



CHAMPIONX

**Evercore ISI Elite Energy
& Materials Summit**

March 8, 2022

Forward-Looking Statements

This investor presentation contains statements relating to future actions and results, which are "forward-looking statements" within the meaning of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. Such statements relate to, among other things, ChampionX's market position and growth opportunities. Forward-looking statements include, statements related to ChampionX's expectations regarding the performance of the business, financial results, liquidity and capital resources of ChampionX. Forward-looking statements are subject to inherent risks and uncertainties that could cause actual results to differ materially from current expectations, including, but not limited to, changes in economic, competitive, strategic, technological, tax, regulatory or other factors that affect the operation of ChampionX's businesses. You are encouraged to refer to the documents that ChampionX files from time to time with the Securities and Exchange Commission ("SEC"), including the "Risk Factors" in ChampionX's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and in ChampionX's other filings with the SEC. Readers are cautioned not to place undue reliance on ChampionX's forward-looking statements. Forward-looking statements speak only as of the day they are made and ChampionX undertakes no obligation to update any forward-looking statement, except as required by applicable law.

Non-GAAP Measures

This investor presentation, and the related discussions, contains certain non-GAAP financial measures, which should be considered only as supplemental to, and not as superior to financial measures prepared in accordance with generally accepted accounting principles ("GAAP"). Please refer to our earnings release for fourth quarter 2021 and full year 2021 results for a reconciliation of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP and definitions and calculation methodologies of defined terms used in this investor presentation. For additional information about our non-GAAP financial measures, see our filings with the SEC.

About Non-GAAP Measures

In addition to financial results determined in accordance with generally accepted accounting principles in the United States ("GAAP"), this presentation presents non-GAAP financial measures. Management believes that adjusted EBITDA, adjusted EBITDA margin, adjusted segment EBITDA, and adjusted segment EBITDA margin, provide useful information to investors regarding the Company's financial condition and results of operations because they reflect the core operating results of our businesses and help facilitate comparisons of operating performance across periods. In addition, free cash flow and free cash flow to adjusted EBITDA ratio are used by management to measure our ability to generate positive cash flow for debt reduction and to support our strategic objectives. Although management believes the aforementioned non-GAAP financial measures are good tools for internal use and the investment community in evaluating ChampionX's overall financial performance, the foregoing non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP. A reconciliation of these non-GAAP measures to the comparable GAAP measures is included in the financial tables accompanying our earnings release for the fourth quarter 2021 and full year 2021 results.

- Purpose driven...improving lives of our customers, employees, shareholders, and communities
- Leading global provider of production optimization solutions to the energy industry
- Strong and consistent free cash flow generator through the industry cycles
- Healthy balance sheet and disciplined capital allocation framework
- Uniquely positioned to help the energy industry decarbonize its production operations
- A leading provider of digital technologies to the upstream and midstream energy sectors

ChampionX Capital Allocation Framework

Committed To Value Creation For Our Shareholders

Strong Balance Sheet Provides Flexibility...

Consistent,
Strong Cash
from
Operations

\$328mm FY 2021
~11% of Revenue

Target
1x Net Debt /
Adjusted
EBITDA

Debt	\$725
(Less): Cash	(252)
Net Debt	\$473

~1x FY 2021 Adjusted EBITDA

Ample
Liquidity

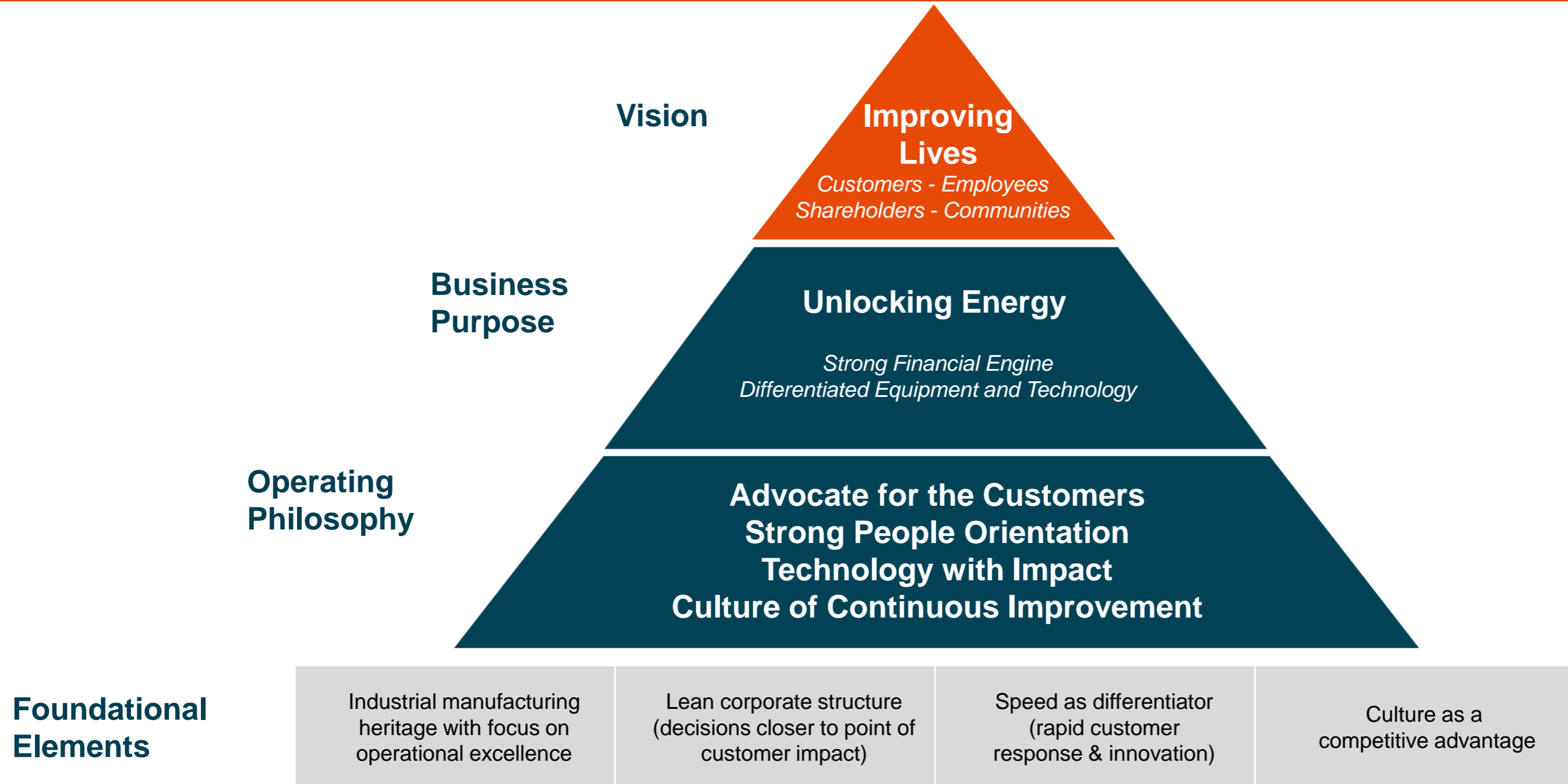
Cash	\$252
Credit Facility Availability ⁽¹⁾	360
Liquidity	\$611

