

Investor Presentation

December 2021



SOI
LISTED
NYSE



Disclaimer

Forward-Looking Statements

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Solaris at a Snapshot

Investment Highlights

- **Market Leader:** Industry leading market share of ~1/3 maintained through the cycle
- **No Debt, Excess Cash:** No debt on the balance sheet with \$0.95 per share cash balance as of September 30, 2021
- **Thru-Cycle Returns:** Quarterly dividend of \$0.105/share or ~6.6% yield; 12th consecutive quarter of dividend payments; no dividend cuts made in the downturn. Over 2/3rds of free cash flow returned to shareholders since 2019
- **Growth:** New product introductions and continued innovation
- **Inside Ownership:** Management team members are mostly original founders and own ~15% of the company



Stock Info

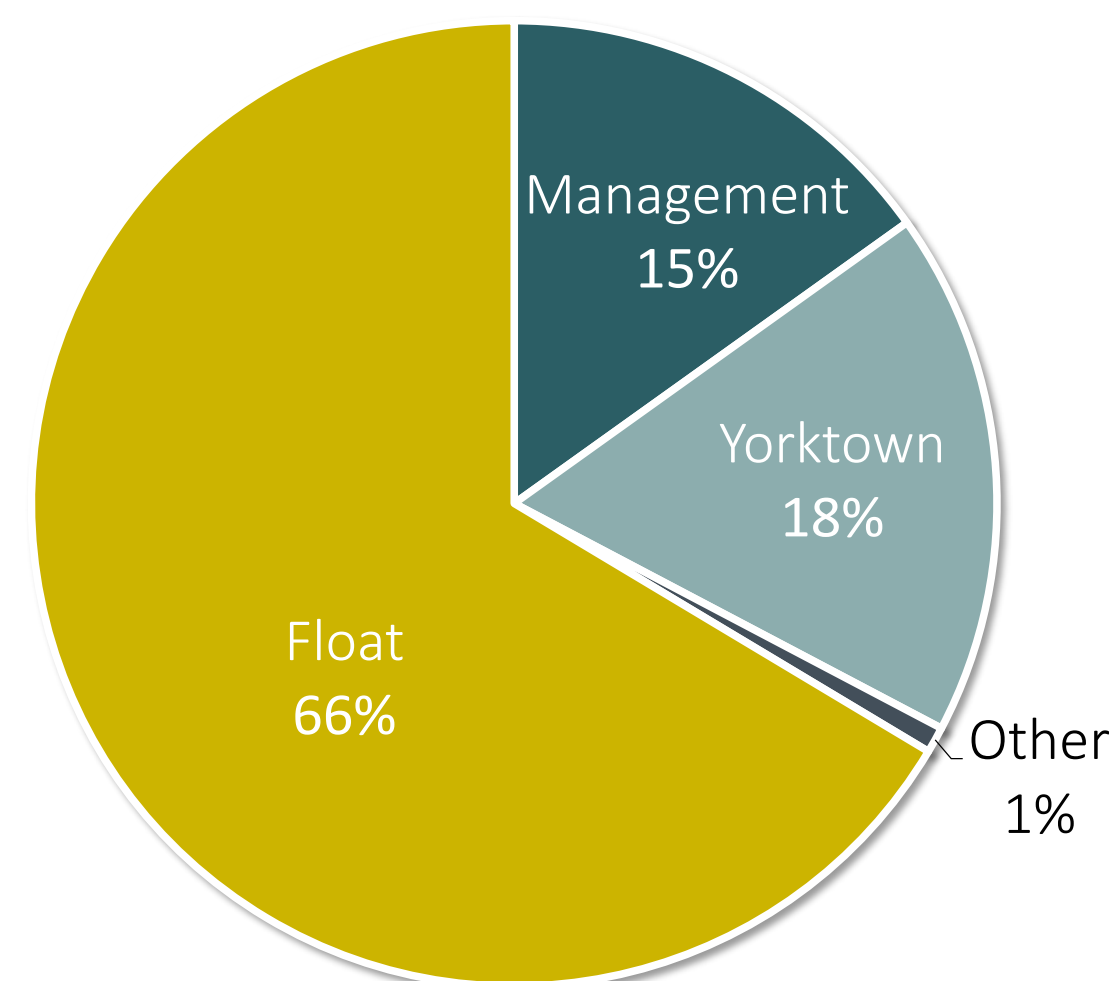
Ticker	SOI (NYSE)
IPO Date	May 11, 2017
Market Cap ⁽¹⁾	~\$300 million
Long-term Debt ⁽²⁾	\$0.0 million
Cash Balance ⁽²⁾	\$42.8 million

(1) As of 12/6/21

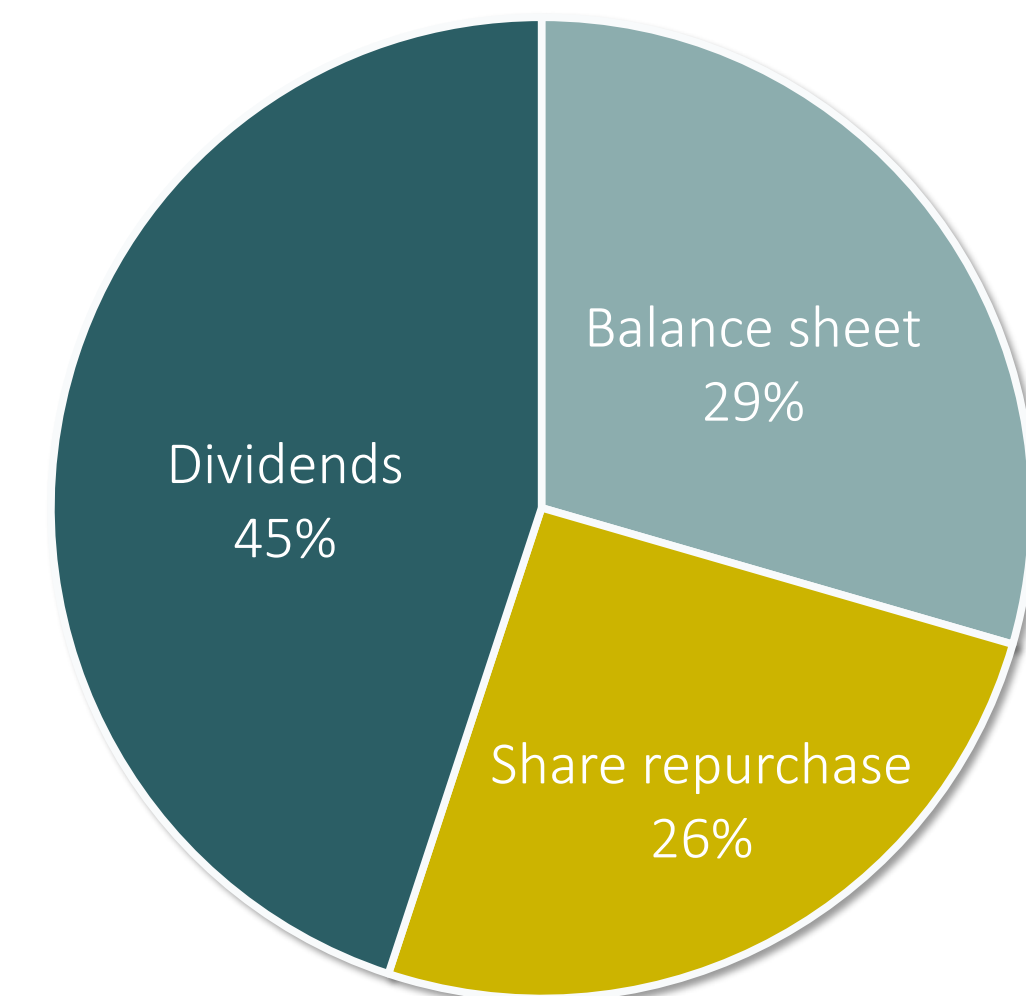
(2) As of 9/30/21

(3) Reflects Cumulative Free Cash Flow (defined as Operating Cash Flow less Capital Expenditures) uses from 2019 through Q3 2021

Ownership⁽¹⁾



Uses of Cumulative FCF⁽³⁾





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



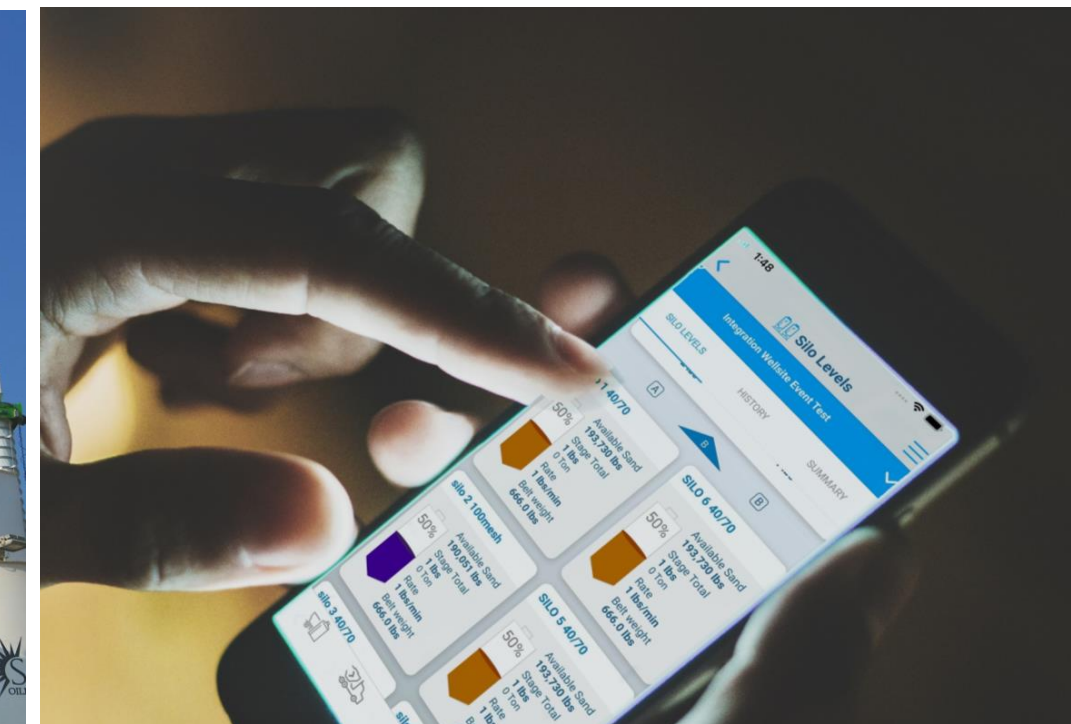
AutoBlend™ Integrated Electric Blender (New Product Offering)

*All-Electric, Automated Blending Technology Integrates
With Solaris Sand, Water and Chemical Systems*



Belly Dump Offloading Options (New Product Offering)

*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*



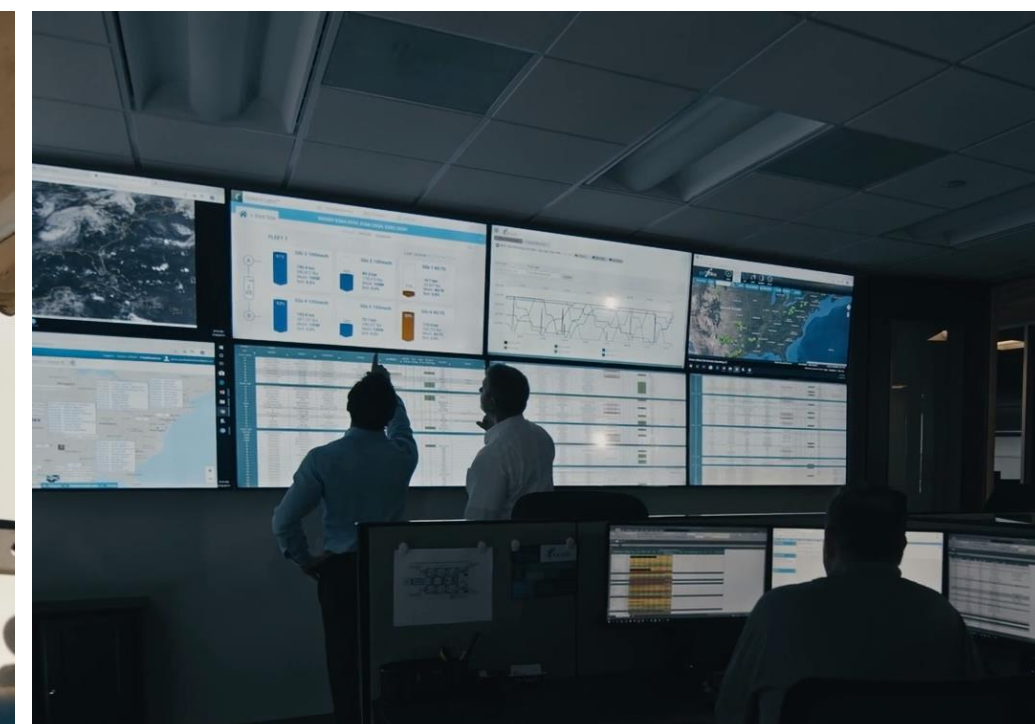
Proppant and Fluid Management Systems

*Market Leader with ~1/3 Share of U.S. Wellsite
Proppant Storage Market*



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)

