

2022



— ANNUAL REPORT —

HUMAN LIBERTY THROUGH ENERGY ACCESS



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LISTED
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LETTER FROM THE CEO

Liberty had an outstanding year in 2022.

We reported our highest-ever earnings per share of \$2.11. Annual revenue of \$4.1 billion, net income of \$400 million, and adjusted EBITDA* of \$860 million—all record breaking. While we experienced favorable business conditions in 2022, the exceptional efforts of Liberty's talented men and women drove our success. We achieved unprecedented excellence across all areas, including operations, technology development, relentless process improvement, and open and candid internal and external communication. Our unwavering focus on the

big picture remained intact: to become the preferred partner of North America's leading oil and gas companies in our mission to energize the world and Better Human Lives.

We changed our name in 2022 to highlight our dual passions and the most important factors in creating the modern world: Liberty & Energy. We want our mission clear: help deliver secure, affordable, reliable, clean energy to enable everyone the liberty to pursue their dreams. In August, Liberty released our 2022 *Bettering Human Lives* report detailing the context necessary to understand the interplay between

energy, human opportunity, and climate change. Writing this report is a labor of love for me. Energy is foundational to everything that humans do. A fundamental sober understanding of these issues is critical, and unfortunately, that is all too rare today. Currently, far too many decisions around energy are polarizing and emotional. The Liberty family invests in changing that mindset, as energy realism is a precondition for humanism.

The Liberty family expanded to nearly 5,000 members this year. Four featured team members are specifically highlighted in this report. The most important part of my job is building a team of passionate people and fostering the culture that binds them. In fact, it is the most important job of the entire Liberty team. We continue to innovate and test new ideas to advance this critical objective. In 2022 we launched a new mobile app to allow our families immediate access to information on benefits, payroll, and time cards. We also introduced a new childcare benefit to ease the burden that inconsistent care has on our team members. Training continues to expand with Leading Liberty, a new program designed to promote internal talent and cultivate our next generation of leaders.

Our business revolves around the safe operation, maintenance, and supply of more than two million horsepower of cutting-edge, high-pressure frac pumps. These pumps are responsible for unlocking our customers' oil and gas resources that energize the world. Our work helps make the U.S. the world's largest producer of oil & gas, and Canada the fourth largest. The relentless innovation at Liberty, and across our industry, have made production practices in the U.S. and Canada among the cleanest and safest in the world.

In this report you will read about some of the major technological advancements at Liberty in 2022. Our new generation of digi technologies top that list. digiFrac™ is our proprietary electric pump that will raise the bar for low-emission,

high-performance frac pumps. digiPrimeSM, the sister pump of digiFrac, enters new territory with a similar gas reciprocating engine design but with a hybrid twist. digiPrime brings a unique hybrid technology to provide direct pumping horsepower at incredible efficiency, plus supplemental electrical power generation that can electrify all non-pumping equipment on location. These digi technologies have been in development for years and will form the backbone of our horsepower platform long into the future. Customer enthusiasm for these new technologies is exceptional.

Two additional Liberty technologies strongly enhanced 2022 performance. FracPulse™ provides continuous, real-time monitoring of all our major equipment to ensure both high-quality operations and optimal equipment maintenance. Liberty's exceptional service quality can be attributed, in part, to the consistently high "uptime" of our frac fleets. FracPulse enables us to further increase our "uptime" while simultaneously reducing equipment maintenance costs and enhancing overall performance. In addition to maintaining our frac fleets in peak operating condition, we also prioritize the timely and consistent supply of the essential sand required for hydraulic fracturing. Every day, each of our 40+ operating frac fleets pump millions of pounds of sand underground. Our new Sentinel system, software, and sensors, precisely monitor on-site sand inventory levels to assure that we never run out of sand. Sentinel manages an extensive fleet of sand delivery trucks loading locations (either sand mines or rail terminals), while continuously monitoring weather and road traffic to optimally schedule and route every load of sand delivered. Last year we utilized over 800,000 loads of sand delivery!

Ultimately a business invests capital to create an enterprise to satisfy customers and deliver a return on that invested capital. I view return on invested capital as perhaps the single best metric of a business' quality. For the year 2022 Liberty delivered a 31% Cash Return on Capital

“

***Energy realism
is a precondition
for humanism.***

Invested (CROCI**). That is a tremendous result. Even more important is our performance through the cycles that characterize our industry. Through our 11-year history Liberty has averaged 23% CROCI, surpassing the S&P 500 average of 16% over a similar time frame. Comparatively, our industry as a whole has struggled during that time period, significantly underperforming the S&P 500.

Liberty's exceptional performance during the recent challenging times for our industry leaves us optimistic for our future. Thank you to every member of the Liberty family as well as our great customers and suppliers for your continued support and dedication. I am proud to be your partner in this business as we work together to bring energy to those around the world.

To Bettering Human Lives,



Chris Wright
Chairman and CEO, Liberty Energy



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time frame**

**Adjusted EBITDA is a non-GAAP financial measure. Please see endnote 1 following this annual report for important information, including a reconciliation to the most comparable GAAP measure.*

***Cash return on capital invested is derived in part from non-GAAP financial measures. Please see endnote 3 following this annual report for important additional information.*

SAFETY

Liberty's mission—to better human lives—permeates every facet of our business. We prioritize employee safety and drive innovation in our operations as we proudly create the energy the world needs.