...To Fund Our Capital Allocation Priorities

- 1 Maintain 1x Net Debt / EBITDA, through-the-cycle**
- 2 Fund internal investment**
 - Maintenance capital
 - Growth capital
 - Investments in innovation
 - Highest ROI investments
- 3 Pay sustainable, growing dividend**
 - Initiated at \$0.075/share, ~1.3% yield
 - Expect to grow over time with free cash flow growth
- 4 Pursue value-creating acquisitions**
 - Disciplined M&A framework
 - Strategic, tuck-in opportunities that add to our capabilities and growth profile
 - Drive returns above cost of capital
- 5 Return excess capital to shareholders**
 - \$250 million share repurchase authorization
 - Potential for Special Dividends

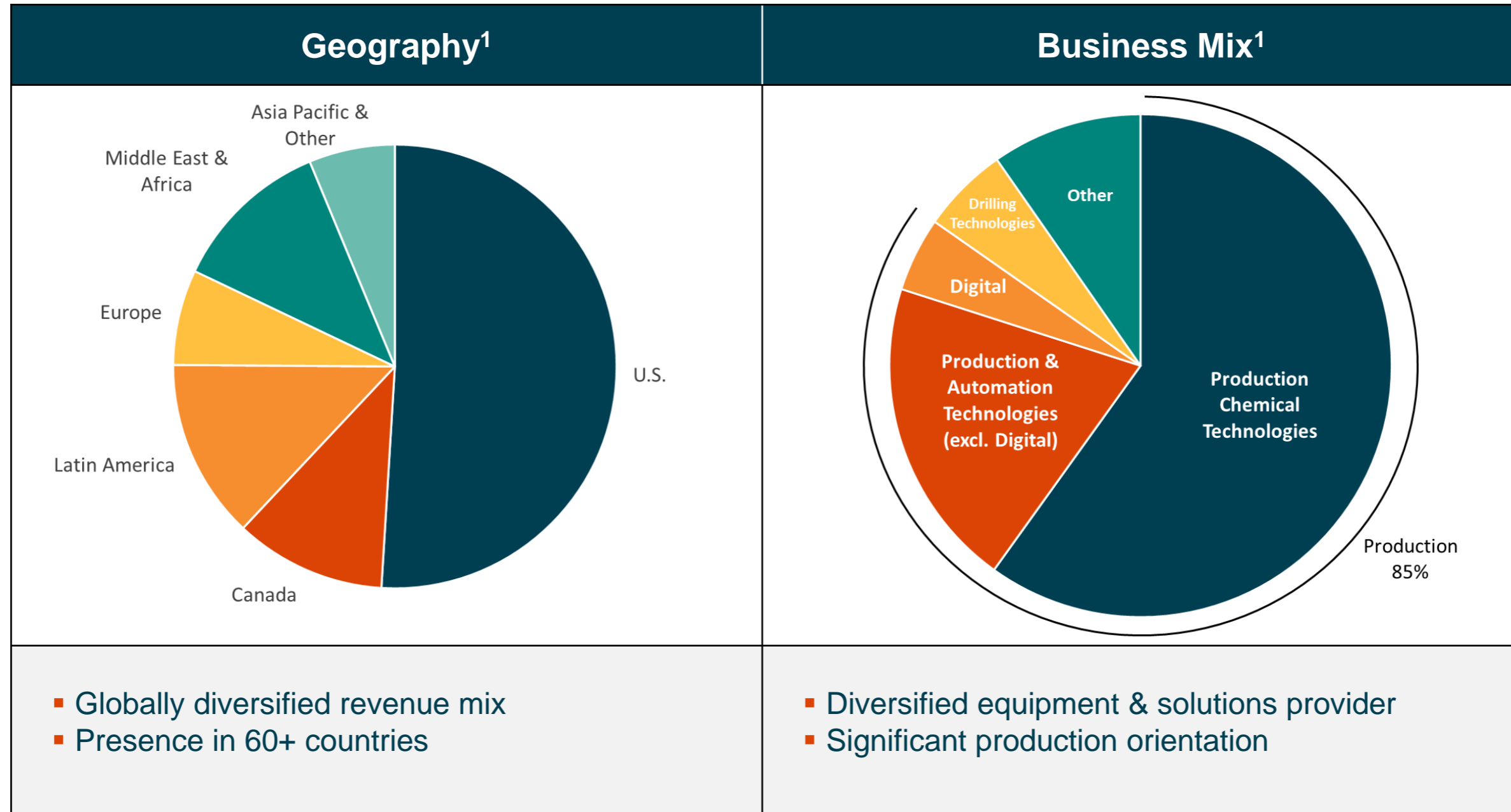
Note: USD in millions. Certain numbers may not add up due to the rounding of numbers.

(1) At December 31, 2021.



