OFS Bits 3.04

Earnings Takeaways; Downgrading NOV To Sector Underperform

OILFIELD SERVICES & GREEN ENERGY
Vaibhav (Vebs) Vaishnav | Analyst
Coker Palmer Institutional
713-344-0852 (O) / 281-546-0315 (M)
vebs@cokerpalmer.com

Quick Take: OFS earnings reflected bullish signs with pricing returning to the OFS sector and international optimism. We continue to prefer international exposure over NAM. Our top picks are BKR and SLB. We are downgrading NOV to Sector Underperform on valuation and FCF.

Coverage Summary

Tkr	Rating	Price	12 Month Target	Return
BKR	SO	$21.69	$24.00	11%
CHX	SU	$22.11	$17.00	-23%
FTI	SP	$7.82	$8.00	2%
HAL	SP	$20.66	$17.00	-18%
HP	SU	$26.28	$20.00	-24%
NOV	SU	$15.90	$12.00	-25%
PTEN	SO	$7.39	$8.00	8%
SLB	SO	$28.22	$27.00	-4%
TS	SP	$22.09	$20.00	-9%

Source: Bloomberg; CPI est. Prices as of 5/3/21.

NOV - Downgrading to Sector Underperform from Sector Perform

We are downgrading NOV to Sector Underperform from Sector Perform. The company's earnings have bottomed, and cost savings potentially could drive modest upside to Street est. However, the stock is most expensive on 2021/22/23 EV/EBITDA within our coverage universe. It also has some of the lowest FCF yield for 2021/22. Our 2021/22 EBITDA est. of $214/500M are essentially in line with Street est. Our one-year price target for NOV is $12.

Prefer International Exposure Over NAM; BKR and SLB Top Picks

International activity has troughed while NAM is peaking. We see it hard for investors to give credit for U.S. growth beyond ~500 600 rigs (~535 Enverus rigs currently) as that would imply the OPEC+ is willing to cede market share. Internationally, we see ~50% upside to activity over the next few years. SLB is the go to name for international exposure, though HAL too generates ~65% of revenues internationally. BKR is trading at the lowest EV/EBITDA multiple for 2021/22 within our coverage universe, except FTI/PTEN respectively.

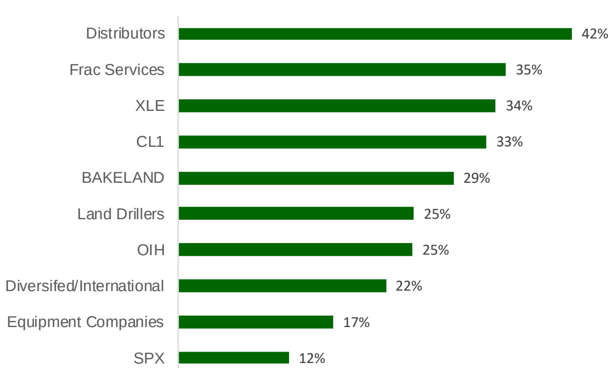
OFS 1Q21 Earnings Takeaways – Pricing Is Returning

