MANAGEMENT'S DISCUSSION AND ANALYSIS

June 30, 2025

TABLE OF CONTENTS

EXPLANATORY NOTES

The following Management's Discussion and Analysis of Financial Results ("MD&A"), dated August 7, 2025, should be read in conjunction with the cautionary statement regarding forward-looking information and statements below, as well as the unaudited condensed consolidated interim financial statements for the period ending June 30, 2025, and the audited consolidated financial statements and notes thereto, for the years ended December 31, 2024, and 2023. The annual consolidated financial statements have been prepared in accordance with IFRS Accounting Standards. All amounts in the following MD&A are in Canadian dollars unless otherwise stated. References to "McCoy," "McCoy Global," "the Corporation," "we," "us" or "our" mean McCoy Global Inc. and its subsidiaries, unless the context otherwise requires. Additional information relating to McCoy Global, including periodic quarterly and annual reports and Annual Information Forms ("AIF"), filed with Canadian securities regulatory authorities, is available on SEDAR+ at sedarplus.ca and our website at mccoyglobal.com. The information in this MD&A is current to August 7, 2025, unless otherwise noted.

FORWARD-LOOKING INFORMATION AND STATEMENTS

This MD&A contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements in this MD&A other than statements of present or historical fact are forward-looking statements. Forward-looking information is often, but not always, identified by the use of words such as "could", "should", "can", "anticipate", "expect", "objective", "ongoing", "believe", "will", "may", "projected", "plan", "sustain", "continues", "strategy", "potential", "projects", "grow", "take advantage", "estimate", "well-positioned" or similar words suggesting future outcomes. In particular, this MD&A contains:

Forward-looking statements relating to McCoy Global's:

- business strategy;
- future development and organic growth prospects;
- the Corporation's development and commercialization of its Technology Roadmap;
- competitive advantages;
- merger and acquisition strategy;
- payment of quarterly dividends;
- the impact of order intake and backlog on expected financial performance;
- the impact of new drilling activity, oil and gas prices, the entry or new market participants and M&A activity on the demand for the Corporation's products;
- potential tariffs imposed by the United States on Canadian imports;
- operational leverage; and
- capital spending for 2025.

Forward-looking statements respecting:

- the business opportunities for the Corporation that are based on the views of Management and current and anticipated market conditions; and
- the perceived benefits of the growth and operating strategies of the Corporation, which are based upon the financial and operating attributes of the Corporation as at the date hereof, as well as the anticipated operating and financial results.

Forward-looking statements reflect the Corporation's current plans, intentions, and expectations, which are based on Management's perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances. The Corporation's expectation of operating and financial performance in 2025 and beyond is based on certain assumptions. McCoy Global's plans, intentions and expectations are inherently subject to significant business, economic, competitive, and other uncertainties, and contingencies regarding future events and as such, are subject to change. There is no assurance that the plans, intentions, or expectations upon which these forward-looking statements are based will occur. Forward-looking statements are subject to risks, uncertainties, and assumptions, including, but not limited to, those discussed elsewhere in this MD&A. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct, and such forward-looking statements included in this MD&A should not be unduly relied upon.

Forward-looking statements regarding the Corporation in this MD&A are based on certain key expectations and assumptions of the Corporation concerning anticipated financial performance, business prospects, strategies, the sufficiency of budgeted capital expenditures in carrying out planned activities, the availability and cost of labour and services and the ability to obtain financing on acceptable terms, which are subject to change based on market conditions and potential timing delays. Although Management considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. Undue reliance should not be placed on forward-looking statements, as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates and intentions expressed in the forward-looking statements, including those set out below and those detailed elsewhere in this MD&A:

- domestic and foreign competition;
- technology;
- replacement or reduced use of products and services;
- international operations and international trade relations, including trade tariffs;
- oil and natural gas price fluctuations;
- supply chain disruption and increasing material costs;
- reliance on key persons and workforce availability;
- major operations disruption due to severe weather events;
- mergers and acquisitions;
- ability to effectively manage growth;
- litigation;
- legal compliance;
- insurance sufficiency, availability, and rate risk;
- breach of confidentiality;
- shareholder activism;
- safety performance;
- information security and cybersecurity;
- foreign exchange;
- challenges by taxation authorities;
- availability of financing and increasing interest rates;
- raising equity through the issuance of shares;
- customers' inability to obtain credit/financing;
- sufficiency of internal controls;
- material differences between actual results and Management estimates and assumptions;
- global health crisis;
- terrorist attack or armed conflict;
- change in government administrations;
- Greenhouse Gas ("GHG") regulations and other climate change related measures; and
- conservation measures and technological advances.

Readers are cautioned that the foregoing list is not exhaustive.

The reader is further cautioned that the preparation of financial statements in accordance with IFRS requires Management to make certain judgments and estimates that affect the reported amounts of assets, liabilities, revenues, and expenses. These judgments and estimates may change, having either a negative or positive effect on net earnings as further information becomes available, and as the economic environment changes.

The information contained in this MD&A, including the documents incorporated by reference herein, identifies additional factors that could affect the operating results and performance of the Corporation. We urge you to carefully consider those factors.

The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Corporation does not undertake and is not obligated to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless so required by applicable securities laws.

DESCRIPTION OF NON-GAAP MEASURES

Throughout this MD&A, management uses measures which do not have a standardized meaning as prescribed by IFRS and therefore are considered to be non-GAAP measures presented under IFRS.

