Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") has been prepared by management as of August 11, 2026, and is a review of the financial condition and results of operations of Pason Systems Inc. ("Pason" or the "Company") based on IFRS® Accounting Standards issued by the International Accounting Standards Board ("IASB") and should be read in conjunction with the Condensed Consolidated Interim Financial Statements and related notes for the three and six months ended June 30, 2026 and 2025, the Consolidated Financial Statements for the twelve months ended December 31, 2025 and 2024, and Pason's Annual Information Form dated March 19, 2026.

The Company uses certain non-GAAP measures to provide readers with additional information regarding the Company's operating performance, ability to generate funds to finance its operations, fund its research and development, capital expenditure program, and return capital to shareholders through dividends and share repurchases. These non-GAAP measures are defined under Non-GAAP Financial Measures.

Certain information regarding the Company contained herein may constitute forward-looking statements under applicable securities laws. Such statements are subject to known or unknown risks and uncertainties that may cause actual results to differ materially from those anticipated or implied in the forward-looking statements. For further information, please refer to Forward Looking Information.

All financial measures presented in this report are expressed in Canadian dollars unless otherwise indicated.

Company Profile

Pason is a leading global provider of specialized data management systems for oil and gas drilling and completions operations. Pason's drilling related solutions which include data acquisition, wellsite reporting, automation, remote communications, web-based information management, and data analytics, enable collaboration between operations in the field and the office. Through Intelligent Wellhead Systems (IWS), Pason also provides engineered controls, data acquisition, and software, to automate workflows and processes for oil and gas well completions operations, improving wellsite safety and efficiency. Pason services major oil and gas basins with a local presence in the following countries: United States, Canada, Argentina, Australia, Brazil, Colombia, Dubai, Ecuador, Peru and Saudi Arabia. The Company has an over 40-year track record of distinctive technology and service capabilities offering end-to-end data management solutions enabling secure access to critical drilling operations information and decision making in real time.

Through Energy Toolbase ("ETB"), the Company also provides products and services for the solar power and energy storage industry. ETB's solutions enable project developers to model, control, and monitor economics and performance of solar energy and storage projects.

For a complete description of services provided by the Company, please refer to the headings 'General Development of the Business' and 'General Description of Business' in Pason's Annual Information Form dated March 19, 2026.

Highlights

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s, except per share data)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**100,782**	96,416	5	**203,226**	209,593	(3)
Adjusted EBITDA [1]	**35,714**	31,574	13	**73,909**	76,786	(4)
As a % of revenue	**35.4**	32.7	270 bps	**36.4**	36.6	(20) bps
Funds flow from operations	**33,540**	26,484	27	**65,464**	63,027	4
Per share – basic	**0.43**	0.34	28	**0.84**	0.80	6
Per share – diluted	**0.43**	0.34	28	**0.84**	0.80	6
Cash from operating activities	**20,536**	20,231	2	**41,473**	60,173	(31)
Net capital expenditures [2]	**17,075**	14,955	14	**29,471**	31,663	(7)
Free cash flow [1]	**3,461**	5,276	(34)	**12,002**	28,510	(58)
Cash dividends declared (per share)	**0.13**	0.13	—	**0.26**	0.26	—
Net income	**13,601**	12,008	13	**26,003**	31,654	(18)
Net income attributable to Pason	**14,061**	12,648	11	**27,104**	32,657	(17)
Per share – basic	**0.18**	0.16	13	**0.35**	0.41	(16)
Per share – diluted	**0.18**	0.16	13	**0.35**	0.41	(16)

(1) Non-GAAP financial measures are defined under Non-GAAP Financial Measures

(2) Includes additions to property, plant, and equipment, development costs and changes in non-cash working capital, net of proceeds on disposal from Pason's Condensed Consolidated Interim Statements of Cash Flows

As at	**June 30, 2026**	December 31, 2025	Change
(000s)	**($)**	($)	(%)
Cash and cash equivalents	**68,271**	75,705	(10)
Short-term investments	**—**	1,430	(100)
Total Cash [1]	**68,271**	77,135	(11)
Working capital	**106,972**	90,416	18
Total interest bearing debt	**—**	—	—
Shares outstanding end of period (#)	**77,640,286**	77,791,365	—

(1) Total Cash is defined as total cash and cash equivalents and short-term investments from Pason's Condensed Consolidated Interim Balance Sheets

Pason's financial results for the three months ended June 30, 2026 reflect improving industry conditions in the Company's North American Drilling and Completions segments. Pason generated $100.8 million in revenue in the second quarter of 2026, a 5% increase from the prior year comparative period.

Pason generated record quarterly Revenue per Industry Day in the second quarter of 2026 of $1,078, a 5% increase from $1,026 generated in the second quarter of 2025. Against relatively flat industry activity year over year, the North American segment grew revenue by 7%, from $62.5 million generated in Q2 2025 to $67.1 million generated in Q2 2026. In Completions, Pason generated $15.9 million in revenue in the second quarter of 2026, a 3% increase from $15.3 million in the comparative period in 2025. The Company's International Drilling segment navigated challenging industry conditions in the second quarter and generated $13.1 million in revenue, which compares to $13.6 million in the second quarter of 2025. The Company's Solar and Energy Storage segment revenue remained consistent year over year with $4.8 million generated in the second quarter of 2026.

Pason generated $35.7 million in Adjusted EBITDA, or 35.4% of revenue in the second quarter of 2026, compared to $31.6 million or 32.7% of revenue in the second quarter of 2025. Current quarter Adjusted EBITDA reflects higher levels of revenue generated by the Company's North American Drilling segment and the resulting operating leverage in the segment with its mostly fixed cost base.

The Company recorded net income attributable to Pason of $14.1 million ($0.18 per share) in the second quarter of 2026, compared to net income attributable to Pason of $12.6 million ($0.16 per share) recorded in the corresponding period in 2025, reflecting higher Adjusted EBITDA year over year as further outlined

above, offset with higher depreciation and amortization expense which has increased as a result of the Company's capital investments in recent quarters.

Pason's balance sheet remains strong, with no interest bearing debt, and $68.3 million in Total Cash as at June 30, 2026. Pason generated cash from operating activities of $20.5 million in the second quarter of 2026, compared to $20.2 million in the second quarter of 2025, which reflects higher Adjusted EBITDA year over year, partially offset by investments in working capital with increasing revenue in the Company's drilling and completions segments throughout the quarter. In contrast, revenue levels in these segments declined through the second quarter of 2025, resulting in lower accounts receivable balances at the end of the prior year comparative quarter.

Pason invested $17.1 million in net capital expenditures during the second quarter of 2026, an increase from $15.0 million in the second quarter of 2025 as the Company continues to execute on its 2026 capital budget. Net capital expenditures in Q2 2026 includes investments associated with supporting the continued growth of the Company's pressure control automation technology for the completions segment, as well as the ongoing refresh of Pason's drilling related technology platform. Resulting Free Cash Flow in the second quarter of 2026 was $3.5 million, compared to $5.3 million in the same period in 2025.

In the second quarter of 2026, Pason returned $11.5 million to shareholders through the quarterly dividend of $10.1 million and $1.4 million of share repurchases.

President’s Message

The second quarter of 2026 demonstrated the benefits of a leading market position and significant operating leverage that accrue to Pason in periods of increasing industry activity.

While our ability to generate meaningful growth is not wholly reliant on higher levels of industry activity, increasing activity is undoubtedly a tailwind to stronger financial and operational results for Pason. After remaining in a narrow range of between 525 and 535 active land drilling rigs for the second half of 2025 and early 2026, US land drilling activity began to move higher in the second quarter and currently sits above 570 rigs.

Owing to the operating leverage in our drilling business, we are able to achieve exceptional incremental margins during periods of increasing activity. Our business has long been recognized for strong margins and returns on capital, but it can be easy to overlook the continued strength of our core drilling-related business while we scale earlier stage businesses. Lower margin and return profiles at their earlier stage of development in completions and solar and energy storage can dilute the strong margins from our drilling business. As an illustration of this point, our North American Drilling segment gross profit increased by $4.6 million from the second quarter of 2025 on a $4.6 million increase in revenue in the same period.

We expect to deliver meaningful growth that outpaces increases in underlying industry activity from five areas:

- scaling our business in the completions market;
- increasing adoption and price realization from our existing, established drilling-related products and services in North America;
- providing compelling new technologies in the drilling market, including the mud analyzer;
- deploying additional products in international markets with a growing proportion of unconventional drilling and completions; and
- pursuing under-addressed data management opportunities in adjacent oil and gas well construction activities.

Our focus in building our Completions business is on both scalability and scale, from a predominantly fixed operating cost base, which should drive higher incremental margins and returns on capital over time. The reality of a rental business model in an earlier stage of development is that capital intensity appears higher as we make capital expenditures in the short-term that are expected to generate rental revenue

and corresponding earnings over a period of several years. While our free cash flow generation from our drilling business benefits from revenue generated from assets in the later stages of their expected rental life, our Completions rental assets are still in the earlier years of their expected rental life. Over time, as Completions rental revenue streams continue from prior capital investments, free cash flow conversion is expected to migrate higher as aggregate capital intensity decreases. We are making investments to streamline and simplify our product and service offerings to deliver higher levels of customer satisfaction, while lowering operating and capital costs per job over time. We are also focusing our efforts on jobs where our distinctive technology and service advantages are most applicable; this provides greater opportunities to scale revenue as job complexity increases.