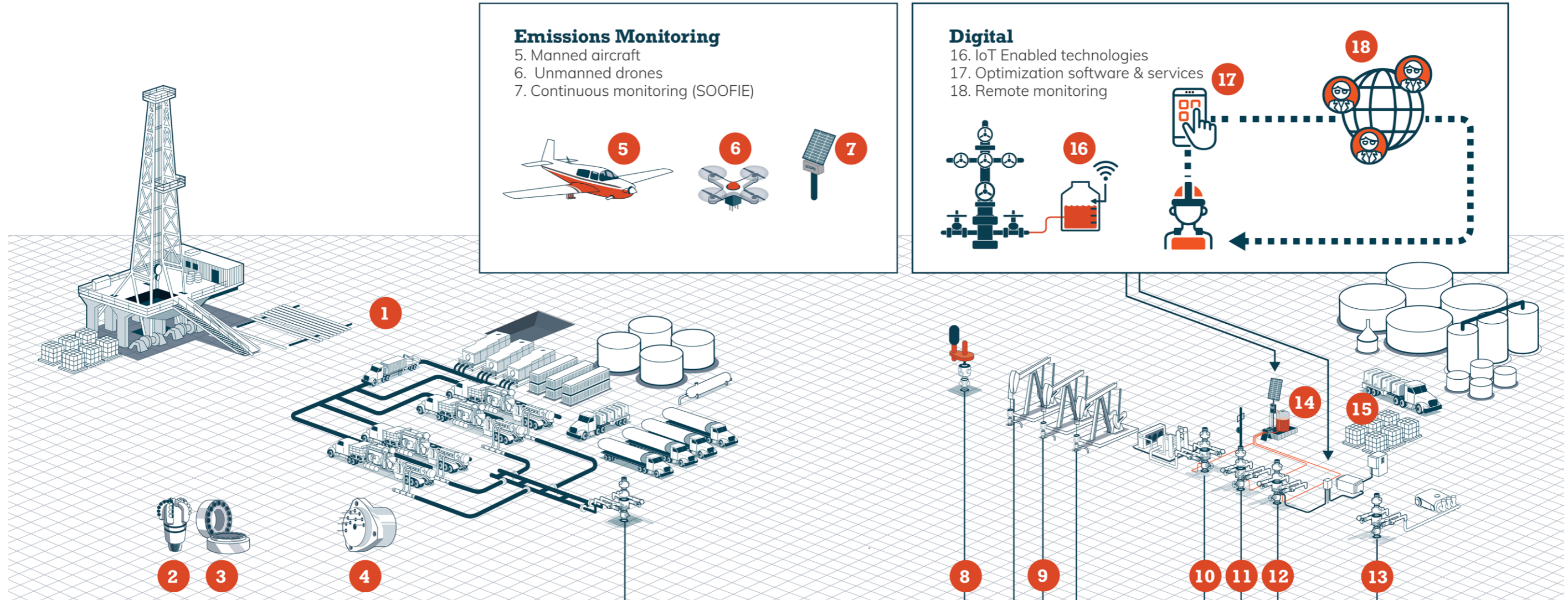
ChampionX Portfolio Profile

Production-Oriented Portfolio With Strong Product & Technology Offering



¹Based on revenue for the year ended December 31, 2021.

Leading Market Presence At Production Well Sites



Emissions Monitoring

- 5. Manned aircraft
- 6. Unmanned drones
- 7. Continuous monitoring (SOOFIE)

Digital

- 16. IoT Enabled technologies
- 17. Optimization software & services
- 18. Remote monitoring

Drilling & Completion Technologies

- 1. Drilling & completion chemicals
- 2. Diamond drill bit inserts
- 3. Diamond bearings
- 4. Quartz sensors

Production Technologies

- 8. Progressing cavity pumping systems (PCP)
- 9. Rod lift
- 10. Gas lift
- 11. Plunger lift
- 12. Electrical submersible pumping systems (ESP)
- 13. Jet lift
- 14. Chemical injection pumps
- 15. Production chemicals

Proven Leaders In Customer Satisfaction

ChampionX Leads Oilfield Products Segment and Key Applications



Results based on independent survey of more than 3,300 qualified respondents

Our ChampionX Strategic Priorities

Solid Progress In 2021, Continued Focus In 2022



ChampionX Strategic Priorities

1

Realize Better Together Potential

2

Accelerate Digital and Digitally-enabled Revenue Streams

3

Leverage Global Footprint to Expand International Sales

4

Build Enterprise-wide Continuous Improvement Rigor

5

Evolve Portfolio for Sustained Growth

Integration & Synergy Capture

Merger Synergies Remain Firmly On Track

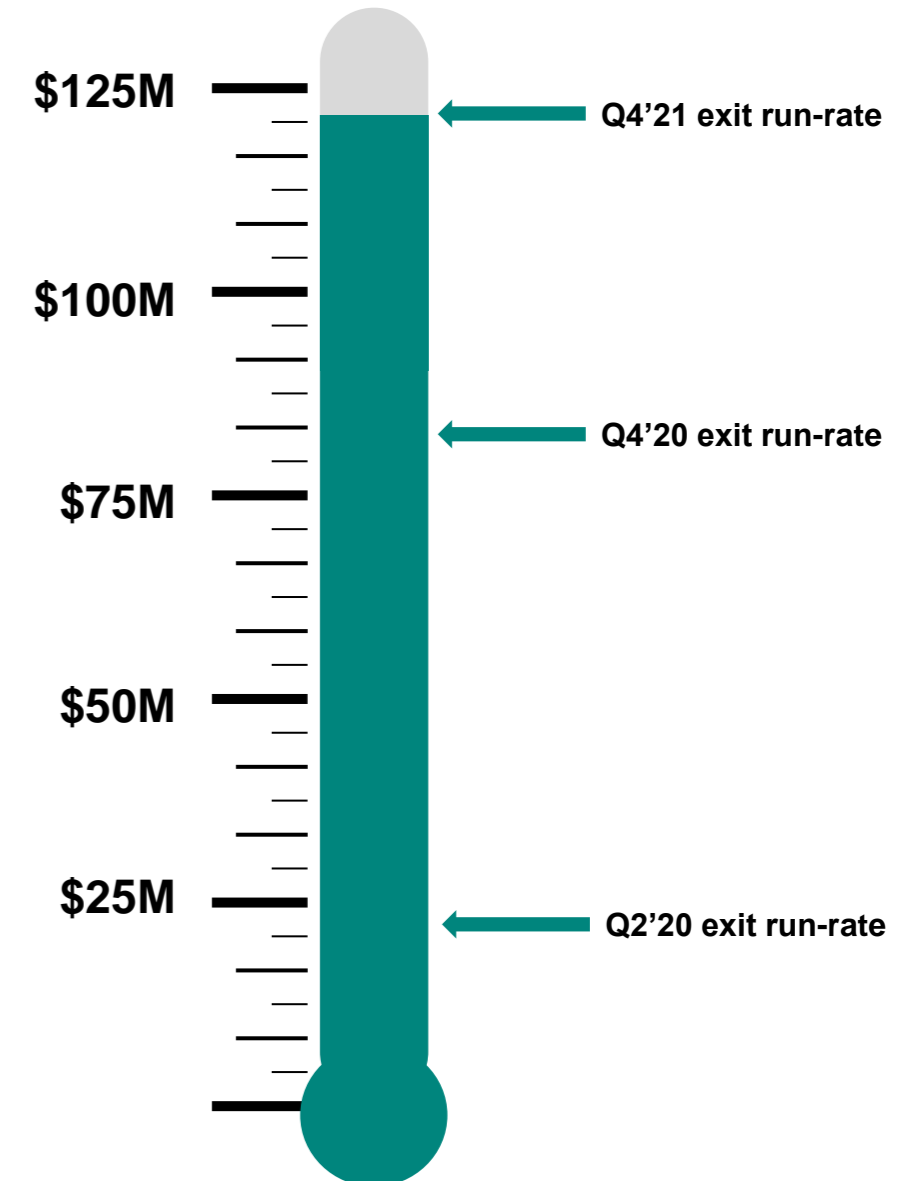
Cost synergies

- Cost synergies target of \$125 million on track to be delivered within 24 months of merger
 - Exited the fourth quarter at a \$121 million run rate

