

Investor Presentation

December 2022

SOLARIS®
OILFIELD INFRASTRUCTURE

SOI
LISTED
NYSE

Disclaimer

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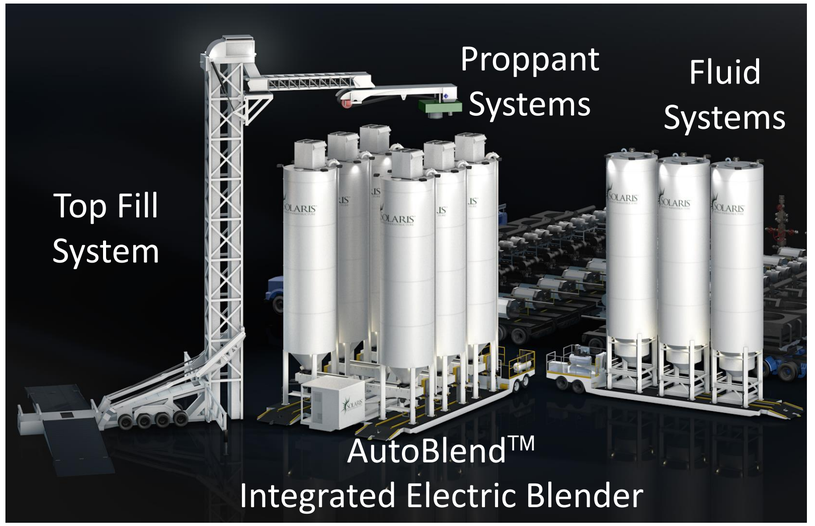
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Solaris Snapshot

Investment Highlights

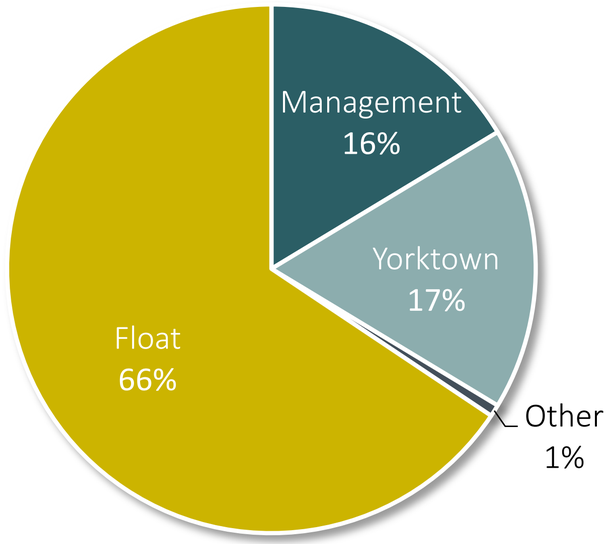
- **Market Leader:** Industry-leading market share; targeting growth through new offerings
- **No Net Debt, Excess Cash:** No net debt on the balance sheet; $10.4 million cash balance as of 9/30/22
- **Thru-Cycle Returns:** Quarterly dividend of $0.105/share or ~4% yield; 16th consecutive quarter of dividend payments; no dividend cuts made in the downturn. Over $100 million returned to shareholders through dividends and share buybacks since 2018
- **Growth:** New product adoption, continued innovation and market share gains
- **Inside Ownership:** Management team members are mostly original founders and own ~16% of the company



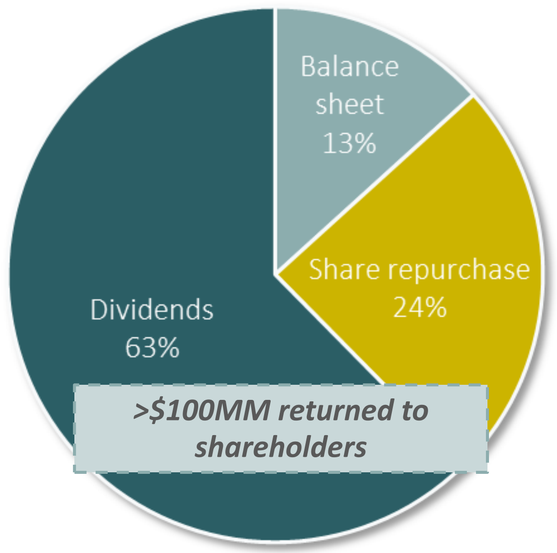
Stock Info

Ticker	SOI (NYSE)
IPO Date	May 11, 2017
Market Cap(1)	~$500 million
Long-term Debt(2)	$6.0 million
Cash Balance(2)	$10.4 million

Ownership(1)



Uses of Cumulative FCF(3)



(1) As of 11/30/22
(2) As of 9/30/22
(3) Reflects Cumulative Free Cash Flow (defined as Operating Cash Flow less Capital Expenditures) uses from Q4 2018 through Q3 2022

Solaris Delivers Innovative Products & Solutions and Comprehensive Services to the Industry

New Product Offering



AutoBlend™ Integrated Electric Blender

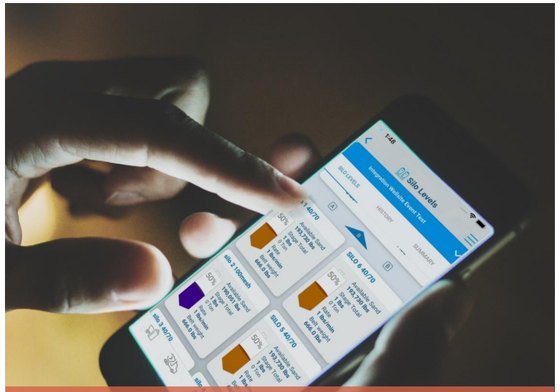
All-Electric, Automated Blending Technology Integrates With Solaris Sand and Fluid Systems

New Product Offering



Belly Dump Offloading Options

Top fill-based solution that increases trucking flexibility and efficiency through higher payload, faster turns



Solaris Lens® Inventory Management Software

Real Time Vendor-to-Blender Supply Chain Metrics Help Minimize NPT



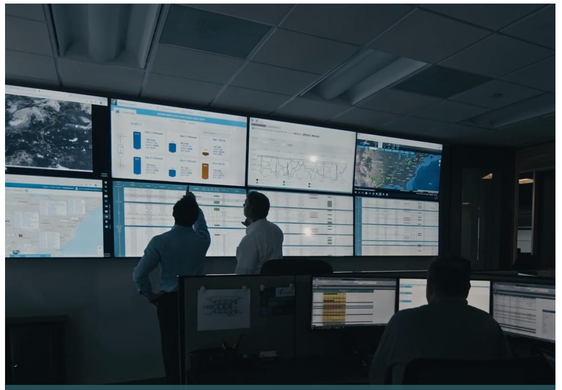
Proppant and Fluid Management Systems

Market Leader with Growing Share of U.S. Wellsite Proppant Storage Market Beyond ~1/3 Historically



AutoHopper™ Automated Sand Delivery

Automatically controls pace of sand delivery from silos to blender, reducing personnel requirements and risk of spills



Last Mile Logistics (Expanded Offering)