During the past year, Liberty made significant strides in its operations by implementing several innovative programs and mobile apps. Additionally, we are thrilled to report that our data-centric approach to safety has allowed our team to focus on certain areas to ensure we are operating as safely as possible.

17.1 Million
DOT miles driven

0.29 MVAR
5X better than compliance threshold

0.89 TRIR
Industry Average: 0.90



SAMSARA PARTNERSHIP UPDATE



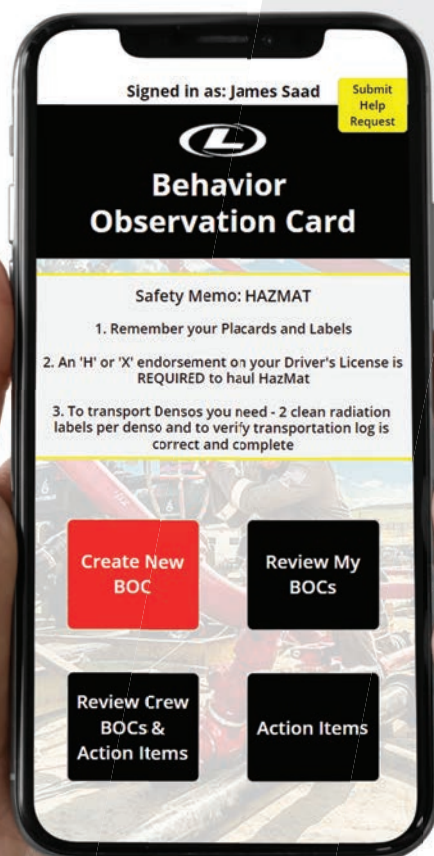
samsara

In 2020, Liberty adopted Samsara's Connected Operations™ Platform to increase safety and efficiency while decreasing our emissions profile. This past year, we completed a full rollout of Samsara's products including Vehicle Gateways, Asset Gateways, and AI Dash Cams. Samsara's electronic logging devices, dash cams, and coaching solutions have helped keep our drivers safe and maintain strong DOT scores. We have also used Samsara's Driver App to provide custom inspections which

prompt drivers with checklists to complete based on load and route conditions. In addition to implementing Samsara's products inside our heavy vehicles, we installed 10,000+ Asset Gateways on tractors, trailers, and PropX sand boxes. These units communicate with each other and Liberty systems. With Samsara integrated with our internal systems, we've been able to increase safety and save time and money.

The Samsara name and logos are trademarks of Samsara, Inc. and its affiliates.

SAFETY ON THE GO



The Liberty team recognized a need for a portable solution to simplify safety reporting. This year, we streamlined processes for accessing and submitting safety information with three proprietary mobile apps.

The Behavioral Observation Card (BOC) app received more than 126,000 submissions in 2022. The BOC app allows for the reporting of potential hazards, as well as safe and unsafe behaviors. The data collected through this app enables us to acknowledge positive behavior, recognize trends, and allocate resources to address areas needing improvement. Recent updates to the BOC app have enhanced its data-tracking capabilities, allowing for direct notification of hazards.

In addition to the BOC app, Liberty introduced the BDI Inspection app. The app utilizes a standardized checklist for health, safety, and environment (HSE) audits on frac and wireline locations. This ensures that all crews use the same inspection criteria regardless of basin or location. The data output created is valuable for analyzing performance, identifying strengths, and determining areas where we can improve—both the BDI and BOC apps document and dashboard data for easy analysis with customers and employees.

Liberty also launched the Field Safety Sheets app, a centralized location for uploading, storing, and accessing safety-related forms and checklists. The app organizes documents frequently requested by customers and provides employees with quick access to critical information.



MAINTENANCE TRAINING

In 2022, Liberty's Maintenance Training Department recorded more than 17,000 training hours conducted by our technicians. This figure includes 2,720 hours of training provided by our original equipment manufacturers (OEMs), such as CAT, Cummins and MTU, which took place either at our Technology Center or at their respective training facilities.

In addition to our regular training offerings, we also introduced a Maintenance Breakout class for new employees. This class provides upfront training on safety processes and gives an introduction to the maintenance leadership team and shop layout. By combining these breakout sessions with our Liberty eLearn courses and classroom training, we equip our technicians with the necessary knowledge to make better decisions in situations that require a risk assessment before performing a task.

IMPROVING EFFICIENCY & MINIMIZING HAZARD RISK ON LOCATION



Our team is always looking for HSE improvements that minimize the potential for hazards and injuries while improving efficiency. As we prepare the job site, there is an inherent risk when connecting and moving high-pressure lines. Compared to rigid iron, high-pressure hosing requires less hammering to join the unions, reducing the risk of injury.

We have seen a reduction in hammer-related injury risk with the introduction of monoline. A monoline is a larger diameter pipe with fewer unions that replaces four smaller lines. This change reduces connections by up to 75% and decreases the heavy lifting and hammering required by our crews. We will continue working over the next year to complete conversion in our districts.

46
Monoline Systems
Implemented

62%
Fleet Converted from
Iron to Hosing

ENVIRONMENT & TECHNOLOGY

ADVANCEMENTS IN WET SAND TECHNOLOGY

At Liberty, we are constantly working to increase safety and efficiency while lowering the cost and impact of producing a barrel of oil. We have been hard at work developing the latest in wet sand technology — expanding access to proppant resources and reducing our emissions footprint.