Revenue synergies

- Positive momentum continues to build around our production-oriented joint sell efforts
- 2021 synergy wins of \$30 million (\$24 million in U.S. and \$6 million internationally)
- Recent customer wins:
 - Joint sell Production Solutions (production chemicals, artificial lift) contract win with one of the leading independent E&P operators in the Permian Basin
 - Awarded contract with a leading global integrated energy company to deliver ESPs and custom chemistries for a multi-well program
 - Selected international wins: Ecuador, Argentina, Kazakhstan

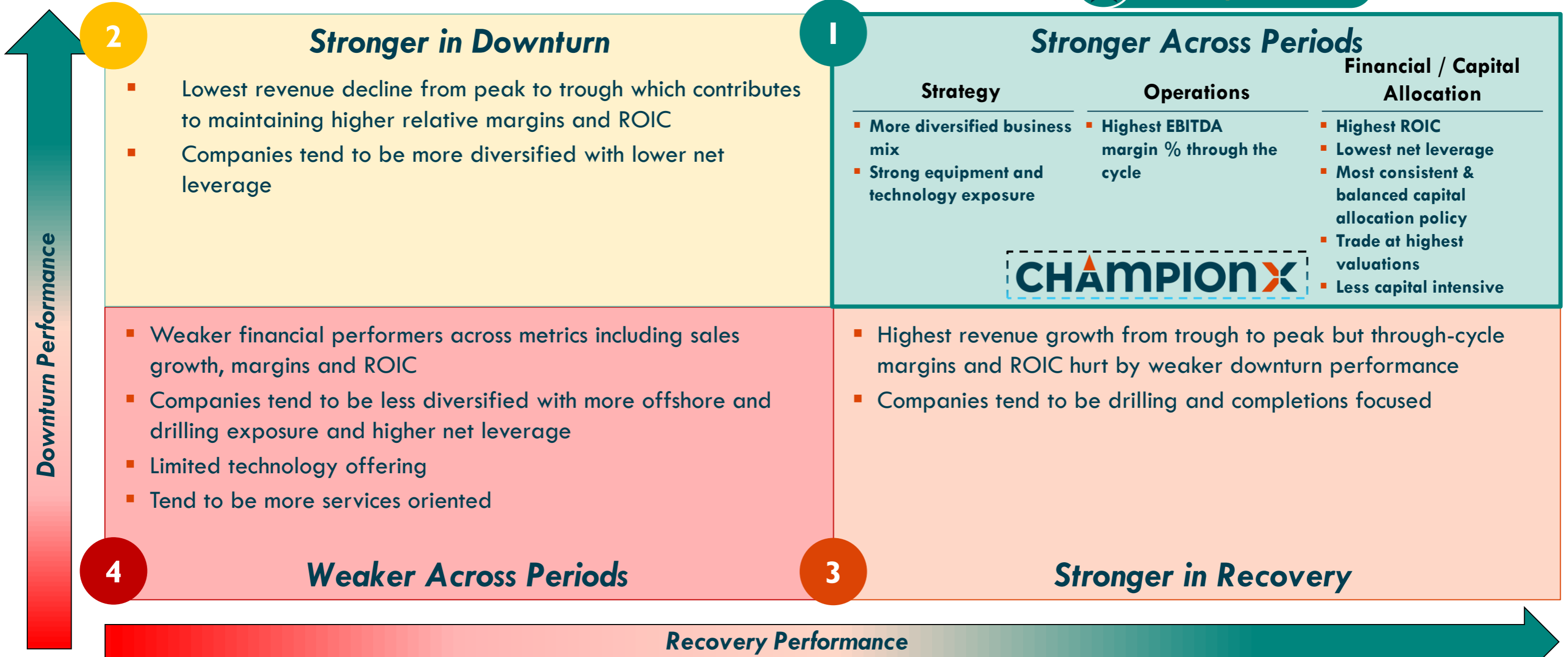
Cost Synergy Annualized Run-Rate Tracker



Value Creation In Oilfield Services & Equipment

CHX Is Focused On “Top Box” Performance Through The Cycles

★ “Top Box”



“Top Box” performers drive long-term shareholder value

On a consolidated basis in the first quarter of 2022, we expect:

- Revenue of \$815 million to \$845 million
 - International:
 - Expect typical seasonal pattern of lower revenue vs. fourth quarter, partially offset by revenues delayed from the fourth quarter of 2021 because of supply chain bottlenecks
 - North America:
 - Positive activity momentum in North American drilling-oriented businesses
- Adjusted EBITDA of \$122 million to \$130 million
- We expect adjusted EBITDA margin to healthily improve during 2022, with a targeted exit rate of 18%, driven primarily by price and volume improvements
- Depreciation & amortization similar to the fourth quarter
- FY'22 capital expenditures, including investment in leased assets, of 3.5% of revenue

Note: This presentation also contains certain forward-looking non-GAAP financial measures, including adjusted EBITDA. Due to the forward-looking nature of the aforementioned non-GAAP financial measure, management cannot reliably or reasonably predict certain of the necessary components of the most directly comparable forward-looking GAAP measures, such as net income. Accordingly, we are not able to present a quantitative reconciliation of such forward-looking non-GAAP financial measures to their most directly comparable forward-looking GAAP financial measures. Amounts excluded from these non-GAAP measures in the future could be significant.