In both our Drilling and Completions segments, growing demand for data, fueled in large part by rapid proliferation of artificial intelligence tools, provides a tailwind for our core products and services as well as opportunities to develop additional products.

Our approach to capital allocation looks to balance the discipline and predictability of our regular quarterly dividend, which is unchanged at $0.13 per share, with the flexibility to pursue organic investments and share repurchases, which we evaluate through the lens of expected returns on capital. Any M&A opportunities that might surface have to compete against the expected returns on investment in our own business or our own shares. We continue to see the highest expected returns from organic investments in our business, and we continue to expect to spend between $60 and $70 million in capital expenditures in 2026. In addition, working capital investments are generally most pronounced through periods of rising activity levels and we will absorb these investments as necessary, while focusing on maintaining strong cash collection trends.

We expect to see continued volatility in global commodity prices in the short-term as the dynamics around the military conflict in the Middle East change and evolve; however, significant reductions in global oil supplies and drawdowns of inventories (including strategic reserves that countries must replenish over time) provide greater confidence for our customers around improved commodity prices in the medium to longer term. We anticipate these factors will translate into continued activity increases through the remainder of 2026 and into 2027.

We have the ability to respond to the needs of our customers as activity increases. The benefits of our leading market share and high operating leverage are most pronounced during times of increasing activity, as was evidenced in our second quarter performance.

Our focus remains on delivering exceptional performance in areas which are within our control. Our priorities are centered on expanding our service and technology advantages, maintaining a strong balance sheet, and returning capital to shareholders in a disciplined manner.

Jon Faber
President and Chief Executive Officer
August 11, 2026

Discussion of Operations

Overall Performance

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**100,782**	96,416	5	**203,226**	209,593	(3)
Operating expenses	**40,562**	41,572	(2)	**81,459**	85,495	(5)
Depreciation and amortization	**15,759**	13,901	13	**31,821**	28,085	13
	56,321	55,473	2	**113,280**	113,580	—
Gross profit	**44,461**	40,943	9	**89,946**	96,013	(6)
Other expenses (income)						
Research and development	**14,226**	13,861	3	**27,547**	27,438	—
Selling, general, and administrative	**10,297**	9,650	7	**20,366**	20,345	—
Stock-based compensation	**2,391**	1,929	24	**6,723**	4,821	39
Other (income) expenses	**(811)**	(950)	(15)	**194**	(904)	nmf
	26,103	24,490	7	**54,830**	51,700	6
Income before income taxes	**18,358**	16,453	12	**35,116**	44,313	(21)
Income tax provision	**4,757**	4,445	7	**9,113**	12,659	(28)
Net income	**13,601**	12,008	13	**26,003**	31,654	(18)
Net income (loss) attributable to:						
Shareholders of Pason	**14,061**	12,648	11	**27,104**	32,657	(17)
Non-controlling interest	**(460)**	(640)	(28)	**(1,101)**	(1,003)	10
Net income	**13,601**	12,008	13	**26,003**	31,654	(18)
Income per share						
Basic	**0.18**	0.16	13	**0.35**	0.41	(16)
Diluted	**0.18**	0.16	13	**0.35**	0.41	(16)
Adjusted EBITDA [(1)]	**35,714**	31,574	13	**73,909**	76,786	(4)

(1) Non-GAAP financial measures are defined under Non-GAAP Financial Measures

North American Drilling

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**67,082**	62,479	7	**136,896**	138,251	(1)
Operating expenses	**20,865**	21,476	(3)	**41,568**	42,850	(3)
Depreciation and amortization	**7,572**	6,971	9	**14,983**	14,564	3
Segment gross profit	**38,645**	34,032	14	**80,345**	80,837	(1)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
	($)	($)	(%)	**($)**	($)	(%)
Revenue per Industry Day [(1)]	**1,078**	1,026	5	**1,061**	1,048	1

(1) Non-GAAP financial measures are defined under Non-GAAP Financial Measures

While North American industry drilling activity improved in the latter part of the second quarter, overall industry activity was relatively flat year over year. Pason generated a new quarterly record for Revenue Per Industry Day of $1,078 in Q2 2026, which represents a 5% increase from the prior year comparative period. Revenue per Industry Day in the second quarter benefited from improved product adoption and increased Canadian activity year over year, a region which generates comparatively higher day rates than the US. As a result, Pason's North American Drilling segment generated $67.1 million in revenue in the second quarter of 2026, a 7% increase from $62.5 million generated in the second quarter of 2025.

As certain regions within the North American segment experience fluctuations in activity levels due to seasonality, Pason expects Revenue per Industry Day to similarly fluctuate. Pason's Revenue per Industry Day will also be impacted by changes in foreign exchange between the Canadian dollar and US dollar as noted above.

Operating expenses for the North American drilling segment are mostly fixed in nature and consist primarily of the Company's field service and support presence, supplies consumed in the field, repairs and maintenance on Pason's hardware platform, and bandwidth costs associated with connectivity and data capture at drilling rigs. Operating expenses for the segment decreased by 3% in the second quarter of 2026 over the 2025 comparative period.

Depreciation and amortization for the North American drilling segment increased by 9% to $7.6 million when compared to the prior year period of 2025 reflecting higher capital expenditures in the segment in recent quarters.

Resulting segment gross profit was $38.6 million during the second quarter of 2026 compared to $34.0 million in the comparative period of 2025, demonstrating the Company's operating leverage with increased revenue over a mostly fixed cost base.

From a year-to-date perspective, while activity levels were relatively flat year over year for the second quarter, North American Drilling activity was down 6% when comparing Q1 2026 versus Q1 2025. As a result, year-to-date North American industry activity decreased 3% from the prior year comparative. Through this time, the North American drilling segment generated year-to-date revenue of $136.9 million and segment gross profit of $80.3 million, both results only a 1% decrease from prior year and outperforming the underlying change in industry conditions.

International Drilling

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**13,092**	13,614	(4)	**24,818**	27,603	(10)
Operating expenses	**5,999**	6,575	(9)	**11,654**	13,824	(16)
Depreciation and amortization	**1,076**	665	62	**2,114**	1,606	32
Segment gross profit	**6,017**	6,374	(6)	**11,050**	12,173	(9)

The Company's International Drilling segment navigated challenging industry conditions in the regions in which it operates in the second quarter of 2026, with ongoing macroeconomic uncertainty impacting drilling activity levels. As a result, the International Drilling business unit generated $13.1 million of revenue in the second quarter of 2026 compared to $13.6 million in the second quarter of 2025.

While the majority of operating expenses for the segment remain mostly fixed in nature, Pason incurred $6.0 million in operating expenses in the second quarter of 2026, a 9% reduction from the second quarter of 2025 which reflects lower activity and revenue levels year over year. Resulting gross profit was $6.0 million in the second quarter of 2026 compared to $6.4 million in the second quarter of 2025.

From a year-to-date perspective, Pason saw lower revenue in Argentina with a large customer’s operational focus shifting away from conventional wells toward more unconventional drilling in 2025, leading to a reduction in active rigs pending results from this change. As a result, year-to-date revenue was $24.8 million and segment gross profit was $11.1 million for the segment, both decreases from the prior year comparative period.

Completions

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**15,850**	15,345	3	**30,898**	31,358	(1)
Operating expenses	**8,842**	7,989	11	**17,243**	16,748	3
Depreciation and amortization	**6,997**	6,176	13	**14,506**	11,808	23
Segment gross profit (loss)	**11**	1,180	nmf	**(851)**	2,802	nmf

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
	($)	($)	(%)	**($)**	($)	(%)
IWS Active Jobs [(1)]	**31**	33	(6)	**30**	33	(9)
Revenue per IWS Day [(1)]	**5,625**	5,069	11	**5,747**	5,274	9

(1) Non-GAAP financial measures are defined under Non-GAAP Financial Measures

While industry conditions for completions activity in North America have been improving recently, active frac spreads in the US declined by 4% in the second quarter of 2026 when compared to the prior period. Outpacing the year-over-year change in activity, the Company's Completions segment generated $15.9 million of revenue, which represents a 3% increase from $15.3 million generated in the second quarter of 2025. During the second quarter of 2026, the business unit averaged 31 IWS Active Jobs, compared to 33 IWS Active Jobs in the second quarter of 2025, reflecting the Company's strategic focus in recent quarters away from lower value, ancillary only jobs. As a result, Revenue per IWS day of $5,625 increased from $5,069 in Q2 2025, reflecting this improved and higher complexity mix of work year over year. Revenue per IWS Day will continue to fluctuate depending on the mix of technology adopted amongst customers and foreign exchange rates.

Operating expenses for the Completions segment are mostly fixed in nature and are primarily comprised of the Company's field service and support presence, supplies consumed in the field, repairs and maintenance on the Company's hardware platform, and bandwidth costs associated with connectivity and data capture in completions operations. In the second quarter of 2026, the Completions business unit incurred operating expenses of $8.8 million, compared to $8.0 million in the second quarter of 2025 as the business unit makes investments in support of growing revenue levels.

