August 8, 2025

McCOY GLOBAL ANNOUNCES SECOND QUARTER 2025 RESULTS AND DECLARATION OF QUARTERLY DIVIDEND

Edmonton, Alberta – **McCoy Global Inc.** ("McCoy," "McCoy Global" or "the Corporation") (TSX:MCB) today announced its operational and financial results for the three months ended June 30, 2025. The Corporation also announced that its Board of Directors has declared a quarterly cash dividend of $0.025 per common share payable on October 15, 2025, to shareholders of record as of close of business on September 30, 2025. The dividend per common share is a regular dividend and is an "eligible" dividend for purposes of the Income Tax Act (Canada) and any similar provincial/territorial legislation.

Second Quarter Highlights:

- Revenue increased 21% to $24.1 million, compared to $19.9 million in Q2 2024. smartProduct revenue[5] of $13.9 million accounted for 58% of total revenue (three months ended June 30, 2024 – 32%), an increase of 117% or $7.5 million from the comparative period;
- Net earnings decreased 56% to $1.4 million compared to the second quarter of 2024 of $3.1 millions a result of 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[1] of $4.8 million, or 20% of revenue, compared with $4.7 million, or 24% of revenue, in 2024. 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);
- Since January 1, 2025, advanced its Digital Technology Roadmap:
  - 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 smarTRTM 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.

- Declared a quarterly cash dividend of $0.025 per common share payable on October 15, 2025, to shareholders of record as of close of business on September 30, 2025.

"Our second quarter performance highlights the growing momentum behind McCoy's smartProduct portfolio and the advancements of our Technology Roadmap. With smartProduct revenue now representing 58% of total revenue, it is clear our customers are increasingly prioritizing automation, safety, and efficiency, in spite of challenging market conditions. The commercialization of our smarTR™ system, and its deployment into the North America land market by late June 2025 has allowed us to validate its performance in real-world environments, optimize the offering, and gather valuable customer feedback," said Jim Rakievich, President & CEO. "While our results for the quarter were impacted by certain non-recurring compensation expenses and working capital investments to support future demand, we remain confident in our long-term trajectory. As we continue to scale our smartProduct portfolio, we are positioning McCoy to generate stable, technology-driven revenue streams that are less reflective of the cyclicality often associated with the oil & gas industry. Our focus remains on delivering differentiated value to our customers, driving operational excellence, and executing with discipline to create sustainable growth and returns for our shareholders."

"While Q3 may reflect tempered sequential revenue and earnings growth due to timing of NOC contract announcements and continued weakness in the North American land market, our $24.6 million backlog and growing smartProduct adoption provide a solid foundation for the remainder of 2025," said Lindsay McGill, Vice President & CFO. "We continue to invest in strategic initiatives that support long-term value creation. Our disciplined approach to capital allocation and operational efficiency ensures we remain well-positioned to deliver on our long-term financial objectives, even amid ongoing market uncertainty."

Second Quarter Financial Highlights:

- Total revenue of $24.1 million, compared with $19.9 million in Q2 2024;
- Net earnings of $1.4 million, compared to $3.1 million in Q2 2024;
- Adjusted EBITDA[1] of $4.8 million, or 20% of revenue, compared with $4.7 million, or 24% of revenue, in 2024;
- Booked backlog[2] of $24.6 million at June 30, 2025, compared to $22.3 million in the second quarter of 2024;
- Book-to-bill ratio[3] was 0.93 for the three months ended June 30, 2025, compared with 0.83 in the second quarter of 2024.

Financial Summary

Revenue of $24.1 million for the three months ended June 30, 2025, increased 21% from the comparative period. For the six months ended June 30, 2025, revenue increased by 19% to $43.4 million. 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. 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.

Gross profit, as a percentage of revenue, for the three and six months June 30, 2025, was 36% and 35% respectively, an increase of 2 percentage points from comparative 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.

For the three and six months ended June 30, 2025, general and administrative expenses (G&A) totaled $4.3 million and $7.6 million, respectively, an increase from the comparative periods 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). G&A 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 support including information technology, human resources and administrative support – aligned with the Corporation's continued revenue growth. As a percentage of revenue, G&A increased by 10 and 7 percentage points, respectively, in comparison to 2024.

For the three and six months ended June 30, 2025, sales and marketing expenses were $0.9 million and $1.6 million, respectively. The increase was primarily attributable to expansion of the Corporation's technical salesforce and enhanced marketing efforts to support the accelerated adoption of the Corporation's smartProducts portfolio. As a percentage of revenue, Sales & Marketing increased 1% from the comparative periods.

With total product development and support expenditures of $1.8 million and $3.4 million during the three and six months ended June 30, 2025, respectively, the Corporation further advanced 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.