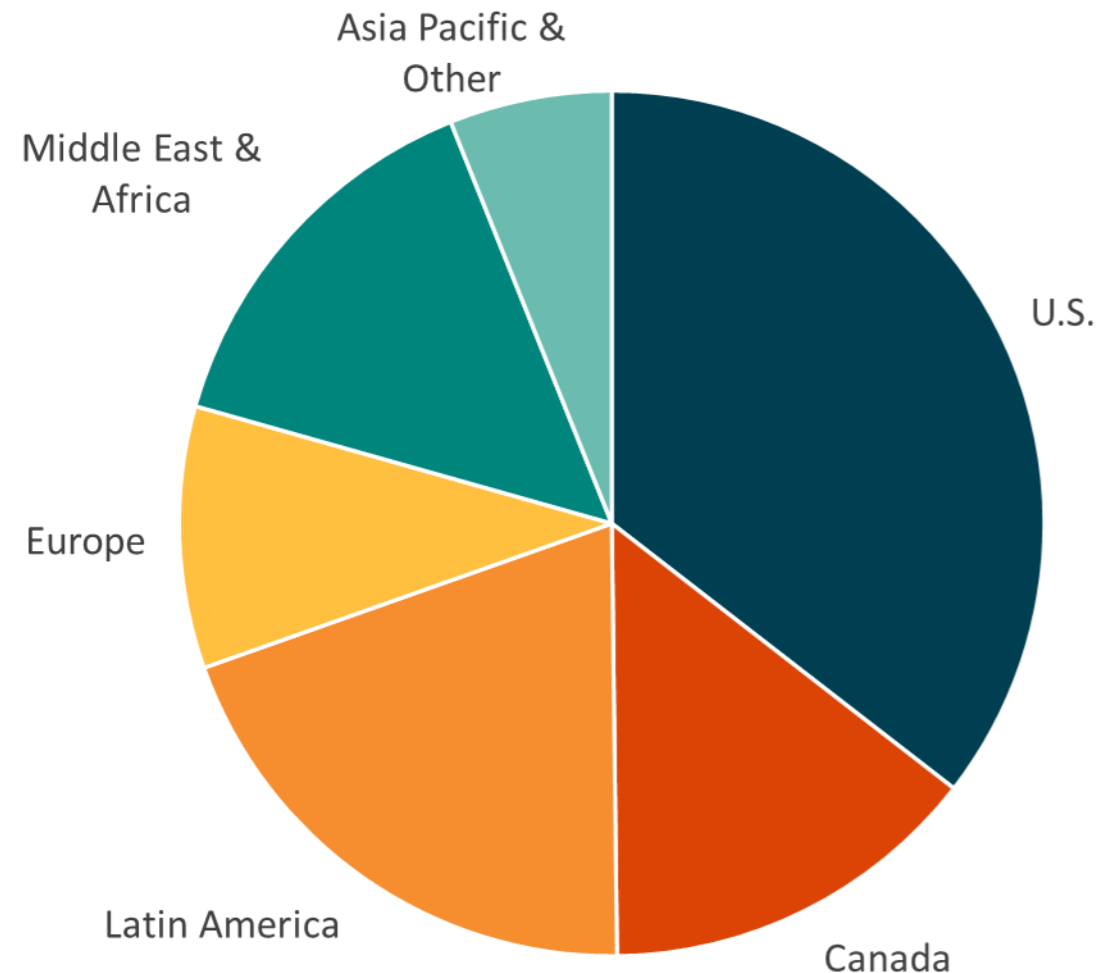
Overview of Business Segments

Production Chemical Technologies (“PCT”)

Helping Energy Companies Maximize The Value Of Their Operating Assets



FY 2021 Revenue of \$1.8 Billion



PCT Value Proposition

- Consumable, proprietary chemical solutions that enhance well production and maximize cash flow over the multi-decade life cycle of the well
 - PCT is the global oilfield chemicals market share leader¹
 - PCT rated #1 in Customer Satisfaction in Production Chemicals Category²
- Full range of chemistry applications supporting onshore, offshore, conventional, unconventional, and oil sands operations
 - Over 1,700 owned and licensed patents
- Value drivers: Onsite experts, specialized technology, and global supply assurance
 - 400+ scientists and technologists
 - 3,800 sales, service and supply chain personnel
- Innovative solutions for corrosion management, oil and water separation, sour gas treatment, flow assurance, water treatment and related issues
- Part of customer operating expense (vs. capex), and can have a positive impact on lifting cost economics
- Global presence with locations in over 60 countries

1 4 ¹ Source: Kimberlite International Oilfield Research, Rystad, and internal company estimates.

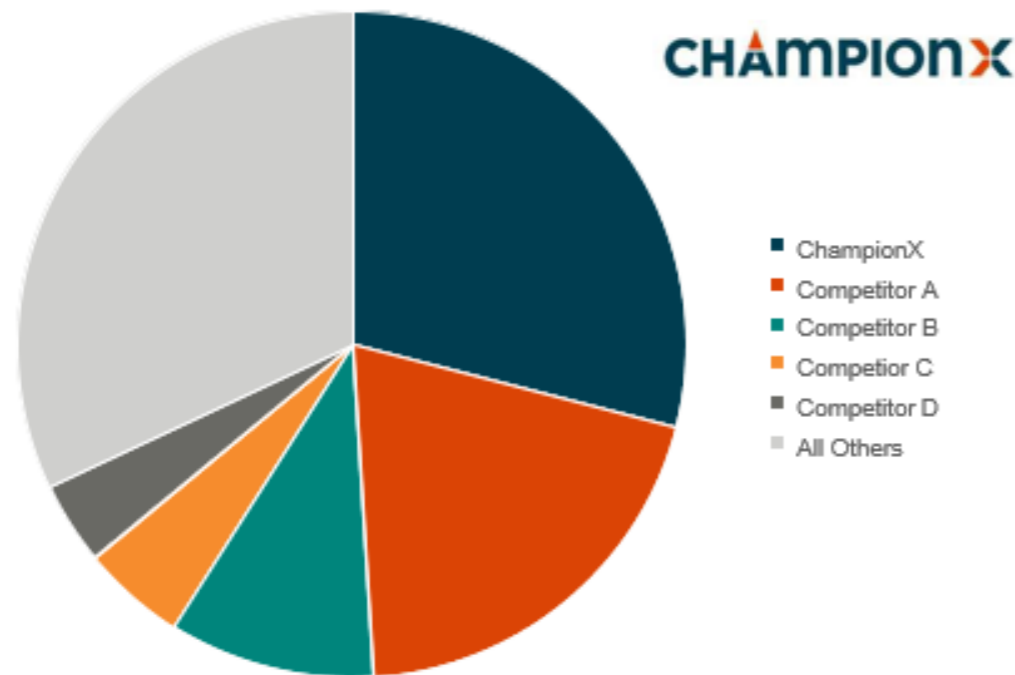
² Awarded by EnergyPoint Research.

