

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

NINE ENERGY SERVICE, INC., *et al.*,¹

Debtors.

)
) Chapter 11
)

) Case No. 26-90295 (CML)

) (Jointly Administered)
)

**DECLARATION OF
DAVID M. CUNNINGHAM IN SUPPORT OF (I) APPROVAL OF
THE DEBTORS' DISCLOSURE STATEMENT ON A FINAL BASIS
AND (II) CONFIRMATION OF THE AMENDED JOINT PREPACKAGED
PLAN OF REORGANIZATION OF NINE ENERGY SERVICE, INC. AND ITS
DEBTOR AFFILIATES PURSUANT TO CHAPTER 11 OF THE BANKRUPTCY CODE**

I, David M. Cunningham, declare under penalty of perjury that:

Background and Qualifications

1. I am a Managing Director at Moelis & Company LLC ("Moelis"), the proposed investment banker to the above captioned debtors and debtors in possession (the "Debtors") in these chapter 11 cases.²

2. I submit this declaration (this "Declaration") in support of (a) final approval of the *Disclosure Statement for the Joint Prepackaged Plan of Reorganization of Nine Energy Service, Inc. and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* [Docket No. 6] (the "Disclosure Statement") and (b) confirmation of the *Amended Joint*

¹ A complete list of each of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors' claims and noticing agent at <https://dm.epiq11.com/NineEnergy>. The location of Nine Energy Service, Inc.'s principal place of business and the Debtors' service address in these chapter 11 cases is 2001 Kirby Drive, Suite 200, Houston, TX 77019.

² A detailed description of the Debtors and their business, including the facts and circumstances giving rise to the Debtors' chapter 11 cases, is set forth in the *Declaration of Guy Sirkes, Executive Vice President and Chief Financial Officer of Nine Energy Service, Inc., in Support of First Day Motions* [Docket No. 4] (the "First Day Declaration").

Prepackaged Plan of Reorganization of Nine Energy Service, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code [Docket No. 173] (as modified, amended, or supplemented from time to time, the “Plan”).³

3. Unless otherwise indicated, the statements set forth in this declaration are based on (a) my personal knowledge or experience, (b) information I have received from the Debtors, my colleagues at Moelis working directly with me or under my supervision, direction, or control, and/or the other advisors of the Debtors, and/or (c) my review of the relevant documents and information concerning the Debtors’ operations, financial affairs, and restructuring initiatives. I am not being compensated for this testimony other than through payments received by Moelis as a professional proposed to be retained by the Debtors, subject to approval by this Court.

4. I am over the age of 18 years and, if called to testify as a witness, could and would testify competently to the statements set forth herein. I am not being compensated separately for this Declaration or any related testimony.⁴

Professional Background and Qualifications

5. I am a Managing Director at Moelis, a leading international investment banking and financial advisory firm (NYSE: MC) that has its principal place of business at 399 Park Avenue, 4th floor, New York NY 10022, and over 1,000 employees across offices in North America, South America, Europe, the Middle East, and Asia. Moelis provides a broad range of financial advisory services, including (a) mergers and acquisitions, (b) capital structure advisory,

³ Capitalized terms used but not defined herein have the meanings ascribed to them in the Plan, the Disclosure Statement, or the RSA (as defined in the Plan), as applicable.

⁴ Pursuant to Moelis’s engagement letter with the Debtors, Moelis will be entitled to be paid certain fees in connection with the consummation of the Restructuring Transactions contemplated by the Plan, subject to approval by the Court.

recapitalization, and restructuring, and (c) capital markets advisory. Moelis has been, and is, involved in some of the largest and most complex restructuring cases throughout the United States and worldwide.

6. I am based in Moelis's Houston office, located at Texas Tower, 845 Texas Ave, 22nd Floor Houston, Texas 77002. I have approximately thirty years of investment banking experience advising companies and their stakeholders in a wide range of restructuring, recapitalization, merger and acquisition, and financing transactions primarily in the energy sector.

7. As a Managing Director, I am responsible for the day-to-day activities of the Moelis deal team. I am one of the senior contacts at Moelis responsible for discussions and advice related to the proposed transaction with the Debtors' management team and board of directors.

8. I hold a Bachelor of Business Administration degree from Texas Christian University, and a Master of Business Administration degree from The University of Chicago Graduate School of Business.