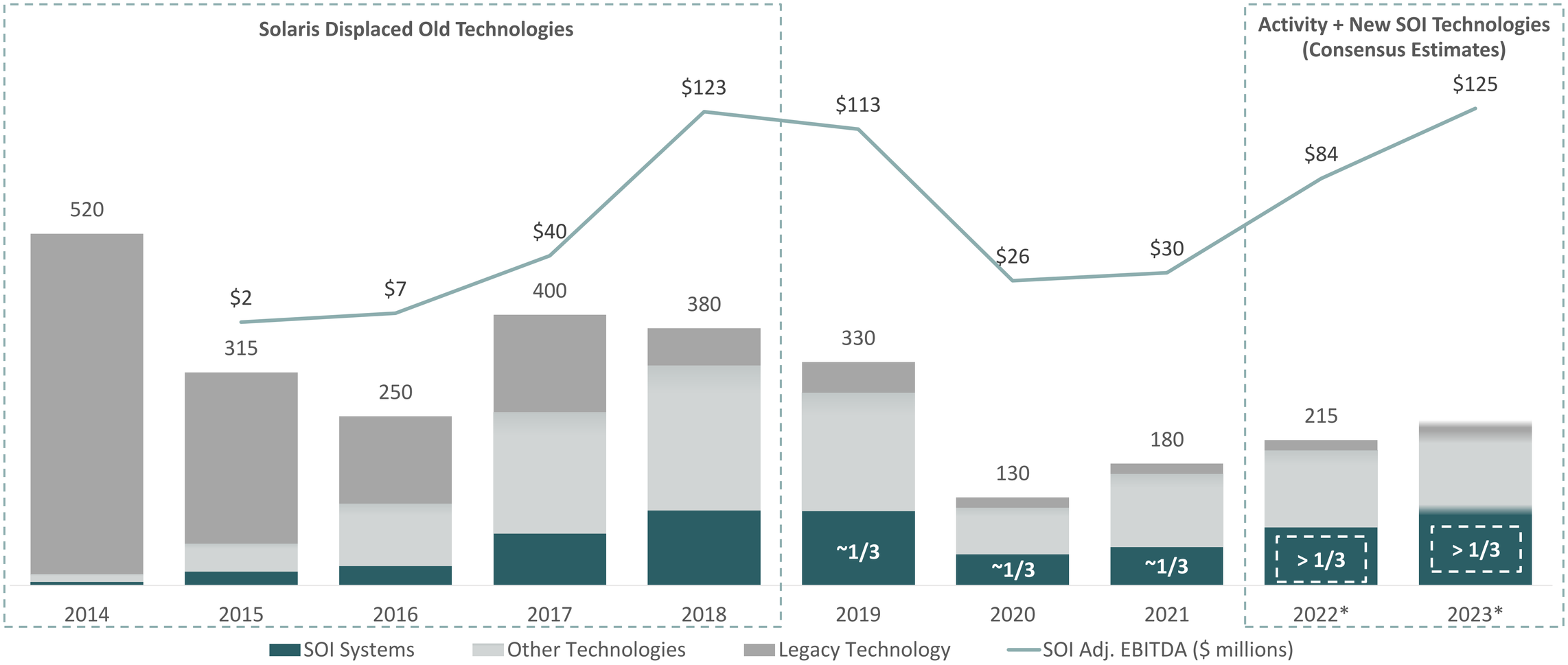
Turnkey Solution of sand deliveries from Sand Mine to Blender



Field Service Support

Experienced Field Service Team Dedicated to Customer Support

New Products Expand Solaris' Addressable Market(1)

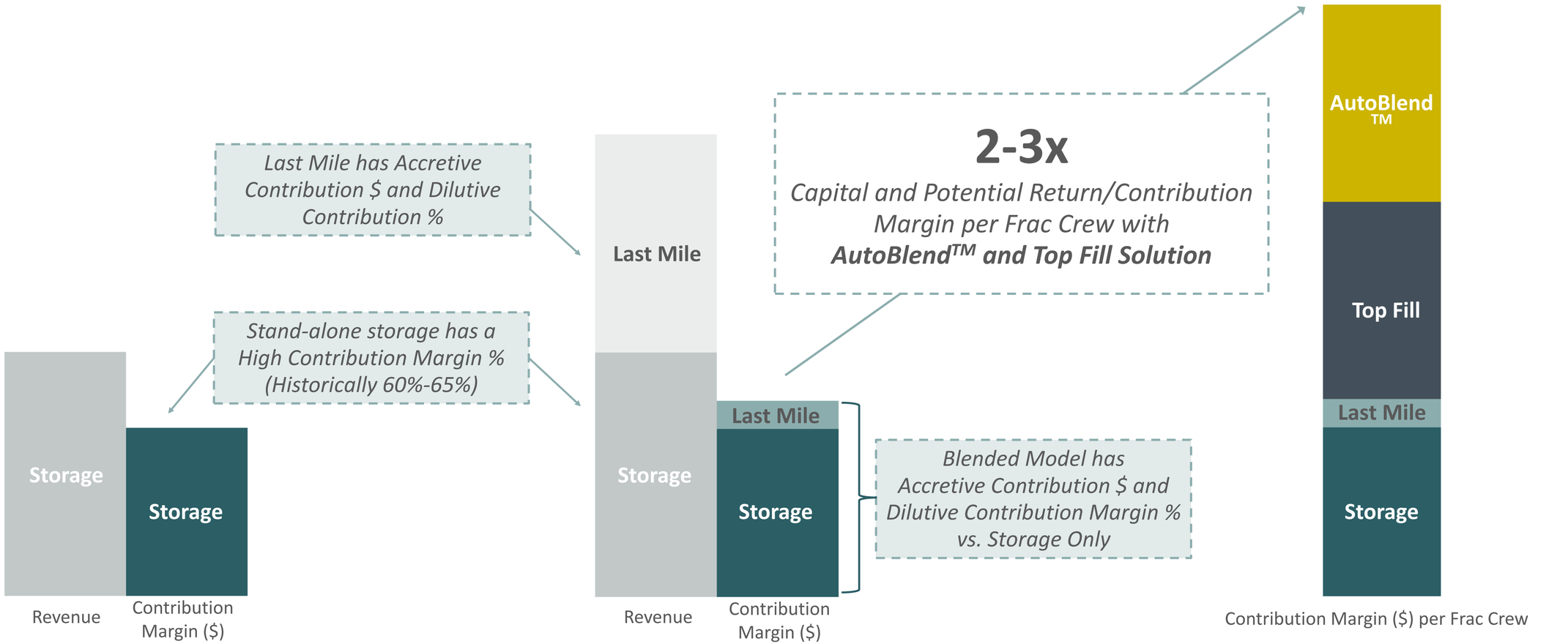


Source: Company data, Bloomberg
(1) Approximate average fully utilized US frac fleet count used to estimate total addressable market for well site sand storage systems
*2022 US frac fleet count represents YTD figures; Adj. EBITDA represents consensus FY 2022 and FY 2023 estimates as at 11/30/22

Expanded Business Model Drives Incremental Earnings per Frac Crew (1)