EBITDA is non-GAAP measure defined as net earnings (loss), before:

- depreciation of property, plant, and equipment;
- amortization of intangible assets;
- income tax expense (recovery); and
- finance charges, net.

Adjusted EBITDA is a non-GAAP measure defined as net earnings (loss), before:

- depreciation of property, plant, and equipment;
- amortization of intangible assets;
- income tax expense (recovery);
- finance charges, net;
- provisions for (recovery of) excess and obsolete inventory;
- other (gains) losses, net;
- restructuring charges;
- share-based compensation expense; and
- impairment losses.

The Corporation reports on EBITDA and adjusted EBITDA because they are important measures used by management to evaluate performance. The Corporation believes adjusted EBITDA assists investors in assessing McCoy Global's current operating performance on a consistent basis without regard to non-cash, unusual (i.e. infrequent and not considered part of ongoing operations), or non-recurring items that can vary significantly depending on accounting methods or non-operating factors. Adjusted EBITDA is not considered an alternative to net earnings (loss) in measuring McCoy Global's performance. Adjusted EBITDA does not have a standardized meaning and is therefore not likely to be comparable to similar measures used by other issuers. Adjusted EBITDA should not be used as an exclusive measure of cash flow since it does not account for the impact of working capital changes, capital expenditures, debt changes and other sources and uses of cash, which are disclosed in the consolidated statements of cash flows.

Net cash is a non-GAAP measure defined as cash and cash equivalents, plus: restricted cash; less: borrowings. The Corporation reports net cash as it is an important measure used by management to evaluate liquidity. The Corporation believes net cash assists investors in assessing McCoy Global's current liquidity on a consistent basis taking into consideration cash and cash equivalents, restricted cash, and borrowings.

Order intake is a measure of the amount of customer orders the Corporation has received, during a specified period of time, and is therefore an indicator of a base level of future revenue potential. Order intake is a supplementary financial measure, and, as a result, the definition and determination of order intake will vary among other issuers. The Corporation defines an order as a customer purchase commitment that has a high certainty of being delivered and is measured on the basis of the receipt of a customer purchase order or customer confirmation of McCoy sales order.

Backlog is a measure of the amount of customer orders the Corporation has received, but has not yet recognized as revenue, and is therefore an indicator of a base level of future revenue potential. Backlog is a supplementary financial measure, and, as a result, the definition and determination of backlog will vary among other issuers reporting a backlog figure. The Corporation defines backlog as orders that have a high certainty of being delivered, but have not yet been recognized as revenue, and is measured on the basis of a firm customer commitment, such as the receipt of a purchase order or customer confirmation of McCoy sales order.

smartProduct revenue is a non-GAAP measure and includes sales, rental and service revenues from those products and technologies developed under the Corporation’s technology roadmap initiative. The metric includes revenues from flush mount spiders (FMS), casing running tools (CRTs), smartTONGs and related software and accessories. The Corporation believes smartProduct revenue is a key metric that can assist investors in assessing how McCoy Global has executed on its technology roadmap strategy.

STRATEGIC ACHIEVEMENTS

McCoy remains focused on delivering long term value through our strategic objectives and we are pleased to report our progress:

Earnings Performance and Cashflow Generation

Revenue of $24.1 million for the three months ended June 30, 2025, demonstrated strong year-over-year growth of 21%, driven by continued momentum in the adoption of McCoy's smartProducts. Second quarter revenue benefited from the successful commercialization of McCoy's smarTR™ technology platform, and the delivery of multiple systems to a leading US tubular running services (TRS) provider. For the three months ended June 30, 2025, smartProduct revenue of $13.9 million accounted for 58% of total revenue (three months ended June 30, 2024 – 32%), an increase of $7.5 million or 119% from the comparative period.

McCoy reported net earnings of $1.4 million for the three months ended June 30, 2025, on revenues of $24.1 million, a decrease of 56% from the comparative period (Q2 2024 – $3.1 million on revenues of $19.9 million). Earnings for the second quarter were largely impacted by higher stock-based compensation expense ($1.4 million), reflecting the mark-to-market impact of the Corporation's share price appreciation on cash-settled awards, a significant portion of which relates to a previous non-recurring issuance of director performance share units vesting in December of 2025 (Q2 2024 - $0.1 million).

Adjusted EBITDA for the three months ended June 30, 2025, was $4.8 million or 20% of revenue (Q2 2024 – $4.7 million or 24% of revenue). The percentage of revenue decline from the comparative period was primarily attributable to provisions for bad debts of $0.5 million (Q2 2024 – recovery of $0.4 million). In addition, adjusted EBITDA was also impacted by investments in McCoy's engineering and product development team, technical salesforce, and enhanced marketing efforts to support the accelerated adoption the Corporation's smartProduct portfolio. These impacts were partially offset by higher gross profit, driven by improved operating leverage from increased production throughput and a favourable shift in product mix toward McCoy's higher margin smartProduct offerings.