9. On October 25, 2025, the Debtors engaged Moelis to act as their investment banker in connection with their review of strategic and financial alternatives to address their capital structure. Leading up to the filing of these chapter 11 cases, members of my team and I were directly involved in the matters surrounding the Valuation Analysis, RSA, and the Plan, the development of the Restructuring Transactions contemplated thereunder, and review and preparation of the Disclosure Statement and certain of its exhibits. This work was done in parallel with the work Moelis did under my supervision, coupled with other senior Moelis deal team members, to (a) analyze the Debtors' liquidity and projected cash flows, (b) understand the Debtors' businesses, operations, and finances, (c) review and analyze the Debtors' balance sheet and capital structure alternatives, (d) provide strategic advice to the Debtors' board of directors

and management, (e) participate in negotiations with the Debtors' existing lenders and other parties in interest, (f) solicit, negotiate, and analyze debtor-in-possession and exit financing proposals, and (g) assist the Debtors in connection with finalizing the DIP Facility and the Exit ABL Facility.

10. Since being engaged, my team and I have worked closely with the Debtors' management and the other professionals retained in connection with these chapter 11 cases. Through this work, I have become generally familiar with the Debtors' operations, business activities, financial condition, and books and records.

Valuation Analysis

11. At the request of the Debtors, Moelis performed a valuation analysis that provides an estimated range of total enterprise value (the "Enterprise Value") and implied equity value (the "Equity Value") of the Reorganized Debtors on a going concern basis, *pro forma* for the transactions contemplated by the Plan, a summary of which was filed as Exhibit E to the Disclosure Statement (the "Valuation Analysis").

12. Pursuant to the Valuation Analysis, Moelis estimated the Enterprise Value of the Reorganized Debtors to be in a range of approximately \$185 million to approximately \$240 million as of an assumed effective date of the Plan of March 31, 2026 (the "Effective Date"). Based upon the estimated range of Enterprise Value of the Reorganized Debtors described above and assuming net debt of approximately \$73 million, Moelis estimated the implied Equity Value of the Reorganized Debtors to be in a range of approximately \$112 million and approximately \$167 million as of the assumed Effective Date. The Valuation Analysis is based upon information available to Moelis as of January 31, 2026.

Information Received

13. In conducting the Valuation Analysis described above, Moelis, among other things: (a) reviewed certain publicly available business and financial information relating to the Reorganized Debtors that Moelis deemed relevant; (b) reviewed certain internal information relating to the business, earnings, cash flow, assets, liabilities, and prospects of the Reorganized Debtors, including the Financial Projections, furnished to Moelis by the Debtors; (c) reviewed the projected capitalization of the Reorganized Debtors; (d) conducted discussions with members of senior management and representatives of the Debtors concerning the matters described in clauses (a), (b), and (c) of this paragraph, as well as their views concerning the Debtors' business and prospects before giving effect to the Plan, and the Reorganized Debtors' business and prospects after giving effect to the Plan; (e) reviewed publicly available financial and stock market data for certain other companies in lines of business that Moelis deemed relevant; (f) reviewed a draft of the Plan dated January 31, 2026; (g) reviewed publicly available financial data for certain transactions that Moelis deemed relevant; and (h) conducted such other financial studies and analyses and took into account such other information as Moelis deemed appropriate.

14. The Debtors prepared projections of the Debtors' financial performance through December 31, 2028, which are attached to the Disclosure Statement as Exhibit C (the "Financial Projections"). As further addressed in the *Declaration of David Rush in Support of (I) Approval of the Debtors' Disclosure Statement on a Final Basis and (II) Confirmation of the Amended Joint Prepackaged Plan of Reorganization of Nine Energy Service, Inc. and Its Debtor Affiliates Pursuant to Chapter 11 of The Bankruptcy Code*, filed contemporaneously herewith, my understanding is that the Financial Projections were prepared on a consolidated basis using the Company's long-term forecast completed in January 2026, and were based on the assumptions that

the Effective Date is March 31, 2026 and that the Plan will be implemented in accordance with its stated terms.

15. In preparing the Valuation Analysis, with the consent of the Debtors, Moelis relied upon the accuracy and completeness of all financial and other information furnished to it by the Debtors' management, and the Debtors' other advisors, including, without limitation, the Financial Projections, as well as publicly available information. At the direction of the Debtors, Moelis did not assume any responsibility for independent verification of any such information, nor did Moelis perform an independent evaluation or appraisal of the assets or liabilities (contingent, derivative, off-balance-sheet, tax-related or otherwise) of the Reorganized Debtors (nor was Moelis furnished with any such evaluation or appraisal). In connection with my work providing investment banking services to other companies, I frequently rely on the same types of information provided to Moelis and prepared by the Debtors' management team, and/or the Debtors' other advisors in the applicable chapter 11 case, and it is common for individuals in my field to rely on such information.