SAND SCORPION

In 2021, Liberty acquired PropX, a leading provider of environmentally focused, cost effective, last-mile proppant delivery solutions. To address the desire to incorporate wet sand into operations, PropX developed and launched the patent-pending Sand Scorpion™ system. This innovative proppant delivery system is the first concept of its kind and is built specifically to deliver wet sand from its source to a frac blender. Moving wet sand instead of dry sand requires a radically different approach to proppant storage, transfer, and discharge at the wellsite due primarily to the cohesion of damp product.

The benefits of utilizing wet sand include significant cost savings, emissions reductions, complete elimination of silica dust, improved security of supply, and an overall simplification of the unique challenges of the last-mile supply chain. In addition, the Sand Scorpion reduces equipment complexity, non-productive time risk (NPT), and onsite headcount, while improving ESG and HSE metrics throughout the supply chain from mine to wellsite.

THE WET SAND DIFFERENCE



A single hydraulic fracturing crew can pump around 1 billion pounds of sand in a year.



Eliminating an efficient natural gas fired dryer amounts to an emissions savings of around 6,500 tons of CO₂ per year not counting other noxious emissions — this is the equivalent of removing over 1,000 automobiles from the road annually.



Wet sand sourced close to the wellsite dramatically reduces trucking miles. These proximity mines eliminate an estimated 2.8 million sand trucking miles per frac crew along with associated emissions.



This is the annual equivalent mileage savings of 114 trips around the globe, **removal of the annual emissions equivalent of 4,000 cars** and a **90.5% total emissions reduction** compared with standard regional dry sand delivery.

STREAMLINING PROPPANT LOGISTICS WITH SENTINEL

In 2022, Liberty moved over 800,000 truckloads of sand to support our frac fleets. This massive undertaking posed a significant challenge in terms of logistics. To tackle this challenge head-on, we fully integrated Sentinel, Liberty's proprietary next-generation proppant logistics platform.

Sentinel is an advanced platform that uses real-time data from each frac location to accurately forecast on-site proppant volumes for the next 24-hours. This data includes current inventory and consumption rate trends, proppant truck count, truck locations, loading facility wait times, traffic, and weather conditions. With this information, the central dispatch team can adjust as needed by reallocating trucks, adjusting pick-up locations, or adding drivers to create an optimal regional plan.

By leveraging the power of Sentinel, Liberty can efficiently manage the logistics of moving sand to support our frac fleets while ensuring that we maintain optimal inventory levels. This allows us to deliver on our commitments to our customers while continuing to grow our business.

Sentinel allows us to:

- Maintain optimal inventory levels on all Liberty fleets.
- Optimize load efficiency for our tuckers resulting in fewer drivers and trucks on the road at any given time.
- Reduce idle time and optimize routes, minimizing emissions associated with each delivered well.



EXPANDING OUR SUITE OF DIGI TECHNOLOGIES

The Liberty suite of digi technologies encompass our digiFrac™, digiPrimeSM, and digiWireSM units, creating a modular system built to ensure the ideal combination of components on location to meet each job's unique requirements.

digiFrac

ELECTRIC FRAC SYSTEM



digiFrac is our fully electric frac system, featuring the industry's lowest fuel consumption and emissions per HHP-hr. Designed to allow flexibility depending on available power sources at each location, it can run on electricity generation from the grid, on-site natural gas-powered generators, or any combination of the two.

The digiFrac pumps are powered by a Rolls Royce 20V4000 natural gas reciprocating engine. They are incredibly efficient, with a thermal efficiency of 43%, compared to 35% thermal efficiency for a larger diesel engine. The pump utilizes ten smaller motors working in parallel to deliver the same total horsepower as a single large motor - providing 5,500 intermittent HP/4,000 continuous HP per pump. The multiple motors distribute higher flow rates through more valves for redundancy and efficiency. This design offers increased flexibility to minimize the inrush current at the startup, reducing the power required and emissions emitted during this phase.

digiPRIME

HYBRID FRAC SYSTEM



digiPrime is the world's first natural gas hybrid high-pressure frac pump utilizing reciprocating natural gas-fueled engines. Powered by a Rolls Royce engine with 45% thermal efficiency, there is less mechanical efficiency loss than a conventional electric fleet, and 29% less fuel consumption than competing technologies.

Our hybrid pump design provides the power generation capability to electrify the entire site, including the blender, wireline and proppant handling. The 100KW integrated battery system powers a generator motor for shift assist, cooling fan, lubrication pumps, and auto-start. The digiPrime units are equipped with our patented Quiet Fleet® technology and reduce footprint on location with 3,000 HHP continuous contained on a single trailer.



digiWire

ELECTRIC WIRELINE



Along with our ongoing deployment of electric frac equipment, Liberty is expanding our wireline fleet with our digiWire electric wireline units. These units provide ESG benefits to clients with improved reliability and emissions reduction.

digiWire is designed to be an integral part of our digi technologies, fully compatible with both digiFrac and digiPrime pumps. Electric power for the wireline truck removes the emission generation from prime mover engines and eliminates several common failure modes.

The units deploying in the first quarter of 2023 will support ESG improvements, along with improvements in safety, automation capabilities, and operating efficiencies. Ongoing development will continue to improve maintenance and reliability of the winch system while utilizing operating modes to optimize workload on site. digiWire is the next step in leveraging technology to enable the future of perforating.