Earnings per Frac Crew Then

Growth Opportunity Today with New Technologies

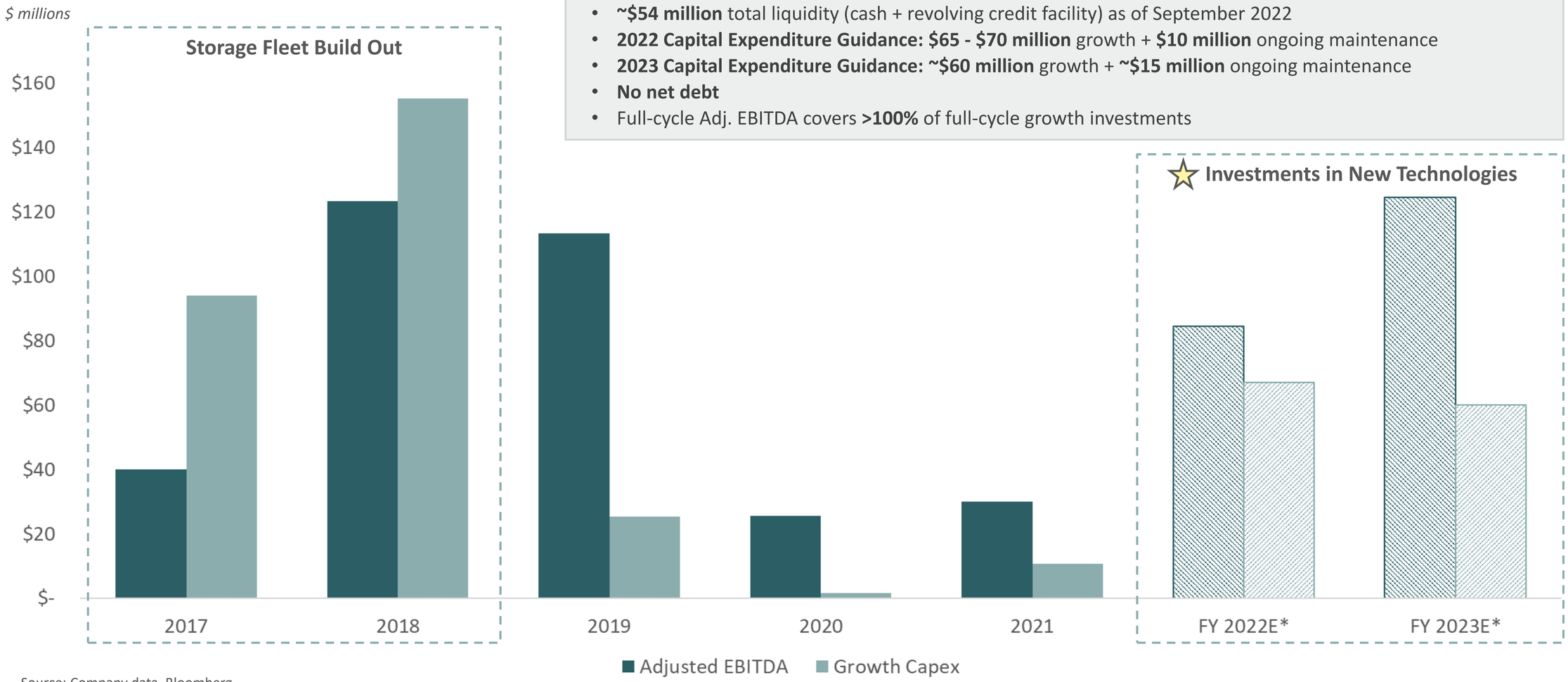


(1) Note: Analysis is illustrative.

Solaris Has a History of Prudent Investment and is Focusing on Growth Again

Balance Sheet and Capital Investment Highlights

- **~$54 million** total liquidity (cash + revolving credit facility) as of September 2022
- **2022 Capital Expenditure Guidance: $65 - $70 million** growth + **$10 million** ongoing maintenance
- **2023 Capital Expenditure Guidance: ~$60 million** growth + **~$15 million** ongoing maintenance
- **No net debt**
- Full-cycle Adj. EBITDA covers **>100%** of full-cycle growth investments

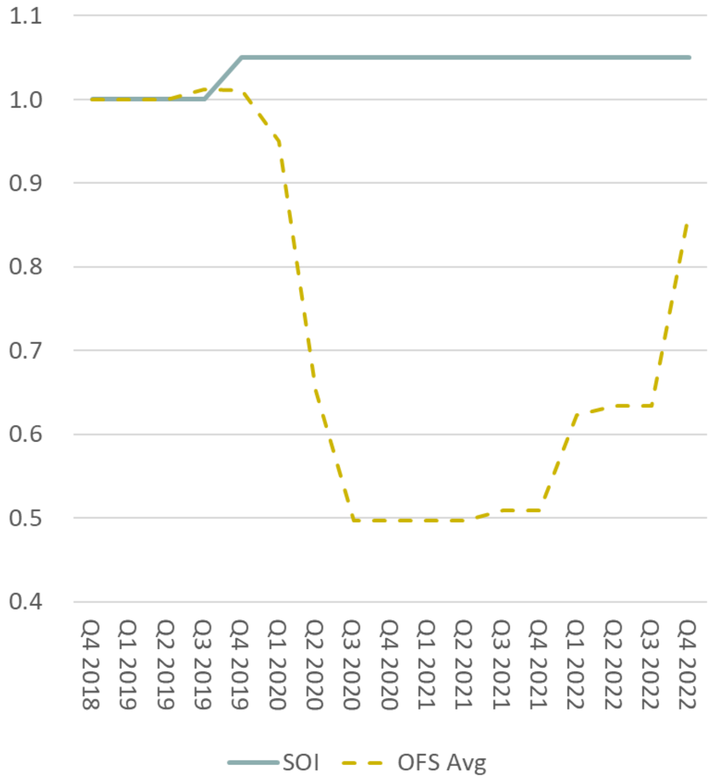


Source: Company data, Bloomberg
*Note: Adj. EBITDA represents consensus FY 2022 and FY 2023 estimates as at 11/30/22; Growth capex reflects guidance noted above

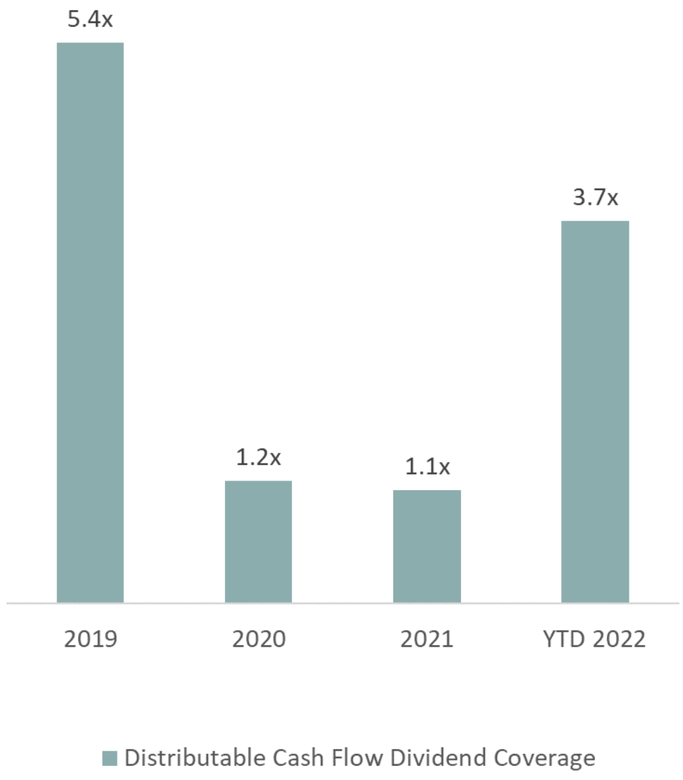
Solaris Has Proven its Commitment to Shareholder Returns Thru-Cycle