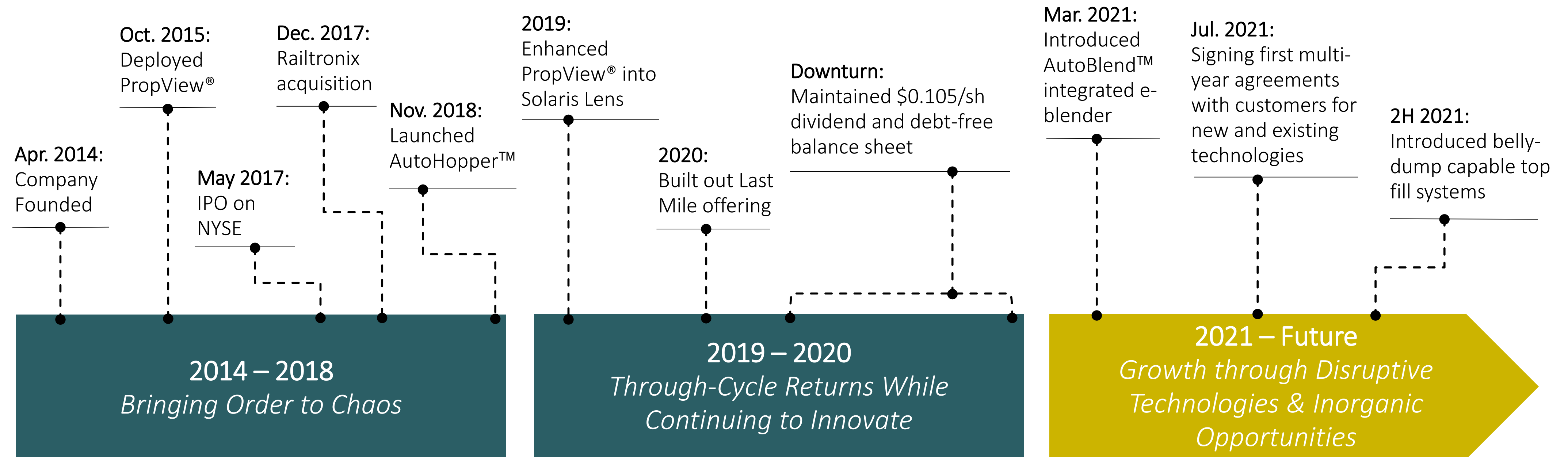
*Turnkey Solution of sand deliveries from Sand Mine to
Blender*



Field Service Support

*Experienced Field Service Team Dedicated to Customer
Support*

Solaris Has a Track Record of Innovation and Capital Stewardship

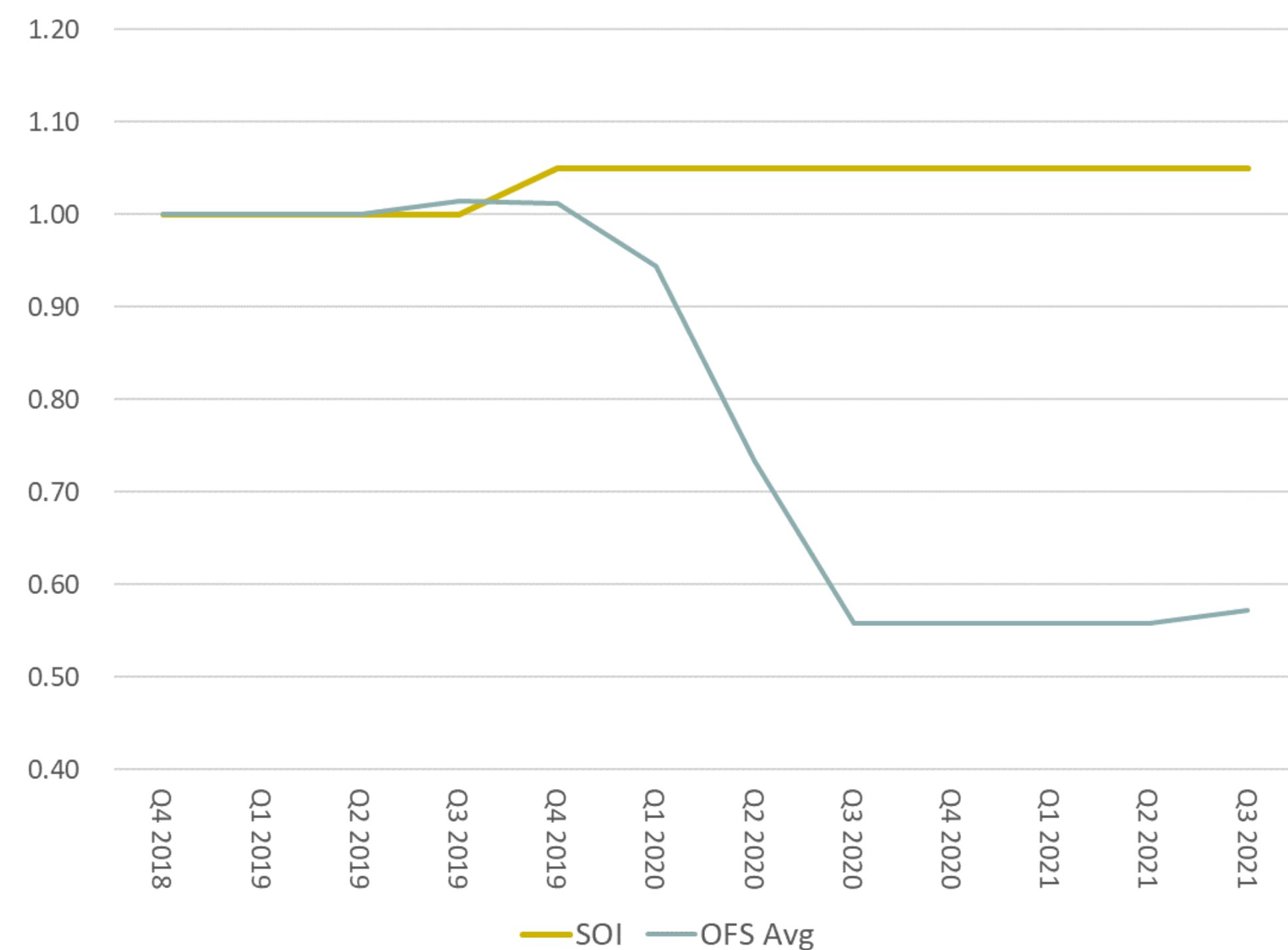


Solaris' strategic priorities remain:

- ✓ *Preserving and growing customer base with ongoing innovation while maintaining strong returns*
- ✓ *Prioritizing total shareholder returns and maintaining the dividend*
- ✓ *Enhancing ESG and reducing well costs through increased automation and new product offerings*

Thru-Cycle Shareholder Returns

SOI Has Paid a Consistent Dividend Thru-Cycle vs a 40% Cut on Average from Oil Service Companies⁽¹⁾ *(Indexed to 1.00)*