STIMCOMMANDER

StimCommander is Liberty's AI frac pump orchestration software, which allows us to optimize rate control to command every frac job. This software allows Liberty to work with our customers to efficiently plan pumping operations and navigate the many different equipment setups available.

StimCommander seamlessly integrates with our suite of digi technologies and allows for control of any horsepower unit Liberty operates. With the use of StimCommander we can improve job execution quality and protect equipment from premature failure. This software orchestrates rate control of high-pressure fracturing pumps to achieve a master rate setpoint, operates pumps through their firmware in optimized mode to minimize gear shifts, provides flow path management, and can automatically maintain the treating pressure within a specified limit.

PEOPLE & CULTURE

Liberty's culture is centered around a commitment to excellence, striving to be the best at everything we do. At Liberty, we do not compromise on ethics and work diligently even when nobody is watching. Our philosophy is to improve ourselves and help those around us grow and succeed. This mindset is deeply ingrained in every aspect of our company, and after 11 years, we are proud of the culture we have cultivated.

In 2022, we took significant steps to enhance the employee experience at Liberty. We improved our existing benefits and introduced new ones, enhanced our training program, and launched the "Women of Inspiration" series. These initiatives are a testament to our commitment to fostering a culture of excellence and support at Liberty.

WOMEN OF INSPIRATION SPEAKER SERIES



Liberty Director of HR, Kaitlin Warner, with speaker Lauren Y. Casteel

To empower our employees, we launched our Women of Inspiration series. These events offer a unique opportunity to gain valuable insights from diverse voices within our community, providing encouragement and support to help our team succeed.

IMPROVED BENEFITS

The Liberty Mobile App launched in June of 2022 providing a comprehensive location for Liberty employees and their spouses to view and access the benefits, discounts, and specialty programs Liberty offers.



Bright Horizons provides back up childcare, adult, and elder care, pet care, housecleaning, tutoring options, and tuition discounts.



Milk Stork helps employees and spouses to pump, pack, or tote their breast milk with special refrigeration or frozen shipping options.

HelloHeart Hello Heart provides a free blood pressure monitor to eligible members that alerts of serious risks and provides personalized tips and progress reports for physicians.

We also improved coverage on existing benefits including an increased vision allowance for lenses and contacts, increased orthodontics coverage, and increased employee voluntary life insurance.

TRAINING

Our training department expanded in the last year to better support all Liberty employees in their growth and professional development.

We deployed our new training software, RedZone, and are now enjoying the benefits of a fully connected workforce. Utilizing this SaaS tool, we can integrate new hire orientation and leadership training to help our employees map their progression and manage e-learning courses. We are excited to start deploying HSE certifications across our business units and further streamline our internal certification collection and reporting process.



Leading Liberty, our new internal leadership program, graduated 320 team members since its launch in June 2022. This program provides our employees with practical skills in problem resolution, communication, and hands-on leadership training. This training also brings together members of the Liberty team from across departments—and across the country—fostering stronger relationships within the company.



154 Babies
Born in the U.S. & Canada



94% save for retirement by contributing to a 401(K)



39% of our employees identify in a minority ethnic group



400+ Veterans employed



741 Team member owners



FEATURED TEAM MEMBERS



MARIANA GONZALEZ
OPERATIONS SUPERVISOR



Born and raised in Houston, Texas, Mariana started her career as a manufacturing engineer before joining the ST9 team. She loves videography and can be found creating mini-movies wherever she goes.

“Liberty has allowed me to push my boundaries while providing resources and mentorship. I have not been limited by my experience, and the equal opportunity has allowed me to grow into a leadership role. I love the work culture and how there isn’t a divide between departments. I am beyond grateful to be part of this family and look forward to the years to come.”



TAYLOR JACKSON
WIRELINER SERVICE LEADER



Taylor was born and raised in Colorado and started her career as a wireline field engineer in 2017. She enjoys hunting, camping, and extreme quilting.

“I am beyond grateful to work for a company that puts its employees first and follows through with promises. It has been such an amazing experience to watch the Liberty culture shape everyone on our team, and I am so excited to see what amazing feats our team can accomplish.”



DOUG SWINK
FACILITY COORDINATOR



Doug is a third-generation wheat farmer, dad to four, and soon to be grandparent with his wife of over 30 years. He joined Liberty in 2012 after successfully running his own land management company.

“I joined Liberty because I wanted to try something different. After I had a stroke in 2014, Liberty gave me the opportunity to continue working. They helped me grow in my development and tackle the challenges I encountered with communication after my stroke. I am grateful to be part of this team.”



TABBY RAMIREZ
MINE CUSTOMER SERVICE ASSOCIATE



Tabby met her husband, Abel, working for the oil & gas industry in her small hometown of Alice, Texas. She loves her big, busy family of six children.

“There is something special about Liberty, and it starts with the people. From the executive team to our mine operators, I’ve gotten the privilege to meet and work with brilliant and genuine people. Liberty’s culture enables me to have a better work/life balance, and I look forward to continuing my career here knowing that Liberty truly cares about all people.”