SOI Dividend Consistency(1)

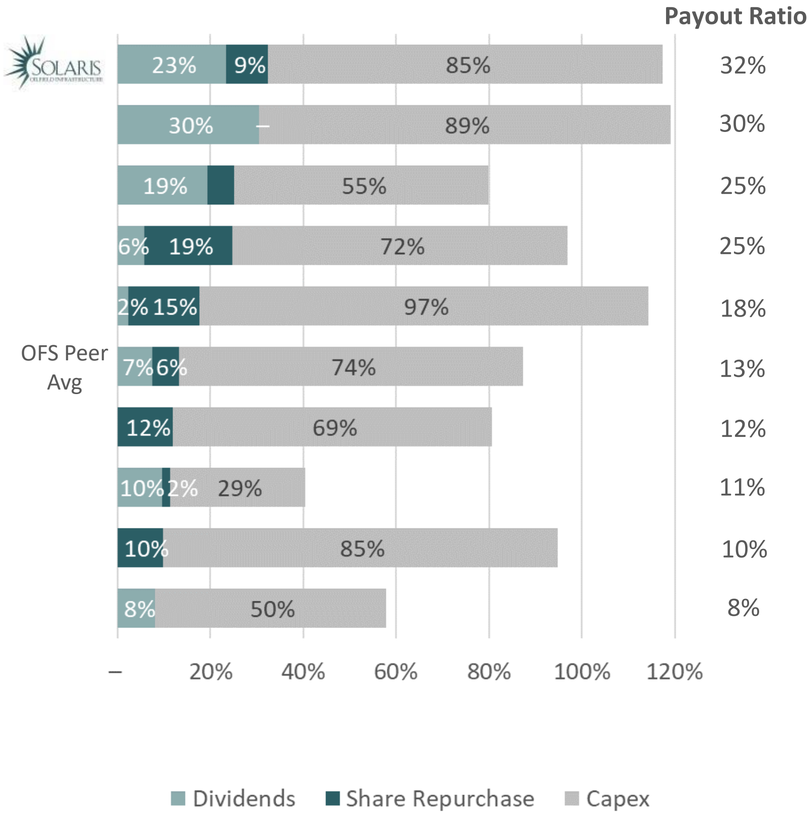
Indexed to 1.0



Distributable Cash Flow Covers the Dividend(2)



Cumulative Cash Allocation (as a % of OCF) vs Peers Since 2018(3)



Source: Company data

(1) Oil service average includes dividend paying oil service companies: AROC, BKR, CLB, HAL, HP, LBRT, PTEN, SLB, WHD

(2) Distributable Cash Flow defined as Adjusted EBITDA less Maintenance Capital Expenditures

(3) Reflects cumulative dividends, share repurchases and capital expenditures as a % of cumulative cash flow from operations from Q1 2018 through Q3 2022; Payout ratio calculated as cumulative dividends and share repurchases as a % of cumulative cash flow from operations from Q1 2018 through Q3 2022. Oil service peer average includes AROC, HAL, LBRT, NEX, NOV, SLCA, WHD, WTTR

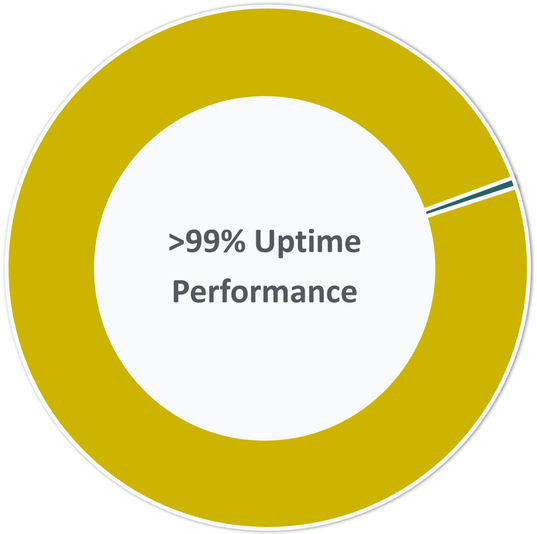
Business Model Reflects Low Portion of Total Well Cost, Strong Uptime Performance, High Renewal

Monthly System Revenue as % of Well Costs



- Customer keeps majority of efficiency gain benefits. I.e., more wells/month completed by one frac crew using a Solaris system means monthly cost per well decreases

Uptime Performance Provides an Insurance Policy



- Equipment reliability driven by 1) Design and 2) Field Service
- Solaris systems are analogous to an insurance policy that costs <$200/hour to save on paying downtime completion spread costs of ~$5k/hour; competitor discounts erode in a number of hours if there is downtime

High Customer Renewal Rates



- Primarily evergreen + one major multi-year customer agreement
- High renewal rates driven by:
  - Reliability of equipment and service
  - Increased well site efficiency and lower costs
  - Ability to handle large sand throughput per day
  - Continued innovation

High Renewal Rates on a Diverse, Blue-Chip Operator and Pressure Pumper Customer Base

Select Operator Customers(1)

Select Service Customers(1)

(1) Includes direct and indirect customers

Solaris' Mobile Proppant Management System

Elegant Solution to a Complicated Problem

- Simple, modern, fully-integrated and automated control system
- Reliable system with high volume input and output capacity
- Mobile and flexible equipment with multiple redundancies

Supply Chain Savings

- ✓ 2.5-5mm lbs of on-site inventory
- ✓ Optimized trucking costs with offloading optionality
- ✓ Smaller truck fleet size required to deliver proppant
- ✓ Decreased truck demurrage
- ✓ Real-time inventory levels and consumption rates

Well Site Savings

- ✓ Increased inventory stage execution efficiency
- ✓ Built-in dust control
- ✓ Lower labor requirements
- ✓ Proppant inventory loss savings
- ✓ Reduced fuel requirements
- ✓ Increased asset utilization



Flexibility in Offloading Options
Belly Dump or Pneumatic Trucks



High-Capacity Throughput System
24 Offloading Points (4 fill tubes per silo)



Automated Control of Sand Delivery
AutoHopper™



Real-Time Inventory Management
Full Integration with Solaris Lens®

Traditional Technologies are
Challenged

- High frequency of non-productive time
- Multiple points of failure
- Manual operations
- Run on diesel engines with transmissions
- Total life cycle R&M costs potentially higher than initial investment

Reliability through
Redundancy

- All-electric
- 3 independent tubs
- Seamless transition between sand types to support intensity of complex completion designs

