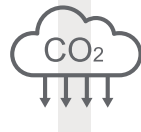
Established formal ESG Committee	Published inaugural sustainability report	Hart Energy recognizes Kodiak as first-ever ESG Top Performer Award winner <sup>1</sup>	Recognized as a best place to work – Houston Business Journal – Oklahoman – Houston Chronicle	Received Top Workplaces USA Award <sup>2</sup>	Established 'Bears Academy', a training center focused on workforce development
→	→	→	→	→	→

## Environmental

### Low Emissions Fleet

**>95%**

of fleet is lower emissions capable



### Renewable Sourced Electricity

**100%**

of offices powered by electricity produced from renewable sources backed by Energy Attribute Certificates



## Social

### Prioritize Diverse Workplace

**44%**

Workforce diversity



### Disciplined Approach to Safety

**0.43**

TRIR for 12 months ended December 2023



## Governance

### Board Diversity

**56%**

Gender, race and ethnic diversity



### Board Objectivity in Long-Term Strategy

**8 of 9**

Board members independent



<sup>1</sup> Kodiak was considered in the Private Midstream Category

<sup>2</sup> Kodiak placed 91st nationally among mid-size companies with 500 to 999 employees



# Kodiak's Value Proposition



- ✔ Leading Market Position
- ✔ Industry Leader in Both Growth & Utilization
- ✔ Attractive Industry Fundamentals
- ✔ Strong and Stable Cash Returns





**KGS**  
**LISTED**  
**NYSE**

# SUPPLEMENTAL SLIDES

# Reconciliation of Non-GAAP Financial Measures



## Gross Margin to Adjusted Gross Margin

(in thousands)	1Q 2023	1Q 2024
<b>Total revenues</b>	<b>\$190,112</b>	<b>\$215,492</b>
Cost of operations (exclusive of D&A)	(71,758)	(83,566)
Depreciation and amortization	(44,897)	(46,944)
<b>Gross margin</b>	<b>\$73,457</b>	<b>\$84,982</b>
Depreciation and amortization	44,897	46,944
<b>Adjusted Gross Margin</b>	<b>\$118,354</b>	<b>\$131,926</b>

## Net Income to Adjusted EBITDA

(in thousands)	1Q 2023	1Q 2024
<b>Net income</b>	<b>\$(12,343)</b>	<b>\$30,232</b>
Interest expense, net	68,662	39,740
Income tax expense	(3,990)	9,875
Depreciation and amortization	44,897	46,944
Loss on extinguishment of debt	-	-
(Gain) loss on derivatives	7,995	(19,757)
Equity compensation expense <sup>1</sup>	879	2,848
Transaction expenses <sup>2</sup>	201	7,880
Gain on sale of capital assets	17	-
<b>Adjusted EBITDA</b>	<b>\$106,318</b>	<b>\$117,762</b>

## Net Cash Provided by Operating Activities to DCF and FCF

(in thousands)	1Q 2023	1Q 2024
<b>Net cash provided by operating activities</b>	<b>\$32,290</b>	<b>\$51,542</b>
Maintenance capital expenditures	(4,803)	(10,642)
Transaction expenses <sup>2</sup>	201	7,880
Gain on sale of capital assets	17	-
Change in operating assets and liabilities	31,919	24,556
Other <sup>3</sup>	(918)	(1,411)
<b>Discretionary Cash Flow</b>	<b>\$49,706</b>	<b>\$71,925</b>
Growth capital expenditures <sup>4,5</sup>	(35,816)	(59,401)
Proceeds from sale of capital assets	32	-
<b>Free Cash Flow</b>	<b>\$13,922</b>	<b>\$12,524</b>

## Net Income to DCF and FCF

(in thousands)	1Q 2023	1Q 2024
<b>Net income</b>	<b>\$(12,343)</b>	<b>\$30,232</b>
Depreciation and amortization	44,897	46,944
Change in fair value of derivatives	17,934	(14,241)
Deferred tax provision	(2,521)	6,261
Amortization of debt issuance costs	5,445	2,643
Equity compensation expense <sup>1</sup>	879	2,848
Transaction expenses <sup>2</sup>	201	7,880
Gain on sale of property, plant and equipment	17	-
Maintenance capital expenditures	(4,803)	(10,642)
<b>Discretionary Cash Flow</b>	<b>\$49,706</b>	<b>\$71,925</b>
Growth capital expenditures <sup>4,5</sup>	(35,816)	(59,401)
Proceeds from sale of capital assets	32	-
<b>Free Cash Flow</b>	<b>\$13,922</b>	<b>\$12,524</b>