Global Oilfield Chemicals Market Leader

Earning The Position As Our Customers' Preferred Choice



Estimated Global Production Chemicals Market Share¹



ChampionX Benefits From Top 3 Leadership Positions Across Key Categories

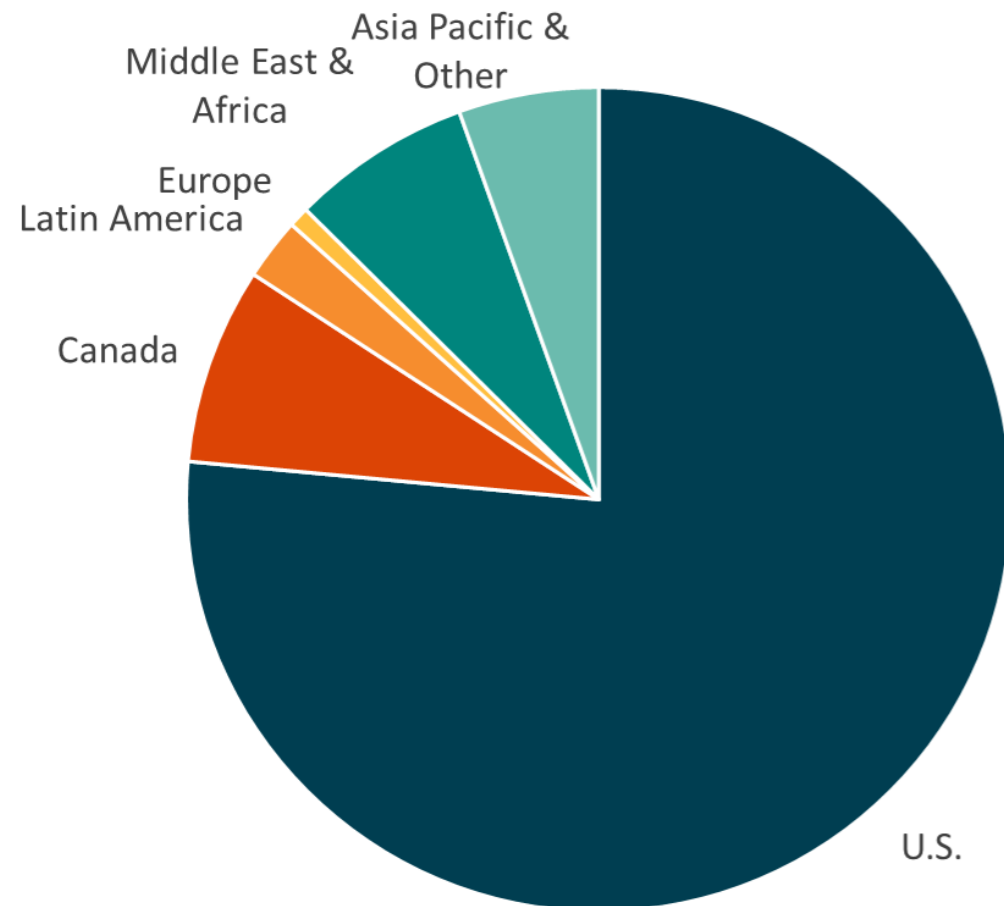
- Corrosion management and control
- Scale management and control
- Bacteria management and control
- Oil and water separation
- Wax and asphaltene management and control
- Water shut off and control
- H₂S management and control
- Hydrate management and control
- Automated chemical control and reporting

Production & Automation Technologies (“PAT”)

Artificial Lift, Digital & Emissions Management Solutions For Full Well Life Cycle



FY 2021 Revenue of \$762 Million



PAT Value Proposition

- Proven brands known for performance reliability, technology, manufacturing quality and pre- and post-sales support
 - PAT rated #1 in Customer Satisfaction in Artificial Lift and Digital Oilfield and Big Data Categories¹
- Broadest artificial lift portfolio serving producing wells over their entire life cycle
- Trusted partner in lowering E&P operators’ production costs and optimizing well efficiency
- Leading technology offering in the nascent and fast-growing well-site emissions monitoring and management market
- Consistent investment in new product development (e.g., ESPs and Digital platforms)
- Global sales and service locations
 - 110+ in North America
 - 22 in international markets

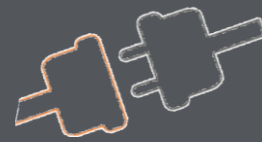
ChampionX Digital Offering Is A Full Stack Digital Platform **CHAMPIONX**

Hardware, Software & Services To Deliver Best-in-Class Solutions For Customers

Customer Service & Insights



Remote Operations



Multiple Data Sources



Software-As-A-Service



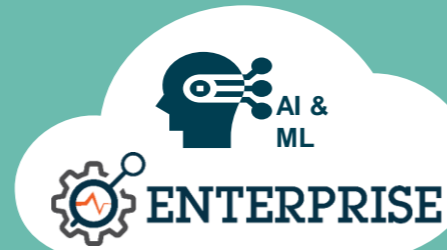
Decision Support

- ChampionX's customer service provides highly specialized end-to-end solutions
- Services provide incremental insights and advisory functions
- Remote operating centers augment customers operations with experts

Cloud Software & Applications

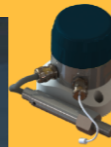
AI Models

Domain Expertise



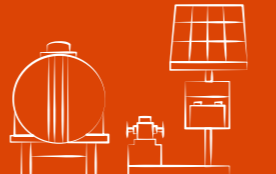
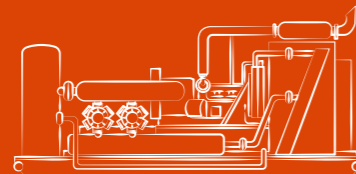
- Cloud application platform enables customer implementation of AI models and complex logic operations
- Flexible application modules which can be deployed anywhere at any scale

Edge Hardware & Connectivity



- Edge hardware aggregates incoming sensor data for processing with AI models and complex logic at the field level
- ChampionX systems introduce peer-to-peer communication firmware and logic

Sensing & Measurement



- Designs and produces sensors that measure variables for mission-critical industrial equipment
- With domain expertise, sensors are more specialized and better suited for industrial assets and process industries

STATE OF THE ART MEASUREMENT & CONTROL WITH SUBJECT-MATTER DRIVEN AI EXPERTISE

Measurable Digital Benefits For Customers

Strong Outcomes For Customers, Aligned With Improving ROIC And Meeting ESG Goals

Improve Productivity

- Process optimization through monitoring and control
- Repeatability of best operator
- Benchmark analysis using operational information
- Optimize labor pool

+20%
Yield improvement with algo-based gas injection

Reduce Downtime

- Early anomaly detection
- Avoid unplanned shutdowns
- Advance alarming triggers workflows
- ~ 6 weeks of failure prediction