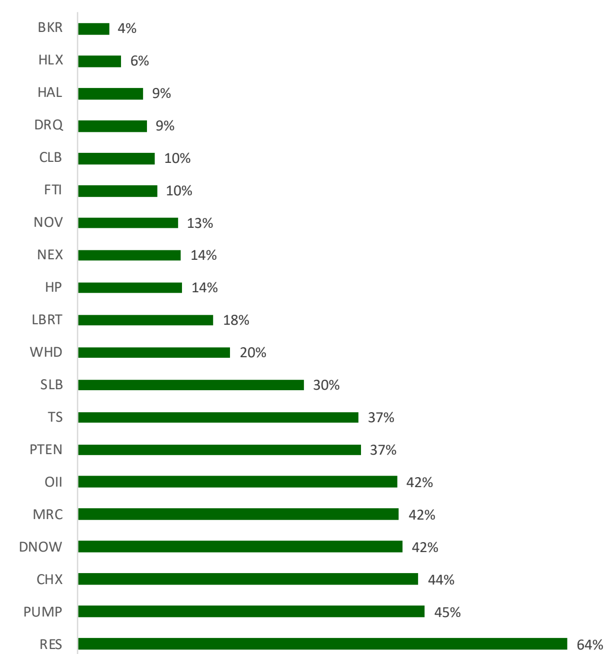
- There is more optimism and confidence in LDD international growth in 2H21 y/y. SLB talked about broadening international recovery starting in 2Q21, HAL cited completion tool sales and doubling of bids while BKR is seeing positive signs from multiple customers. There are several large tenders underway. Albeit, we think pricing is more of late 2022/23 story.
- The U.S. activity is still expected to improve but at a moderate pace. Both HP and PTEN guided to ~10-15 rigs increase each by early 3Q21.
- Pricing is returning to the OFS companies across the board including equipment companies like FTI, NOV, land drillers, pressure pumpers, OCTG (TS) and other service providers like CHX. Albeit, raw material prices are increasing too including steel, chemicals, sand, etc.
- Pressure pumpers such as PTEN, RES (not covered) continue to add fleets despite less than optimal returns citing accretive to currently working fleets and cash flow positive.
- OFS companies believe public E&Ps will remain capital disciplined but there could be upside to E&P spending budgets from higher commodity prices.
- OFS companies continue to focus on (1) reducing debt including SLB, HAL and CHX, (2) cost controls including CHX, FTI, NOV, HP and (3) energy transition with ESG continuing to gain importance.
- There is a diverse view on subsea trees outlook with BKR expecting a return to 2019 levels unlikely in the foreseeable future while SLB expects to return to 250-300 trees level over the intermediate period.

Recent Stock Performance

	BKR	CHX	HAL	HP	FTI	NOV	PTEN	SLB	TS	OIH	CL1
1 Week	**8%**	**7%**	**6%**	**3%**	**9%**	**15%**	**12%**	**7%**	**-1%**	**7%**	**4%**
BKR	-	1%	2%	5%	-2%	-7%	-4%	1%	9%	1%	4%
CHX	-1%	-	1%	4%	-3%	-8%	-5%	-1%	8%	-1%	2%
HAL	-2%	-1%	-	2%	-4%	-10%	-7%	-2%	7%	-2%	1%
HP	-5%	-4%	-2%	-	-6%	-12%	-9%	-4%	5%	-4%	-1%
FTI	2%	3%	4%	6%	-	-6%	-3%	2%	11%	2%	5%
NOV	7%	8%	10%	12%	6%	-	3%	8%	17%	8%	11%
PTEN	4%	5%	7%	9%	3%	-3%	-	5%	14%	5%	8%
SLB	-1%	1%	2%	4%	-2%	-8%	-5%	-	9%	0%	3%
TS	-9%	-8%	-7%	-5%	-11%	-17%	-14%	-9%	-	-9%	-6%
OIH	-1%	1%	2%	4%	-2%	-8%	-5%	0%	9%	-	3%
CL1	-4%	-2%	-1%	1%	-5%	-11%	-8%	-3%	6%	-3%	-
1 Month	**0%**	**2%**	**-6%**	**-7%**	**-3%**	**9%**	**-2%**	**1%**	**-6%**	**-2%**	**5%**
BKR	-	-3%	6%	7%	3%	-10%	2%	-1%	6%	2%	-5%
CHX	3%	-	9%	10%	6%	-7%	4%	2%	8%	5%	-3%
HAL	-6%	-9%	-	1%	-3%	-16%	-4%	-7%	-1%	-4%	-11%
HP	-7%	-10%	-1%	-	-4%	-17%	-5%	-8%	-2%	-5%	-12%
FTI	-3%	-6%	3%	4%	-	-13%	-1%	-4%	3%	-1%	-8%
NOV	10%	7%	16%	17%	13%	-	11%	9%	15%	11%	4%
PTEN	-2%	-4%	4%	5%	1%	-11%	-	-3%	4%	0%	-7%
SLB	1%	-2%	7%	8%	4%	-9%	3%	-	6%	3%	-4%
TS	-6%	-8%	1%	2%	-3%	-15%	-4%	-6%	-	-4%	-11%
OIH	-2%	-5%	4%	5%	1%	-11%	0%	-3%	4%	-	-7%
CL1	5%	3%	11%	12%	8%	-4%	7%	4%	11%	7%	-
3 Months	**1%**	**35%**	**9%**	**2%**	**-7%**	**14%**	**8%**	**17%**	**34%**	**11%**	**16%**
BKR	-	-33%	-8%	0%	9%	-13%	-6%	-16%	-33%	-10%	-14%
CHX	33%	-	26%	33%	42%	21%	27%	18%	1%	24%	19%
HAL	8%	-26%	-	7%	16%	-5%	1%	-8%	-25%	-2%	-7%
HP	0%	-33%	-7%	-	9%	-12%	-6%	-15%	-32%	-9%	-14%
FTI	-9%	-42%	-16%	-9%	-	-21%	-15%	-24%	-41%	-18%	-23%
NOV	13%	-21%	5%	12%	21%	-	6%	-3%	-20%	3%	-2%
PTEN	6%	-27%	-1%	6%	15%	-6%	-	-9%	-26%	-3%	-8%
SLB	16%	-18%	8%	15%	24%	3%	9%	-	-17%	6%	1%
TS	33%	-1%	25%	32%	41%	20%	26%	17%	-	23%	18%
OIH	10%	-24%	2%	9%	18%	-3%	3%	-6%	-23%	-	-5%
CL1	14%	-19%	7%	14%	23%	2%	8%	-1%	-18%	5%	-