COMMUNITY

A NOVEL APPROACH TO COMMUNITY PARTNERSHIPS

In 2022, Liberty broadened our community impact in a new and unique way, implementing partner projects with our customers. This new structure allowed us to increase our impact in the communities where we operate while building stronger ties with our business partners.

FEED THE CHILDREN

On veterans day, Liberty partnered with PDC, Chevron, and Civitas to support the OKC-based organization, Feed the Children. Together, we distributed 800 essential food boxes to veteran families.

PARTNERS:



“Despite their commitment to serving our country with honor, many veteran families are living paycheck-to-paycheck. Through the financial support of Liberty Energy, PDC, Chevron, and Civitas, Feed the Children was able to provide food, essentials, books, toys, and other items on Veterans Day. The boxes and supplies received helped provide relief for the approaching holiday season.”

-Sandra Leaver, Director of Corporate Partnerships



Liberty Employees at the Feed the Children event in Greeley, CO.

OUR IMPACT IN 2022

- 1,388**
TOTAL HOURS
- \$1.45**
MILLION RAISED
- 45**
ORGANIZATIONS IMPACTED
- 33**
ORGANIZATIONS BENEFITED FROM LOVE, LIBERTY MATCH

HUDSON POLICE DEPARTMENT K9 UNIT



K9 Gary and handler Scott Sedgwick visit the Liberty office.

The Hudson, Colorado police department recognized a need in their community for a K9 to assist their department with drug enforcement and human trafficking cases. One of Liberty’s employees spearheaded an introduction between Liberty and the police department, and a partnership was born. Liberty and Verdad Resources worked together on joint donations and successfully funded the start of the Hudson Police Department’s K9 unit.

PARTNERS:



“The addition of K9 Gary, through the generous donations from Liberty Energy and Verdad Resources, allows our small, rural police department to have tools necessary to assist our six patrol officers in combating the distribution and transportation of illegal narcotics that affect all of our communities.”

— Scott Sedgwick, Hudson Police Chief



K9 Gary and handler Scott Sedgwick visit the DJ basin.

GIVING BACK WHERE WE WORK



POSITIVE TOMORROWS

Liberty's El Reno team spent a combined 93 hours this year at Positive Tomorrows removing barriers for students facing the challenges of homelessness. These barriers include transportation, hunger, and basic needs.



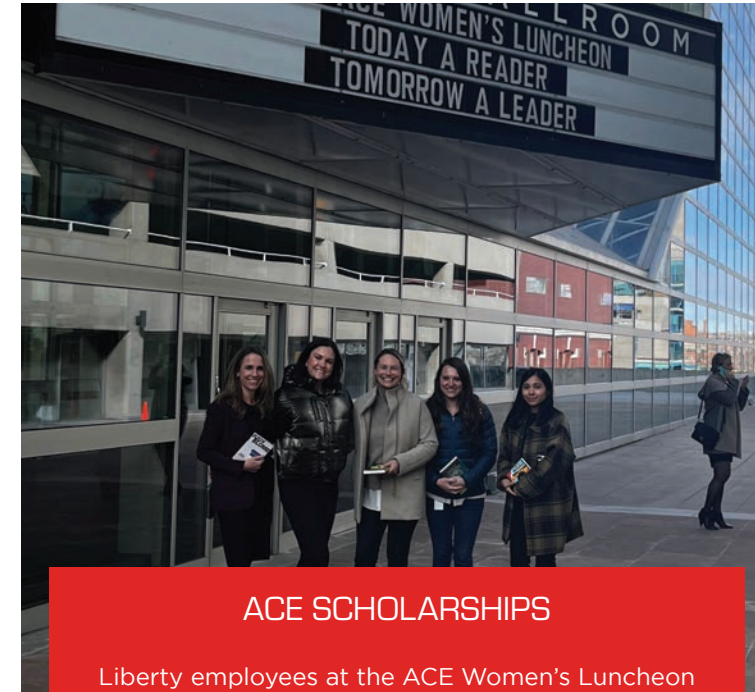
CALGARY DROP-IN CENTRE

Liberty Calgary employees sorting thousands of donations for the Calgary Drop-In Centre, an emergency shelter providing essential care, health services, and housing support to adults experiencing or at risk of experiencing homelessness.



HABITAT FOR HUMANITY

Liberty employees at the Habitat Greeley Weld Lunch and Learn program where students receive workforce training and have the opportunity to earn college credits. The students have helped build over 38 homes over the last 6 years.



ACE SCHOLARSHIPS

Liberty employees at the ACE Women's Luncheon in Denver, CO. Liberty donated \$276,660 to ACE in 2022, funding 104 scholarships for children from low-income families, enabling them to attend the private school of their choice.

INDIGENOUS RELATIONS

In our commitment to positive and progressive Indigenous Relations, we are committed to three key indigenous principles: community engagement, workforce development, and business and community development.

We completed phase one of the Progressive Aboriginal Relations (PAR) program in 2022 and are working towards completing phase two in 2023.