+90%
Reduction in catastrophic equipment failure

Reduce Emissions

- Early methane emission detection
- AI-driven alarm intervention
- Reduced monthly maintenance visits and costs

>80%
Reduction in methane emissions for Permian operator

Pervasive Data and Sensing

24M Data Tags from 200K Wells	2M+ Sensor Points	10K+ Compressors and Engines	1TB of Oil and Gas data
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AI Models
10M Lines of code
Domain Expertise

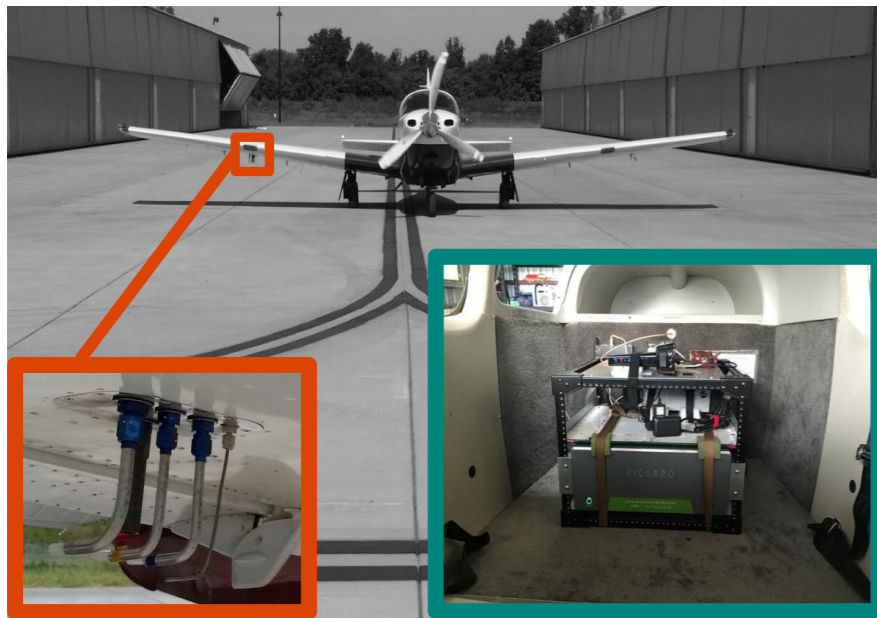
Drive Operational Insights that Improve Customer Outcomes

1M Predictions every month	4M Monthly Alarms & Events
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Broad Emissions Monitoring Capabilities

Our Solutions Portfolio Addresses Wide Variety Of Customer Needs

Planes



- Ideally suited for surveying large areas

Drones



- Most accurate measurement of individual pieces of equipment on the site

Continuous Fence-Line



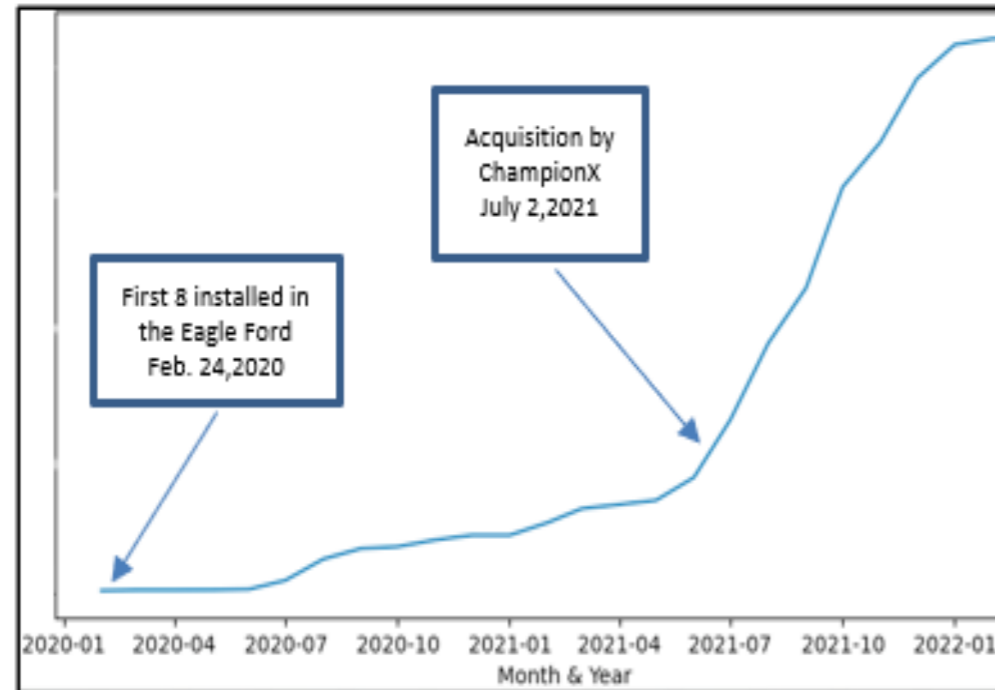
- Fastest detection time
- Most cost-effective tool for rapid identification of super-emitters

Our Emissions Management Growth Opportunity

Expected market CAGR: 20%*



Growth of installed SOOFIEs
(ChampionX continuous methane monitoring system)



Launching Scientific Aviation Labs An Advanced Emissions Research Lab

- Focused on applied research in emissions
- Industry thought leader and global center of expertise for methane emissions
- Partnerships with external R&D institutes
- Generates new product ideas to effectively solve emissions problems



Example recognition by industry operators

“Crestwood has selected Scientific Aviation’s SOOFIE device while evaluating additional next-generation applications as part of its ongoing initiatives to find more robust and faster ways to detect and mitigate emissions. Based on results from the pilot program, Crestwood aims to deploy continuous methane emissions monitoring at key operations while improving its emissions performance by the fourth quarter 2022.”