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

Net earnings for the three months ended June 30, 2025, was $1.4 million or $0.05 per basic share, compared with net earnings of $3.1 million or $0.12 per basic share in the second quarter of 2024. Adjusted EBITDA[1] for the three months ended June 30, 2025, was $4.8 million compared with $4.7 million for the second quarter of 2024.

As at June 30, 2025, the Corporation had $6.6 million in net cash[4], along with an additional $12.1 million available under undrawn credit facilities.

Selected Quarterly Information

($000 except per share amounts and percentages)	Q2 2025	Q2 2024	% Change
Total revenue	24,051	19,910	21%
Gross profit	8,703	6,743	29%
as a percentage of revenue	36%	34%	2%
Net earnings	1,367	3,125	(56%)
as a percentage of revenue	6%	16%	(10%)
per common share – basic	0.05	0.12	(58%)
per common share – diluted	0.05	0.11	(55%)
Adjusted EBITDA[1]	4,817	4,728	2%
as a percentage of revenue	20%	24%	(4%)
per common share – basic	0.18	0.18	-%
per common share – diluted	0.18	0.17	6%
Total assets	95,552	82,189	16%
Total liabilities	32,823	22,933	43%
Total non-current liabilities	2,021	2,758	(27%)

Summary of Quarterly Results

($000 except per share amounts)	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023
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
as a % of revenue	6%	5%	17%	3%	16%	6%	14%	11%
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[1]	2,978	2,296	5,598	1,826	4,638	2,191	3,001	3,641
as a % of revenue	12%	12%	22%	12%	23%	13%	15%	22%
Adjusted EBITDA[1]	4,817	3,479	6,534	2,668	4,728	2,273	3,987	3,856
as a % of revenue	20%	18%	26%	17%	24%	14%	20%	23%

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 100rigs - 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 latter half of 2025 and early 2026, as customers align capital commitments with TRS award announcements 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.

About McCoy Global Inc.

McCoy Global is transforming well construction using automation and machine learning to maximize wellbore integrity and collect precise connection data critical to the global energy industry. The Corporation has offices in Canada, the United States of America, and the United Arab Emirates and operates internationally in more than 50 countries through a combination of direct sales and key distributors.

Throughout McCoy's 100-year history, it has proudly called Edmonton, Alberta, Canada its corporate headquarters. The Corporation's shares are listed on the Toronto Stock Exchange and trade under the symbol "MCB".

[1] EBITDA is calculated under IFRS and is reported as an additional subtotal in the Corporation's consolidated statements of cash flows. EBITDA is 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 excess and obsolete inventory; other (gains) losses, net; restructuring charges; share-based compensation; and impairment losses. The Corporation reports on EBITDA and adjusted EBITDA because they are key 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. For comparative purposes, in previous financial disclosures 'adjusted EBITDA' was defined as "net earnings (loss) before finance charges, net, income tax expense (recovery), depreciation, amortization, impairment losses, restructuring charges, non-cash changes in fair value related to derivative financial instruments and share-based compensation.

($000 except per share amounts and percentages)	Q2 2025	Q2 2024
Net earnings	1,367	3,125
Depreciation of property, plant and equipment	764	590
Amortization of intangible assets	448	473
Income tax expense	360	415
Finance charges, net	39	35
EBITDA	2,978	4,638
Provisions for (recovery of) excess and obsolete inventory	219	(25)
Other losses (gains), net	205	(27)
Share-based compensation	1,415	142
Adjusted EBITDA	4,817	4,728

[2] McCoy Global 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. Customers may default on or cancel such commitments but 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.

[3] The book-to-bill ratio is a measure of the amount of net sales orders received to revenues recognized and billed in a set period of time. The ratio is an indicator of customer demand and sales order processing times. The book-to-bill ratio is not a GAAP 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.

[4] Net cash is a non-GAAP measure defined as cash and cash equivalents, plus: restricted cash, less: borrowings.

[5] smartProduct revenue is a non-GAAP measure and includes sales, rental and services 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.

Forward-Looking Information

This News Release contains 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 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. This New Release contains forward looking statements respecting the business opportunities for the Corporation that are based on the views of management of the Corporation and current and anticipated market conditions; and the perceived benefits of the growth strategy and operating strategy of the Corporation 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 regarding the Corporation 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 of the Corporation consider 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 inability to meet current and future obligations; inability to complete or effectively integrate strategic acquisitions; inability to implement the Corporation's business strategy effectively; access to capital markets; fluctuations in oil and gas prices; fluctuations in capital expenditures of the Corporation's target market; competition for, among other things, labour, capital, materials *and customers; interest and currency exchange rates; technological developments; global political and economic conditions; global natural disasters or disease; and inability to attract and retain key personnel. 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 News Release 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 News Release are made as of the date of this New Release 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.*

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