Cash used in operating activities totaled $0.8 million, primarily driven by working capital investments in inventory to support order backlog and anticipated demand for smartProducts—particularly McCoy's smartCRT™. These investments were made in anticipation of contract award announcements from National Oil Companies (NOCs) for TRS across key Eastern Hemisphere markets, some of which were delayed during the quarter. These awards represent a cumulative total of over 100 rigs, all requiring casing running tools and rapid customer mobilization. We believe that tool availability will be a factor influencing capital purchase decisions. An increase in trade receivable balances driven by the timing of customer shipments near the end of the quarter also contributed to cash used in operating activities. This impact was further offset by cashflow generated from adjusted EBITDA and increased trade payable balances due to the timing of inventory receipts. During the second quarter of 2025, the Corporation invested strategic capital in its rental fleet, facility expansions, production equipment, and the design and development of additional smart product enhancements and complementary product accessories for McCoy's smartProduct portfolio. During the second quarter, the Corporation returned capital to shareholders through McCoy's quarterly dividend and the repurchase of an additional 155,600 common shares at a weighted average cost of $2.64 per common share under its Normal Course Issuer Bid (NCIB). As at June 30, 2025, the Corporation maintained a net cash position of $6.6 million (June 30, 2024 – $9.2 million) and no debt.

Advancing our Digital Technology Roadmap

Since January 1, 2025, McCoy achieved several key commercial and product development milestones:

- McCoy successfully concluded in-field trials for its innovative smarTR™ system for land and shelf applications. Confidence in the system from our US field-trial partners led to $11.0 million of contract awards for hardware. In addition to the equipment award, the contract includes utilization-based software-as-a-service (SaaS) revenue enabled by our integrated software platform for remote control, automation, and data-driven operational intelligence. The deployment of several systems into the North America land market by late June 2025 is accelerating product optimization and reinforcing the value of our offering through real-world performance and customer feedback. McCoy's smarTR™ system integrates McCoy's proprietary hydraulic smart casing running tool (smartCRT™), McCoy's proprietary connected flush mount spider (smartFMS™), and related tubular running accessories, into a first-to-market technology that significantly enhances both safety and efficiency and currently targets up to a 67% reduction in labor costs associated with TRS.

- McCoy delivered multiple hydraulic smartCRT™s destined for the Middle East market and secured additional orders for the US land market. The McCoy hydraulic smartCRT™ was first commercialized in Q4, 2024, and the tool has successfully executed multiple operations with remarkable efficiency, demonstrating exceptional performance and proven reliability in demanding field conditions. Our unique, patented solution is a hydraulic option to our smartCRT™ and is designed to integrate into our smarTR™ system. This technology mitigates risks inherent in conventional, mechanical CRT technology, while providing actionable insights that optimize future performance.
- McCoy delivered a deep-water offshore integrated casing running system destined for Latin America. Delivering this technology completes the first step on a roadmap to a comprehensive smarTR™ system tailored for offshore and deep-water markets. This integrated deep-water system differs from our smarTR™ solution designed for land and shelf that is centered around CRT technology, as deep-water casing installation requires hydraulic power tongs to meet technical specifications for the well profile. The Latin America contract award also marked the first offshore commercial SaaS purchase commitment for its Virtual Thread-Rep™ technology. McCoy's Virtual Thread-Rep™ technology enables customers to remotely monitor and control premium connection make-up. It also facilitates the autonomous evaluation and confirmation of premium connection make-up on location.

Order Intake

McCoy reported \$22.5 million of order intake for the three months ended June 30, 2025, a 35% increase from \$16.7 million of order intake reported in the second quarter of 2024. Order intake decreased sequentially by 4% compared to the \$23.4 million reported in the first quarter of 2025, due in part to a continued decline in drilling activity in the North America land market and the deferral of certain NOC TRS contract awards. Order intake in the second quarter of 2025 included \$11.0 million of contract awards for McCoy's recently commercialized smarTR™ system. These milestone contract awards include both hardware and utilization-based SaaS revenue and marks a pivotal step in transforming the TRS market. McCoy's first-to-market smarTR™ technology integrates proprietary smartCRT™, smartFMS™, and related accessories to enhance wellbore integrity, improve safety, and drive operational efficiency—targeting up to a 67% reduction in TRS labor costs.

OUTLOOK AND FORWARD-LOOKING INFORMATION

As 2025 has progressed, there has been a notable decline in market conditions across several global regions, driven by persistent macroeconomic uncertainty, a sharp increase in oil supply following the lifting of OPEC+ production quotas, global trade disruptions, and geopolitical tensions. These factors have contributed to increased customer prudence, particularly in capital equipment procurement, resulting in deferred investment decisions, subdued activity levels across key regions, and a shift in focus toward cash flow preservation and operational efficiency.

Despite near-term stagnation in drilling activity and the deferral of certain National Oil Company (NOC) contract tender announcements, medium-term fundamentals for oil & gas markets are expected to remain stable, particularly in the Middle East and North Africa (MENA). Recent TRS contract tenders awarded in one of our largest markets have been favourable for McCoy; however, customer capital constraints have introduced challenges and have led to increased demand for rental tools or alternative financing arrangements. Over the next twelve months, several additional TRS contract award announcements are anticipated across key Eastern Hemisphere markets, representing a cumulative total of upwards of 100 rigs - all requiring the use of casing running tools. Though the timing of these announcements is uncertain, we expect these awards will positively impact the conversion of many of our smartProduct technology quotes into confirmed orders. McCoy is well positioned to capitalize on these trends with market leading technologies and product enhancements that provide superior safety, efficiency, and simplified operating procedures, as well as expert technical support with local presence and the broadest portfolio of TRS equipment on the market.

In the North American land market, recent market volatility and broader recessionary pressures have contributed to a continued decline in rig count and drilling, with some regions reaching levels not seen since 2021. Despite these headwinds, industry confidence in McCoy's smartProduct technologies, particularly our smarTR™ system, remains positive. However, we anticipate the current market environment may temper the rate of technology adoption and near-term revenue growth.