Compact through
Integration

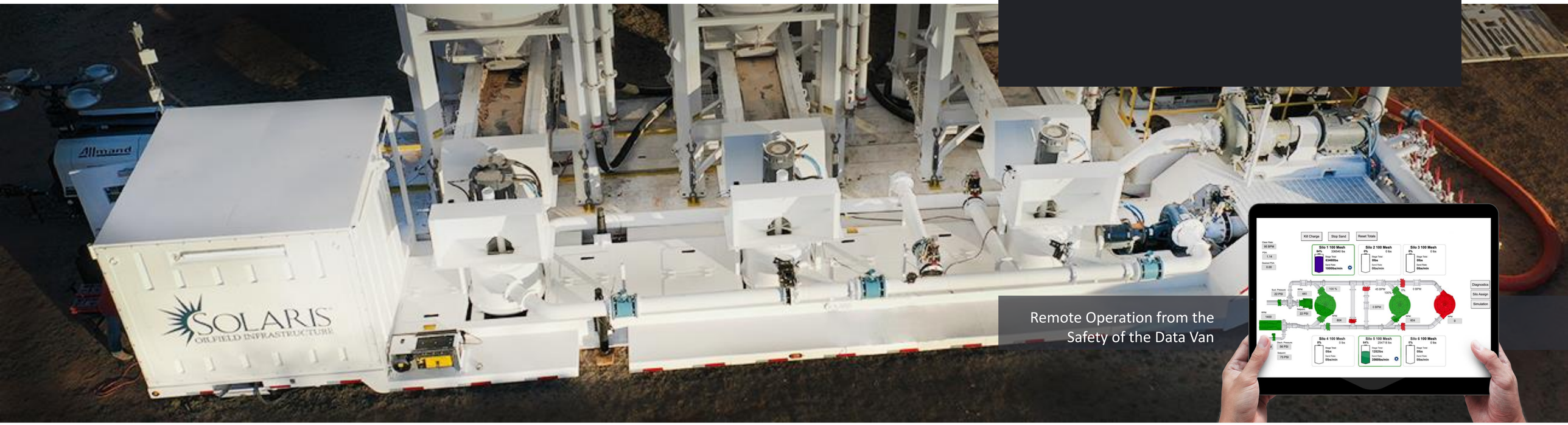
- Eliminates T-belt, blender hopper and sand screws
- Integrates with Solaris silos
- Compact wellsite footprint

Safety through
Automation

- Remote operations with real-time inventory visibility
- Built-in dust control
- Up to 80% fewer personnel on low-pressure completions operations, using full Solaris offering

AutoBlend™ Integrated Electric Blender

A revolutionary step-change for wellsite blending & delivery



Remote Operation from the Safety of the Data Van

Top Fill Sand Loading System

Redefined Logistics Efficiency Through Increased Offloading Flexibility

Increased **Payload**

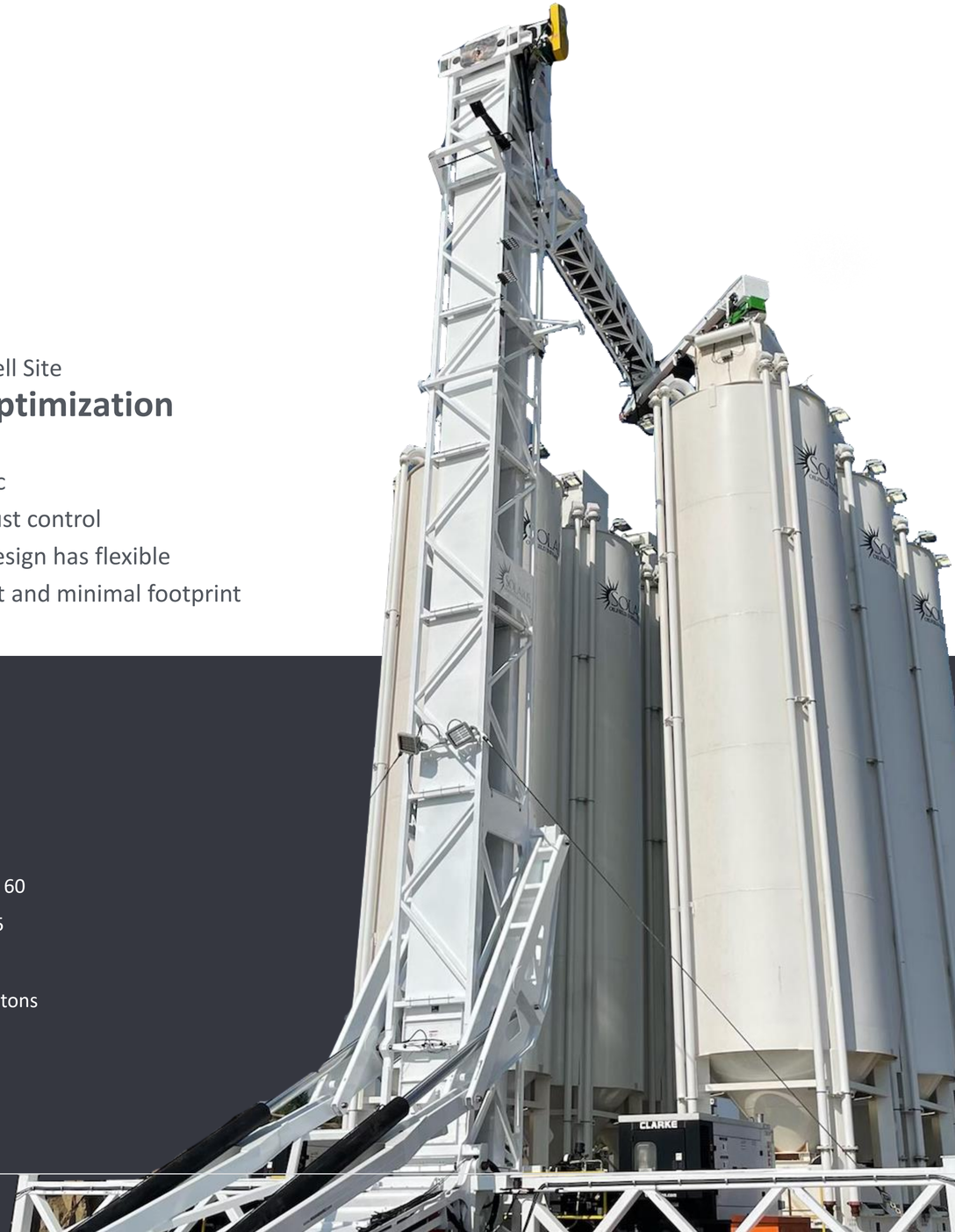
- Belly-dump unloading in <5 minutes
- Reduces number of truck turns
- Drives higher truck utilization

Offloading **Optionality**

- Allows use of belly dump and pneumatic trucks
- Increases supply chain reliability and logistics efficiency

Well Site **Optimization**

- All-electric
- Built-in dust control
- Vertical design has flexible placement and minimal footprint



Solaris Systems Offer Optimized Logistics Efficiency and Flexibility

	Pneumatic	Belly Dump	Box
Load Time (hrs.)	<1	<1	<1
Total Travel Time (hrs.)	3	3	3
Offload Time (hrs.)	1	<1	<1
Cycle Time (hrs.)	**4**	**<4**	**<4**
Max Cycles / 12 Hr. Shift	*2*	*3*	*3*
Tons / Load	25	27	22
Max Tons Deliverable / 12 Hr. Shift	50	81	66
Loads Required / Day	80	74	91
Min Drivers Required / Day	40	25	30
# of Truck Loads / Job	2,000	1,852	2,273

Solaris Offering

Source: Company estimates

Assumptions:

