USA COMPRESSION

USA Compression Partners, LP

Earnings Presentation

First-Quarter 2024

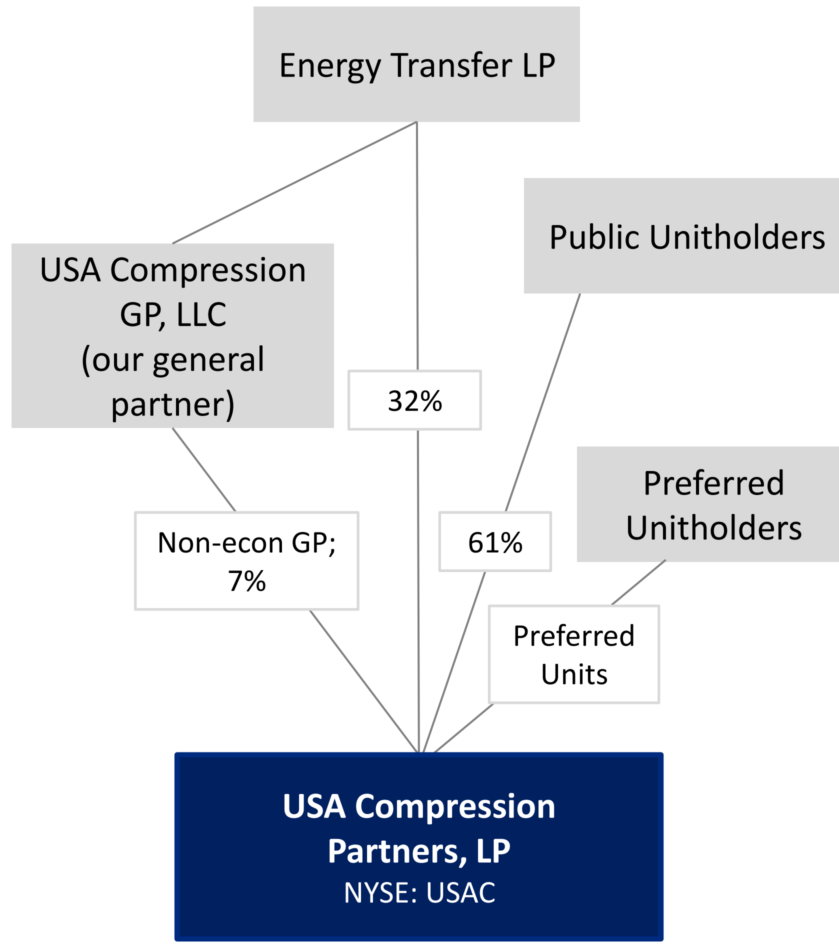
Forward-Looking Statements and Ownership Structure

This presentation contains forward-looking statements related to the operations of the Partnership that are based on management's current expectations, estimates, and projections about its operations. You can identify many of these forward-looking statements by words such as "believe," "expect," "intend," "project," "anticipate," "estimate," "continue," "if," "outlook," "will," "could," "should," or similar words or the negatives thereof. You should consider these statements carefully because they discuss our plans, targets, strategies, prospects, and expectations concerning our business, operating results, financial condition, our ability to make distributions, and other similar matters. These statements are not guarantees of future performance and are subject to certain risks, uncertainties, and other factors, some of which are beyond our control and are difficult to predict. These include risks relating to changes in general economic conditions, including inflation or supply chain disruptions; changes in economic conditions of the crude oil and natural gas industries, including any impact from the ongoing military conflict involving Russia and Ukraine or the conflict in the Middle East; changes in the long-term supply of and demand for crude oil and natural gas; competitive conditions in our industry, including competition for employees in a tight labor market; changes in the availability and cost of capital, including changes to interest rates; renegotiation of material terms of customer contracts; actions taken by our customers, competitors, and third-party operators; and the factors set forth under the heading "Risk Factors" or included elsewhere that are incorporated by reference herein from our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission; and if applicable, our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. As a result of such risks and others, our business, financial condition and results of operations could differ materially from what is expressed or forecasted in such forward-looking statements. Before you invest in our securities, you should be aware of such risks, and you should not place undue reliance on these forward–looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date of this presentation. Unpredictable or unknown factors not discussed herein also could have material adverse effects on forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, information regarding the conversion of 100% of the Partnership's remaining Series A Preferred Units ("Preferred Units") is for illustrative purposes only. As of May 2, 2024, 320,000 of the 500,000 Preferred Units have been converted to Common Units.