Depreciation and amortization for the Completions segment was $7.0 million in the second quarter of 2026 and represents depreciation expense on IWS' growing hardware platform, along with $2.2 million in amortization expense associated with intangible assets acquired through the IWS Acquisition. The increase in depreciation and amortization year over year is a result of the capital investments made in the segment in recent quarters.

As a result of the aforementioned factors through the segment's current stage of growth, gross profit for Completions was $0.01 million in the second quarter of 2026 compared to $1.2 million in the comparable period of 2025.

Year-to-date the Completions segment generated revenue of $30.9 million, a result that is essentially flat to the level generated in the prior year, despite a decrease in year-to-date active frac spreads in the US of 13%. Gross loss of $0.9 million year-to-date reflects investments in support of growing job counts and revenue levels, as well as $4.4 million in amortization expense on intangible assets arising from the acquisition of IWS, but not indicative of capital required to operate the business.

Solar and Energy Storage

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Revenue	**4,758**	4,978	(4)	**10,614**	12,381	(14)
Operating expenses	**4,856**	5,532	(12)	**10,994**	12,073	(9)
Depreciation and amortization	**114**	89	28	**218**	107	104
Segment gross (loss) profit	**(212)**	(643)	nmf	**(598)**	201	(398)

The Solar and Energy Storage business unit generated $4.8 million in revenue during the second quarter of 2026, a level comparable to the second quarter of 2025. Quarterly revenue for the Solar and Energy Storage business unit fluctuate with the timing of control system project deliveries.

Operating expenses were $4.9 million during the second quarter of 2026, which includes the cost of goods sold on control systems revenue. Resulting segment gross loss was $0.2 million in the second quarter of 2026 compared to gross loss of $0.6 million in the comparable period in 2025.

Year-to-date, revenue of $10.6 million and segment gross loss of $0.6 million both represent decreases over the prior year comparative period, primarily due to fewer control system sales and installations in 2026 to date.

The Solar and Energy Storage business unit incurred the following research and development costs, which are included in research and development in the Company's Condensed Consolidated Interim Statements of Operations. Consistent with the Company's other reporting segments, research and development costs are excluded from the segment gross profit table above.

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Research and development expenses	**1,604**	1,610	—	**3,163**	3,211	(1)

Research and Development

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Research and development expenses	**14,226**	13,861	3	**27,547**	27,438	—

The Company's research and development costs include expenditures on research and development activities, as well as ongoing support for IT and technology platforms. Research and development expenses in the second quarter are up 3% from the prior year comparative quarter, while flat on a year to date basis.

Pason continues to assess investments in research and development in the context of defending its leading competitive position in servicing the global drilling industry, growing its market presence within both the completions and the solar and energy storage end markets, and future revenue growth opportunities within each segment.

Selling, General and Administrative Expenses

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Selling, general, and administrative	**10,297**	9,650	7	**20,366**	20,345	—

Quarterly selling, general and administrative (SG&A) expenses increased by 7% year over year, from $9.7 million in Q2 2025 to $10.3 million in Q2 2026, with timing of compensation related quarterly accruals impacting the year over year comparison. On a year-to-date basis, SG&A expenses are consistent in 2026 as compared to 2025.

Stock-Based Compensation

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Stock-based compensation	**2,391**	1,929	24	**6,723**	4,821	39

The Company records stock-based compensation expense (recovery) for its stock option plan, restricted share units plan ("RSU"), deferred share units plan ("DSU"), and performance share units plan ("PSU"). Pason's stock option plan qualifies employees to purchase common shares in the Company at a predetermined exercise price. Pason's RSU and DSU plans are cash settled and linked to the Company's share price performance. The Company's PSU plan is also cash settled and is linked to several performance measures, including relative share price performance. As such, the Company records a current and non-current stock-based compensation liability at the end of each reporting period reflecting the mark to market of its cash settled plans. As at June 30, 2026, the Company held $6.9 million in current stock-based compensation liability and $7.6 million in non-current stock-based compensation liability for its cash settled plans (as at December 31, 2025: $3.9 million and $4.8 million, respectively).

The Company's stock-based compensation expense in each of the periods in the table above reflects the ongoing vesting of outstanding awards as well as the change in the Company's share price performance and the associated impact on the Company's stock-based compensation liability.

Other (Income) Expenses

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Net interest expense (income)	**202**	(804)	nmf	**578**	(1,316)	nmf
Foreign exchange (gain) loss	**(1,239)**	(1,174)	6	**(634)**	(1,344)	(53)
Equity investment (income)	**(17)**	(241)	(93)	**(55)**	(471)	(88)
Other expenses	**243**	1,269	(81)	**305**	2,227	(86)
Total other (income) expenses	**(811)**	(950)	(15)	**194**	(904)	nmf

Net interest expense (income) is primarily comprised of implicit interest expense on the Company's lease liabilities. Net interest expense (income) also includes interest generated from the Company's invested cash and cash equivalents and will fluctuate as average cash balances and available yields fluctuate.

Foreign exchange (gain) loss represents net realized and unrealized foreign exchange gains and losses on the Company's cash and cash equivalents, and working capital held in foreign currencies.

Equity investment (income) results from the Company using the equity method of accounting to account for its investment in the Pason-Rawabi joint venture.

Other expenses in the three and six months ended June 30, 2026 is comprised primarily of non-recurring severance related costs. In the 2025 comparative periods, other expenses includes costs associated with the Company's intellectual property litigation, which was settled per the settlement agreement announced on December 8, 2025 ending all ongoing and pending intellectual property litigation between the involved parties.

Income Tax Provision

During the second quarter of 2026, the Company recorded an income tax expense of $4.8 million compared with $4.4 million during the comparative period in 2025. The increase reflects an increase in income before tax, as a result of factors mentioned throughout this MD&A.

Equity Investments

As at June 30, 2026, the Company holds $2.7 million (as at December 31, 2025: $3.3 million) on its Condensed Consolidated Interim Balance Sheets relating to the carrying value of a 50% interest in Rawabi Pason Company ("Rawabi JV"), which is accounted for using the equity method.

Put Obligation

As at June 30, 2026, the Company holds a $4.0 million obligation under a put option on its Condensed Consolidated Interim Balance Sheets (December 31, 2025: $3.8 million). The put obligation is a contractual obligation whereby the non-controlling shareholders of ETB have a put option to exercise for cash their 20% shareholdings of ETB with reference to the fair value of ETB shares at the date the put option can be exercised. This put option gives rise to a financial liability and is calculated using a discounted cash flow model of the estimated future cash flows of the obligation.

Summary of Quarterly Results

Three Months Ended	Jun 30, 2024	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Jun 30, 2025	Sep 30, 2025	Dec 31, 2025	Mar 31, 2026	**Jun 30, 2026**
(000s, except per share data)	($)	($)	($)	($)	($)	($)	($)	($)	($)
North American Drilling	63,765	74,141	71,754	75,772	62,479	68,758	67,509	69,814	**67,082**
International Drilling	15,284	15,327	15,009	13,989	13,614	12,497	11,955	11,726	**13,092**
Completions	13,666	12,512	13,624	16,013	15,345	14,636	13,004	15,048	**15,850**
Solar and Energy Storage	3,141	3,909	7,242	7,403	4,978	5,071	16,244	5,856	**4,758**
Revenue	95,856	105,889	107,629	113,177	96,416	100,962	108,712	102,444	**100,782**
Adjusted EBITDA [(1)]	33,135	44,148	42,119	45,212	31,574	38,506	38,109	38,195	**35,714**
As a % of revenue	34.6	41.7	39.1	39.9	32.7	38.1	35.1	37.3	**35.4**
Funds flow from operations	28,044	36,119	32,124	36,543	26,484	30,822	8,341	31,924	**33,540**
Per share – basic	0.35	0.45	0.40	0.46	0.34	0.39	0.11	0.41	**0.43**
Per share – diluted	0.35	0.45	0.40	0.46	0.34	0.39	0.11	0.41	**0.43**
Cash from operating activities	25,976	30,375	35,825	39,942	20,231	29,425	28,086	20,937	**20,536**
Free cash flow [(1)]	8,031	16,654	17,646	23,234	5,276	18,727	16,104	8,541	**3,461**
Net income	10,284	23,717	16,585	19,646	12,008	11,841	8,107	12,402	**13,601**
Net income attributable to Pason	10,890	24,158	16,927	20,009	12,648	12,526	7,969	13,043	**14,061**
Per share – basic	0.14	0.30	0.21	0.25	0.16	0.16	0.10	0.17	**0.18**
Per share – diluted	0.14	0.30	0.21	0.25	0.16	0.16	0.10	0.17	**0.18**

(1) Non-GAAP financial measures are defined in Non-GAAP Financial Measures section

Pason's financial results in the North American Drilling segment fluctuate quarterly, partly due to the seasonal nature of the North American oil and gas industry, most notably in relation to the Company's North American Drilling segment. This fluctuation is somewhat offset by the less seasonal nature of the Completions Segment and the International Drilling and Solar and Energy Storage segments. The first quarter is generally the strongest quarter for our North American Drilling segment due to stronger activity in Canada, where location access is best during the winter. The second quarter is typically the slowest for the North American Drilling segment due to spring break-up in Canada, when many areas are not accessible because of ground conditions, and, therefore, do not permit the movement of heavy equipment. Activity in the North American Drilling segment generally increases in the third quarter, as ground conditions improve and location access becomes more practical; however, a rainy summer can have a significant adverse effect on drilling and completions activity. By the fourth quarter, access to most areas in Canada becomes available when the ground again freezes. Consequently, the performance of the Company may not be comparable from one quarter to the next and should instead be considered either on the basis of full-year results or by comparing results in a quarter with results in the corresponding quarter of the previous year. The overall seasonality of the Company's operations has, and will continue to become less pronounced as a result of growth in Pason's operations outside of Canadian drilling.