As we advance through the commercialization and adoption phases of our Technology Roadmap initiative, we anticipate future revenue streams will become progressively less tied to the cyclicality of drilling activity and increasingly driven by technology adoption. McCoy's smartProduct portfolio offers meaningful improvements in safety, operational efficiency, and, often, cost reduction, positioning the Corporation to deliver enhanced value to customers even in challenged market conditions. As customers look to differentiate in a competitive market and drive greater efficiency at lower cost, McCoy's smart solutions are increasingly aligned with their priorities.

With a reported backlog of $24.6 million as at June 30, 2025, and continued momentum in the adoption of our smartProduct technologies, we are well positioned to pursue our strategic and financial objectives in 2025 with discipline and flexibility. While the pace of market penetration may be moderated by current macroeconomic conditions, we continue to observe encouraging trends that are expected to facilitate adoption across key markets over the long-term. Q3 2025 may reflect tempered revenue and earnings growth amid ongoing market dynamics, largely influenced by the timing of National Oil Company (NOC) contract announcements and North America land market conditions. Looking ahead, uncertainty may persist into the later half of 2025 and early 2026, as customers align capital commitments with TRS award announcement timelines. While quarterly performance may exhibit variability, this is largely reflective of the inherent lumpiness in capital equipment markets, where customer purchase decisions and shipment schedules can shift between periods.

To navigate this environment, we are proactively implementing cost control measures and deferring select capital expenditures, while continuing to invest in strategic initiatives. These include continued product development, deployment and support activities, scaling our global technical support capabilities to enhance customer experience with particular focus on McCoy's smartProduct lines, and expanding our rental fleet in regions where customer capital constraints are creating opportunities for high-return rental solutions.

Supported by a proven track record of operational efficiency and cash flow generation, McCoy is well positioned to navigate current market dynamics and capitalize on emerging opportunities. For 2025 and beyond, we continue to focus on our key strategic initiatives to deliver value to all our stakeholders:

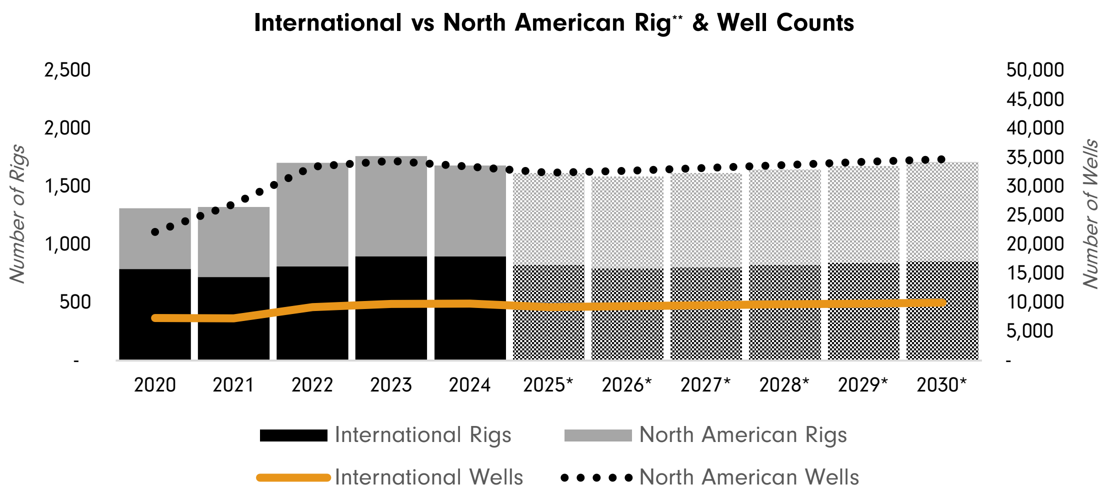
- Accelerating market adoption of new and recently developed 'smart' portfolio products; and
- Focusing on capital allocation priorities.

We believe this strategy, together with our committed and agile team, McCoy's global brand recognition, application expertise, strong balance sheet, and global footprint will further advance McCoy's competitive position and generate strong returns on invested capital.

MARKET CONDITIONS

Management uses active rig counts, as well as number and length of wells being drilled, as data points to monitor and set expectations of the future performance of the Corporation. Generally, these metrics are leading indicators of demand for McCoy Global's products and services, although there are many factors that may impact any correlation.

A summary of historical and forecasted rig and well counts, which includes both land and offshore, obtained from Spears & Associates Drilling and Production Outlook, June 2025, is as follows:



**Forecasted*
***Cumulative*

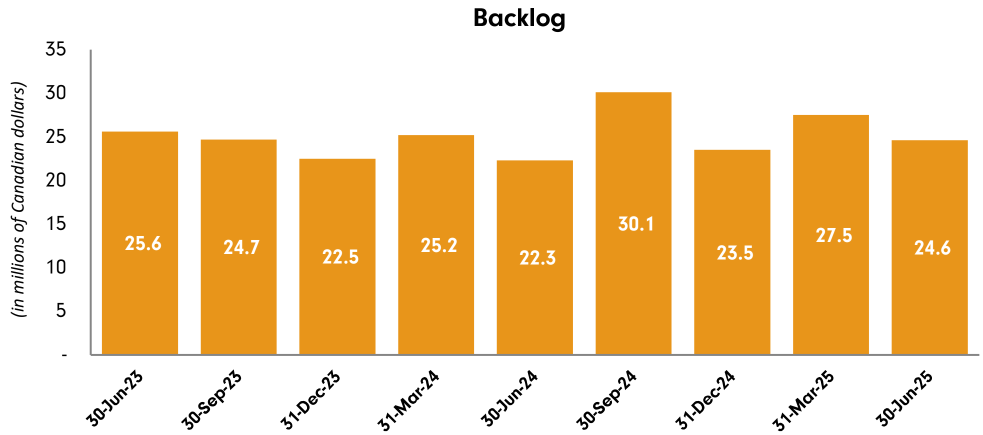
At a macro level, the demand for McCoy Global's products and services is related to drilling activity levels and customers' capital and operating budgets, which in turn are influenced by oil and natural gas prices and expectations as to future price trends. The availability of existing capital equipment adequate to serve drilling activity requirements, or lack thereof, further drives demand levels for McCoy's capital equipment products. The introduction and adoption of new products and technologies is a further driver of capital equipment demand and continues to play a more significant role as the adoption of McCoy's new technologies accelerates.