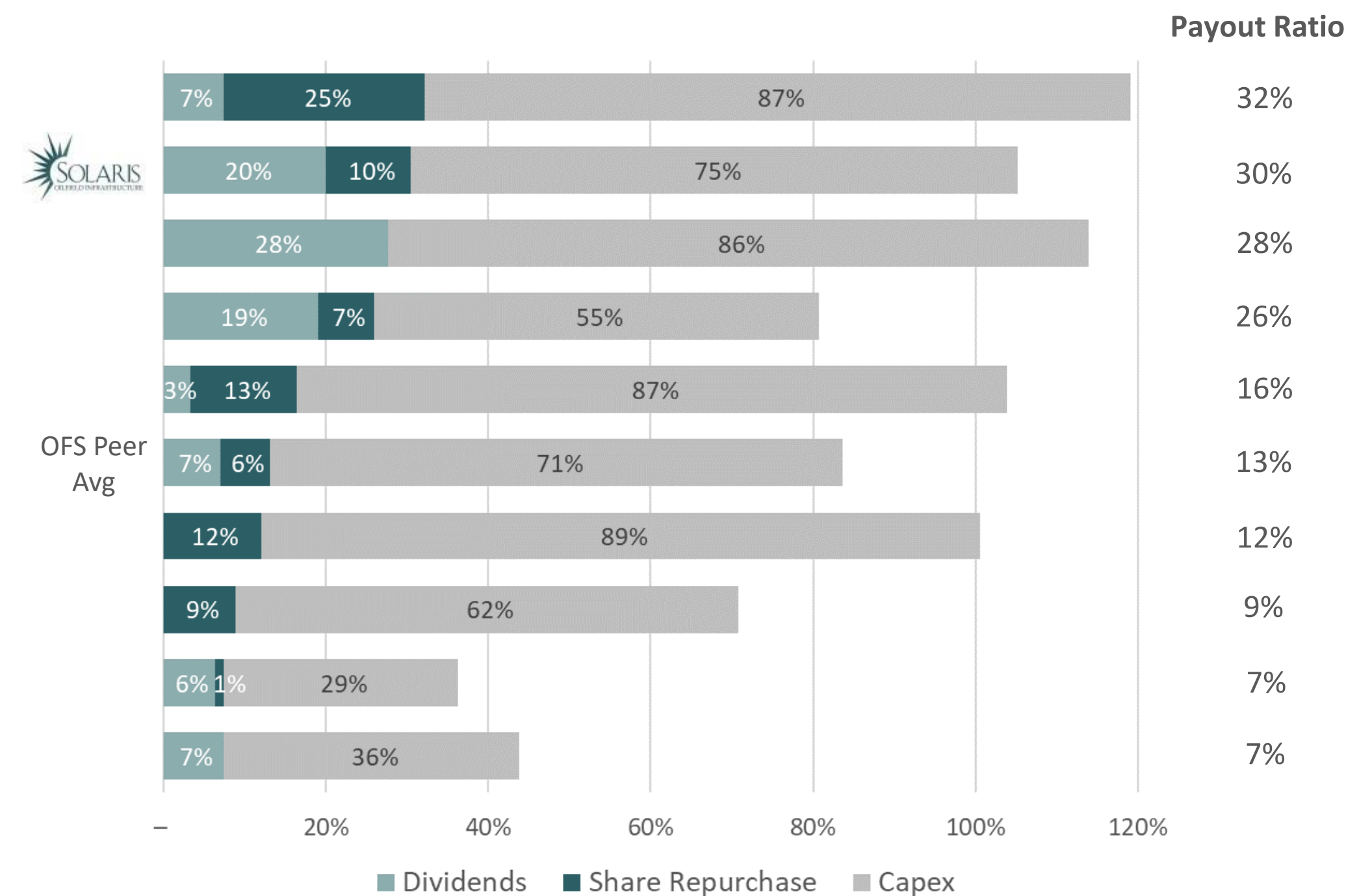


Source: Company data

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

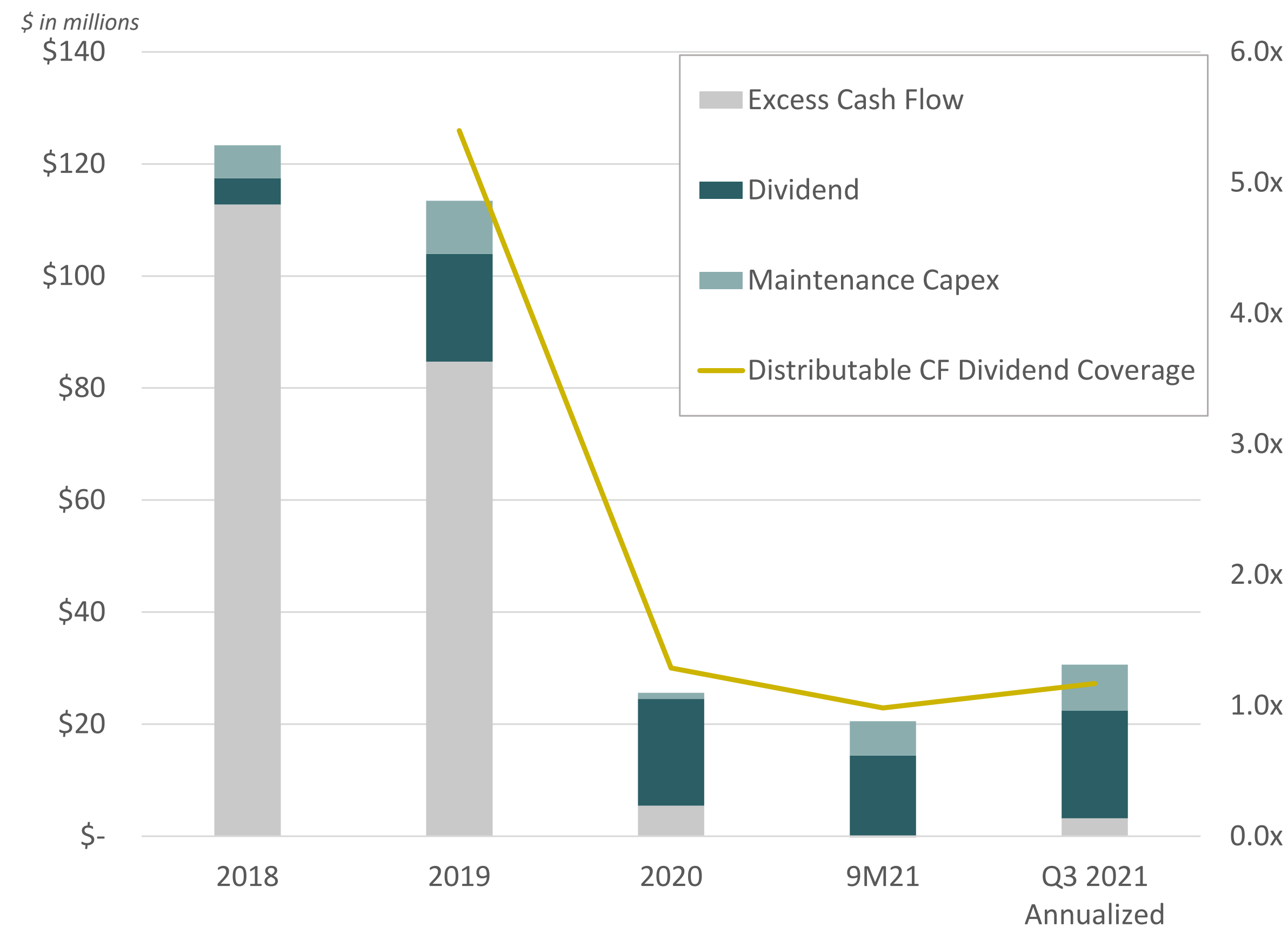
(2) Reflects cumulative dividends, share repurchases and capital expenditures as a % of cumulative cash flow from operations from 2018 through Q3 2021; Payout ratio calculated as cumulative dividends and share repurchases as a % of cumulative cash flow from operations from 2018 through Q3 2021

Cumulative Cash Allocation (as a % of OCF) vs Peers Since 2018⁽²⁾



Solaris Has a History of Generating Excess Cash Flow

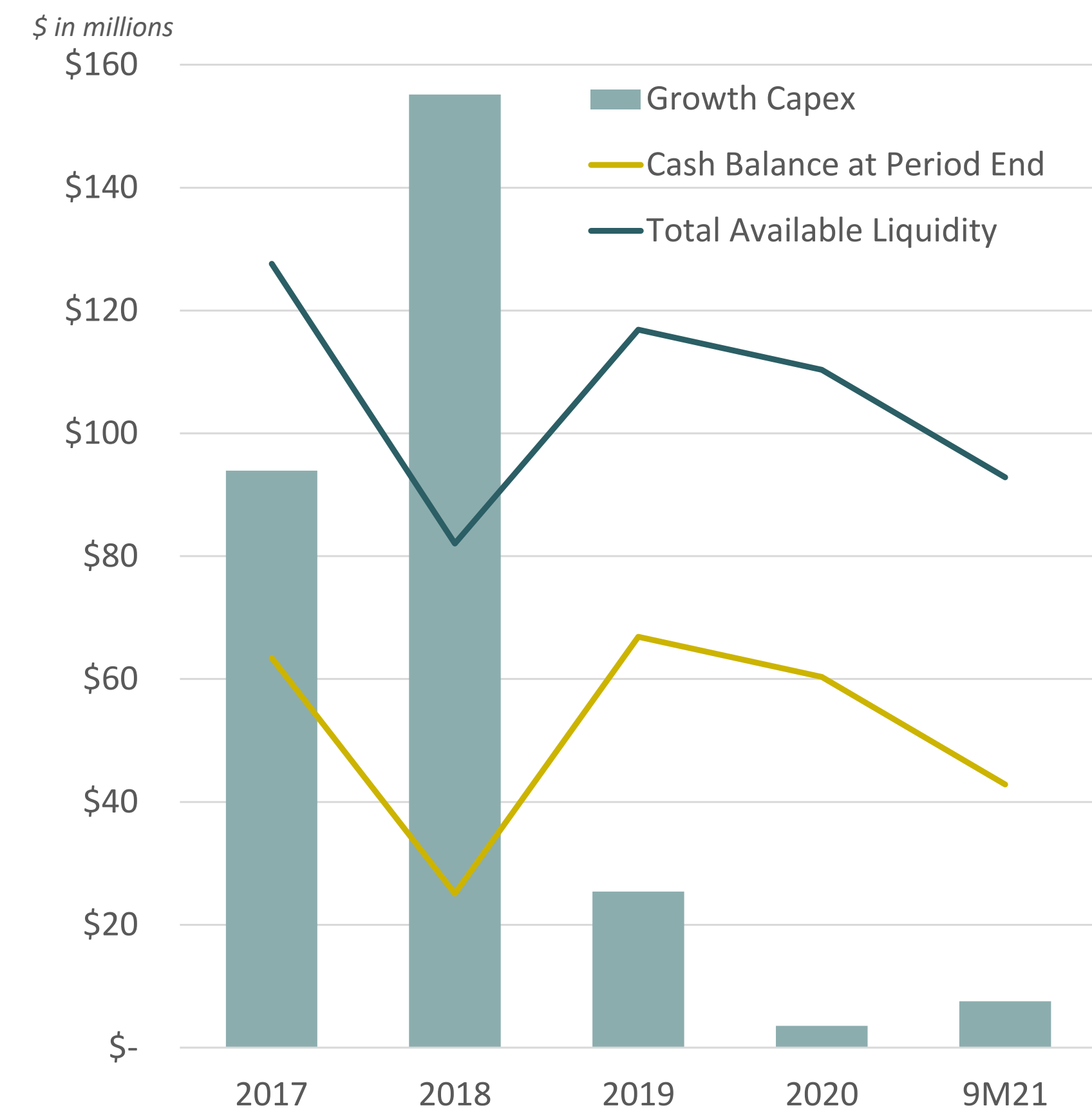
Distributable Cash Flow Covers the Dividend⁽¹⁾



Source: Company data

(1) Distributable Cash Flow defined as Adjusted EBITDA less Maintenance Capital Expenditures; Excess Cash Flow defined as Adjusted EBITDA less Maintenance Capex and less Dividend

Cash and Liquidity Available for Investment



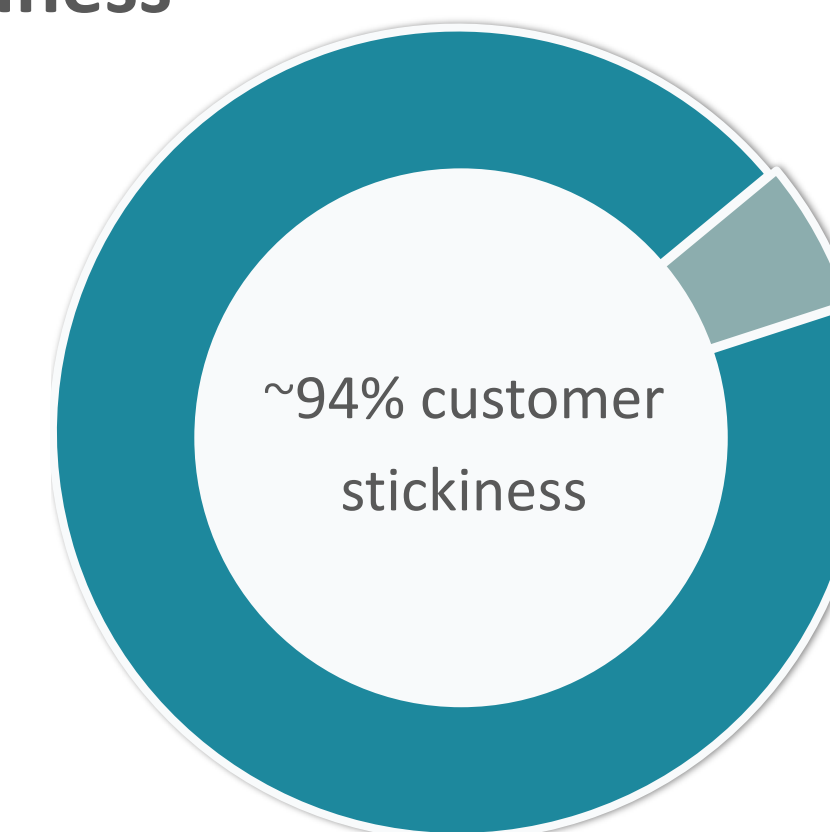


High Renewal Rates on a Diverse, Blue-Chip Operator and Pressure Pumper Customer Base

Key Business Model Points

- High quality and diverse customer base with high renewal rates
- Solaris preferred by customers due to:
 - Reliability of equipment and service, driving high (>99%) uptime performance
 - Ability to drive increased well site efficiency and lower costs
 - Ability to handle large sand throughput per day
- No long-term customer contracts historically but recently entered into a multi-year dedication agreement with a large customer that could provide upside over time

Customer Stickiness⁽¹⁾



Select Operator Customers⁽²⁾



Select Service Customers

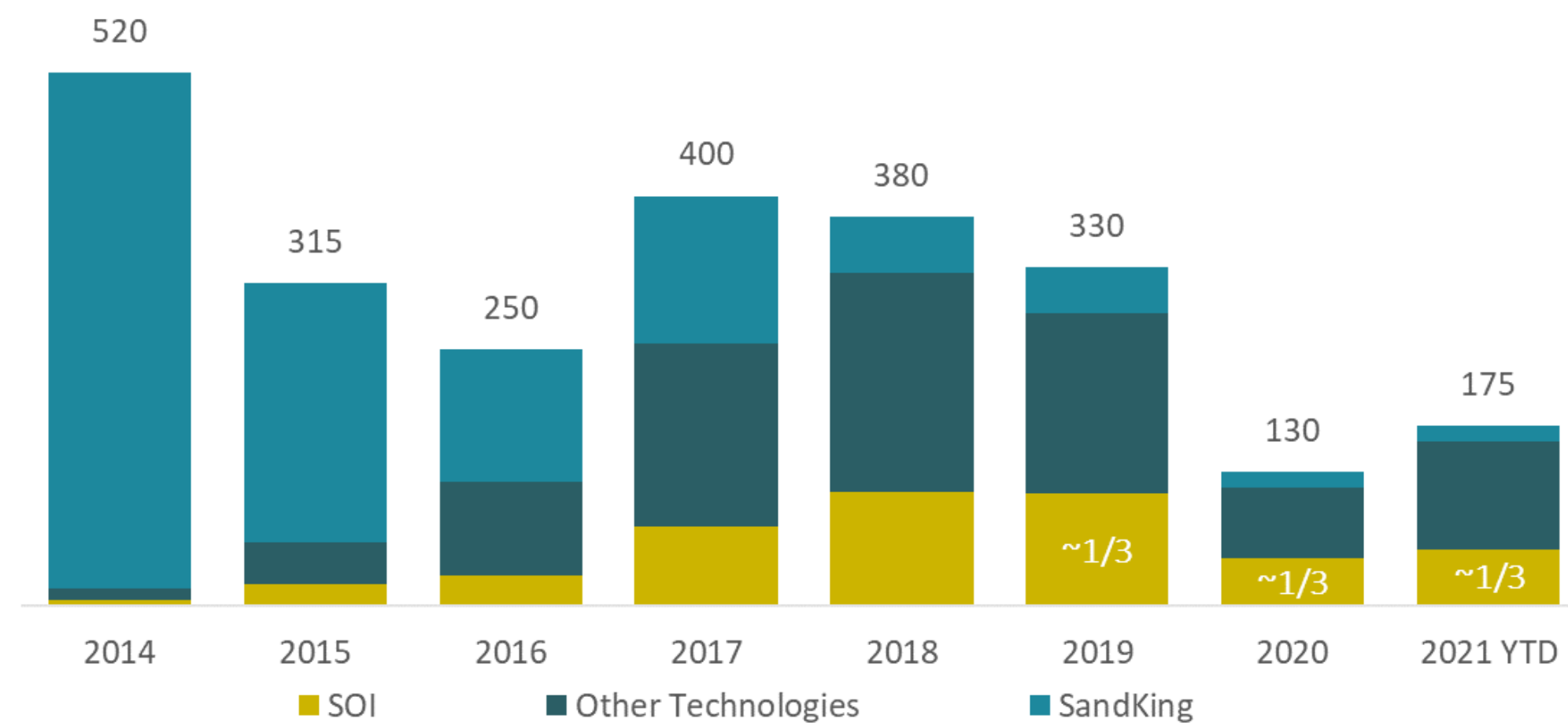


(1) Defined as % of working days driven by customers who have been consistent customers