Miles from Mine: 60

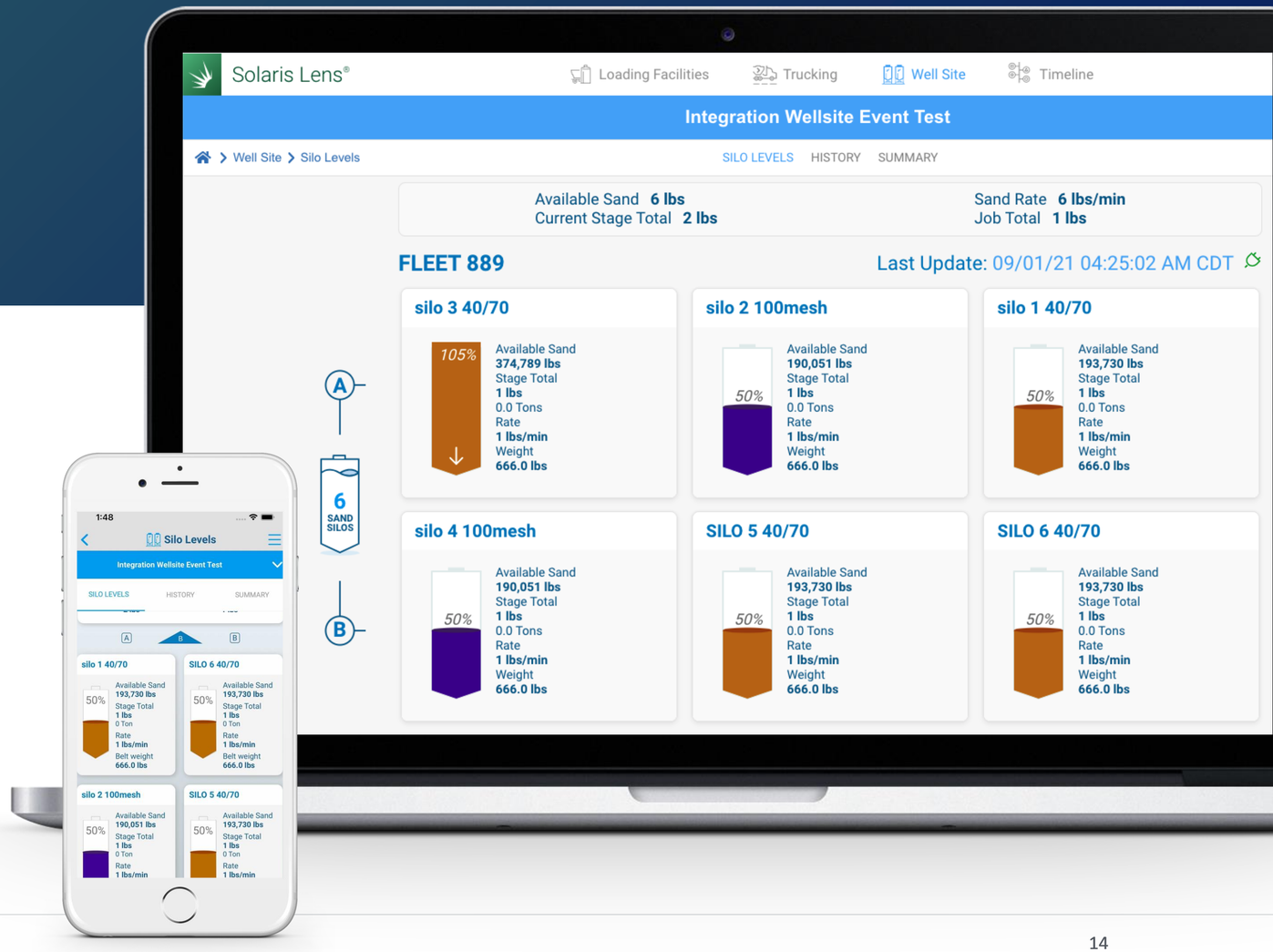
Pumping Days: 25

Tons/Day: 2,000

Total Job: 50,000 tons

Solaris Lens®
Inventory Management Software

Digitalization of the supply chain with vendor-to-blender visibility



Vendor-to-blender monitoring

Critical data enabling logistics and dispatch teams to operate more efficiently, minimizing demurrage and optimizing the timing of deliveries

Real-time data

Real-time inventory levels at various stages of the supply chain, from mine to wellsite, by mesh size, fill and unload rates in each silo, and number of trucks carrying inventory in transit, at the wellsite or on route to the mine or transload

View anywhere

Inventory data is visible both at the wellsite and remotely via any browser or the Solaris Lens® mobile app

Solaris' Integrated Offering Electrifies, Automates and Streamlines the Low-Pressure Side of Completions

Technology Integration
Tailored and integrated software runs through the entire Solaris ecosystem on the wellsite and allows for safer, remote operation from the data van and drives logistics and operational efficiencies with real-time data monitoring

Electrification
Solaris' 100% electric designs have fewer moving parts and built-in redundancy, which drives savings on maintenance and costly non-productive time and reduces emissions

Streamlined Footprint
Vertical raw material storage, direct integration with AutoBlend™ and vertical top-fill offloading of sand with belly-dump trucks minimizes the footprint of low-pressure operations on the wellsite, while maintaining the option to offload pneumatically without disruption

Automated Operations
Automated controls reduce labor requirements by ~80% compared to traditional technologies, allow Solaris equipment to be operated remotely from the data van and reduce silica dust exposure by removing people from potentially high-risk areas

Traditional Offerings

Sand + Chemicals + Water + Blender + ...

SOLARIS OILFIELD INFRASTRUCTURE Integration

Up to 80%
Reduction in Labor Requirements



Solaris' ESG Highlights in Numbers

100%
all-electric fleet

$100M +
spent on local businesses in 2021

10.5¢/sh
dividend maintained through-cycle

16%
of Solaris stock owned by management and employees

Up to 80%
reduction in low-pressure personnel with full Solaris offering

45%
minority/female employees in 2021

$112M
returned to shareholders in dividends and buybacks(1)

78%
independent board

Source: Company data
Note: All figures as of 11/30/2022, except where noted
1) Proforma for paid and declared dividends through Dec 2022

Solaris is Committed to Sustainability

"Sustainability to Solaris means being equally committed to all facets of ESG. This includes not just lower cost and carbon footprint on the environmental side, but also continuing to improve Solaris' social aspects and conducting its business with the highest legal and ethical standards."