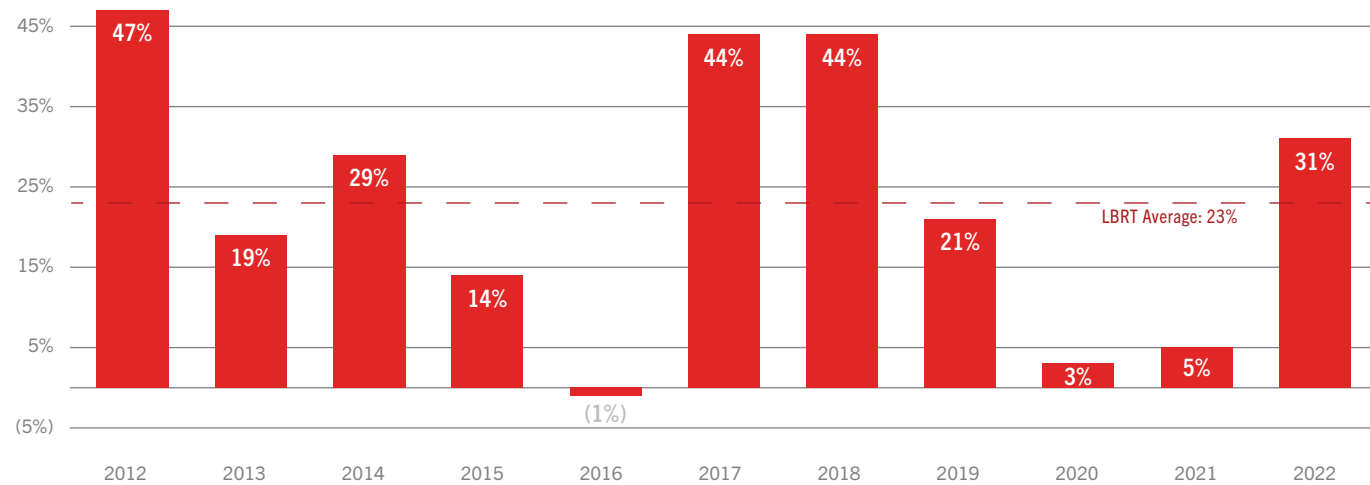
Doig River First Nation's Doig Days in Rose Prairie, BC

BUSINESS STRATEGY

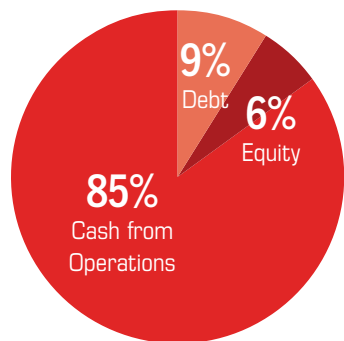
Liberty's business strategy remains unchanged since the founding of the firm 11 years ago: to deliver superior returns over business cycles by balancing disciplined growth and investment with balance sheet strength and the return of capital to shareholders. Over our 11-year operating history we have delivered an average 23% cash return on capital invested (CROCI*), nearly 50% higher than the S&P 500 during a period of tough returns for the rest of our industry.

In 2022, we achieved the highest earnings per share in company history and reported Adjusted Pre-Tax Return on Capital Employed (ROCE*) and CROCI of 31% each during the year. Returns accelerated as the year progressed, demonstrating the enhanced earnings power of our new scale, diversified platform and technology portfolio and the profitability potential over the longer duration cycle ahead.

CASH RETURN ON CAPITAL INVESTED*



HISTORICAL FUNDING SOURCES



(In millions)	2022	2021	2020
Total Revenue	\$4,149	\$2,471	\$966
Total Gross Profit	\$1,000	\$221	\$108
Pre-Tax Net Income (Loss)	\$400	\$(178)	\$(192)
Adjusted EBITDA **	\$860	\$121	\$58

*Cash return on capital invested and return on capital employed are derived in part from non-GAAP financial measures. Please see endnote 3 following this annual report for important additional information.

**Adjusted EBITDA is a non-GAAP financial measure. Please see endnote 1 following this annual report for important information, including a reconciliation to the most comparable GAAP measure.



Over our history, we have grown Liberty by reinvesting operating cash flow at high rates of return to build the second largest frac service provider in North America. We've funded 85% of our business growth with cash from operations. At the same time, Liberty has a proven history of returning cash to shareholders. We introduced our first dividend and share buyback authorization seven months after we went public in January 2018. We raised \$200 million in the public markets and have now returned \$317 million to shareholders through the end of 2022.

There is beauty and strength in simplicity. Our singular focus on prudently investing for long-term value creation early in business cycles was most recently exemplified in the pandemic years with the acquisition of SLB's North American completions business, doubling the size of our company, and continued investment in next generation frac technologies. We are now seeing the rewards, with fast growth,

expanding profitability and outstanding returns in 2022. In 2022, total sales were \$4.1 billion and adjusted pre-tax net income was \$476 million.² During this same period, we spent \$428 million in net capital expenditures and returned \$143 million to our shareholders.

Entering 2023, we build on the momentum of transformative transactions, technology innovation, and investment in the extraordinary talent at Liberty. We see a durable multiyear upcycle ahead as the tumult in global oil supply coupled with today's low spare global production capacity implies a strong need for North American oil and gas in the coming years.

Our historical track record exemplifies our simple philosophy of prioritizing high returns opportunities with a solid balance sheet and shareholder returns. We anticipate expanding our total return to shareholders in the years ahead.

GROWTH STRATEGY

LIBERTY HAS THE TECHNOLOGY, HUMAN CAPITAL AND SCALE TO EXPAND AND THE ABILITY TO DELIVER INDUSTRY-LEADING RETURNS OVER THE NEXT TEN YEARS, JUST AS IT HAS THE LAST DECADE.