(2) Includes direct and indirect operator customers

Solaris Has Maintained A Strong Market Position Throughout the Cycle

Utilized Well Site Sand Storage Systems by Technology Type⁽¹⁾



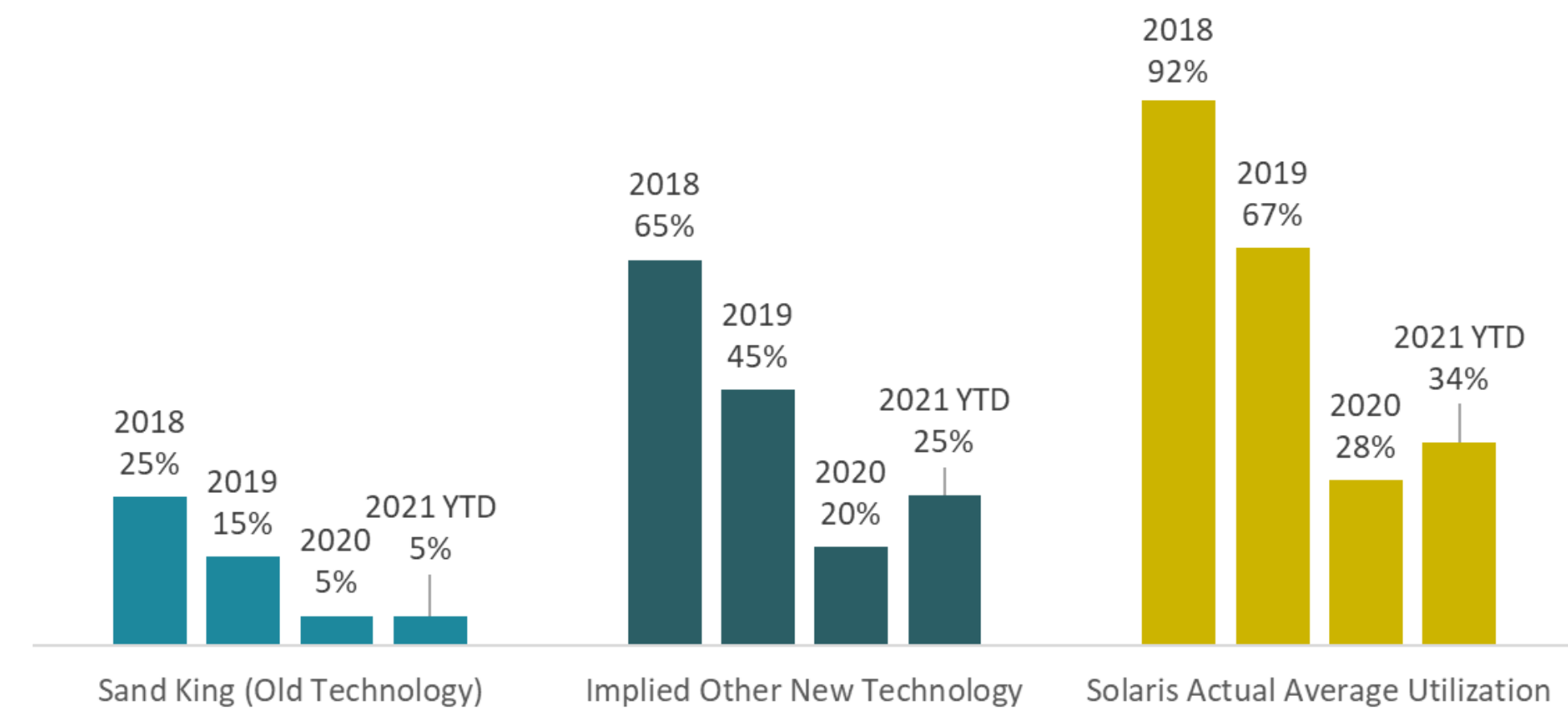
Source: Company data

(1) Approximate average US frac fleet count used to estimate total addressable market for well site sand storage systems

(2) Assumptions: 2021 YTD Avg Demand = 175 Avg Frac Fleets; Available Supply = 161 Avg SOI systems + ~250 box systems + >150 non-SOI silos + >200 SandKings

- Solaris increased share faster than other new technologies through 2019 as old technology (Sand Kings) were displaced and has since maintained a steady ~1/3 market share of US well sites
- Throughout the recent cycle, Solaris equipment has maintained consistently higher utilization than its peer group, particularly vs other silo/vertical-based solutions

Average Utilization Variances Suggest Technology/Service Differentiation^(1,2)





Solaris is Well Positioned to Take Advantage of Recent Industry Trends

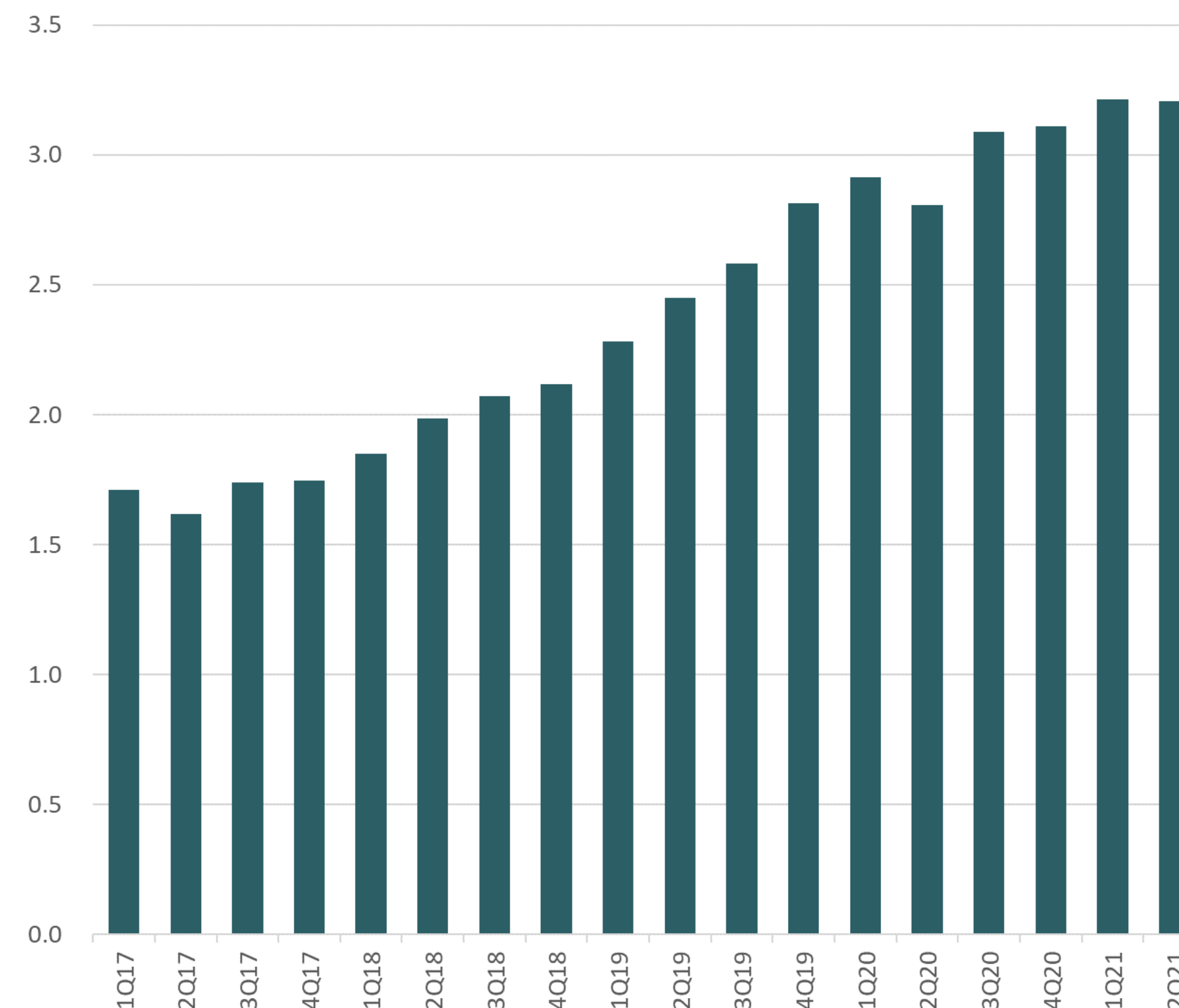
Recent Industry Trends

- Sand pumped per foot has leveled out, but horizontal footage per well and volumes pumped per day (i.e. frac efficiency) continue to improve
- Operators continue to try out Simul Fracs/Dual Fracs
- Growing demand for all-electric frac fleets
- Trucking tightness resulting from driver shortages and increased frac efficiency

How Solaris Wins

- Reliability, with high uptime performance (>99%)
- Throughput optimization
 - Ability to load from multiple, high-capacity trucks at once
 - Vertical storage maximizes storage per square foot
- All-electric designs complimentary to growing demand for electric frac fleets
- Innovation
 - Automation/Machine Learning
 - Data visibility and analytics (i.e. Solaris Lens®, Belt Scales)
 - New Products
 - AutoBlend™ all-electric, automated hydrated delivery and blending system
 - Belly Dump capability – new designs for higher throughput
 - Fluid (Water and Chemical) silos

Frac Crews Continue to Pump More Sand per Day (MM lbs)