Important Note Regarding Non-Predecessor Information

On April 2, 2018, the Partnership completed the acquisition of CDM Resource Management LLC and CDM Environmental & Technical Services LLC, which together represent the CDM Compression Business (the "USA Compression Predecessor"), from Energy Transfer, and other related transactions (collectively, the "Transactions"). Following the Transactions, the USA Compression Predecessor has been determined to be the historical predecessor of the Partnership for financial reporting purposes. Therefore, the historical consolidated financial statements of the Partnership are comprised of the balance sheet and statement of operations of the USA Compression Predecessor as of and for periods prior to April 2, 2018. The historical consolidated financial statements of the Partnership also are comprised of the consolidated balance sheet and statement of operations of the Partnership, which includes the USA Compression Predecessor, as of and for all periods subsequent to April 2, 2018. The information shown in this presentation under the heading "Pre-CDM Acquisition Non-Predecessor" represents information of USA Compression Partners, LP, which is not the predecessor of the Partnership for financial reporting purposes, for periods prior to the Transactions and is presented for illustrative purposes only. Such information does not reflect the Partnership's historical results of operations and is not indicative of the results of operations of the Partnership's predecessor, the USA Compression Predecessor, for such periods.

USAC Ownership Structure[1]



See notes to presentation in appendix.

First-Quarter Highlights

Operational and Financial

Record Average revenue-generating HP	Record Horsepower Utilization
3.47 MM	**94.8%**
2% Q-o-Q ↑	**0.7%** Q-o-Q ↑
Record Revenues	**Record Adjusted EBITDA[2]**
$229.3 MM	**$139.4** MM
2% Q-o-Q ↑	**1%** Q-o-Q ↑

Accomplishments

- ✓ **45 consecutive quarters of distributions (USAC has never cut its distribution)**
- ✓ **Returned ~$1.8 billion to unitholders since IPO**
- ✓ **Ample distribution coverage**
- ✓ **Q-o-Q leverage had a planned increase to 4.27x due to capital-efficient, opportunistic, and accretive organic growth during Q1 2024**
- ✓ **Minimal bad debt write-offs, only 0.06% of total billings over last 19 years[4]**

Catalysts

- ✓ **Robust global demand for natural gas**
- ✓ **Production/demand driven by LNG exports, industrial feedstock, and power generation**
- ✓ **Natural gas plays a critical role as a transition fuel**

See notes to presentation in appendix.

Preferred Unitholder Partial Conversions of Preferred Units

- On January 22, 2024, and April 2, 2024, EIG Veteran Equity Aggregator, L.P. and FS Specialty Lending Fund (collectively "EIG") converted 40,000 and 280,000 Series A Perpetual Preferred Units (the "Preferred Units"), respectively, of the Partnership into Common Units representing limited partner interests in the Partnership (the "Conversions")
- The Conversions represents 64% (sixty-four percent) of EIG's Preferred Units
- Prior to the Conversions, EIG held 500,000 Preferred Units
- Following the Conversions, EIG holds 180,000 Preferred Units
- The preferred to common conversion price is $20.0115/common unit, with each Preferred Unit having a liquidation value of $1,000
- The Preferred Unit coupon rate is 9.75%
- USAC provides the following illustrative summary to provide stakeholders with the potential pro-forma impact to financial metrics if the remaining Preferred Units were to be converted

The Conversions of 64% of Preferred to Common Units has minimal impact on USAC's financial metrics

See notes to presentation in appendix.

Illustrative Examples of Potential Preferred Unit Conversions

	Three Months Ended March 31, 2024	
	As Reported	Pro Forma[6]
($ in thousands)	64% Converted[7]	100% Assumption[8]
Distributable Cash Flow ("DCF")[2]	$ 86,589	$ 86,589
Pro Forma increase upon Preferred Unit Conversion	-	4,388
DCF	**$ 86,589**	**$ 90,977**
Distributions for DCF Coverage Ratio[2,5]	$ 61,422	$ 61,422
Pro Forma increase upon Preferred Unit Conversion	-	4,722
Distributions for DCF Coverage Ratio	**$ 61,422**	**$ 66,144**
DCF Coverage Ratio	**1.41x**	**1.38x**

Conversions of the Preferred Units:

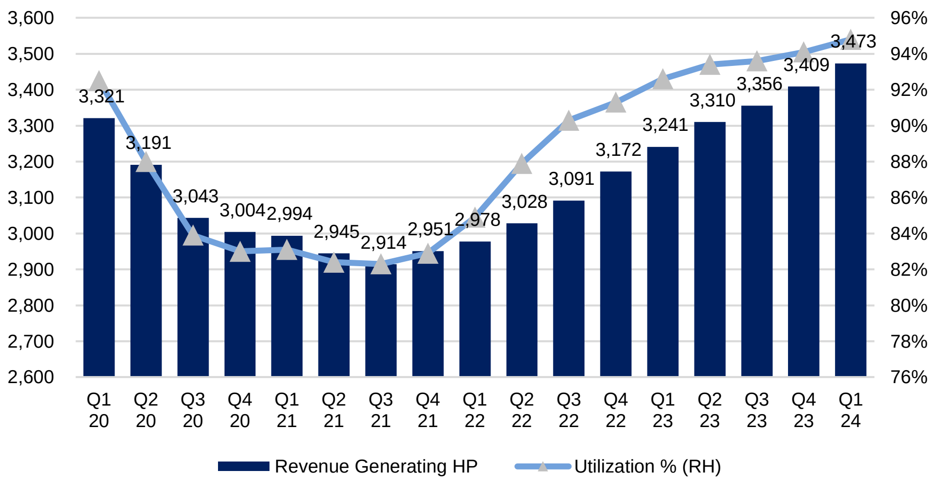
- Enhances common unitholder liquidity
- Slight increase to total distributions, approximately $334,000 per quarter if remaining Preferred Units were to be converted
- Modestly reduces Distributable Cash Flow Coverage Ratio