Q2 2026 vs Q1 2026

Consolidated revenue was $100.8 million in the second quarter of 2026, a 2% decrease over consolidated revenue of $102.4 million in the first quarter of 2026.

Revenue in the North American Drilling business unit decreased from $69.8 million in the first quarter of 2026 to $67.1 million in the second quarter of 2026, due to the effects of the expected seasonal slowdown in Canadian drilling activity. Partially offsetting this, Revenue per Industry Day in the second quarter of 2026 was $1,078, a new quarterly record and a 3% increase from $1,046 in the first quarter of 2026.

Pason's Completions segment generated $15.9 million of revenue in the second quarter of 2026, a 5% increase from the $15.0 million generated in the first quarter of 2026. IWS Active Jobs increased from 28 jobs in the first quarter of 2026 to 31 jobs in the second quarter of 2026, while Revenue per IWS day decreased 4% as a result of job mix. Revenue per IWS Day will continue to fluctuate depending on the mix of technology adopted amongst existing customers and changes in foreign exchange.

The International business unit saw improved revenue in several regions and reported revenue of $13.1 million in the second quarter of 2026 increased from $11.7 million in the first quarter of 2026.

The Solar and Energy Storage business unit generated $4.8 million of revenue in the second quarter of 2026 compared to revenue of $5.9 million in the first quarter of 2026. Quarterly revenue for this business unit will fluctuate with timing of delivery of control system projects.

Overall Company Adjusted EBITDA was $35.7 million in the second quarter of 2026, or 35.4% of revenue, compared to $38.2 million in the first quarter of 2026, or 37.3% of revenue primarily reflecting the effect of the seasonal slowdown in Canadian drilling activity over the Company's mostly fixed cost base.

The Company recorded net income attributable to Pason in the second quarter of 2026 of $14.1 million ($0.18 per share), compared to net income attributable to Pason of $13.0 million ($0.17 per share) in the first quarter of 2026. The increase quarter over quarter is primarily driven by lower stock-based compensation expense in the second quarter which reflects changes in the Company's share price, offsetting the effect of lower Adjusted EBITDA sequentially as outlined above.

Cash from operating activities declined slightly from $20.9 million in the first quarter of 2026 to $20.5 million in the second quarter of 2026 which reflects lower Adjusted EBITDA due to Canadian drilling seasonality, and investments in working capital sequentially. Free Cash Flow in Q2 2026 was $3.5 million compared to $8.5 million in Q1 2026, due to the factors mentioned above in addition to higher levels of capital expenditures in the current quarter as the Company continues to execute its 2026 capital plans.

Liquidity and Capital Resources

As at	June 30, 2026	December 31, 2025	Change
(000s)	**($)**	($)	(%)
Cash and cash equivalents	**68,271**	75,705	(10)
Short-term investments	**—**	1,430	(100)
Total Cash [(1)]	**68,271**	77,135	(11)
Working capital	**106,972**	90,416	18
Total assets	**606,172**	596,954	2
Total interest bearing debt	**—**	—	—

(1) Total Cash is defined as cash and cash equivalents and short-term investments from Pason's Condensed Consolidated Interim Balance Sheets

As at June 30, 2026, Pason's balance sheet remains strong with no interest bearing debt and $68.3 million in Total Cash (December 31, 2025: $77.1 million). During the second quarter of 2026 Pason received its final payment on its USD denominated Central Bank of the Argentine Republic's Bond for the Recovery of a Free Argentina program, which were previously recorded within short-term investments.

As at June 30, 2026, Pason has $107.0 million in working capital, an 18% increase from $90.4 million, which primarily reflects higher accounts receivable driven by increasing activity from the Company's drilling and completions segments throughout the quarter, in comparison to declining levels of revenue from these segments in the second quarter of 2025. Furthermore, trade payables and accruals as at June 30, 2026 were lower than December 31, 2025, primarily as a result of the payment of the Company's performance incentive compensation plan in the second quarter of 2026.

Credit Facilities

As at June 30, 2026, the Company does not have any interest bearing debt outstanding, consistent with December 31, 2025.

Credit Facility

In the second quarter of 2026, the Company and Pason Systems Corp. (collectively, the “Borrowers”) entered into a new amended and restated loan agreement (the “Credit Facility”) to replace both an existing $5.0 million Demand Facility as well as a $10.0 million ABL Facility assumed through the acquisition of IWS in 2024.

The Credit Facility is secured by guarantees and security agreements of the Borrowers and certain material subsidiaries.

Under the Credit Facility, the Borrowers have a $30.0 million revolving demand line of credit for working capital purposes. Advances bear interest at variable rates based on RBP, RBUSBR, CORRA or SOFR plus applicable margins. The Borrowers can repay, without penalty, advances under the facility.

Under the Credit Facility, the Company is subject to the following financial covenant:

- The ratio of Senior Secured Net Funded Debt to trailing EBITDA must not exceed 2.50:1.00.

Cash Flow Statement Summary

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	Change	**2026**	2025	Change
(000s)	**($)**	($)	(%)	**($)**	($)	(%)
Funds flow from operations	**33,540**	26,484	27	**65,464**	63,027	4
Cash from operating activities	**20,536**	20,231	2	**41,473**	60,173	(31)
Cash used in financing activities	**(10,343)**	(19,911)	(48)	**(24,141)**	(36,713)	(34)
Cash used in investing activities	**(16,358)**	(14,459)	13	**(28,059)**	(30,654)	(8)
Net capital expenditures [(1)]	**17,075**	14,955	14	**29,471**	31,663	(7)
As a % of funds flow [(2)]	**50.9 %**	56.5 %	(560) bps	**45.0 %**	50.2 %	(520) bps

(1) Includes additions to property, plant, and equipment, development costs and changes in non-cash working capital, net of proceeds on disposal from Pason's Condensed Consolidated Interim Statements of Cash Flows

(2) Defined within Supplementary Financial Measures under Non-GAAP Financial Measures

Cash from operating activities

Funds flow from operations of $33.5 million in the second quarter of 2026 represents a 27% increase from $26.5 million generated in the 2025 comparative period primarily due to higher levels of Adjusted EBITDA year over year as further outlined in this MD&A, and lower other expenses with the Company incurring IP litigation expenses in 2025.

Cash from operating activities of $20.5 million in the second quarter of 2026 exceeded the $20.2 million generated in the comparative 2025 period, reflecting higher Adjusted EBITDA year over year, offset by investments in working capital with higher accounts receivable driven by increasing revenue in the Company's drilling and completions segments throughout the quarter. In contrast, revenue levels in these segments declined through the second quarter of 2025, resulting in lower accounts receivable balances at the end of the prior year comparative quarter.

Cash used in financing activities

Cash used in financing activities was $10.3 million during the second quarter of 2026, a decrease from the $19.9 million during the comparative quarter of 2025.

Dividend

During the three month period ended June 30, 2026, the Company paid dividends to holders of common shares totaling $10.1 million, or $0.13 per share (Q2 2025 - $10.2 million, or $0.13 per share).

On August 11, 2026, the Company declared a quarterly dividend of $0.13 per share on the Company’s common shares. The dividend will be paid on September 29, 2026 to shareholders of record at the close of business on September 15, 2026.

Normal Course Issuer Bid ("NCIB")

On December 16, 2025, the Company announced the renewal of its NCIB commencing on December 20, 2025, and expiring on December 19, 2026. Under the renewed NCIB, the Company may purchase for cancellation, as the Company considers advisable, up to a maximum of 6,944,596 common shares, which represents approximately 10% of the applicable public float at the time of renewal.

The actual number of common shares that may be purchased for cancellation and the timing of any such purchases will be determined by the Company, subject to a maximum daily purchase limitation of 48,622 common shares. The Company may make one block purchase per calendar week which exceeds the daily purchase restriction.

For the three month period ended June 30, 2026, the Company repurchased 103,700 (second quarter of 2025 - 827,500) shares for cancellation for total cash consideration of $1.4 million (second quarter of 2025 - $10.0 million).

For the six month period ended June 30, 2026, the Company repurchased 371,200 (2025 - 1,297,900) shares for cancellation for total cash consideration of $4.8 million (2025 - $16.0 million).

Pason continues to assess capital allocation on an ongoing basis taking into account, among other considerations, the Company's financial position, operating results, and industry outlook. Pason will continue to balance the Company's commitment to shareholder returns while preserving financial strength to support long-term success.