Source: Lium LLC



Solaris' Mobile Proppant Management System

Elegant Solution to a Complicated Problem

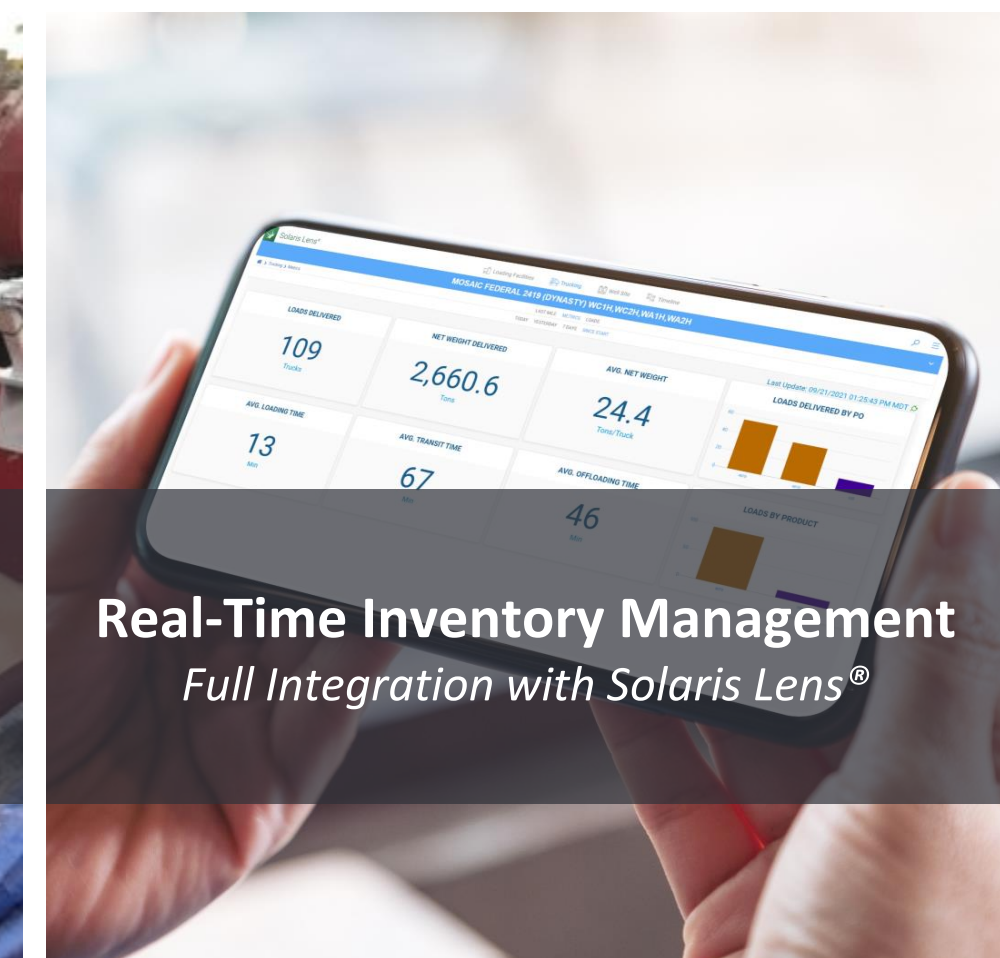
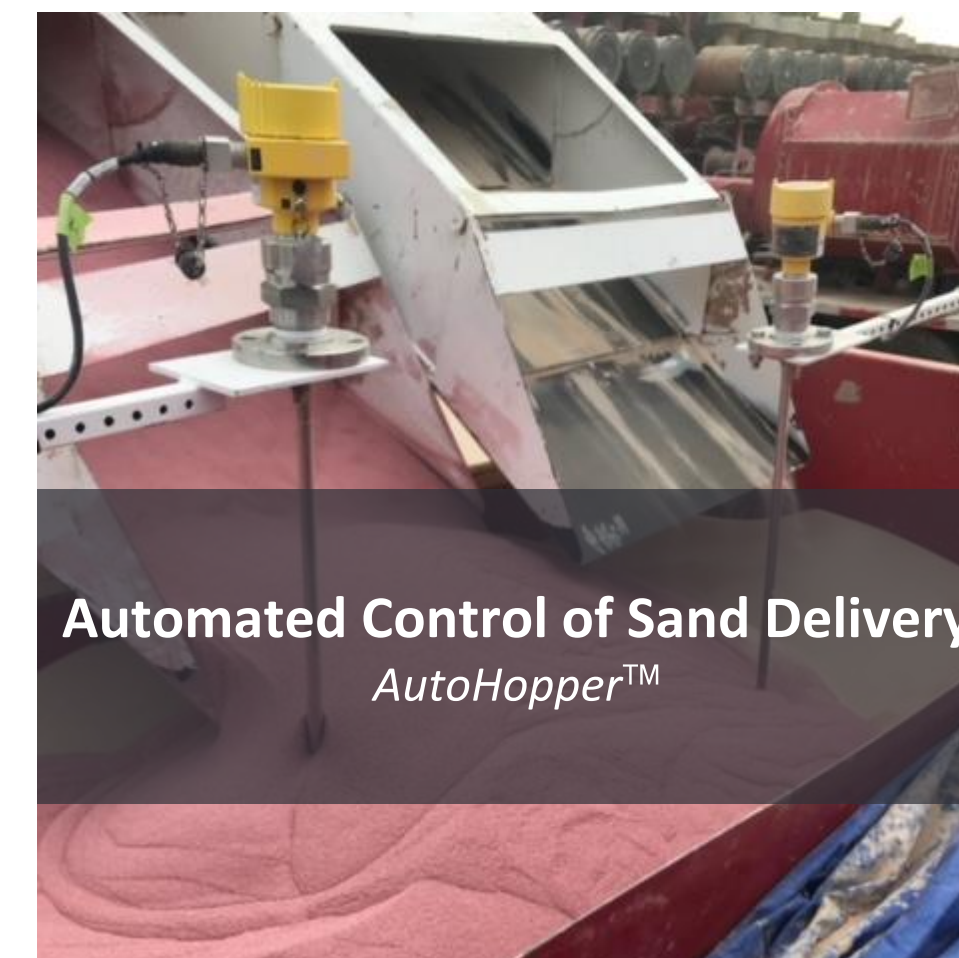
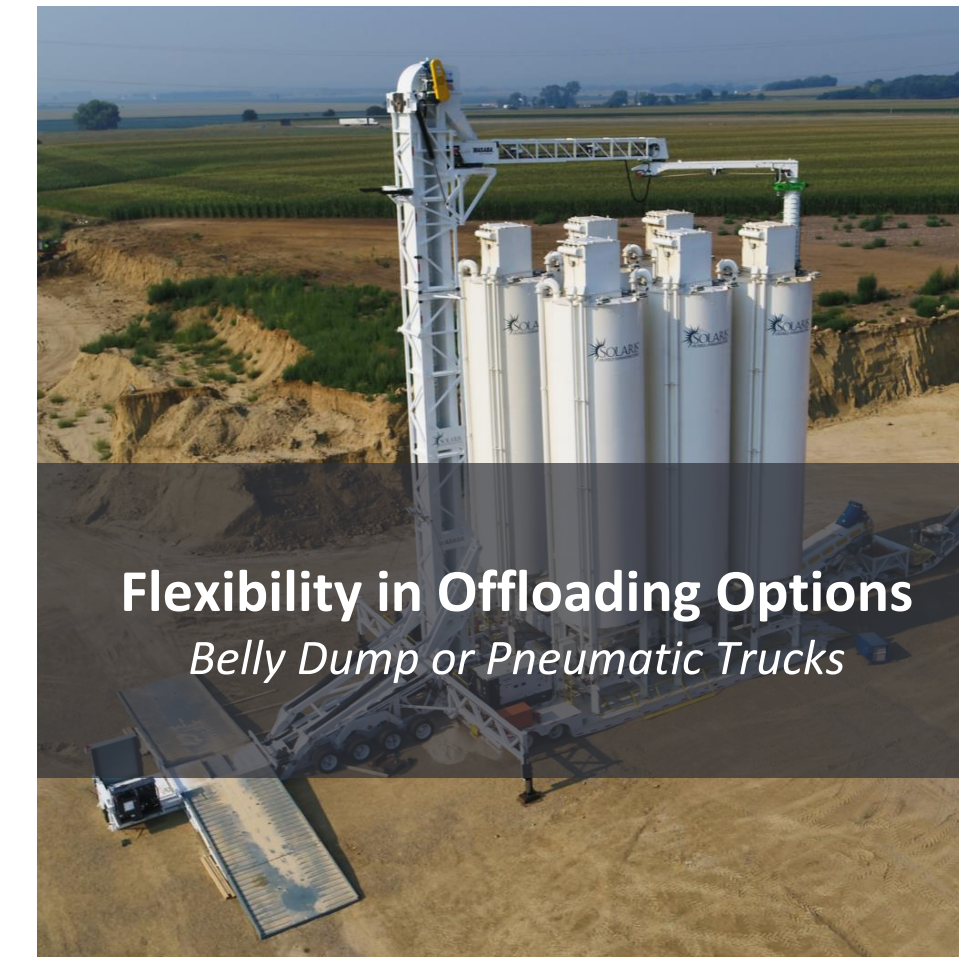
- Simple, modern, fully-integrated and automated control system
- Reliable system with high volume input and output capacity
- Mobile and flexible equipment with multiple redundancies

Supply Chain Savings

- ✓ 2.5-5mm lbs of on-site inventory
- ✓ 24 truck offloading points
- ✓ Smaller truck fleet size required to deliver proppant
- ✓ Decreased truck demurrage
- ✓ Real-time inventory levels and consumption rates

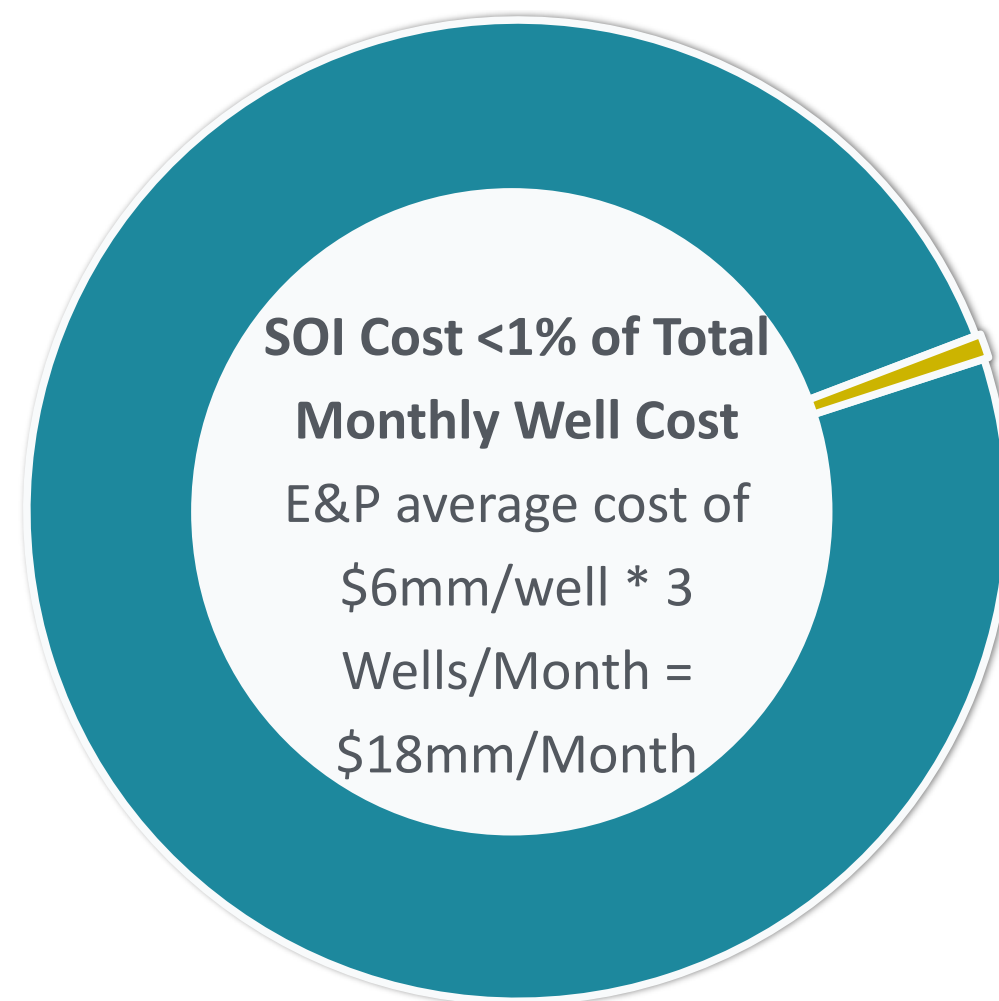
Well Site Savings

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

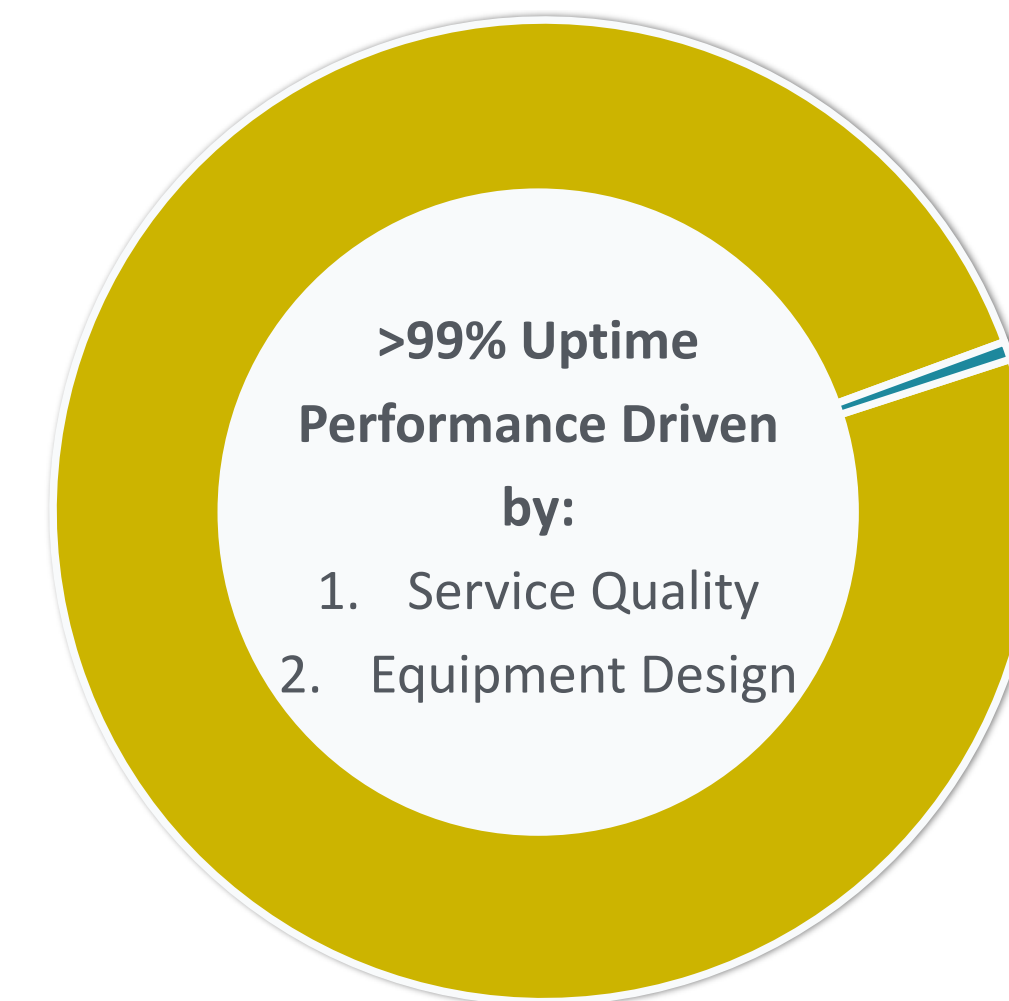


Business Model Reflects Low Portion of Total Well Cost, Strong Uptime Performance

Monthly System Revenue as % of Well Costs



Uptime Performance Provides an Insurance Policy



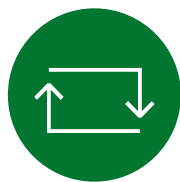
Characteristics of Specialized Equipment and Service