The potential conversion of 100% has minimal impact on the financial position of USAC

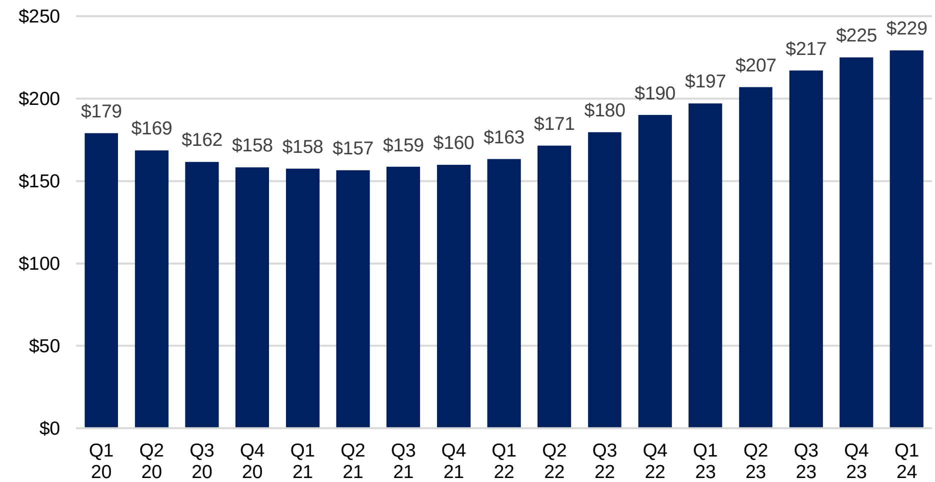
See notes to presentation in appendix.

Operational and Financial Performance

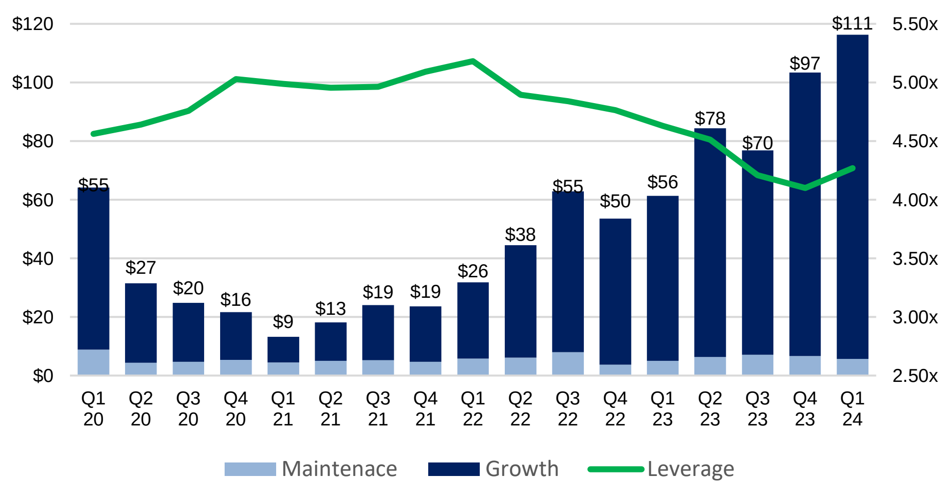
Average Revenue-generating HP (000s) and Utilization