Cash used in investing activities

Cash used in investing activities was $16.4 million during the second quarter of 2026, compared to $14.5 million during the comparative quarter of 2025. During the second quarter of 2026, Pason invested $17.1 million in net capital expenditures, an increase from $15.0 million in the second quarter of 2025 as the Company continues to execute on its 2026 capital budget. Net capital expenditures in the current quarter includes investments associated with supporting the continued growth of the Company's pressure control automation technology for the completions segment and the ongoing refresh of Pason's drilling related technology platform.

Commitments and Contingencies

As at June 30, 2026	Less than 1 year	1–3 years	4-5 years	Thereafter	**Total**
(000s)	($)	($)		($)	**($)**
Leases and other operating contracts	26,750	16,442	9,870	27,424	**80,486**
Capital commitments	32,131	—		—	**32,131**
Total contractual obligations	58,881	16,442	9,870	27,424	**112,617**

Leases and other operating contracts relate primarily to minimum future lease payments for facility leases, commitments associated with ongoing repair costs of the Company's equipment and technology, and commitments to purchase hardware associated with ETB's control system sales offering. A portion of these commitments have been recognized on the balance sheet as a leased asset with a corresponding liability, in accordance with IFRS 16, Leases.

Capital commitments relate to contracts to purchase property, plant and equipment in the normal course of business.

The Company may be involved in litigation and disputes arising in the normal course of business. Management regularly evaluates the likelihood of potential liabilities being incurred and the amounts of such liabilities after careful examination of available information and discussions with its legal advisors.

Disclosure of Outstanding Share and Options Data

As at June 30, 2026, there were 77,640,286 common shares and 3,346,227 options issued and outstanding. As at August 11, 2026, there were 77,640,286 common shares and 3,335,461 options issued and outstanding.

Additional IFRS Accounting Standards Measures

In its Condensed Consolidated Interim Financial Statements, the Company uses certain additional IFRS Accounting Standards measures. Management believes these measures provide useful supplemental information to readers.

Funds flow from operations

Management believes that funds flow from operations, as reported in the Condensed Consolidated Interim Statements of Cash Flows, is a useful additional measure as it represents the cash generated during the period, regardless of the timing of collection of receivables and payment of payables. Funds flow from operations represents the cash flow from continuing operations, excluding non-cash items. Funds flow from operations is defined as net income adjusted for depreciation and amortization expense, stock-based compensation expense, deferred taxes, and other non-cash items impacting operations.

Cash from operating activities

Cash from operating activities is defined as funds flow from operations adjusted for changes in working capital items.

Non-GAAP Financial Measures

A non-GAAP financial measure has the definition set out in National Instrument 52-112 "Non-GAAP and Other Financial Measures Disclosure".

The following non-GAAP measures may not be comparable to measures used by other companies. Management believes these non-GAAP measures provide readers with additional information regarding the Company's operating performance, and ability to generate funds to finance its operations, fund its research and development and capital expenditure program, and return capital to shareholders through dividends or share repurchases.

EBITDA and Adjusted EBITDA

EBITDA is defined as net income before interest income and expense, income taxes, stock-based compensation expense, and depreciation and amortization expense. Adjusted EBITDA is defined as EBITDA, adjusted for foreign exchange, impairment of property, plant, and equipment, restructuring costs, net monetary adjustments, government wage assistance, revaluation of put obligation, gain or loss on mark-to-market of short-term investments, gain on previously held equity interest and other items, which the Company does not consider to be in the normal course of continuing operations.

Management believes that EBITDA and Adjusted EBITDA are useful supplemental measures as they provide an indication of the results generated by the Company's principal business activities prior to the consideration of how these results are taxed in multiple jurisdictions, how the results are impacted by foreign exchange or how the results are impacted by the Company's accounting policies for equity-based compensation plans.

Reconcile Net Income to EBITDA

Three Months Ended	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Jun 30, 2025	Sep 30, 2025	Dec 31, 2025	Mar 31, 2026	**Jun 30, 2026**
(000s)	($)	($)	($)	($)	($)	($)	($)	($)
Net income	23,717	16,585	19,646	12,008	11,841	8,107	12,402	**13,601**
Add:								
Income taxes	6,148	2,404	8,214	4,445	4,545	2,514	4,356	**4,757**
Depreciation and amortization	13,659	13,889	14,184	13,901	15,680	15,095	16,062	**15,759**
Stock-based compensation	(117)	3,370	2,892	1,929	2,527	2,562	4,332	**2,391**
Net interest (income) expense	(803)	(218)	(512)	(804)	(567)	1,392	376	**202**
EBITDA	42,604	36,030	44,424	31,479	34,026	29,670	37,528	**36,710**

Reconcile EBITDA to Adjusted EBITDA

Three Months Ended	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Jun 30, 2025	Sep 30, 2025	Dec 31, 2025	Mar 31, 2026	**Jun 30, 2026**
(000s)	($)	($)	($)	($)	($)	($)	($)	**($)**
EBITDA	42,604	36,030	44,424	31,479	34,026	29,670	37,528	**36,710**
Add:								
Foreign exchange (gain) loss	(1,245)	5,574	(170)	(1,174)	3,352	(948)	605	**(1,239)**
Put option revaluation	—	(1,413)	—	—	—	(1,200)	—	**—**
Other expenses	2,789	1,928	958	1,269	1,128	10,587	62	**243**
Adjusted EBITDA	44,148	42,119	45,212	31,574	38,506	38,109	38,195	**35,714**

Free cash flow

Free cash flow is defined as cash from operating activities plus proceeds on disposal of property, plant, and equipment, less capital expenditures (including changes to non-cash working capital associated with capital expenditures), and deferred development costs. This metric provides a key measure on the Company's ability to generate cash from its principal business activities after funding capital expenditure programs, and provides an indication of the amount of cash available to finance, among other items, the Company's dividend and other investment opportunities.

Reconcile cash from operating activities to free cash flow

Three Months Ended	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Jun 30, 2025	Sep 30, 2025	Dec 31, 2025	Mar 31, 2026	**Jun 30, 2026**
(000s)	($)	($)	($)	($)	($)	($)	($)	**($)**
Cash from operating activities	30,375	35,825	39,942	20,231	29,425	28,086	20,937	**20,536**
Less:								
Net additions to property, plant and equipment	(12,444)	(16,707)	(15,268)	(13,562)	(9,444)	(10,676)	(10,948)	**(15,888)**
Deferred development costs	(1,277)	(1,472)	(1,440)	(1,393)	(1,254)	(1,306)	(1,448)	**(1,187)**
Free cash flow	16,654	17,646	23,234	5,276	18,727	16,104	8,541	**3,461**

Supplementary Financial Measures

A supplementary financial measure: (a) is, or is intended to be, disclosed on a periodic basis to depict the historical or expected future financial performance, financial position or cash flow of the Company; (b) is not presented in the financial statements of the Company; (c) is not a non-GAAP financial measure; and (d) is not a non-GAAP ratio. Supplementary financial measures found within this MD&A are as follows:

Revenue per Industry Day

Revenue per Industry Day is defined as the total revenue generated from the North American Drilling segment over all active drilling rig days in the North American market. This metric provides a key measure

of the North American Drilling segment's ability to evaluate and manage product adoption, pricing, and market share penetration. Drilling rig days are calculated by using accepted industry sources.

IWS Active Jobs

IWS Active Jobs represents the average number of jobs per day that IWS is generating revenue on through the rental of its technology offering to customers during the reporting period. This metric provides a key measure of IWS' market penetration.

Revenue per IWS Day

Revenue per IWS Day is defined as the total revenue generated by the Completions segment over all IWS active days during the reporting period. IWS active days are calculated by using IWS Active Jobs in the reporting period. This metric provides a key measure of IWS' ability to evaluate and manage product adoption and pricing.

Adjusted EBITDA as a percentage of revenue

Calculated as Adjusted EBITDA divided by revenue.

Net capital expenditures as a percentage of funds flow from operations

Calculated as net capital expenditures divided by funds flow from operations.

Total Cash

Calculated as the sum of cash and cash equivalents, and short-term investments from the Company's Condensed Consolidated Interim Balance Sheets. The Company's short-term investments are comprised of US dollar bonds.

Critical Accounting Estimates

The preparation of the Company's Condensed Consolidated Interim Financial Statements requires that certain estimates and judgements be made with respect to the reported amounts of revenue and expenses and the carrying value of assets and liabilities. These estimates are based on historical experience and management’s judgements based on information available as at the financial statement date, and, as a result, the estimates used by management involve uncertainty and may change as additional experience is acquired. As such, actual results may differ significantly from estimates made within the Condensed Consolidated Interim Financial Statements for the three and six months ended June 30, 2026.

Material Accounting Policies

The Company's material accounting policies have been disclosed within Note 3 of Pason's Consolidated Financial Statements for the year ended December 31, 2025.

Internal Control over Financial Reporting

There were no changes in the design of the Company's internal controls over financial reporting during the three and six months ended June 30, 2026, that have materially affected, or are reasonably likely to materially effect, the Company's internal controls over financial reporting.