YTD Stock Performance





Source: Bloomberg

CHX Takeaways

We maintain Sector Underperform on CHX. The company owns very desirable businesses with strong focus on free cash flow. However, valuation (above larger peers on 2021/22 EV/EBITDA), FCF yield similar to larger peers and YTD stock performance (~+45% vs ~+25% OIH) keeps us on the sidelines. Our 2021/22 EBITDA est. decline 8/5% to $473/580M, about 5% above Street est. for both years. Our one-year price target for CHX remains at $17, based on 60% weight to 2030E DCF/share value of $15.00, 20% on $22 implying 8% FCF yield of ~$1.75 on average over the next 5 years and 20% on a mix of 2024E DCF/share value of $20.00 and $21.00 based on 8.5x 2023E EV/EBITDA discounted back 2 years at 10%.

- CHX guided to $700-740M revenues and $97-105M EBITDA for 2Q21, which we think is towards the conservative side. We model $109M EBITDA for 2Q21.
- The company reiterated its priority to reduce net debt to <1x and organic capex before any shareholder returns. The company is redeeming $55M of 2026 notes. We estimate CHX to reach ~1x net debt/EBITDA by the end of 2021. Dividends and buybacks would be avenues for shareholder returns, in our view.
- CHX generated $65M or 9% FCF margins for 1Q21. The company guided to 50-60% EBITDA to FCF conversion for 2021.
- CHX is seeing increased tender activity in the Middle East in PAT and PCT as the OPEC+ is beginning to add oil production.
- The company is raising pricing for Prod. Chem. Tech. (PCT) products offsetting raw material cost increases, though with a lag. Accordingly, margins improvement in 2Q21 could be modest and more meaningful in 2H21. CHX reiterated PCT margins y/y higher exiting 2021 and 20% long term goal.
- Prod. & Auto. Tech. (PAT) margins of 20%+ are expected to be maintained through the year.
- CHX expects restocking in Drilling Tech. (DT) has essentially run its course but the segment to still outperform the rig count. The segment margins are expected to be range bound in 2021.
- Reservoir Chem. Tech. (RCT) is expected to be near breakeven in 2Q21 and profitable in 2H21.
- Integration is progressing well with $91M run-rate synergies achieved exiting 1Q21 and still on track for $125M within 24-months of the merger closing.
- Capex is expected to be 3.0-3.5% of sales for 2021.