Bill Zartler | Chairman and Chief Executive Officer

Environmental



Minimize the Environmental Impact and Cost of Hydrocarbon Production Through Automation and Innovation

- *Provide 100% electric equipment*
- *Increase truck efficiency and offloading flexibility*
- *Improve wellsite safety through continued dust control and reduced labor requirements through software and automation*

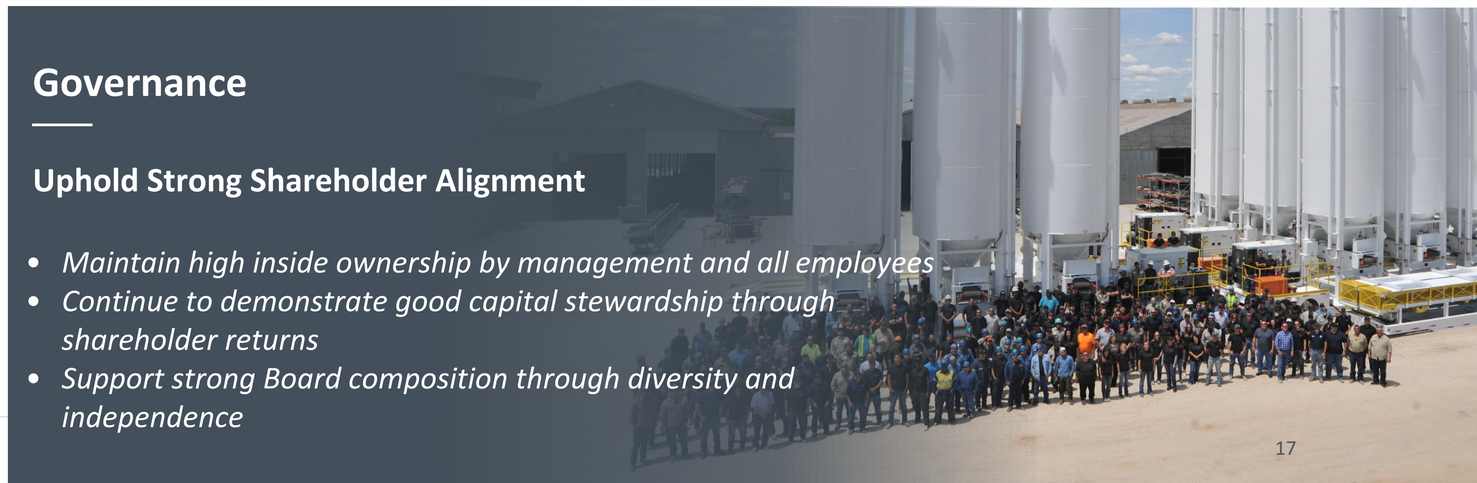
Social



Promote a Culture of Safety, Innovation and Diversity

- *Foster a diverse employee group from management to the field*
- *Embed safety in employees' development and training*
- *Give back to our local communities and engage in industry partnerships*

Governance

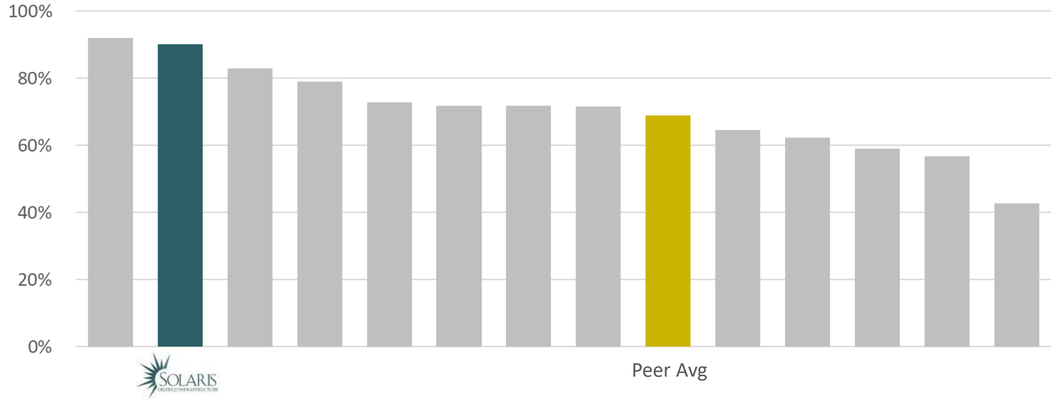


Uphold Strong Shareholder Alignment

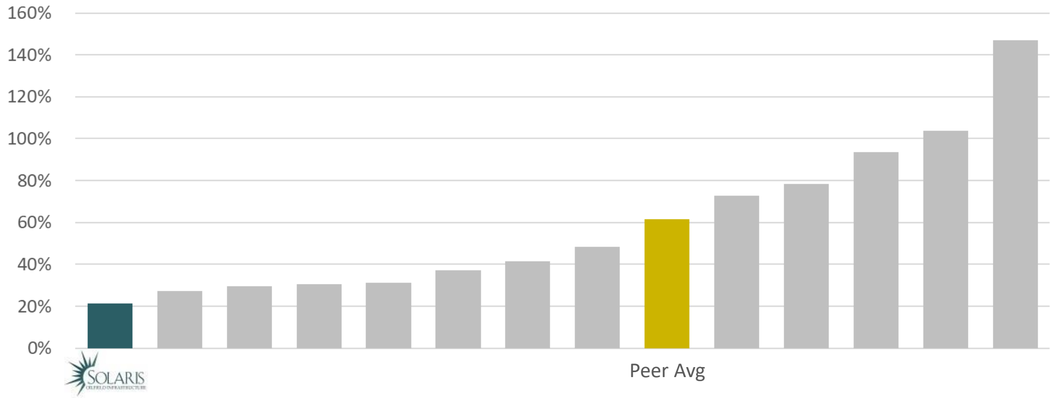
- *Maintain high inside ownership by management and all employees*
- *Continue to demonstrate good capital stewardship through shareholder returns*
- *Support strong Board composition through diversity and independence*

Focused on Operating Efficiency, Low Leverage and Shareholder Returns

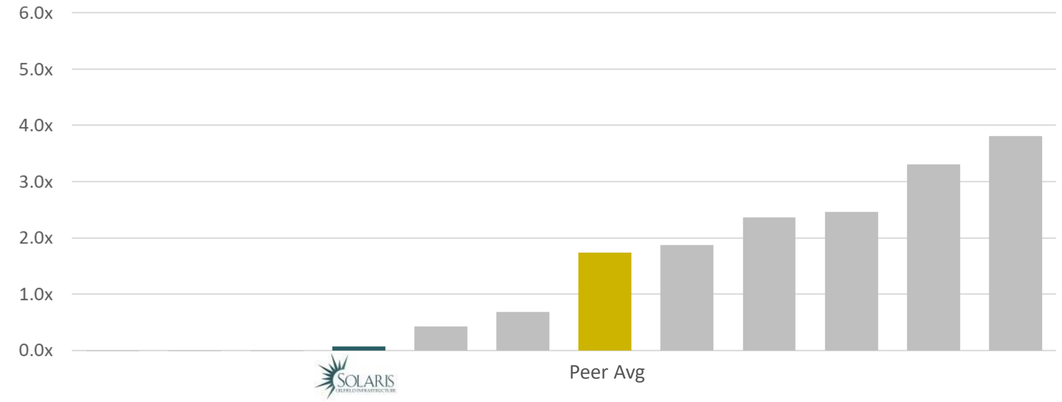
Operating Cash Flow as a % of EBITDA (1Q16-3Q22)