Risks and Uncertainties

The following information is a summary of certain risk factors relating to Pason. This section does not describe all risks applicable to the Company, its industry or its business, and is intended only as a summary of certain material risks. Investors should also consider the other risks described throughout the AIF and the Company's other public disclosure documents on file with the Canadian securities regulatory authorities available on SEDAR+ (www.sedarplus.ca). Additional risks and uncertainties not currently known to Pason, or that Pason currently considers remote or immaterial, may also impair the operations of the Company. Should any such risks actually occur, Pason's business, financial condition, operating results or price and liquidity of Pason's securities could be materially harmed.

Commodity Prices and Drilling and Completions Activity Levels

Pason derives most of its revenue from the rental of instrumentation and data services to Operators and Contractors in Canada, the US, Australia, Latin America and the Middle East during drilling and completions activities. The success of the Company's business depends on the level of industry activity for oil and natural gas exploration and development in the markets in which Pason operates. The level of oil and natural gas industry activity has seen significant volatility in recent years and is influenced by numerous factors over which the Company has no control. One of the primary factors is prevailing oil and natural gas commodity prices, which fluctuate in response to factors beyond Pason's control. Such factors could include, but may not be limited to: global supply and demand for crude oil and natural gas; the cost of exploring for, producing and delivering oil and natural gas; pipeline availability and the capacity of other oil and natural gas transportation and processing systems; the actions of the Organization of Petroleum Exporting Countries and other major petroleum exporting countries; global political, military, regulatory, economic and social conditions; government regulation; political stability in the Middle East and elsewhere; the price of foreign imports; the availability of alternate fuel sources; and prevailing weather conditions.

In recent years, commodity prices have been negatively affected by a broad range of factors, such as: increased global production levels, lower demand in larger markets (such as the People's Republic of China), the actions of OPEC+, and finally, concerns surrounding the impacts of the decisions made by US President Donald Trump and his administration, including but not limited to, changes to the production, sanctions regime and political environment in Venezuela. More recently, oil and natural gas prices have been fairly volatile and this is expected to continue as a result of: ongoing tariffs and trade disputes (as further described under the heading Impact of Tariffs, below), the continued conflict in Ukraine, the ongoing conflict in the Middle East, including hostilities involving the United States, Israel and Iran that have resulted in disruption in key energy infrastructure and international trade corridors, including the Strait of Hormuz, sanctions on Russian oil and natural gas exports, further measures that may be taken by OPEC+, and any significant releases of oil from, or additions to the strategic reserves of, the US and other nations.

These aforementioned factors could put pressure on commodity prices, adversely impacting the level of drilling and completions activity in the regions in which Pason operates, which could have a materially adverse effect on Pason's business, financial condition, results of operations and cash flows. Pason does not have any operations or revenue generated in Iran, Israel, Russia, Ukraine or Venezuela. However, ongoing conflict may negatively impact commodity price volatility and global financial conditions, which could have an indirect adverse effect on Pason's business and financial condition.

Geopolitical Risk

Since the last US presidential election, uncertainty has persisted surrounding the policy direction and potential actions that may be taken by the current administration. The Canada United States Mexico Agreement ("CUSMA") is scheduled for review in 2026, which further contributes to this uncertainty. Any new political actions taken by the US, or any revisions to CUSMA, may impose additional compliance obligations, increase the cost of imported materials, reduce demand for Pason's services or otherwise affect the Company and/or its customers.

Assets outside of Canada and the US may also be adversely affected by changes in governmental policy, social instability, or other political or economic developments beyond Pason's control, including expropriation of property, exchange rate fluctuations, and restrictions on repatriation of cash. The Company has mitigated these risks where practical and warranted. Most of Pason's revenues are generated in Canada and the US, which limits exposure to risks and uncertainties in foreign countries. As mentioned above, Pason does not have any operations or revenue generated in Iran, Israel, Russia, Ukraine or Venezuela. In 2025 Pason made the strategic decision to begin the process of winding up its operations in Mexico. Finally, the Company's Argentinian subsidiary continues to operate in a highly inflationary economy, and Pason's operating results in the country are being impacted by a weakening Argentina peso relative to the Canadian dollar. Pason is also unable to predict the actions that may be taken by the Argentinean government in connection with such hyper-inflation, such as monetary reforms or policy changes, which could also impact the Company's financial position as a result of its operations in Argentina.

Impact of Tariffs

On April 2, 2025, the US announced extensive international trade policies affecting more than 100 countries globally. In response, several countries announced retaliatory tariff measures against the US. Since that time, US trade policy has continued to evolve, including material changes to the scope, rates and legal basis of various tariff measures.

Pason sources, manufactures and repairs products within both Canada and the US for use across its entire operations. The continued imposition of US tariffs on Canadian imports could adversely impact our business by increasing costs of raw materials and finished products, reducing profitability, and affecting our supply chain. These tariffs may also create pricing pressures that cannot be fully passed on to customers. Additionally, the potential escalation of global tariffs could negatively affect fossil fuel demand and lead to a decline in commodity prices. In response, Pason's customers could reduce their capital expenditure programs, resulting in decreased drilling and completions activity, which in turn could negatively impact the Company's operating results and cash flows. Finally, continued retaliatory tariffs imposed by Canada and other nations on the US could further impact our costs and limit access to key markets, increasing financial and operational challenges.

Pason continues to actively monitor trade developments while assessing mitigation strategies such as supply chain diversification and cost management. However, the extent and duration of any tariffs remain uncertain, and there is no assurance that our efforts will fully offset the potential adverse effects.

Availability of Raw Materials, Parts, or Finished Products

Pason purchases many materials, components and finished products in connection with its operations. Broader geopolitical developments may contribute to a more fragmented global trading environment, including increased trade restrictions and export controls, which could disrupt global supply networks, reduce the availability of certain components, lengthen lead times, and increase costs. In addition, heightened geopolitical tensions could adversely impact the availability and shipment of certain components and finished products. Some of the components and finished products are obtained from a single source or a limited group of suppliers. While Pason makes it a priority to maintain and enhance these strategic relationships, there can be no assurance that these relationships will continue. Reliance on sole-source or limited-source suppliers involves risks that may be amplified by supply chain disruption and de-globalization trends, including price increases, inferior component quality, unilateral termination, and a potential inability to obtain an adequate supply of required components or finished products in a timely manner. While Pason has long standing relationships with recognized and reputable suppliers, it does not have long-term contracts with all of its suppliers, and the partial or complete loss of certain of these sources could have a negative impact on the Company's operations and could damage customer relationships. Further, a significant increase in the price of one or more of these components could have a negative impact on Pason's cost structure.

The Company's ability to provide services to its customers is also dependent upon the ongoing refresh of existing hardware within its technology offering, which requires purchases of materials, components and

finished products. While Pason has a dedicated procurement team that proactively manages required equipment and hardware needs, the availability and supply of these items may be impacted in periods of high or recovering activity levels, such as those seen recently, and by broader supply chain disruptions. Supply chain disruptions may result in timing delays on expected deliveries for certain components of the Company's product offering and may impact the Company's cost structure and ability to meet rising activity levels.

Cybersecurity

The Company takes measures and makes meaningful investments to protect the security and integrity of its IT infrastructure and data, however, there is a risk that these measures may not fully protect against a potential security breach, which could have a negative impact on the Company's ability to operate or its reputation. Natural disasters, energy blackouts, operating malfunction, viruses or malware, cybersecurity attacks, theft, computer or telecommunication errors, human error, internal or external misconduct or other unknown disruptive events could result in the temporary or permanent loss of any or all parts of the IT infrastructure or data. There is a risk the data and other electronic information stored in Pason's IT infrastructure could be accessed, publicly disclosed, lost, or stolen. Such occurrences could negatively affect Pason's business and financial performance in the form of loss of revenue, increased operational costs, reputational damage or litigation.

Technology

Pason's ability to meet customer demands may be influenced by advances and changes in technology. To the extent that Pason is not reasonably able to keep up with changes in technology, demand for its services may be hindered. In addition, while the Company continues to make investments in R&D and capital expenditures to provide innovative technologies for customers, management cannot reasonably predict whether these investments will result in increased levels of product adoption, market share or pricing.

Increased digitization of the Company's products and technology may also create new privacy and security risks that could deter customers or disrupt the Company's operations. If legislation specific to artificial intelligence ("AI") or other regulatory changes require modifications to Pason's products, or if Pason is alleged to have used AI or other technologies improperly, customer confidence and demand for Pason's product offerings could be negatively affected. Similarly, Pason cannot guarantee that investments made to stay ahead of technological advances will drive customer adoption of our products, as some customers may be hesitant to increase their operational reliance on new technologies.

Each of the factors listed above could materially affect our business, financial condition, results of operations and cash flows.

Customers

Pason has a large customer base, consisting of both Operators and Contractors, and no single customer accounted for more than 10% of the consolidated revenues of the Company this fiscal year. Notwithstanding the foregoing, the loss of one or more major customers, further consolidation by E&P companies in the industry, or a reduction in the amount of business Pason conducts with any of its major customers, could have a significant impact on Pason's revenue if not offset by obtaining new customers or increasing the amount of business it conducts with existing customers. Given its stage of development, the Completions Segment is more sensitive to customer mix and changes in the activity of specific customers than the Drilling Segments, where our financial results are more strongly correlated to overall industry activity given our substantial market share.