HP Takeaways

We maintain Sector Underperform on HP. Our CY 2021/22 EBITDA est. change -13%/+21% to $136/305M, about 1/5% above Street est. Our one-year price target for HP increases to $20, from $19, based on 60% weight to 2030E DCF/share value of $22.00, 20% on $14 implying 10% FCF yield of ~$1.35 on average over the next 5 years and 20% on a mix of 2024E DCF/share value of $20.00 and $16.00 based on 5.0x 2023E EV/EBITDA discounted back 2 years at 10%.

- The company has added nine more rigs since March 31 taking the rig count to 118 and expect to end CY2Q21 at 120-125 rigs with ~30% of rigs under performance contracts.
- Currently about 30% of the rigs are on some type of performance contracts vs. ~10% a year ago.
- The company still has not called out bottom in margins as contracted backlog margins are still above spot. As those rigs roll over, there would be a negative mix shift.
- The company estimates it has 35% market share with public E&P and 14% with private E&Ps.
- HP is optimistic about pricing increases. Dayrates are already off the bottom. There are only a handful of idle super-spec rigs available that were active during the past 9-12 months. Reactivation costs for those rigs could be $400K but increase with the longer the rigs remain idle. The company is already seeing a shortage of ready-to-work super-spec rigs in the market.

- HP is taking several cost saving steps but has not quantified the total savings yet.
  - HP is selling 68 domestic non-super spec rigs which were previously written down and decommissioned.
  - The company downsized and moved Houston FlexRig assembly facility.
  - HP will be consolidating yards.
  - The company already has consolidated labor from seven districts to four and now physically consolidating the geographic footprint.
- The company reactivated 21 rigs in CY1Q for $9.7M expense and expects $6M reactivation expense in CY2Q.

NOV Takeaways - Downgrading to Sector Underperform from Sector Perform

We are downgrading NOV to Sector Underperform from Sector Perform. The company's earnings have bottomed, and cost savings potentially could drive modest upside to Street est. However, the stock is most expensive on 2021/22/23 EV/EBITDA within our coverage universe. It also has some of the lowest FCF yield for 2021/22.

Our 2021/22 EBITDA est. of $214/500M are essentially in line with Street est. Our one-year price target for NOV increases to $12, from $11, based on 60% weight to 2030E DCF/share value of $14.00, 20% on $10 implying 8% FCF yield of ~$0.80 on average over the next 5 years and 20% on a mix of 2024E DCF/share value of $9.00 and $14.00 based on 8.0x 2023E EV/EBITDA discounted back 2 years at 10%.

- Green shoots are emerging particularly in NAM Wellbore Tech.
  - Downhole friction reduction tools are sold out in certain NAM markets.
  - Pricing is up in double digits in drilling motors, rig instrumentation and solids control services.
  - C&P capital equipment book-to-bill was above 1x, first time since 4Q19.
  - Spare parts orders grew double digit in in Rig Technologies.
- NOV is expanding its cost saving initiatives again with $52M annualized cost savings achieved in 1Q and additional opportunity for $31M bringing the total to $106M for 2021. This is on top of $700M cost savings in 2019/20.
- 2Q21 guidance
  - Wellbore Tech: Revenues +8-10% with 50% incremental EBITDA margins.
  - C&P: Revenues +15-25% with ~25% incremental EBITDA margins.
  - Rig Tech.: Flat q/q.
  - Wellbore Tech. in mid-teens EBITDA margins and other two segments in high single digits by exit 2021.

PTEN Takeaways

We maintain Sector Outperform on PTEN. Our 2021/22 EBITDA est. essentially remain unchanged at $171/290M, 18/12% above Street est. Our one-year price target for PTEN remains at $8, based on 60% weight to 2030E DCF/share value of $8.00, 20% on $8 implying 8% FCF yield of ~$0.75 on average over the next 5 years and 20% on a mix of 2024E DCF/share value of $10.00 and $6.00 based on 4.5x 2023E EV/EBITDA discounted back 2 years at 10%.