An entrepreneurial culture drives our ability to innovate significantly faster than the rest of the industry and increase our competitive advantages daily, driving economic value to our customers and enhanced returns for our shareholders in the next decade.

Liberty's holistic solutions integrate technology from various industries into the oilfield service world. Our unique combination of technology, scale, and vertical integration allows us to capture a significant percentage of the completion budget and gives us a foundation to expand long-term profitability per share.

ANNUAL REVENUE, TECHNOLOGY, AND ACQUISITIONS

2016 — INTRODUCED QUIET FLEET, ACQUIRED SANJEL ASSETS

2017

2018 — LAUNCHED TIER IV DBG PARTNERSHIP, ACQUIRED ST9 & STARTED DIGIFRAC DEVELOPMENT

2019

2020 — ACQUIRED SLB'S NORTH AMERICAN COMPLETIONS BUSINESS

2021 — ACQUIRED PROPX

2022 — DEPLOYED DIGIFRAC

2023 — EXPANDING EARNINGS FROM TRANSITION TO NATURAL GAS-FUELED NEXT-GENERATION FRAC FLEETS AND SYNERGISTIC BUSINESS LINES

\$0.5

\$1

\$1.5

\$2

\$2.5

\$3

\$3.5

\$4

Annual Revenue (billions)

DEVELOPING TECHNOLOGY TO EXPAND RETURNS

Our focus and understanding of our customers' economic priorities inform our long-term, high-return investment strategy in cutting-edge technology developed by our unique human talent.

We were an early innovation partner with Caterpillar introducing dual fuel natural gas engines to the frac market as early as 2013. In 2016, we debuted our unique Quiet Fleet technology, enabling completions in an urban environment and expanding our market share and profitability. Our early

innovation in bringing the containerized sand movement to the oilfield culminated with our purchase of PropX in 2021, driving the next level of logistics automation and wet sand handling technology, expanding our margins, lowering our customers' costs, and reducing environmental impact. digiFrac, our latest innovation in frac technology, enables us to lead the industry in emission-efficient frac technology while capturing the significant fuel cost arbitrage that will continue to assist our margins over the next decade.

INNOVATION FOR TOMORROW'S FRAC SITE: LEADING EDGE TECHNOLOGY IN HIGH DEMAND

Liberty's focus on rapid innovation led to the development and commercial deployment of digiFrac, the most technologically advantaged frac system. digiFrac set the bar, providing the latest modular frac equipment with industry-leading operational efficiency, superior capital efficiency, and an emissions footprint 25% lower than the current best commercially available frac technology. Our digiFrac pumps fueled by natural gas offer two critical benefits among many:

lower emissions and significantly lower fuel costs. The arbitrage between the fuel cost of natural gas and diesel is large, pulling customers toward natural gas fueled technology. We will also be able to leverage available grid power alongside Liberty's generators to power a fleet. In addition, we can also deliver power to the grid. Liberty provides a turnkey solution for the customer, and this vertical integration can provide strong profitable returns growth in a steady market.

RECONCILIATION

RECONCILIATION OF HISTORICAL NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA¹

\$ In millions	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Net Income (Loss)	\$400	\$(187)	\$(161)	\$75	\$249	\$169	\$(61)	\$(9)	\$35	\$9	\$26
Depreciation, Depletion, and Amortization	\$323	\$263	\$180	\$165	\$125	\$81	\$41	\$36	\$22	\$13	\$6
Interest Expense	\$23	\$16	\$15	\$15	\$17	\$13	\$6	\$6	\$4	\$1	\$-
Income Tax (Benefit) Expense	\$(1)	\$9	\$(31)	\$14	\$40	\$-	\$-	\$-	\$-	\$-	\$-
EBITDA	\$745	\$101	\$3	\$269	\$432	\$263	\$(13)	\$33	\$60	\$23	\$32
Stock based compensation expense	\$23	\$20	\$17	\$14	\$5	\$-	\$-	\$-	\$-	\$-	\$-
Fleet start-up and lay-down costs	\$17	\$3	\$12	\$5	\$10	\$14	\$4	\$1	\$5	\$3	\$-
Transaction, severance and other costs	\$6	\$15	\$21	\$-	\$1	\$4	\$6	\$-	\$-	\$-	\$-
(Gain) loss on disposal of assets	\$(5)	\$1	\$-	\$3	\$(4)	\$-	\$(3)	\$-	\$-	\$-	\$-
Provision for credit losses	\$-	\$-	\$5	\$1	\$-	\$-	\$-	\$6	\$-	\$-	\$-
Loss (gain) on remeasurement of liability under tax receivable agreements	\$76	\$(19)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
(Gain) on investments	\$(2)	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Adjusted EBITDA	\$860	\$121	\$58	\$291	\$444	\$281	\$(6)	\$41	\$65	\$26	\$32