Competition

Pason's main source of competition for its Drilling Segments remains the instrumentation divisions of large US service companies. Potential actions taken by competitors, such as pricing changes and new products and technologies, could affect the Company's leading market share or competitive position in the drilling sector. Pason's main source of competition for its Completions Segment includes valve

manufactures and small to mid-sized service companies. Potential actions taken by these competitors, such as improved integration within the greater completions process and the development of new digital monitoring and reporting products, could affect the Company's market share and competitive position in the completions sector. In addition, while the Company continues to make investments in R&D and capital expenditures to provide innovative technologies for customers, management cannot reasonably predict whether these investments will result in increased levels of product adoption, market share or pricing. These factors could materially affect our business, financial condition, results of operations and cash flows.

Seasonal Factors

Drilling and completions activity in Canada is seasonal due to weather that limits access to wellsites in the spring and summer, making the first and last quarters of each year the peak level of demand for Pason's services due to the higher level of activity. The length of the drilling season can be shortened due to warmer winter weather or rainy seasons. Pason can offset some of this risk, although not eliminate it, through continued growth in the US and internationally, where drilling and completions activity is less seasonal.

Business Transactions

Pason completed the IWS Acquisition on January 1, 2024. Achieving the benefits of acquisitions depends in part on the acquired business performing as expected, successfully consolidating functions, retaining key employees and customer relationships, and integrating operations and procedures in a timely and efficient manner. Business transactions may expose Pason to additional risks, including: difficulties in integrating administrative, financial reporting, operational and information systems and managing newly-acquired operations; difficulties in maintaining uniform standards, controls, procedures and policies through all of the Company's operations; entry into markets in which Pason has little or no direct prior experience; difficulties in retaining key employees of the acquired operations; disruptions to Pason's ongoing business; and diversion of management time and resources. Any of the foregoing could adversely affect the Corporation's financial condition and results of operations.

Credit and Liquidity

Pason is exposed to credit risk to the extent that its customers, operating primarily in the oil and natural gas industry, may experience financial difficulty and be unable to meet their obligations. During times of depressed oil and gas markets, or wider economic uncertainty, customers may experience financial constraints. Further, many of our customers require reasonable access to credit facilities and debt capital markets to finance their oil and natural gas drilling and completions activity. If the availability of credit to our customers is reduced, they may reduce their drilling and completions expenditures, reducing the demand for the Company's products and services. While Pason monitors its exposure to credit risk and has a large customer base, which minimizes Pason's risk exposure to the financial concerns of any single customer, lack of payment from multiple clients may have a material adverse effect on the Company's financial condition.

Asset Impairment

We assess our capital and intangible assets for impairment regularly in accordance with current accounting standards and practices. These evaluations rely in part on estimates and assumptions determined by management. Incorrect estimates and/or assumptions, and the resulting effects on asset values, could result in non-cash charges against Pason's income.

Qualified Personnel and Access to Talent

Due to the specialized and technical nature of Pason's business, Pason is highly dependent on attracting and retaining qualified, key employees, which involves compensating them appropriately. The shift to remote work in some roles, particularly since the start of the COVID-19 pandemic, has expanded the job market beyond traditional geographic boundaries. Employers must now compete for talent not only locally, but within a greater global market. Due to high levels of competition for qualified personnel, there

can be no assurance that qualified personnel will be attracted or retained to meet the growth needs of the business. Further, Pason does not carry “key person” insurance on any of its key employees. In addition, Pason’s ability to meet activity levels and customer demand for the Company’s products and services will depend on the ability to attract qualified personnel as needed, which may be more difficult in periods of rapidly accelerated growth in activity levels.

The inability to recruit or retain skilled personnel or their inability to perform their duties could have a material adverse effect on the Company’s business, financial condition, results of operations and cash flows. To mitigate these risks, Pason has a dedicated HR department in each significant business segment that is focused on proactive recruiting and retention initiatives.

Intellectual Property

Pason relies on innovative technologies and products to maintain its competitive position in the market. Pason employs trademarks, patents, contracts, and other measures to protect the Company’s intellectual property, trade secrets and confidential information. Pason also believes that the rapid pace of technological change in the industry, technical expertise, knowledge, and innovative skills, combined with an ability to rapidly develop, produce, enhance, and market products, provides protection in maintaining a competitive position.

Despite these precautions, it may be possible for third parties to attempt to infringe the Company’s intellectual property and Pason could incur substantial costs to protect and enforce its intellectual property rights. Moreover, from time to time third parties may assert patent, trademark, copyright and other intellectual property rights to technologies that are important to the Company. In such an event, the Company may be required to incur significant costs in litigating a resolution to the asserted claim. There can be no assurance that such a resolution would not require that the Company pay damages or obtain a license of a third party’s proprietary rights in order to continue to provide its products as currently offered, or, if such a license is required, that it will be available on terms acceptable to the Company.

Litigation and Legal Claims

Pason may be involved in various claims and litigation arising in the normal course of business. The Company does not currently believe that the outcome of any pending or threatened proceedings related to these or other matters, or the amounts which the Company may be required to pay by reason thereof, would individually or in the aggregate have a material adverse impact on its day-to-day business operations, however, the outcome of these matters is uncertain and there can be no assurance that such matters will be resolved in Pason’s favour. In addition, future legal proceedings could be filed against the Company, the outcome of which is also uncertain and could have a material adverse effect on the Company.

Foreign Exchange Risk

The Company operates internationally and is primarily exposed to exchange risk relative to the US dollar. The Canadian operations are exposed to currency risk on US denominated financial assets and liabilities with fluctuations in the rate recognized as foreign exchange gains or losses in the consolidated financial statements. The Company’s self-sustaining foreign subsidiaries expose the Company to exchange rate risk on the translation of their financial assets and liabilities to Canadian dollars for public reporting purposes. Adjustments arising when translating the foreign subsidiaries into Canadian dollars are reflected in the consolidated financial statements as unrealized foreign currency translation adjustments. The Company does not employ any financial instruments to manage foreign exchange risk at this time. Most of the Company’s activities are conducted in Canada and the US, where local revenue is earned against local expenses, and the Company is therefore naturally hedged.

Safety Performance

Pason has programs in place to address compliance with prevailing safety and regulatory standards. The Company’s safety managers oversee policy development, maintenance, and operational monitoring. Poor safety performance may result in lower demand for Pason's services. Standards for accident prevention in

the oil and natural gas industry are governed by company safety policies and procedures, accepted industry safety practices, customer specific safety requirements, and health and safety legislation. Safety is a key factor for customers when selecting an oilfield service provider. Any decline in Pason's safety performance could result in lower demand for services, thereby adversely affecting revenues, cash flows, and earnings. Pason is subject to various health and safety laws, regulations, legislation, and guidelines, which can impose material liability, increase costs or lead to lower demand for services.

Climate Related Risks

Regulatory and Policy Risks

There is an increasing trend in public and government support of climate change initiatives across the regions in which Pason operates. Governmental authorities are strengthening existing environmental regulations and introducing new climate change measures, such as emission caps, reduction targets, taxes and penalties, efficiency standards, and alternative energy incentives and mandates. In addition, concerns about climate change have resulted in many environmental activists and members of the public opposing the continued exploitation and development of fossil fuels. Pason is not a large-scale emitter of greenhouse gases or other emissions and does not anticipate the impact of these regulations to be material to its operations; however, present and future environmental regulations and other developments could have a material impact on Pason's client base, which is primarily comprised of Operators and Contractors. While it is not possible at this time to predict how such regulations or developments would impact the Company's business, any future environmental requirements could result in reduced demand for hydrocarbons, as well as increased capital expenditures, operating costs and project delays for our customers, which in turn could have a material adverse effect on the business, financial condition, results of operations, and prospects for the Company.

Physical Risks

There is a presumption that climate change will result in increased frequency and severity of extreme weather events as well as longer-term changes in climate patterns. As a result, the physical impacts of such increasingly volatile weather conditions may have an adverse effect on the operations of the Company. These include more frequent and extreme weather events, natural disasters such as flooding and forest fires, shifts in temperature and precipitation, and changing sea levels, which could cause damage to key corporate assets.

Climate change may have similar impacts on the Company's major customers, reducing demand for Pason's products and services, and may also impact suppliers, which could result in shortages in certain consumables and the supply of products that are required to maintain the Company's operations. While the Company takes such risks into consideration and implements mitigation strategies to address, where possible, the risks associated with the impacts of extreme weather events, the frequency and severity of such events can vary widely and cannot be predicted. This uncertainty, in turn, could have a material adverse effect on the Company's ability to operate in certain jurisdictions and its projections, business operations and financial condition.

Pason maintains a corporate insurance program consistent with industry practice that protects the Company from liabilities due to environmental accidents and disruptions and has operational and emergency response procedures and safety and environmental programs in place to reduce potential loss exposure.

Alternative Energies Risk

The focus of governments, businesses and consumers on transitioning to a low-carbon economy was accelerated by the COVID-19 pandemic, resulting in increased policies and initiatives designed to shift resources and investment away from fossil fuels towards low carbon energy sources. This shift, combined with technological advances and cost declines in alternative energy sources, could reduce consumer demand for, and result in a reduction in the global economy's reliance on, oil and natural gas; which in turn could decrease demand for the Company's products and services. While Pason believes energy supply and demand fundamentals continue to support hydrocarbon resources forming a meaningful

component of ongoing energy supply, the Company considers opportunities to diversify its business to mitigate this risk. This includes exploring new opportunities to apply the Company's expertise in instrumentation and data services to markets beyond oil and gas, such as recent investments made in supporting ETB in the solar energy and storage market. However, there is no guarantee that Pason would be successful in these ventures should there be a significant reduction in global demand for oil and gas.