- Business model allows the customer to keep the benefits of efficiency gains. i.e. more wells/month completed by one frac crew using a Solaris system means monthly cost per well decreases
- Solaris systems are also similar to an insurance policy that costs <\$200/hour to save on paying downtime completion spread costs of ~\$3-5k/hour; competitor discounts erode in a number of hours if there is downtime
- Specialized equipment businesses tend to be buried in larger companies in the oilfield services sector



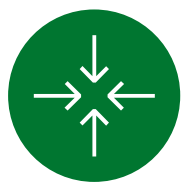
Traditional Technologies are **Challenged**

- 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



Bringing Order to Chaos... Again

Solaris' Expanded Fluid Storage and Blender Offering

- Traditional technology takes up a massive footprint and headcount
 - Fluids such as chemicals and water stored in multiple frac tanks, iso-containers and totes; water often requires additional pumps
 - Blenders are failure-prone and a second or third blender is required for backup
- Solaris' approach offers enhanced inventory control, condensed footprint, lower headcount, precise flow measurement and improved HS&E



Footprint reduced to a handful of Solaris silos and AutoBlend™ e-blender





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



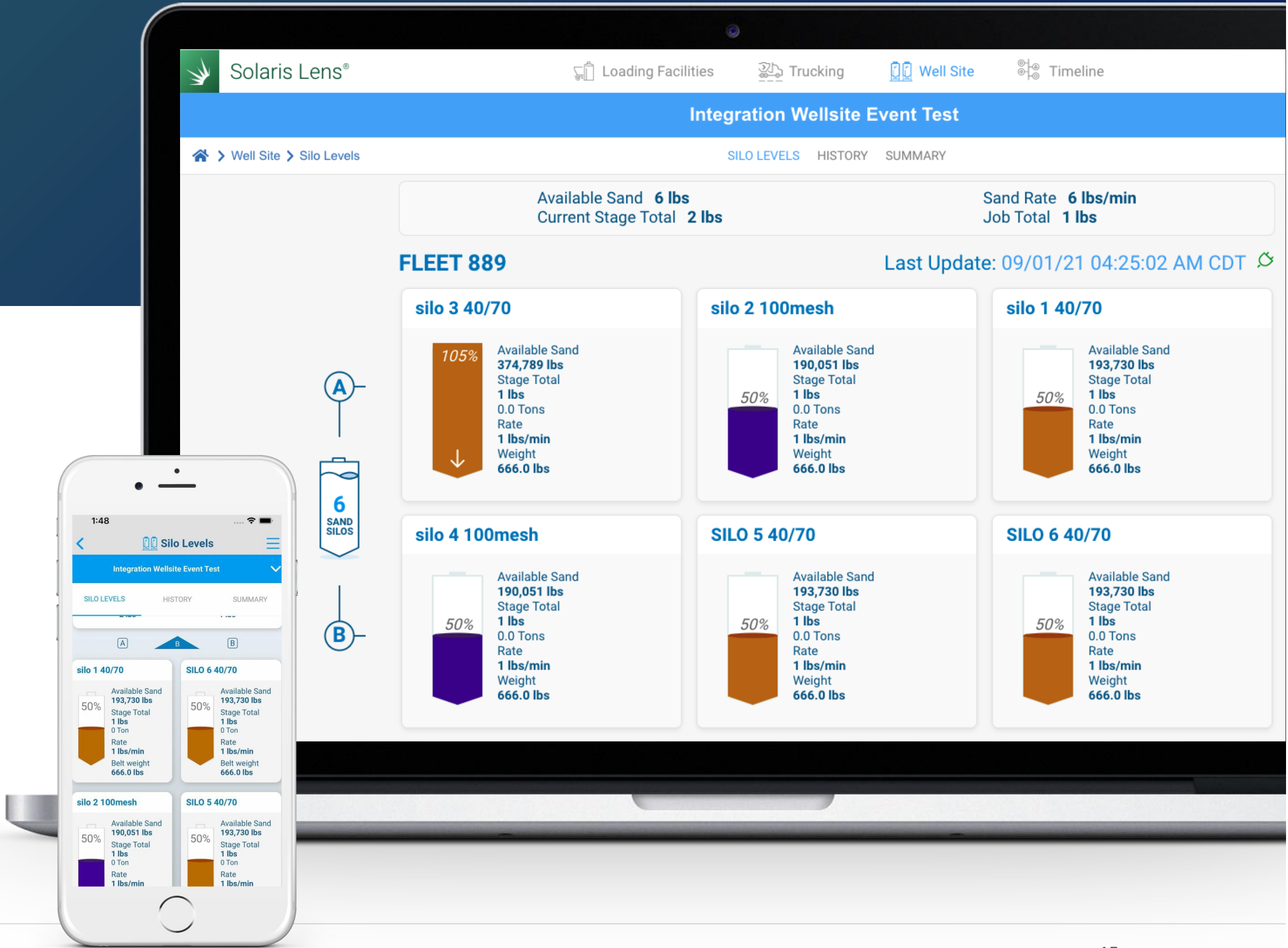
Real-time data

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

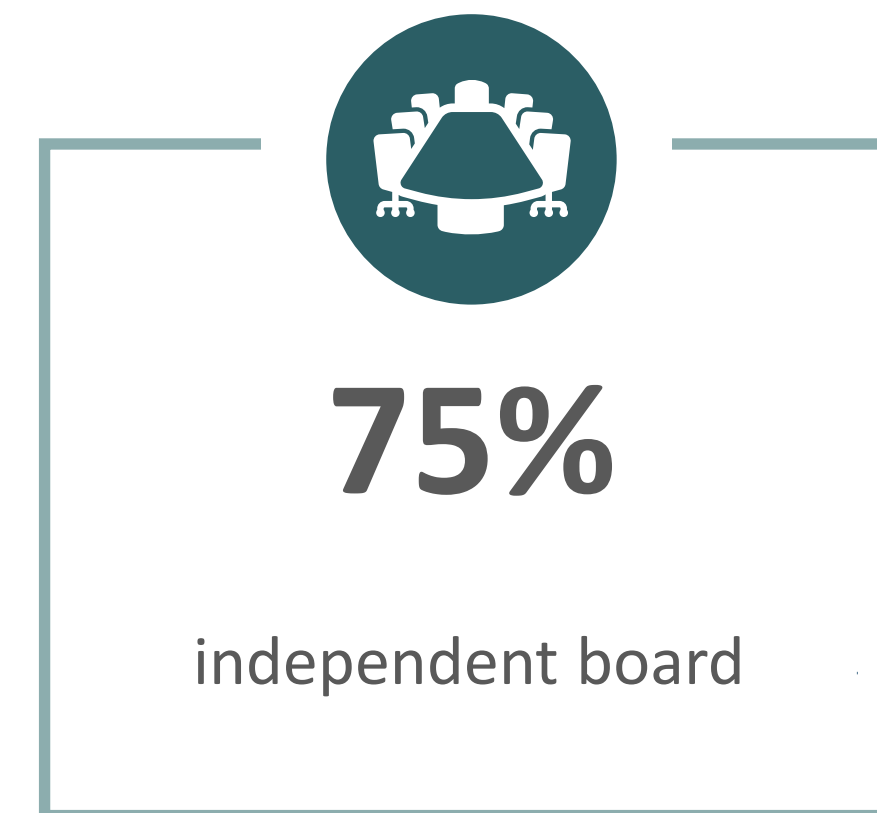
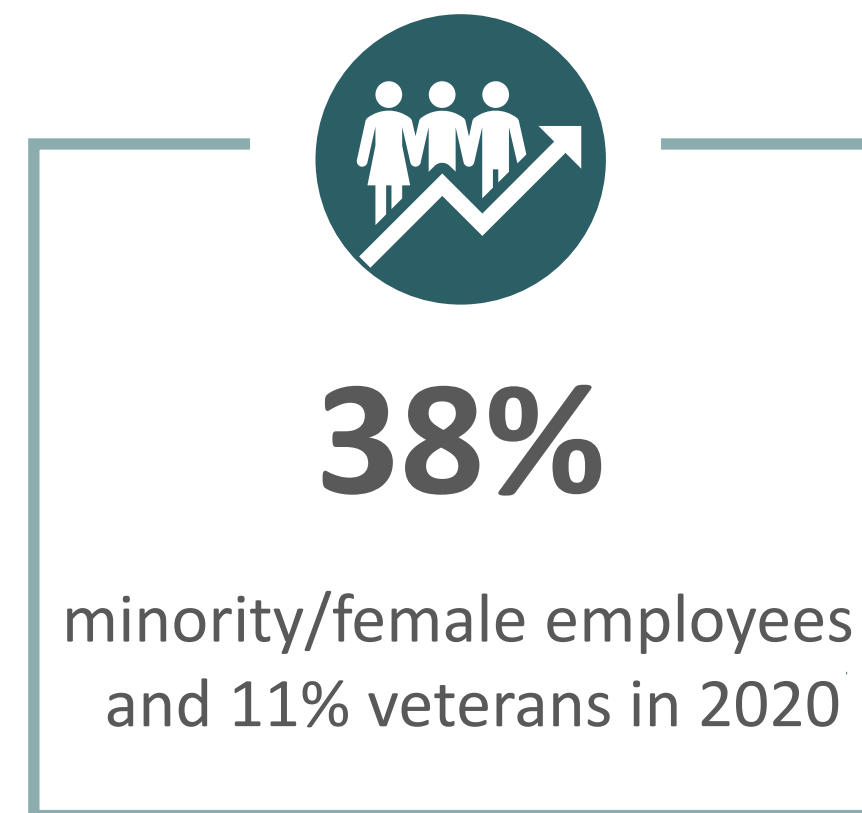
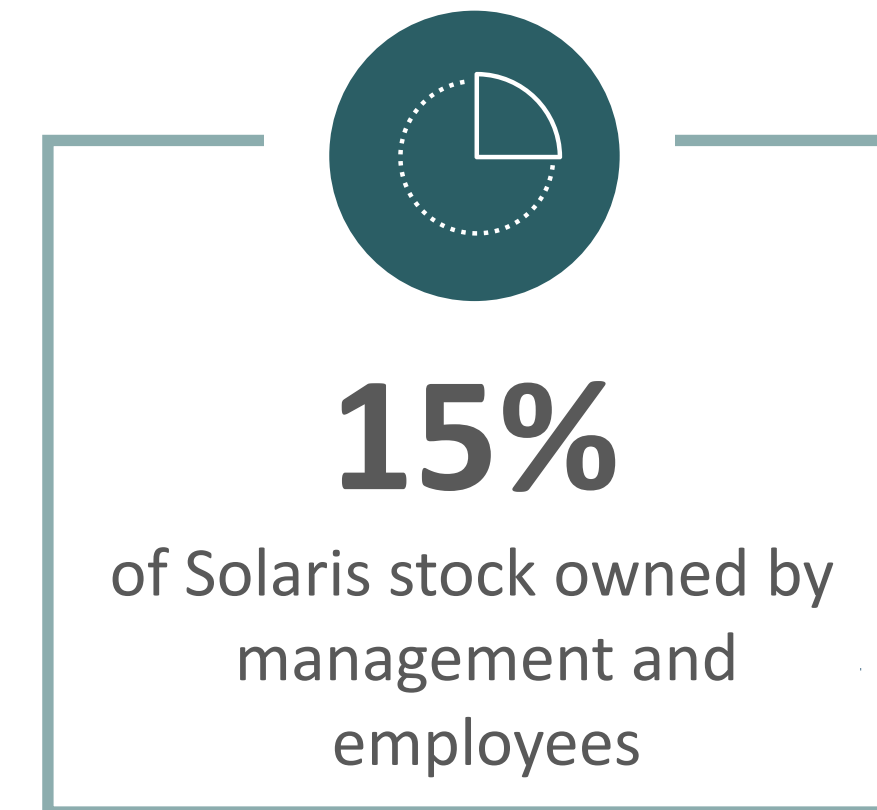
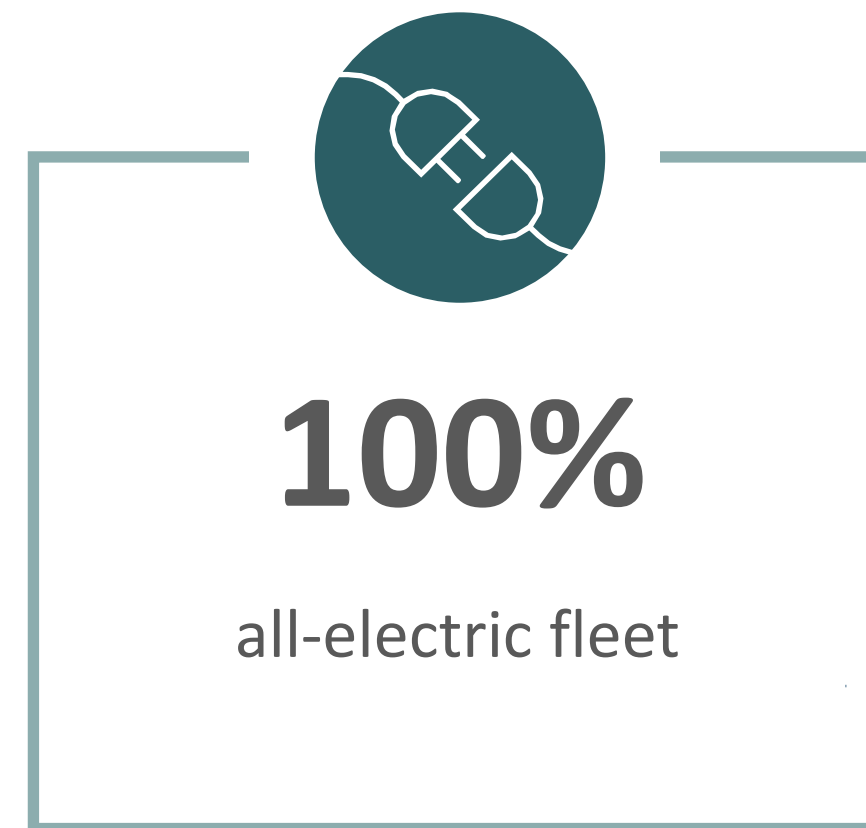