Backlog

Backlog is a measure of the amount of customer orders the Corporation has received and is therefore an indicator of a base level of future revenue potential. Backlog is a supplementary financial measure, and, as a result, the definition and determination of backlog will vary among other issuers reporting a backlog figure.

The Corporation defines backlog as orders that have a high certainty of being delivered and is measured on the basis of a firm customer commitment, such as the receipt of a purchase order or customer confirmation of McCoy sales order. Though customers may default on, or cancel such commitments, purchase commitments may be secured by a deposit and/or require reimbursement by the customer upon default or cancellation. Backlog reflects likely future revenues; however, cancellations or reductions may occur and there can be no assurance that backlog amounts will ultimately be realized as revenue, or that the Corporation will earn a profit on backlog once fulfilled. Expected delivery dates for orders recorded in backlog historically spanned from one to six months on average.

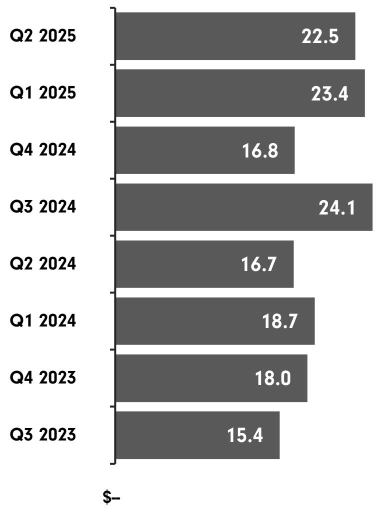
McCoy Global's backlog as at June 30, 2025, totaled $24.6 million (US$18.0 million), a decrease of $2.9 million or 11% from backlog of $27.5 million (US$19.1 million) as at March 31, 2025. Compared to June 30, 2024, backlog increased $2.3 million, or 10%, from $22.3 million (US$16.3 million).



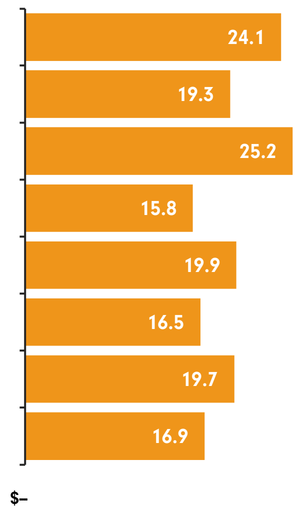
Book-to-Bill Ratio

The book-to-bill ratio is a measure of net sales orders received to revenues recognized. The ratio is an indicator of customer demand and sales order processing times. The book-to-bill ratio is a supplementary financial measure and therefore the definition and calculation of the ratio will vary among other issuers reporting the book-to-bill ratio. McCoy Global calculates the book-to-bill ratio as net sales orders taken in the reporting period divided by the revenues reported for the same reporting period. Orders received are those orders in a period which have been included in backlog. Orders received are typically booked in $USD. For each reporting period, orders received are converted to $CAD at an average foreign exchange rate for the period. As a result, orders received can fluctuate from one reporting period to another because of foreign exchange volatility. Set out below are orders received, revenue and the book-to-bill ratio:

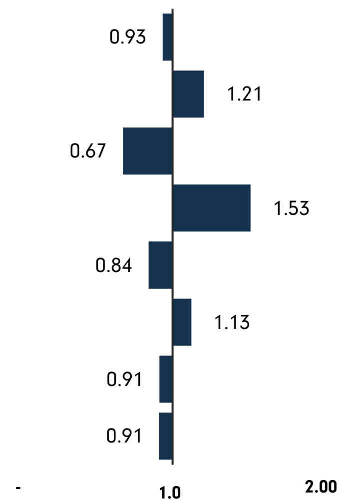
Orders Received
(in millions of Canadian dollars)



Revenue
(in millions of Canadian dollars)



Book-to-Bill Ratio



Business Vision

Our vision is to redefine wellbore construction as the foremost global provider of innovative, automated tubular makeup technology and world class support.

McCoy Global Inc. is incorporated and domiciled in Canada and is a leading, global provider of technologies and equipment designed to support tubular running operations, enhance wellbore integrity, and assist with collecting critical data for the global energy industry. McCoy Global's core products are used predominantly during the well construction phase for both land and offshore wells during both oil and gas exploration and development.

The Corporation is engaged in the following:

- design, production and distribution of capital equipment and technologies to support tubular running operations, enhance wellbore integrity and to support capital equipment sales through aftermarket products and services such as technical support, consumables, and replacement parts;
- design, production and distribution of data collection technologies used in rugged applications for the global energy industry as well as in construction, marine and aerospace;
- repair, maintenance and calibration of the Corporation's capital equipment installed base and similar competitor products; and
- rental of the Corporation's equipment and technologies.