Source: Company filings; <sup>1</sup>For the three months ended March 31, 2024 and March 31, 2023, there was \$2.8 million and \$0.9 million of non-cash adjustments for equity compensation expense, respectively. <sup>2</sup> Represents certain costs associated with non-recurring professional services, our equity owners' expenses and other costs; <sup>3</sup> Includes non-cash lease expense, provision for credit losses and inventory reserve. <sup>4</sup> For the three months ended March 31, 2024, and 2023, growth capital expenditures include a \$9.9 million increase and a \$8.0 million decrease in accrued capital expenditures, respectively. <sup>5</sup> For the three months ended March 31, 2024, and 2023, there were \$5.8 million and \$2.4 million of non-unit growth capital expenditures, respectively.

# Reconciliation of Non-GAAP Financial Measures (cont'd)



## Gross Margin to Adjusted Gross Margin for Compression Operations

(in thousands)	1Q 2020	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Total Revenues	\$131,616	\$123,499	\$128,355	\$132,259	\$137,445	\$142,622	\$148,595	\$154,408	\$157,495	\$162,808	\$163,662	\$170,992	\$177,697	\$181,619	\$186,673	\$189,616	\$193,399
Cost of Operations (excluding D&A)	(45,899)	(39,045)	(39,897)	(43,110)	(43,269)	(47,929)	(51,124)	(50,491)	(52,937)	(58,336)	(55,872)	(58,570)	(62,770)	(65,017)	(65,470)	(63,835)	(65,882)
Depreciation and Amortization	(32,751)	(38,147)	(37,567)	(37,167)	(38,049)	(39,126)	(40,789)	(42,081)	(42,405)	(43,397)	(44,111)	(44,550)	(44,897)	(45,430)	(46,087)	(46,455)	(46,944)
Gross Margin	\$52,966	\$46,307	\$50,891	\$51,982	\$56,127	\$55,567	\$56,682	\$61,836	\$62,153	\$61,075	\$63,679	\$67,872	\$70,030	\$71,172	\$75,116	\$79,326	\$80,573
Depreciation and Amortization	32,751	38,147	37,567	37,167	38,049	39,126	40,789	42,081	42,405	43,397	44,111	44,550	44,897	45,430	46,087	46,455	46,944
Adjusted Gross Margin	\$85,717	\$84,454	\$88,458	\$89,149	\$94,176	\$94,693	\$97,471	\$103,917	\$104,558	\$104,472	\$107,790	\$112,422	\$114,927	\$116,602	\$121,203	\$125,781	\$127,517
Adjusted Gross Margin %	65.1%	68.4%	68.9%	67.4%	68.5%	66.4%	65.6%	67.3%	66.4%	64.2%	65.9%	65.7%	64.7%	64.2%	64.9%	66.3%	65.9%

## Net income to Adjusted EBITDA

(in thousands)	2Q 2022	3Q 2022	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Net (loss) income	\$8,901	\$45,900	\$1,909	\$(12,343)	\$17,517	\$21,766	\$(6,874)	\$30,232
Interest expense, net	33,713	49,859	61,251	68,662	73,658	39,710	40,484	39,740
Tax (benefit) expense	2,781	14,337	596	(3,990)	5,851	7,904	5,305	9,875
Depreciation and amortization	43,397	44,111	44,550	44,897	45,430	46,087	46,455	46,944
Loss on extinguishment of debt	-	-	-	-	-	6,757	-	-
Loss (gain) on derivatives	6,502	(51,862)	(6,144)	7,995	(34,934)	(15,141)	21,814	(19,757)
Equity compensation expense	-	-	352	879	29	2,544	2,462	2,848
Transaction expenses	1,600	-	770	201	1,072	440	4,288	7,880
Loss (gain) on sale of capital assets	-	(818)	(49)	17	(738)	-	(56)	-
Adjusted EBITDA	\$96,894	\$101,527	\$103,235	\$106,318	\$107,885	\$110,067	\$113,878	\$117,762

Source: Company filings





**KODIAK**  
GAS SERVICES

**KGS**  
**LISTED**  
**NYSE**

**THANK YOU!**

CONTACT:  
**GRAHAM SONES | VP, IR**  
**IR@KODIAKGAS.COM**