View anywhere

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



Solaris' ESG Highlights in Numbers



Source: Company data
Note: All figures as of Q3 2021, except where noted
1) Proforma for paid and declared dividends through December 2021

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

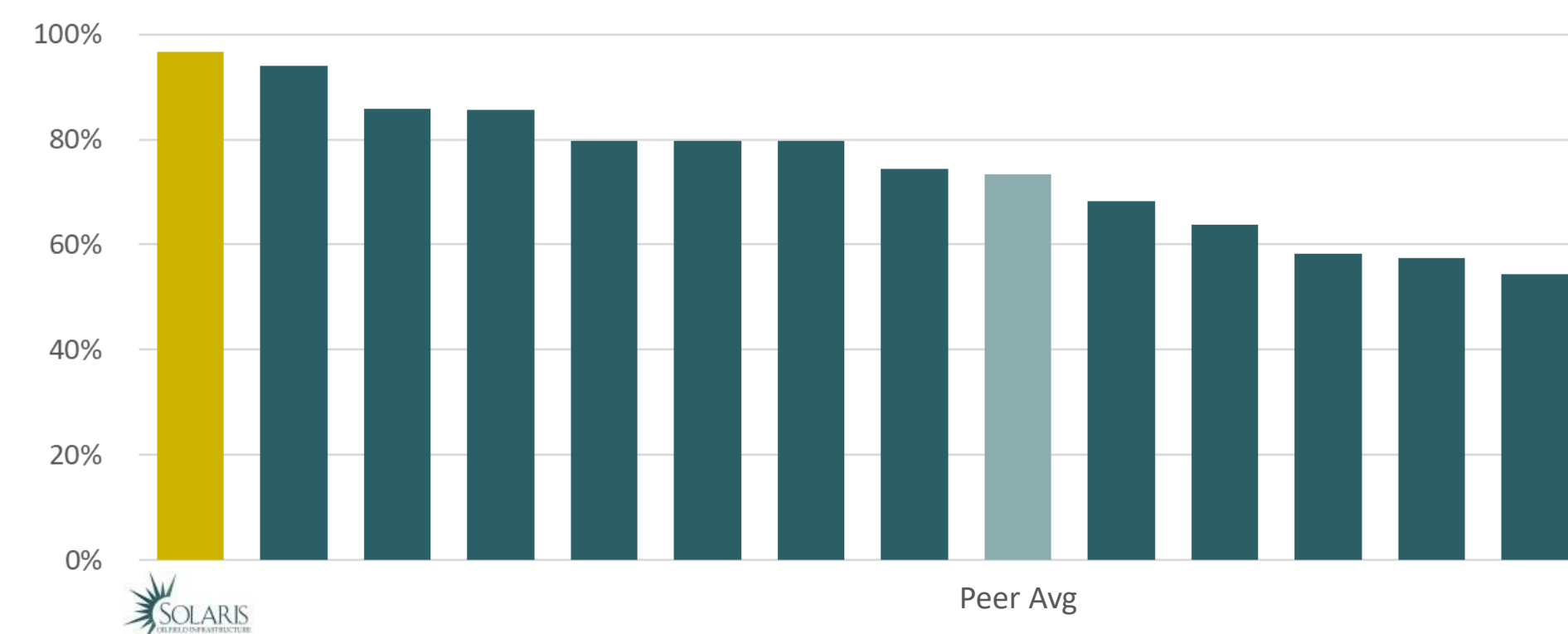
Uphold Strong Shareholder Alignment

- *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*

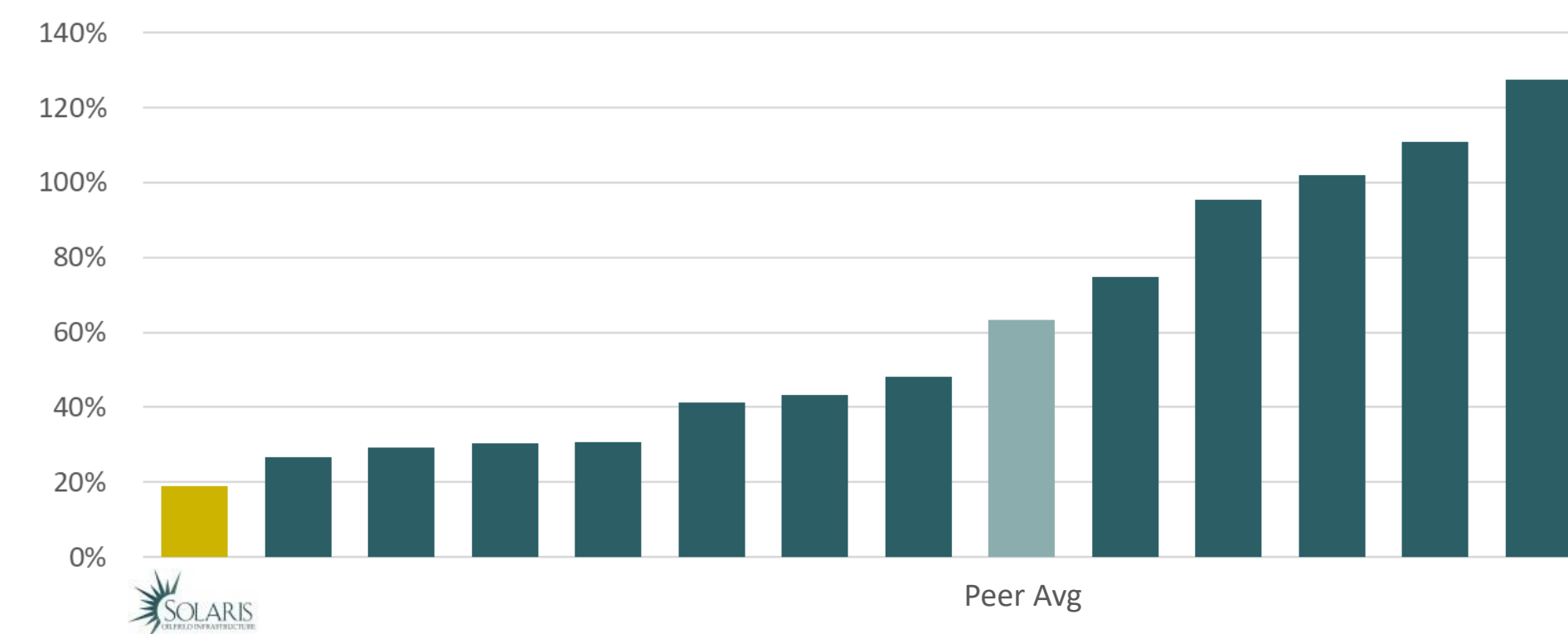


Focused on Operating Efficiency, Low Leverage and Shareholder Returns

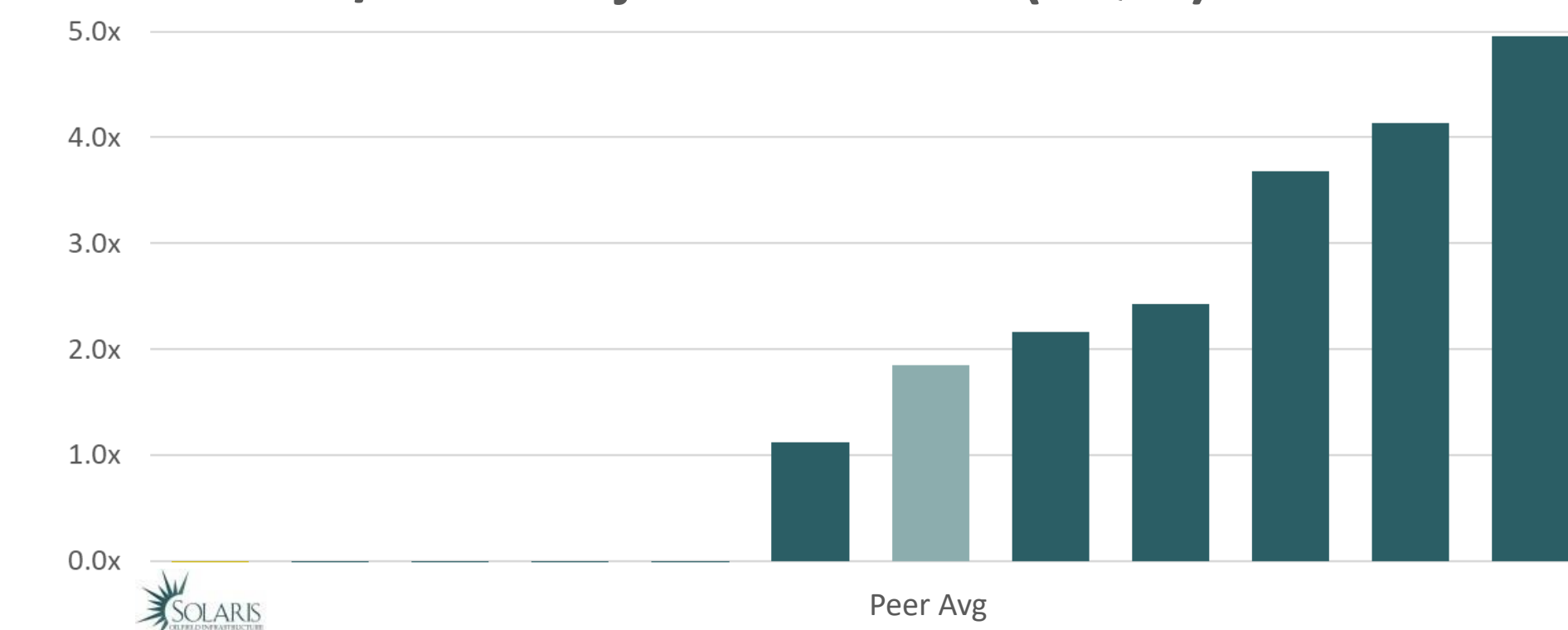
Operating Cash Flow as a % of EBITDA (1Q16-3Q21)