Since mid-2008, the oil & gas extraction complex has experienced an increasingly volatile pricing environment and growing public and investor pressure to reduce its impact on the environment and improve safety. In turn, producers have been acutely focused on managing their costs and adapting their business strategy to demonstrate compliance with broader sustainability efforts.

McCoy has a reputation of innovation within tubular running services (TRS) operations globally. The Corporation has extensive experience launching new products into the markets it serves, offering high quality, technological advancements, and safety standards available, and has done so for more than three decades.

McCoy believes the TRS space is primed for transformation employing automation and advanced software solutions. Tools and processes used in TRS today are mechanical, highly repetitive, require significant labour inputs, have a high rate of personnel safety exposure, and maintain minimal well integrity data. Recognizing this opportunity, McCoy has conceptualized a 'smart' TRS system that will operate autonomously using the Corporation's cloud-based data repository and machine learning to improve effectiveness. Our cloud-based platform and digital infrastructure that was developed in 2019, will enable future product offerings and enhancements. This cloud based, real time, remote data transmission infrastructure will support our ability to integrate, digitize, and automate the historically manual processes of tubular make up through our smarTR™ automated casing running system.

McCoy is engaged with three key customer groups:

Service Companies and Drilling Contractors - Producers are challenging contractors to reduce costs. In most cases, their largest cost is people. With several significant downturns in the last decade and increasing volatility in oil and gas activity, personnel have left the industry to the point where there is now a critical shortage of skilled and experienced labour. This lack of labour and the reality a significant portion of TRS cost can be directly attributed to labour is a driving force behind the transition to an increasingly automated system. In addition to providing enhanced data, McCoy's smarTR™ targets a reduction of up to 67% of the labour costs associated with TRS.

Producers – McCoy's Virtual Thread Rep™ consolidates data on every connection made in a producer's completion program. This repository of data supports verifiable and reliable well integrity that validates Environmental Social Governance (ESG) initiatives.

Tubular Manufacturers – Threaded connection integrity is the standard that all manufacturers are measured by. Tubular connections at wellsite, which are currently made up by people, will be controlled, and torqued to factory specifications by McCoy's 'smart' tools, leveraging autonomous machine learning. OEM's and manufacturers will benefit from reduced operational risk with systems in place to ensure connections are made correctly and in accordance with specifications related to project parameters, reducing the environmental impact of faulty connections and leaking wells.

McCoy's technology strategy will meet this demand. Our cloud platform is the nucleus of the Corporation's technology strategy and serves as a repository for real-time, complete well integrity data.

Set out below are McCoy Global's principal operations:

Operating Name	Country of Incorporation	Operating Region	Ownership Interest
McCoy Global Canada Corp.	Canada	Canada	100%
McCoy Global FZE	United Arab Emirates	Eastern Hemisphere	100%
McCoy Global USA, Inc.	United States	United States, Central America & Latin America	100%

Financial Results

Summary of Consolidated Financial Results

For the three months ended June 30 ($000 except per share amounts)	**2025**	2024
Revenue	**24,051**	19,910
Net earnings	**1,367**	3,125
Per common share – basic	**0.05**	0.12
Per common share – diluted	**0.05**	0.11
As a % of revenue	***6%***	*16%*
Adjusted EBITDA	**4,817**	4,728
Per common share – basic	**0.18**	0.18
Per common share – diluted	**0.18**	0.17
As a % of revenue	***20%***	*24%*

As at and for the six months ended June 30 ($000 except per share amounts)	**2025**	2024
Revenue	**43,397**	36,452
Net earnings	**2,313**	4,100
Per common share – basic	**0.09**	0.15
Per common share – diluted	**0.08**	0.15
As a % of revenue	***5%***	*11%*
Adjusted EBITDA	**8,296**	7,001
Per common share – basic	**0.31**	0.26
Per common share – diluted	**0.30**	0.26
As a % of revenue	***19%***	*19%*
Total assets	**95,552**	82,189
Total liabilities	**32,823**	22,933
Total non-current liabilities	**2,021**	2,758

EBITDA and Adjusted EBITDA are calculated as follows:

	Three months ended June 30		Six months ended June 30	
($000)	**2025**	2024	**2025**	2024
Net earnings	**1,367**	3,125	**2,313**	4,100
Depreciation of property, plant, and equipment	**764**	590	**1,443**	1,168
Amortization of intangible assets	**448**	473	**912**	939
Income tax expense	**360**	415	**503**	598
Finance charges, net	**39**	35	**83**	24
EBITDA	**2,978**	4,638	**5,254**	6,829
Share-based compensation	**1,415**	142	**2,287**	119
Provision (recovery) for excess and obsolete inventory	**219**	(25)	**376**	60
Other losses (gains), net	**205**	(27)	**379**	(7)
Adjusted EBITDA	**4,817**	4,728	**8,296**	7,001

REVENUE

($000 except percentages)	For the 3 months ended June 30 2025	2024	Change	% Change	For the 6 months ended June 30 2025	2024	Change	% Change
Revenue	**24,051**	19,910	4,141	21%	**43,397**	36,452	6,945	19%

Revenue for the three and six months ended June 30, 2025, demonstrated strong year-over-year growth, driven by continued momentum in the adoption of McCoy's smartProducts. Second quarter revenue benefited from the successful commercialization of McCoy's smarTR™ technology platform, and the delivery of multiple systems to a leading US TRS provider. McCoy's first-to-market smarTR™ technology integrates proprietary smartCRT™, smartFMS™, and related accessories to enhance wellbore integrity, improve safety, and drive operational efficiency – targeting up to a 67% reduction in TRS labor costs. For the three months ended June 30, 2025, smartProduct revenue of $13.9 million accounted for 58% of total revenue (three months ended June 30, 2024 – 32%), an increase of $7.5 million or 119% from the comparative period.