Valuation Assumptions

16. The Valuation Analysis, including the methodologies relied upon, assumptions made, and applicable qualifications and limitations described therein, should be read in conjunction with the risk factors discussed in Section IX of the Disclosure Statement and the Financial Projections.

17. The estimated Enterprise Value and implied Equity Value set forth in the Valuation Analysis represent hypothetical enterprise value and equity value of the Reorganized Debtors, as the continuing operators of the business and assets of the Debtors, after giving effect to the Plan and based on the consideration of certain valuation methodologies as set forth in the Valuation

Analysis. The estimated Enterprise Value and implied Equity Value set forth in the Valuation Analysis and this Declaration (a) do not purport to constitute an appraisal or necessarily reflect the actual market values that might be realized through a sale or liquidation of the Reorganized Debtors, their securities or their assets, which may be materially higher or lower than the estimated value ranges in the Valuation Analysis, (b) do not constitute an opinion as to fairness from a financial point of view to any holder of claims or interests of the consideration to be received by such holder under the Plan, if any, or of the terms and provisions of the Plan, and (c) do not constitute a recommendation to any holder of claims or interests as to how such holder should vote or otherwise act with respect to the Plan.

18. The estimates set forth in the Valuation Analysis and in this Declaration assume that the Reorganized Debtors will achieve the results set forth in the Financial Projections in all material respects. Moelis does not offer an opinion as to the attainability of the Financial Projections. Moelis has assumed, at the Debtors' direction, that the Debtors' representations and warranties that the Financial Projections (a) have been prepared in good faith and reflect good faith judgments of the Debtors, (b) are based on fully disclosed assumptions, which, in light of the circumstances under which they were made, are reasonable, and (c) reflect the Debtors' best currently available estimates and judgments of the Debtors' management as to the future financial and operating performance of the Reorganized Debtors.

19. The future results of the Reorganized Debtors are dependent upon various factors, many of which are beyond the control or knowledge of the Debtors or their advisors, including Moelis. The actual value of an operating business such as the Reorganized Debtors' business is subject to uncertainties and contingencies that are difficult to predict and will fluctuate with changes in factors affecting the financial condition and prospects of such a business.

20. The analyses set forth herein contemplate facts and conditions known and existing as of the date hereof. Events and conditions subsequent to such date, including updated projections, as well as other factors, could have a material effect upon the estimated Enterprise Value. Among other things, failure to consummate the Plan in a timely manner may have a materially negative effect on the estimated Enterprise Value. For purposes of this Valuation Analysis, Moelis has assumed that no changes that would materially affect value will occur between the date hereof and the Effective Date. Moelis also assumed that there would be no material change in economic, monetary, market, industry, and other conditions that would impact any of the material information made available to Moelis, as of the Effective Date.

Valuation Methodologies

21. In preparing its estimate of the Enterprise Value of the Reorganized Debtors, Moelis considered a variety of factors and evaluated several methodologies and financial analyses, including (a) a selected publicly traded companies analysis; (b) a selected transactions analysis; and (c) a discounted unlevered cash flow analysis.

22. The preparation of a valuation analysis is a complex analytical process involving various judgmental determinations as to (a) which methodologies of financial analysis are most appropriate and relevant and (b) the application of those methodologies to particular facts and circumstances, and such analyses and judgments are not readily susceptible to summary description.

Conclusions

23. As indicated above, based on the methodologies considered, Moelis estimated the Enterprise Value of the Reorganized Debtors to be in a range of approximately \$185 million to approximately \$240 million as of the assumed Effective Date.

24. If the Plan is confirmed and consummated, it will provide the Debtors with the capital necessary to fund distributions under the Plan and continue operations as a going concern in the ordinary course following the Effective Date. I believe that the Valuation Analysis directly supports the projected Plan recoveries set forth in the Disclosure Statement and demonstrates that the Plan is appropriate and in the best interests of the Debtors' creditors.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: March 3, 2026

/s/ David M. Cunningham

Name: David M. Cunningham

Title: Managing Director at Moelis

Proposed Investment Banker to the Debtors