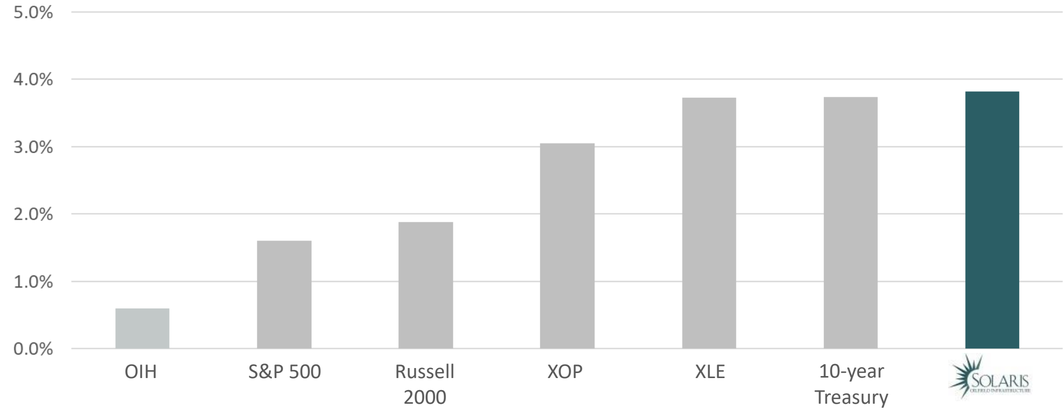
SG&A as a % of EBITDA (1Q16-3Q22)



Gross Debt / TTM Adjusted EBITDA (3Q22)



Dividend Yield



Source: Company data and Bloomberg as of 11/30/22
Note: Peer group includes WHD, WSC, HRI, URI, NEX, NINE, PUMP, SLCA, WTTR, BOOM and AROC. NEX shown pro forma for C&J / Keane and WSC shown pro forma for MINI mergers by combining historical values.

Solaris Investment Highlights

Market Leader: Industry-leading market share in well site sand handling equipment; targeting growth through new offerings

No Net Debt, Excess Cash Available for Investment: No net debt on the balance sheet with $10.4 million cash balance as of September 30, 2022

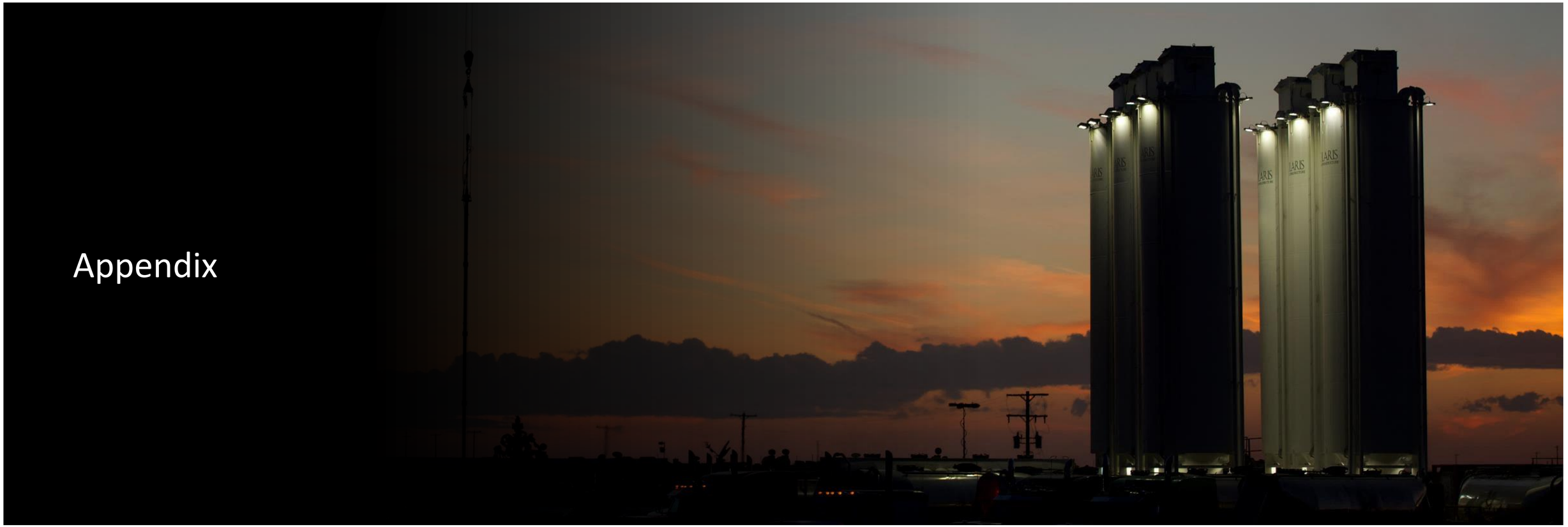
Thru-Cycle Shareholder Returns: 16 consecutive quarterly dividends paid with no cuts; total of $112 million returned to shareholders*, including dividends and share repurchases

Growth: Sufficient liquidity available to support growth opportunities through new product adoption, such as our AutoBlend™ Integrated Electric Blender and Top Fill solutions, and continued innovation in software and automation

Inside Ownership: Management team members are mostly original founders and, combined with employees, own 16% of the company

*Pro forma for paid and declared dividends through Dec 2022.

Appendix



EBITDA and Adjusted EBITDA Reconciliation

	Three months ended,				Twelve months ended December 31,		
($ in 000s)	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	2021	2020	2019
Net income (loss)	$11,512	$8,289	$5,722	$1,103	($1,260)	($51,093)	$90,360
Depreciation and amortization	7,716	7,132	6,929	6,923	27,210	27,021	26,925
Interest (income) expense, net	141	88	79	77	247	162	634
Provision for income taxes [1]	2,332	1,945	1,612	549	626	(8,969)	16,936
EBITDA	**$21,701**	**$17,454**	**$14,342**	**$8,652**	**$26,823**	**($32,879)**	**$134,855**
Property tax contingency [2]	-	3,072	-	-	-	-	-
Stock-based compensation expense [3]	1,553	1,519	1,593	1,303	5,210	4,735	4,476
Change in payables related to Tax Receivable Agreement [4]	-	(654)	-	-	-	-	-
Credit losses and adjustments to credit losses	(32)	(361)	(27)	(264)	365	2,728	-
Other [5]	712	34	(168)	96	(2,332)	51,007	(25,918)
Adjusted EBITDA	**$23,934**	**$21,064**	**$15,740**	**$9,787**	**$30,066**	**$25,591**	**$113,413**
EBITDA and Adjusted EBITDA Margins:							
EBITDA	$21,701	$17,454	$14,342	$8,652	$26,823	($32,879)	$134,855
÷ Revenue	92,325	86,711	56,915	45,964	159,189	102,976	241,687
EBITDA Margin	**24%**	**20%**	**25%**	**19%**	**17%**	**-32%**	**56%**
Adjusted EBITDA	$23,934	$21,064	$15,740	$9,787	$30,066	$25,591	$113,413
÷ Revenue	92,325	86,711	56,915	45,964	159,189	102,976	241,687
Adjusted EBITDA Margin	**26%**	**24%**	**28%**	**21%**	**19%**	**25%**	**47%**

1) Federal and state income taxes.
2) Property tax contingency represents a reserve related to an unfavorable Texas District Court ruling related to prior period property taxes. The ruling is currently under appeal.
3) Represents stock-based compensation expense related to restricted stock awards.
4) Reduction in liability due to state tax rate change.
5) Other includes write off of prepaid purchase orders that were not fulfilled, gain/loss on disposal of assets, gain on insurance claims and other settlements, asset impairments, costs related to the evaluation of potential acquisitions, deferred revenue related to full termination of a storage and transloading agreement in 2019, and unamortized debt issuance costs in the year ended December 31, 2019 when the Amended and Restated Credit Agreement, dated as of January 19, 2018, was replaced in its entirety by the 2019 Credit Agreement.



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