Revenue for the three and six months ended June 30, 2024, was also positively impacted by new technology adoption, primarily for McCoy's FMS.

GROSS PROFIT

($000 except percentages)	For the 3 months ended June 30 2025	2024	Change	% Change	For the 6 months ended June 30 2025	2024	Change	% Change
Gross profit	**8,703**	6,743	1,960	29%	**15,311**	11,994	3,317	28%
Gross profit %	***36%***	*34%*	*2%*		***35%***	*33%*	*2%*	

Gross profit as a percentage of revenue for the three and six months ended June 30, 2025, was 36% and 35%, respectively - an increase of two percentage points from the comparable periods in 2024. This improvement was the result of stronger operating leverage from higher production throughput, as well as a favourable shift in product mix toward McCoy's smartProduct offerings, including the smarTR™ system. This was partially offset by investments in production and technical service capacity, including expanded staffing and facility-related costs, as well as support for new product deployment, customer training, and product commissioning activities.

GENERAL AND ADMINISTRATION EXPENSE (G&A)

($000 except percentages)	For the 3 months ended June 30 2025	2024	Change	% Change	For the 6 months ended June 30 2025	2024	Change	% Change
G&A	**4,322**	1,562	2,760	177%	**7,590**	3,803	3,787	100%
G&A as a % of revenue	***18%***	*8%*	*10%*		***17%***	*10%*	*7%*	

G&A expenses increased for the three and six months ended June 30, 2025, compared to the same periods in 2024. The increase was primarily driven by higher stock-based compensation expense, reflecting the mark-to-market impact of the Corporation's share price appreciation on cash-settled awards, a significant portion of which relates to a previous non-recurring issuance of director performance share units vesting in December of 2025. This resulted in an expense of $1.4 million for the three months ended June 30, 2025 (2024 – $0.1 million), and $2.2 million for the six months ended June 30, 2025 (2024 – $0.1 million).

The current period also included $0.5 million of bad debts provision in the quarter (2024 – recovery of $0.4 million), and $0.8 million year-to-date (2024 – recovery of $0.1 million). To a lesser extent, G&A was also impacted by increased investment in corporate functions including information technology, human resources and administrative support – aligned with the Corporation's continued revenue growth.

As a percentage of revenue, G&A increased 10% and 7% respectively, with the comparative periods.

SALES AND MARKETING EXPENSE (SALES & MARKETING)

($000 except percentages)	For the 3 months ended June 30				For the 6 months ended June 30			
	2025	2024	Change	% Change	**2025**	2024	Change	% Change
Sales and Marketing	**923**	591	332	56%	**1,587**	1,250	337	27%
Sales and Marketing as a % of revenue	***4%***	*3%*	*1%*		***4%***	*3%*	*1%*	

Sales and Marketing expenses increased for the three and six months ended June 30, 2025, compared to the same periods in 2024. The increase was primarily attributable to expansion of the Corporation's technical salesforce and enhanced marketing efforts to support the accelerated adoption the Corporation's smartProducts portfolio. As a percentage of revenue, Sales & Marketing increased 1% from the comparative periods.

PRODUCT DEVELOPMENT AND SUPPORT

($000 except percentages)	For the three months ended June 30				For the six months ended June 30			
	2025	2024	Change	% Change	**2025**	2024	Change	% Change
Product development and support expense	**1,487**	1,042	445	43%	**2,856**	2,226	630	28%
Capitalized development expenditures	**341**	133	208	156%	**590**	221	369	167%
Total product development and support expenditures	**1,828**	1,175	653	56%	**3,446**	2,447	999	41%
Total product development and support expenditures as a % of revenue	***8%***	*6%*	*2%*		***8%***	*7%*	*1%*	

During the three and six months ended June 30, 2025, the Corporation continued to advance its 'Technology Roadmap' through the design and development of additional smart product enhancements and complementary product accessories for McCoy's smartProduct portfolio. For the remainder of 2025, the Corporation has committed US$1.5 million of capital toward the development of these enhancements and additional product offerings.

Product development and support expenses increased over the comparative periods, primarily due to investment in engineering and technical personnel, as well as increased travel related to new product deployment and customer support activities. Higher intellectual property expenditures also contributed to the increase.

OTHER ITEMS

($000 except percentages)	For the 3 months ended June 30 2025	2024	Change	% Change	For the 6 months ended June 30 2025	2024	Change	% Change
Finance charges, net	**39**	35	4	11%	**83**	24	59	246%
Other losses (gains), net	**205**	(27)	232	(859%)	**379**	(7)	386	(5,514%)

For the three and six months ended June 30, 2025, finance charges, net, includes finance charges imputed on operating leases in accordance with IFRS 16, partially offset by interest income on cash and cash equivalents, and interest income on long-term customer finance leases. In the comparative periods, finance charges, net, includes finance charges imputed on operating leases in accordance with IFRS 16, partially offset by interest income on cash and cash equivalents.

For the three and six months ended June 30, 2025, and the comparative periods, other losses (gains), net is comprised primarily of foreign exchange losses or gains.