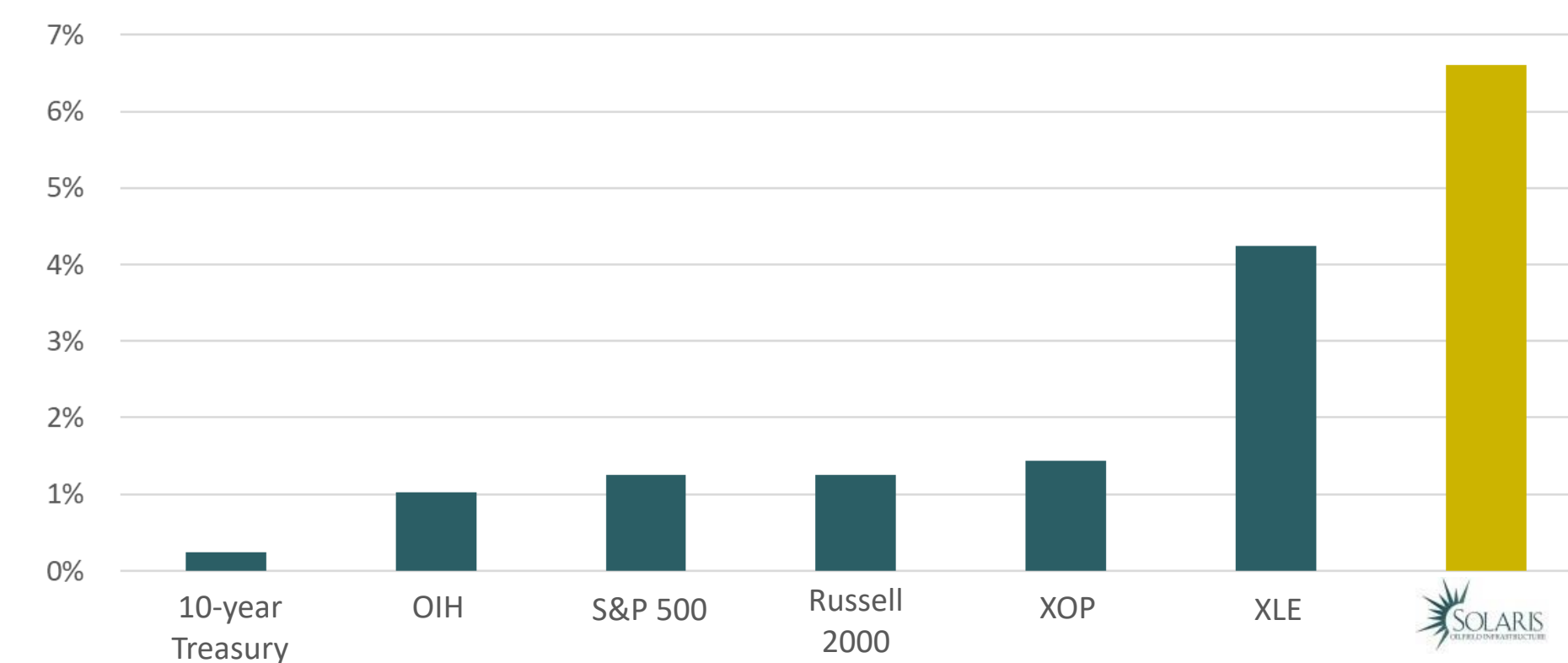
SG&A as a % of EBITDA (1Q16-3Q21)



Gross Debt / TTM Adjusted EBITDA (3Q21)



Dividend Yield

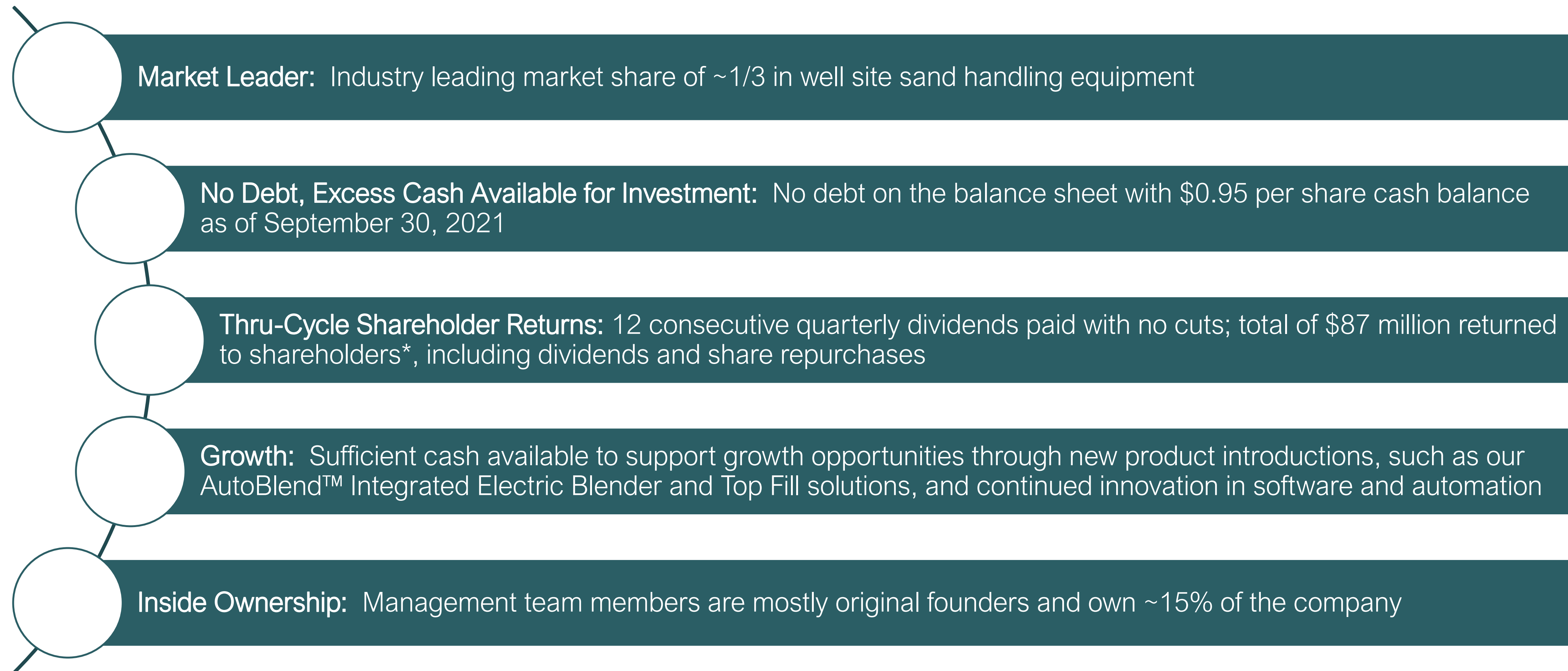


Source: Company data and Bloomberg as of 12/6/21

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.



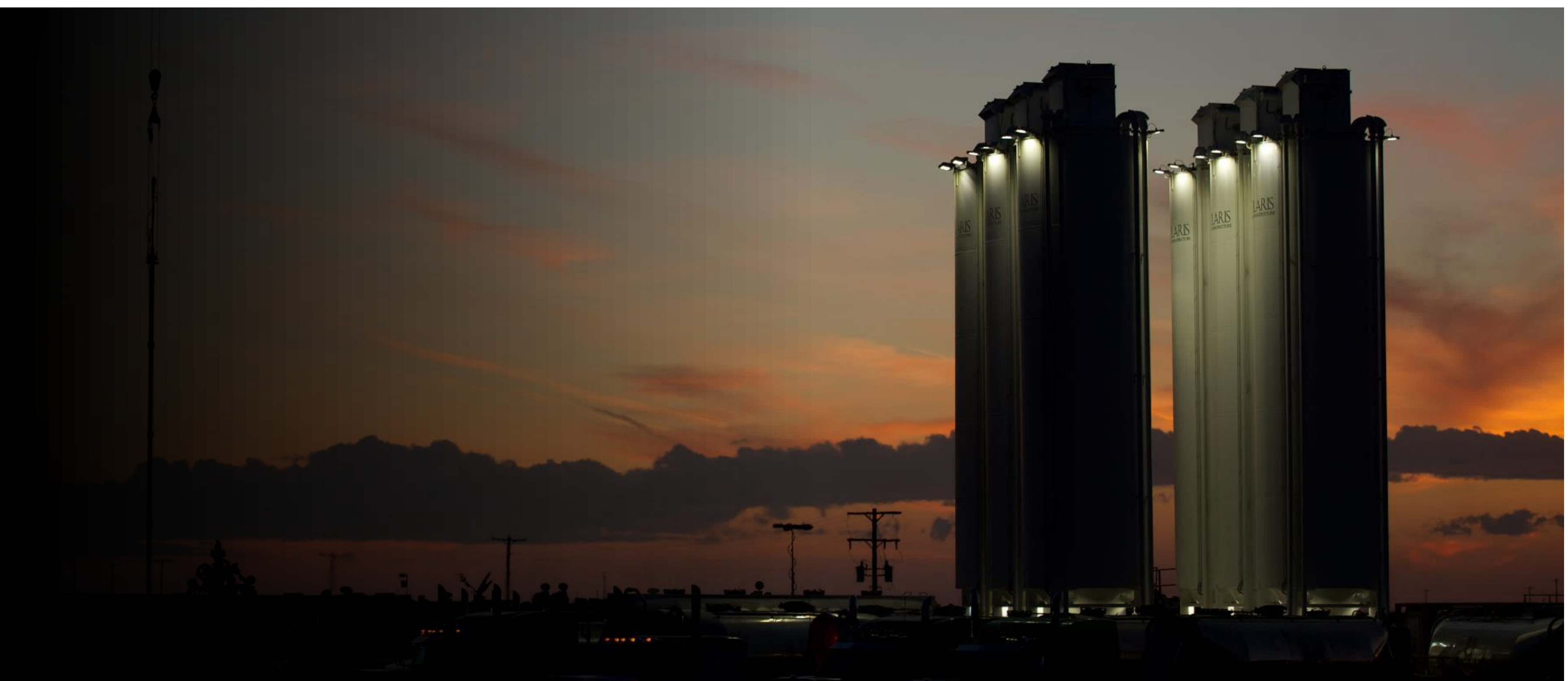
Solaris Investment Highlights



* Proforma for paid and declared dividends through December 2021



Appendix





EBITDA and Adjusted EBITDA Reconciliation

(\$ in 000s)	Three months ended,				Twelve months ended December 31,		
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	2020	2019	2018
Net income (loss)	\$1,432	(\$1,870)	(\$1,925)	(\$2,841)	(\$51,093)	\$90,360	\$85,952
Depreciation and amortization	6,842	6,752	6,693	6,643	27,021	26,925	18,422
Interest (income) expense, net	66	55	49	198	162	634	374
Provision for income taxes ⁽¹⁾	507	(217)	(213)	(776)	(8,969)	16,936	12,961
EBITDA	\$8,847	\$4,720	\$4,604	\$3,224	(\$32,879)	\$134,855	\$117,709
Stock-based compensation expense ⁽²⁾	1,355	1,353	1,199	1,003	4,735	4,476	2,920
Employee retention credit ⁽³⁾	(2,992)	-	-	-	-	-	-
Loss on disposal of assets	(4)	99	18	(23)	1,428	463	153
Impairment loss	-	-	-	-	47,828	-	-
Severance	41	-	-	5	547	229	-
Bad debt reserve	30	316	283	30	2,728	-	-
Transload contract termination ⁽⁴⁾	-	-	-	-	-	(27,138)	(522)
IPO bonuses ⁽⁵⁾	-	-	-	-	-	-	896
Other write-offs ⁽⁶⁾	-	-	-	12	601	528	-
Transaction costs ⁽⁷⁾	385	10	14	603	603	-	1,679
Adjusted EBITDA	\$7,662	\$6,498	\$6,118	\$4,854	\$25,591	\$113,413	\$122,835
<u>EBITDA and Adjusted EBITDA Margins:</u>							
EBITDA	\$8,847	\$4,720	\$4,604	\$3,224	(\$32,879)	\$134,855	\$117,709
÷ Revenue	49,377	35,179	28,669	25,276	102,976	241,687	197,196
EBITDA Margin	18%	13%	16%	13%	-32%	56%	60%
Adjusted EBITDA	\$7,662	\$6,498	\$6,118	\$4,854	\$25,591	\$113,413	\$122,835
÷ Revenue	49,377	35,179	28,669	25,276	102,976	241,687	197,196
Adjusted EBITDA Margin	16%	18%	21%	19%	25%	47%	62%

1) Federal and state income taxes.

2) Represents stock-based compensation expense related to restricted stock awards.

3) Employee retention credit as part of Consolidated Appropriations Act of 2021, net of administrative fees.

4) Deferred revenue related to full termination of a sand storage and transloading agreement; no deferred revenue balance remained as of September 30, 2021.

5) One-time cash bonuses of \$3,100 in 2017 and stock-based compensation expense related to restricted stock awards with one-year vesting that were granted to certain employees and consultants in connection with the Offering.

6) Includes certain performance-based cash awards paid in connection with the purchase of Railtronix upon the achievement of certain financial milestones and write-off of certain prepaid and cancelled purchase orders in the three months and year ended December 31, 2020 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.

7) Costs related to the evaluation of potential acquisitions.



System Gross Margin Reconciliation

(\$ in 000s)	Three months ended:				Twelve months ended December 31,		
	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020	2020	2019	2018
System revenue:							
System rental	16,091	14,323	13,648	11,451	52,171	142,022	142,022
System services	32,990	20,616	14,710	13,394	48,625	63,871	63,871
Total system revenue	\$49,081	\$34,939	\$28,358	\$24,845	\$100,796	\$205,893	\$205,893
System operating costs and expenses:							
Cost of system rental, excluding depreciation and amortization	2,536	1,556	1,608	1,483	5,501	9,707	7,230
Cost of system services, excluding depreciation and amortization	35,617	23,282	17,252	15,498	58,767	74,749	50,633
Total system costs and expenses	\$38,153	\$24,838	\$18,860	\$16,981	\$64,268	\$84,456	\$57,863
System gross margin	\$10,928	\$10,101	\$9,498	\$7,864	\$36,528	\$121,437	\$148,030
System gross margin	\$10,928	\$10,101	\$9,498	\$7,864	\$36,528	\$121,437	\$148,030
÷ System revenue	\$49,081	\$34,939	\$28,358	\$24,845	\$100,796	\$205,893	\$205,893
System gross margin %	22%	29%	33%	32%	36%	59%	72%



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