Investor Sentiment

Investor sentiment towards the oil and natural gas industry has evolved in recent years and some institutional investors have announced that they are no longer willing to fund or invest in companies in the oil and natural gas industry or are reducing such investment over time. While Pason believes it operates its business sustainably, the Company's ability to access capital and the price and liquidity of its securities may be adversely impacted by investors' perceptions of the sector in which it generates the majority of its revenue.

Risk of Shareholder Activism

Activist shareholders can put pressure on public companies to make drastic changes to their business operations and corporate governance practices. Responding to shareholder activism can be costly, require significant time and attention from management, and could cause harm to Pason's reputation and/or results. Activism can also create uncertainty and could inhibit our ability to direct an appropriate amount of time and resources to the pursuit of new business opportunities.

Share Price Volatility

The market price of Pason's shares fluctuates for many reasons specific to the Company's performance, such as revenue, costs and earnings levels. Additionally, broader market, industry and economic factors outside of the Company's control can also affect our share price. Finally, although our shares currently trade actively in Canada, we cannot assure that the same level of liquidity will be maintained. Broader market factors, reduced trading activity and/or the potential loss of Pason's listing eligibility could impact the market value of our shares.

Public Health Crises

As seen in recent years, the occurrence of a future global pandemic could expose the Company to a number of risks, including but not limited to: material declines in revenue and cash flows due to reduced demand for oil and gas associated products and services, increased risk of non-payment of accounts receivable, potential for impairment charges on long-term assets, and additional reorganization costs, if deemed required in the context of Pason's ongoing efforts to manage its cost structure.

Insurance

Pason's operations are subject to risks inherent in the oil and natural gas services industry, such as hardware or software defects, malfunctions and failures, human error, and natural disasters. These risks could expose Pason to substantial liability for personal injury, loss of life, business interruption, property damage, pollution, and other liabilities. Pason carries prudent levels of insurance to protect the Company against these unforeseen events, subject to appropriate deductibles and the availability of coverage. An annual review of insurance coverage is completed to assess the risk of loss and risk mitigation alternatives.

Extreme weather conditions, natural occurrences, and terrorist activity have strained insurance markets leading to substantial increases in insurance costs and limitations on coverage. It is anticipated that the Company will continue to maintain appropriate insurance coverage, but there can be no assurance that such insurance coverage will be available on commercially reasonable terms or on terms as favourable as Pason's current arrangements. The occurrence of a significant event outside of the scope of coverage of Pason's insurance policies could also have a material adverse effect on the results of the organization.

Payment of Future Cash Dividends

The decision to pay dividends and the amount paid is at the discretion of the Board, which regularly reviews the Company's financial position, operating results, and industry outlook, all of which could impact Pason's dividend policy. The amount of cash available for future dividends will be dependent on a number of factors including, but not limited to, the Company's ability to generate cash flow in excess of its operating and investment needs, its overall financial position, and its capital allocation priorities.

Taxation

Pason and its subsidiaries are subject to income and other forms of taxation in the various jurisdictions in which they operate. Pason structures its operations in a tax efficient manner in compliance with all prevailing tax regimes. Any adverse change to existing taxation measures, policies or regulations, the introduction of new taxation measures, policies or regulations, and/or the cancellation or amendment of existing (or the introduction of new) transfer pricing arrangements between tax authorities in any of the jurisdictions in which Pason operates could have a negative impact on its business, operating results, or financial condition. The management of Pason believes that the Company's provision for income taxes is adequate and in accordance with both generally accepted accounting principles and appropriate regulations, including advance agreements between various jurisdictions in which the Company operates. However, the tax filing positions of the Company, as well as any agreements between jurisdictions in which the Company operates, are subject to review and audit by tax authorities who may challenge, and possibly succeed in challenging, management's interpretation of the applicable tax legislation.

SEDAR+

Additional information relating to the Company, including the Company's most recent Annual Information Form can be accessed on the Company's website at www.pason.com and on the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca.

Forward Looking Information

Certain statements contained herein constitute "forward-looking statements" and/or "forward-looking information" under applicable securities laws (collectively referred to as "forward-looking statements"). Forward-looking statements can generally be identified by the words "anticipate," "expect," "believe," "may," "could," "should," "will," "estimate," "project," "intend," "plan," "outlook," "forecast" or expressions of a similar nature suggesting a future outcome or outlook.

Without limiting the foregoing, the forward-looking statements in this document include, but are not limited to, the following: the Company's growth strategy and related schedules; divergence in activity levels between the geographic regions in which we operate; demand fluctuations for our products and services; the Company's ability to increase or maintain market share; projected future value, forecasted operating and financial results; planned capital expenditures; expected product performance and adoption, including the timing, growth and profitability thereof; potential dividends and dividend growth strategy; potential repurchases under the Company's NCIB; future use and development of technology; our financial ability to meet long-term commitments not included in liabilities; the collectability of accounts receivable; the application of critical accounting estimates and judgements; treatment under governmental regulatory and taxation regimes; and projected increasing shareholder value.

These forward-looking statements reflect the current views of Pason with respect to future events and operating performance as of the date of this document. They are subject to known and unknown risks, uncertainties, assumptions, and other factors that could cause actual results to be materially different from results that are expressed or implied by such forward-looking statements.

Although we believe these forward-looking statements are reasonable based on the information available on the date such statements are made and processes used to prepare the information, such statements are not guarantees of future performance and readers are cautioned against placing undue reliance on forward-looking statements. By their nature, these statements involve a variety of assumptions, known

and unknown risks and uncertainties and other factors, which may cause actual results, levels of activity and achievements to differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but are not limited to: the state of the economy; volatility in industry activity levels and resulting customer expenditures on E&P activities; customer demand for existing and new products; the industry shift towards more efficient drilling and completions activity and technology to assist in that efficiency; the impact of competition; the loss of key customers; the loss of key personnel; cybersecurity risks; reliance on proprietary technology and ability to protect the Company's proprietary technologies; reliance on renewable energy; changes to government regulations (including those related to safety, environmental, or taxation); the impact of extreme weather events and seasonality on our suppliers and on customer operations; and war, terrorism, pandemics, social or political unrest that disrupts global markets.

These risks, uncertainties and assumptions include, but are not limited to, those discussed in this document under the heading, "Risk Factors" and in the Company's other filings with Canadian securities regulators. These documents are on file with the Canadian securities regulatory authorities and may be accessed through the SEDAR+ website (www.sedarplus.ca) or through Pason's website (www.pason.com).

Forward-looking statements contained in this document are expressly qualified by this cautionary statement. There is no representation by Pason and there can be no assurance that actual results achieved will be the same, in whole or in part, as those set out in the forward-looking statements contained herein. Readers are therefore cautioned not to place undue reliance on such forward-looking statements. Except to the extent required by applicable law, Pason assumes no obligation to publicly update or revise any forward-looking statements made in this document or otherwise, whether resulting from new information, future events or otherwise.

Corporate Information

Directors

Marcel Kessler[1]
Independent Business Advisor
British Columbia, Canada

Jon Faber
President & CEO
Pason Systems Inc.
Alberta, Canada

Laura Schwinn[4][7][8]
Independent Business Advisor
Maryland, USA

Ken Mullen[2][5]
Director
Melamaken Adventures Inc.
Alberta, Canada

Sophia Langlois[3][6]
Independent Business Advisor
Alberta, Canada

James Bowzer[3][5][7]
Independent Business Advisor
Colorado, USA

Officers & Key Personnel

Jon Faber
President
& Chief Executive Officer

Celine Boston
Chief Financial Officer

Kevin Boston
Vice President, Commercial

Craig Bye
Vice President, R&D - Cloud Platforms and Applications

Natalie Fenez
Vice President, Legal & Corporate Secretary

Heather Hantos
Vice President, Human Resources

Bryce McLean
Vice President, Operations

Lars Olesen
Vice President, Product & Technology

Russell Smith
Vice President, International

Ryan Van Beurden
Vice President, Rig-site Research & Development

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Auditors

Deloitte LLP
Calgary, Alberta

Banker

Royal Bank of Canada
Calgary, Alberta

Registrar and Transfer Agent

Computershare Trust Company of Canada
Calgary, Alberta

Stock Trading

Toronto Stock Exchange
Trading Symbol: PSI.TO

OTC Markets Group
Trading Symbol: PSYTF

Eligible Dividend Designation

Pursuant to the Canadian Income Tax Act, dividends paid by the Company to Canadian residents are considered to be “eligible” dividends.

(1) Chair of the Board
(2) Audit Committee Chair
(3) Audit Committee Member
(4) HR and Compensation Committee Chair
(5) HR and Compensation Committee Member
(6) Corporate Governance and Nominations Committee Chair
(7) Corporate Governance and Nomination Committee Member
(8) Lead Director