SUMMARY OF QUARTERLY RESULTS

	2025		2024				2023	
($000 except per share amounts)	**Jun 30**	Mar 31	Dec 31	Sep 30	Jun 30	Mar 31	Dec 31	Sep 30
Revenue	**24,051**	19,346	25,222	15,842	19,910	16,542	19,699	16,878
Net earnings	**1,367**	946	4,255	516	3,125	975	2,674	1,900
Per share – Basic	**0.05**	0.03	0.16	0.02	0.12	0.04	0.10	0.07
Per share – Diluted	**0.05**	0.03	0.15	0.02	0.11	0.04	0.10	0.07
EBITDA	**2,978**	2,276	5,598	1,826	4,638	2,191	3,001	3,641
Adjusted EBITDA	**4,817**	3,479	6,534	2,668	4,728	2,273	3,987	3,856

Over the past eight quarters, the Corporation has delivered consistent annualized growth in revenue and adjusted EBITDA, driven by strong demand for its smartProducts and the benefits of robust operating leverage. While quarter-to-quarter fluctuations have occurred, these reflect the timing of customer purchase commitments and shipment schedules—common in capital equipment markets.

LIQUIDITY AND CASH FLOW

Selected cash flow information is as follows:

($000)	For the 3 months ended June 30 2025	2024	For the 6 months ended June 30 2025	2024
Cash used in operating activities	**(820)**	(542)	**(3,561)**	(4,938)
Cash used in investing activities	**(1,402)**	(493)	**(3,312)**	(940)
Cash used in financing activities	**(1,373)**	(485)	**(3,409)**	(1,025)
Debt to equity ratio	**0.52 to 1**	0.39 to 1	**0.52 to 1**	0.39 to 1

Cash used in operating activities for the three and six months ended June 30, 2025, and the comparative periods was related to working capital investments in inventory to support orders backlog and anticipated future demand, an increase in trade receivable balances related to timing of customer shipments towards the end of the quarter, and income tax payments offset by cashflow generated from adjusted EBITDA.

Cash used in investing activities for the three and six months ended June 30, 2025, and 2024, was related to strategic investments in the Corporation's rental fleet and production equipment, as well as investment in McCoy's 'Technology Roadmap'. During the three and six months ended June 30, 2025, the Corporation also made strategic investments in facility expansions.

Cash used in financing activities for the three and six months ended June 30, 2025, was primarily related to repurchase of shares through the Corporation's normal course issuer bid, principal elements of lease payments, and dividends paid, offset by proceeds from the issuance of common shares from the Corporation's restricted share plan, and stock option exercises. In the comparative periods, cash used in financing activities was related to dividends paid and principal elements of lease payments, offset by proceeds from the issuance of common shares under the Corporation's restricted share plan and stock option exercises.

As at ($000)	**June 30, 2025**	December 31, 2024
Cash and cash equivalents	**6,607**	17,057
Borrowings	**-**	-
Net cash	**6,607**	17,057
Undrawn availability under revolving demand facility and term loan	**12,142**	7,914

McCoy remains committed to managing the business for success through diligently managing the Corporation's liquidity. Generating operating cashflows and increasing working capital efficiency is a key priority for the Corporation.

Anticipated capital spending for the remainder of 2025 includes:

- up to US$2.2 of strategic investment in rental equipment and technologies, particularly targeting accelerated adoption of smartProducts;
- up to US$0.5 of investments in production and service facility equipment to improve production efficiencies and drive revenue generation through enhanced service offerings; and
- up to US$1.5 million of investment toward the development of enhancements and complementary accessories for the Corporation's smartProduct portfolio.

Outstanding Share Data

As at August 7, 2025, the following class of shares and equity securities potentially convertible into common shares were outstanding:

Common shares	26,766,899
Convertible equity securities:	
Stock options	2,006,374
Restricted shares	90,923

The stock options and restricted share plan units are exercisable into an equal number of common shares. Stock options may be exercised after they have vested. Restricted share plan units are converted to common shares at pre-determined vesting dates.

Options with the following exercise price ranges were outstanding as at August 7, 2025:

Exercise price range	Options outstanding	Weighted average remaining contractual life
	#	years
<$1	485,000	4.35
$1 to $2	644,420	3.47
$2 to $3	318,648	4.63
$3 to $4	558,306	9.76
	2,006,374	5.62

Controls and Procedures

Internal Controls Over Financial Reporting ("ICFR")

Management has evaluated whether there were changes in our Internal Controls over Financial Reporting ("ICFR") during the six-month period ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our ICFR. No such changes have been identified.

ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. Management is responsible for establishing and maintaining adequate ICFR.

Other Information

Additional information relating to the Corporation, including the Corporation's Annual Information Form for the year ending December 31, 2024, is available on SEDAR at www.sedarplus.ca.

Other Interim MD&A Requirements

There have been no significant changes to the following items from those described in our 2024 MD&A and Consolidated Annual Financial Statements. Please refer to the page numbers listed below from McCoy Global's 2024 MD&A and Consolidated Annual Financial Statements:

- Financial risk management and financial instruments – pages 33-35 Consolidated Annual Financial Statements;
- Capital management – page 35 Consolidated Annual Financial Statements;
- Contractual obligations – page 23 MD&A;
- Related party transactions – page 36 Consolidated Annual Financial Statements;
- Critical accounting estimates and judgements – pages 13-14 Consolidated Annual Financial Statements; and
- Risks and uncertainties – pages 26 MD&A.