CALCULATION OF HISTORICAL CASH RETURN ON CAPITAL INVESTED³

\$ In millions	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Adjusted EBITDA ¹	\$860	\$121	\$58	\$291	\$444	\$281	\$(6)	\$41	\$65	\$26	\$32	
Total Assets	\$2,576	\$2,041	\$1,890	\$1,283	\$1,117	\$852	\$452	\$297	\$332	\$175	\$107	\$36
Accumulated depreciation, depletion, and amortization	\$1,142	\$863	\$623	\$456	\$307	\$198	\$117	\$77	\$41	\$19	\$6	\$-
Accounts payable and accrued liabilities	\$610	\$528	\$312	\$227	\$219	\$220	\$119	\$53	\$99	\$27	\$13	\$2
Total Gross Capital Invested	\$3,108	\$2,375	\$2,200	\$1,513	\$1,204	\$830	\$451	\$321	\$273	\$167	\$100	\$34
Average Gross Capital Invested ⁴	\$2,742	\$2,288	\$1,857	\$1,358	\$1,017	\$640	\$386	\$297	\$220	\$134	\$67	
Cash Return on Capital Invested⁵	31%	5%	3%	21%	44%	44%	(1)%	14%	29%	19%	47%	

RECONCILIATION AND CALCULATION OF ADJUSTED PRE-TAX RETURN ON CAPITAL EMPLOYED²

\$ In millions	2022	2021	2020
Capital Employed			
Net Income (Loss)	\$400	\$(187)	
Income Tax (Benefit) Expense	\$(1)	\$9	
Loss (gain) on remeasurement of liability under tax receivable agreements ⁵	\$76	\$(19)	
Adjusted Pre-tax Net Income (Loss)	\$476	\$(197)	
Total Debt, Net of Discount	\$218	\$122	\$106
Total Equity	\$1,497	\$1,230	\$1,310
Total Capital Employed	\$1,716	\$1,353	\$1,416
Average Capital Employed⁶	\$1,534	\$1,384	
Adjusted Pre-Tax Return on Capital Employed⁷	31%	-14%	

¹ Adjusted EBITDA is not presented in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Please see the table above for a Reconciliation of net Income (loss) to EBITDA and Adjusted EBITDA, its most directly comparable to U.S. GAAP financial measure.

² Adjusted Pre-Tax Return on Capital Employed ("ROCE") is an operational measure. Please see the table above for a Calculation of Adjusted Pre-Tax Return on Capital Employed. Certain amounts in the table above may not sum to the amounts presented due to the cumulative effects of rounding.

³ Cash Return on Capital Invested (CROCI) is an operational measure. CROCI is the ratio of Adjusted EBITDA, as reconciled above, for the year then ended to Average Gross Capital Invested. Please see the table above for a calculation of Cash Return on Capital Invested.

⁴ Average Gross Capital Invested is the simple average of Gross Capital Invested as of the end of the current year and prior year.

⁵ Loss on remeasurement of the liability under tax receivable agreements is a result of the release of the valuation allowance on the Company's deferred tax assets and should be excluded in the determination of pre-tax return on capital employed.

⁶ Average Capital Employed is the simple average of Total Capital Employed as of the end of the current year and prior year.

⁷ Adjusted Pre-Tax Return on Capital Employed is the ratio of adjusted pre-tax net income for the twelve months ended December 31, 2022 and 2021 to Average Capital Employed.



SHARES LISTED
New York Stock Exchange
Symbol: LBRT

TRANSFER AGENT AND REGISTRAR
American Stock Transfer &
Trust Company, LLC
Attn: Client Support
6201 15th Avenue
Brooklyn, NY 11219
Phone: 1-800-937-5449
1-718-921-8124 (outside of U.S.)
astfinancial.com

**INVESTOR RELATIONS
CONTACT INFORMATION**
To contact Liberty's investor relations
department, stockholders may call the
company at 303-515-2851 or send a
message via email to IR@libertyfrac.com.

FORWARD LOOKING STATEMENT

This report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included herein concerning, among other things, statements about our expected growth from recent acquisitions, expected performance, future operating results, oil and natural gas demand and prices and the outlook for the oil and gas industry, future global economic conditions, improvements in operating procedures and technology, our business strategy and the business strategies of our customers, the deployment of fleets in the future, planned capital expenditures, future cash flows and borrowings, pursuit of potential acquisition opportunities, our financial position, return of capital to stockholders, business strategy and objectives for future operations, are forward-looking statements. These forward-looking statements are identified by their use of terms and phrases such as “may,” “expect,” “estimate,” “outlook,” “project,” “plan,” “position,” “believe,” “intend,” “achievable,” “anticipate,” “will,” “continue,” “potential,” “likely,” “should,” “could,” and similar terms and phrases. However, the absence of these words does not mean that the statements are not forward-looking. Although we believe that the expectations reflected in these forward-looking statements are reasonable, they do involve certain assumptions, risks and uncertainties. The outlook presented herein is subject to change by Liberty without notice and Liberty has no obligation to affirm or update such

information, except as required by law. These forward-looking statements represent our expectations or beliefs concerning future events, and it is possible that the results described in this earnings release will not be achieved. These forward-looking statements are subject to certain risks, uncertainties and assumptions identified above or as disclosed from time to time in Liberty's filings with the Securities and Exchange Commission. As a result of these factors, actual results may differ materially from those indicated or implied by such forward-looking statements.

Any forward-looking statement speaks only as of the date on which it is made, and, except as required by law, we do not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. New factors emerge from time to time, and it is not possible for us to predict all such factors. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements in “Item 1A. Risk Factors” included in our Annual Report on Form 10-K for the year ended December 31, 2022 as filed with the SEC on February 10, 2023 and in our other public filings with the SEC. These and other factors could cause our actual results to differ materially from those contained in any forward-looking statements.

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