- Land contract drilling
  - PTEN guided to 73 rigs and $6,200 daily margins for 2Q21. Margins are expected to trough in 2Q21.
  - The company expects steadily increasing rig activity initially by private and public operators and then majors. The company expects 80 rigs working in in the next three months with most of that growth coming in late 2Q/early 3Q.
  - PTEN expects daily cost to be flattish from $14,700.

- Pressure pumping
  - PTEN guided to seven active spreads and $9M gross margins for 2Q21 implying $5M annualized EBITDA/fleet.
  - The company is seeing signs of pricing improvement and have been successfully pushing higher input costs for trucking and sand.
  - PTEN expects to add 8^{th} fleet for dedicated work late in 2Q21. Each fleet added would be accretive and cash flow positive. A couple more fleets could be added before the end of year.
- Other guidance
  - Directional drilling revenues of $22.5M and $3.2M gross profit.
  - Other revenues of $13M and $3.5M gross profit.

Equity Comp Sheet (US$M)

					Price Target Determination						EV/EBITDA @ CPI				EV/EBITDA @ Strt.			FCF Yield @ CPI			
Tkr	Rating	Price	Mkt. Cap.	Ent. Val.	Price Target	Up/ Down	DCF 2030E	DCF 2024E	FCF Yield	EV/ EBITDA	2021E	2022E	2023E	06-14 FY1 Avg	2021E	2022E	2023E	2021E	2022E	2023E	'21-25E Avg.
BKR	SO	21.69	22,449	26,892	24	11%	22	25	24	28	9.3x	7.5x	7.0x	7.3x	10.2x	8.7x	7.7x	6.9%	8.5%	9.3%	8.8%
CHX	SU	22.11	4,452	5,319	17	-23%	15	20	22	21	10.4x	7.9x	7.2x	-	11.9x	9.7x	8.7x	5.4%	7.4%	9.3%	7.9%
FTI	SP	7.82	3,524	4,118	8	2%	9	7	5	10	7.7x	7.3x	5.3x	11.8x	7.2x	6.6x	5.9x	6.9%	2.1%	3.7%	4.7%
HAL	SP	20.66	18,382	26,806	17	-18%	15	17	22	21	9.4x	7.6x	7.1x	7.3x	10.2x	8.7x	7.5x	5.4%	7.4%	10.3%	8.4%
HP	SU	26.28	2,835	2,784	20	-24%	22	20	14	16	20.8x	9.5x	9.4x	5.5x	20.6x	9.7x	8.0x	3.9%	1.6%	5.1%	5.2%
NOV	SU	15.90	6,211	7,144	12	-25%	14	9	10	14	29.8x	12.7x	12.1x	7.4x	34.5x	14.2x	9.5x	1.4%	1.0%	4.7%	5.0%
PTEN	SO	7.39	1,388	2,091	8	8%	8	10	8	6	12.1x	6.8x	6.2x	4.8x	13.7x	8.3x	5.7x	0.9%	7.8%	13.5%	10.2%
SLB	SO	28.22	39,461	54,770	27	-4%	22	36	32	34	10.4x	8.3x	7.8x	10.8x	11.8x	10.0x	8.5x	6.4%	8.3%	8.6%	8.9%
TS	SP	22.09	13,039	12,402	20	-9%	21	23	19	14	12.2x	8.2x	7.8x	8.4x	12.8x	10.1x	8.3x	0.7%	6.0%	8.8%	6.8%