Crestwood Equity Partners LP, October 26, 2021

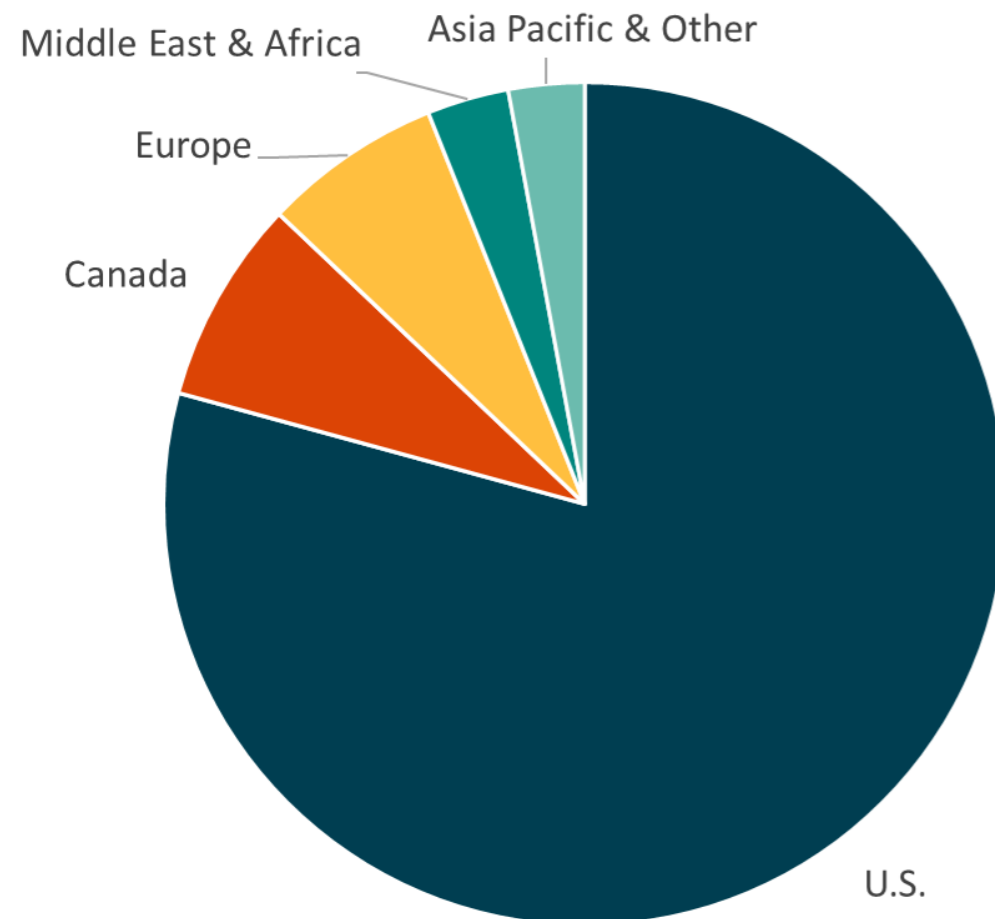
SOOFIE – Systematic Observations of Facility Intermittent Emissions

Drilling Technologies (“DT”)

Driving Continuous Improvement In Drilling Productivity For Our Customers



FY 2021 Revenue of \$172 Million



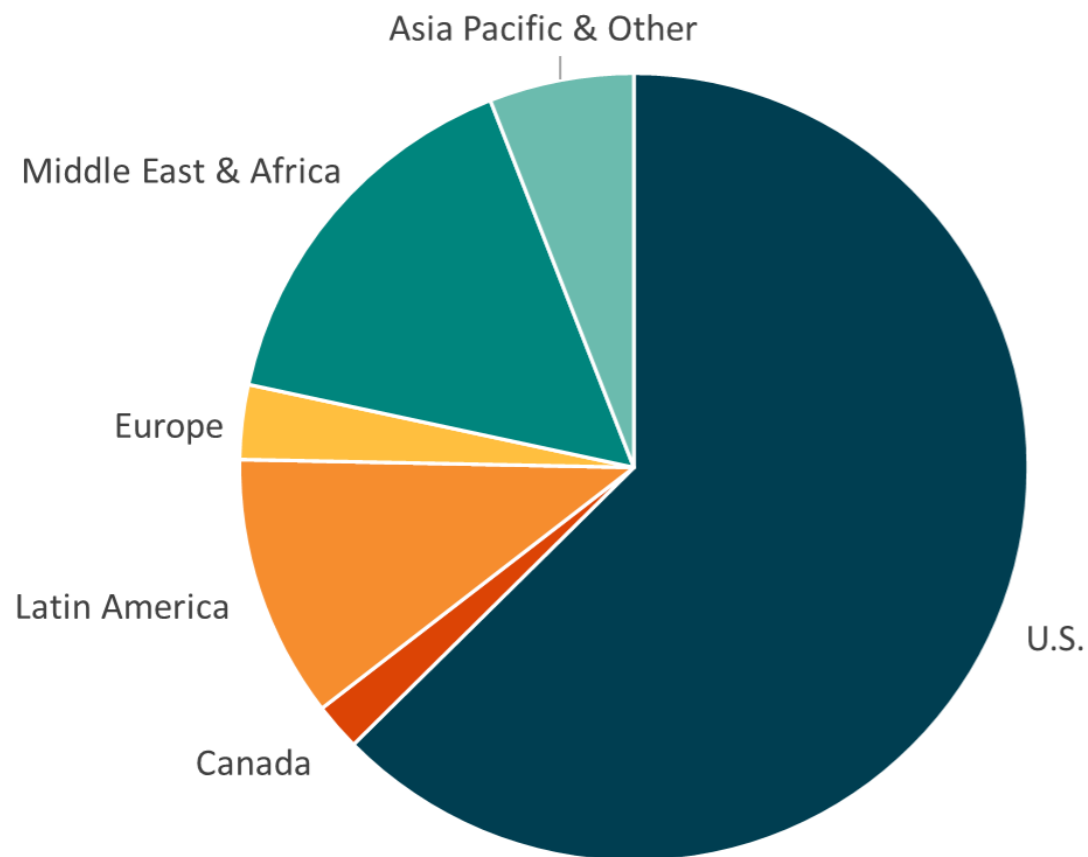
DT Value Proposition

- Industry leader in polycrystalline diamond cutters for oil and gas drilling and diamond bearings, with industry reputation for innovation, quality and customer service
- Critical partner to customers in achieving drilling productivity
 - 95%+ of drill bit inserts are designed to meet unique requirements and are finished to exact customer specifications
- Well positioned to continue delivering value to customers given dominant industry trends
 - Longer well lateral lengths
 - More difficult drilling formations
- Diamond sciences expertise affords opportunity to increasingly deliver value for customers in industrial end markets
- Consistent new product innovation
 - Majority of Drilling Technologies revenue in 2021 was generated from products that were less than three years old

Reservoir Chemical Technologies (“RCT”)

Improving Customers’ Operational Efficiency And Enhancing Well Productivity

FY 2021 Revenue of \$141 Million



RCT Value Proposition

- Full range of drilling, completion, and well stimulation chemistries addressing a wide range of water, temperature, and pressure conditions
 - Applications include drilling & completions, acidizing, cementing, and hydraulic fracturing
- Driving more successful and efficient drilling and hydraulic fracturing operations for national and international oil and gas service companies
- Sales and service experts supported by corporate account leaders and research scientists