	EBITDA															FCF								
	2Q21E		Diff.	3Q21E		Diff.	2021E		Diff.	2022E		Diff.	2023E		Diff.	2Q21E		Diff.	3Q21E		Diff.	2021E		Diff.
Tkr	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%	CPI	Strt.	%
BKR	612	596	3%	689	662	4%	2,728	2,647	3%	3,244	3,090	5%	3,559	3,510	1%	86	179	-52%	170	254	-33%	1,566	1,263	24%
CHX	109	105	4%	129	119	9%	473	446	6%	580	550	5%	591	614	-4%	15	45	-67%	36	63	-43%	250	255	-2%
FTI	149	137	9%	154	150	3%	601	570	5%	567	628	-10%	594	704	-16%	(35)	50	-170%	4	29	-85%	242	209	16%
HAL	639	641	0%	691	687	1%	2,637	2,621	1%	3,104	3,076	1%	3,309	3,574	-7%	(113)	177	-164%	113	253	-55%	989	996	-1%
HP	33	32	2%	43	38	13%	136	135	1%	305	287	6%	411	347	18%	10	25	-59%	42	30	41%	111	130	-15%
NOV	46	41	12%	76	72	5%	214	207	3%	500	504	-1%	789	750	5%	(97)	(33)	194%	(65)	(6)	1042%	83	96	-13%
PTEN	38	34	11%	51	43	19%	171	152	12%	290	251	16%	401	365	10%	(7)	4	-274%	8	11	-32%	12	49	-75%
SLB	1,134	1,125	1%	1,247	1,210	3%	4,753	4,640	2%	5,676	5,484	4%	6,241	6,463	-3%	896	573	56%	754	731	3%	2,547	2,315	10%
TS	267	241	11%	311	274	13%	1,088	967	13%	1,548	1,223	27%	1,715	1,501	14%	(141)	(87)	63%	80	40	103%	95	233	-59%

	Net Debt/Cap @ CPI		Net Debt/EBITDA @ CPI		Stock Performance				Short Float			
Tkr	2021E	2022E	2021E	2022E	1 Wk.	1 Mo.	3 Mo.	YTD	4/15/21	4/1/21	3/15/21	Days To Cover
BKR	14%	8%	1.0x	0.5x	8%	0%	1%	4%	6.2%	5.4%	3.4%	5.4
CHX	20%	6%	1.0x	0.2x	7%	2%	35%	44%	2.0%	2.3%	2.5%	3.8
FTI	18%	10%	1.7x	0.9x	9%	-3%	-7%	10%	3.7%	3.2%	2.4%	3.5
HAL	44%	35%	2.5x	1.7x	6%	-6%	9%	9%	2.0%	2.1%	3.0%	2.7
HP	0%	2%	0.0x	0.2x	3%	-7%	2%	14%	6.2%	5.8%	6.2%	6.7
NOV	2%	1%	0.5x	0.1x	15%	9%	14%	13%	4.2%	3.8%	4.6%	5.2
PTEN	27%	27%	4.0x	2.0x	12%	-2%	8%	37%	8.3%	8.2%	8.8%	11.1
SLB	37%	28%	2.1x	1.3x	7%	1%	17%	30%	1.7%	1.3%	1.4%	2.4
TS	0%	-4%	0.0x	-0.3x	-1%	-6%	34%	37%	-	-	-	3.5

Source: Bloomberg; CPI est. Note: SP = Sector Perform, SO = Sector Outperform, SU = Sector Underperform; Note: HP est. shown on CY basis

Appendix A – Required Disclosures

Analyst Certification

I, Vaibhav (Vebs) Vaishnav, certify that to the best of my knowledge, the views and opinions in our research reports accurately reflect my personal views about the subject company (companies) and its (their) securities. I have not and will not receive direct or indirect compensation related to the specific recommendations or opinions of this report. Unless otherwise stated, the individuals listed on the cover page of this report are analysts for Coker Palmer Institutional (CPI). Coker Palmer Institutional (CPI) is the brand name used to distinguish Coker & Palmer's institutional only, sell side OFS Bits 3.04 operations.

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Coker Palmer Institutional (CPI) is restarting formal rating systems. The firm has a three-tiered rating system, with ratings of Sector Outperform, Sector Perform, and Sector Underperform. Each Research Analyst assigns a rating that is relative to his or her coverage universe or an index identified by the Research Analyst that includes, but is not limited to, stocks covered by the Research Analyst.

The rating assigned to each security covered in this report is based on the CPI Research Analyst's 12-month view on the security. Research Analysts may sometimes express in research reports shorter-term views on these securities that may impact the price of the equity security in a manner directly counter to the Research Analyst's 12-month view.

Appendix A – Required Disclosures Contd.

These shorter term views are based upon catalysts or events that may have a shorter-term impact on the market price of the equity securities discussed in research reports, including but not limited to the inherent volatility of the marketplace. Any such shorter-term views expressed in research report are distinct from and do not affect the Research Analyst's 12-month view and are clearly noted as such.

Ratings

Sector Outperform (SO)

The stock is expected to outperform the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

Sector Perform (SP)

The stock is expected to perform approximately in line with the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

Sector Underperform (SU)

The stock is expected to underperform the average 12-month total return of the analyst's coverage universe or an index identified by the analyst that includes, but is not limited to, stocks covered by the analyst.

Coker & Palmer Institutional Ratings Distribution

Category	Count	Percent
Sector Outperform	3	33%
Sector Perform	3	33%
Sector Underperform	3	33%
Total	9	100%

Price Target Methodology:

Coker Palmer Institutional (CPI) price targets are based on 60% weighting to DCF value through 2030, 20% weighting to FCF yield and a combined 20% weighting to traditional EV/EBITDA and DCF based through 2024.

Valuation/Risk Factors

Oilfield Services (OFS) business is inherently risky. OFS investors should be fully aware of these risks, which include, but are not limited to, volatile natural gas, NGL's and crude oil prices, demand for and competition for a company's product and/or service, asset quality, customer risks, changes in operating costs, company capital structures, operating and working capital needs and ability to raise both debt and equity capital to fund operations. We value OFS equities on many different metrics, including but not limited to, our subjective view as to the quality of management, discounted cash flows, net asset values, enterprise value to EBITDA or cash flow multiples, price to earnings or cash flow multiples, reinvestment risk and full cycle economics. These factors are uncertain and our outlook is subject to change, sometimes quite quickly. Any changes in the above factors can impede achievement of our valuation assessments.

Appendix A – Required Disclosures Contd.

The Exploration and Production (E&P) business in inherently risky. Investors in E&P equities should be fully aware of these risks, which include, but are not limited to, volatile natural gas, NGL's and crude oil prices, regional pricing differences, field and company asset quality, reserve depletion factors, drilling risks, operating costs, company capital structures, operating and working capital needs and ability to raise both debt and equity capital to fund operations. . E&P Valuation Methods used to determine the Price Target: We value E&P companies on many different metrics, including, but not limited to, our estimate of net asset value (NAV), enterprise value to EBITDA or cash flow multiples, price/earnings or cash flow multiples, discounted cash flow analysis and breakup/acquisition values. All our estimates and valuations are highly and inherently uncertain. They are based on, but not limited to, our outlook for the commodity price, our subjective view as to the quality of management, net asset value, quality of the proven and unproven reserves and resources, ability to develop and produce these reserves/resources, financial strength, cash flow, access to capital, and full cycle economics of investments. These factors are uncertain and our outlook is subject to change, sometimes quite quickly. Any changes in the above factors can impede achievement of our valuation assessments.

Industrials: This category might cover many different types of companies with various business models and various factors affecting the operations and stock prices, some of which include overall economic growth, end market demand, product inventories and competition. Some of these companies might have various energy-related exposure through both sales and/or costs. In general, industrial company risks include, but not limited to, high fixed operating costs, rising input costs, currency and commodity price fluctuations, variable demand, inventory levels, quality of management, competition and obsolesce.

E&P, Oilfield Service, Energy Transition, as well as investments in the other subsectors we follow are subject to a myriad of external factors, including but not limited to, commodity price risk, geopolitical risk, changes in interest rates, the value of worldwide currencies, especially the U.S. dollar, changing regulations, both domestically and abroad, regulatory enforcement levels, and changes in domestic or global economic fundamentals. Please see specific companies' most recent SEC filings, including 10-Ks, 10-Qs, 8-Ks, and proxy filings for additional risks and considerations. For companies based outside the US, please see country specific regulatory filings for additional risks and considerations.