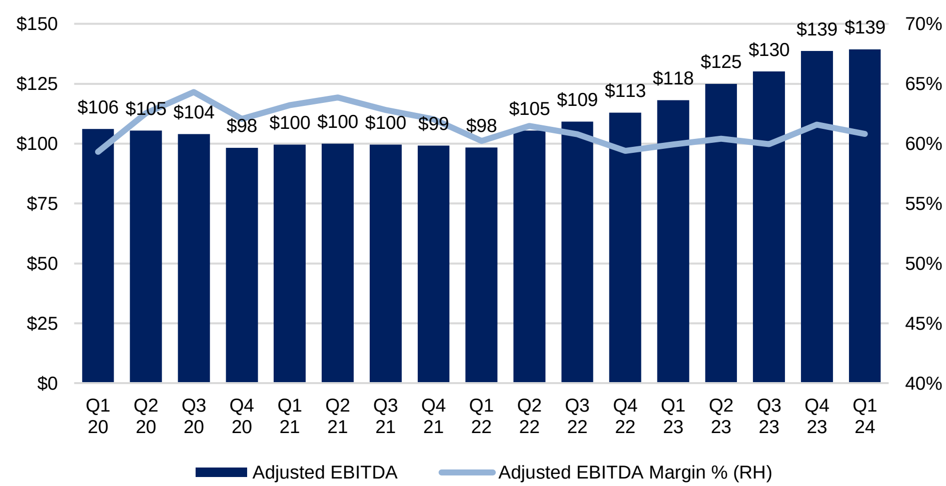
Revenue ($MM)



Total Capex ($MM) and Leverage Ratio[3]



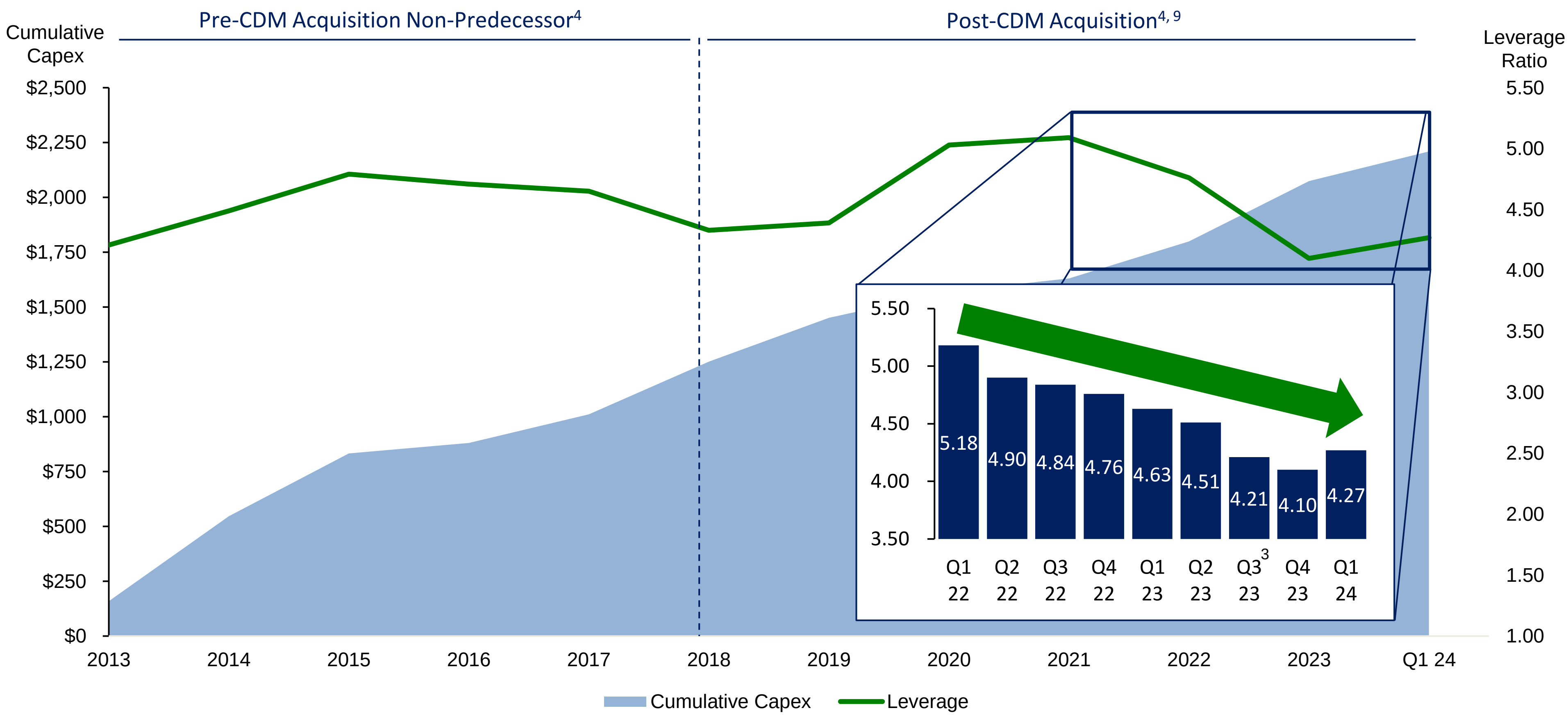
Adjusted EBITDA ($MM) and Margin Percentage[2]



See notes to presentation in appendix.

USAC's Asset Base Supports Declining Leverage

USAC Historical Leverage [3]

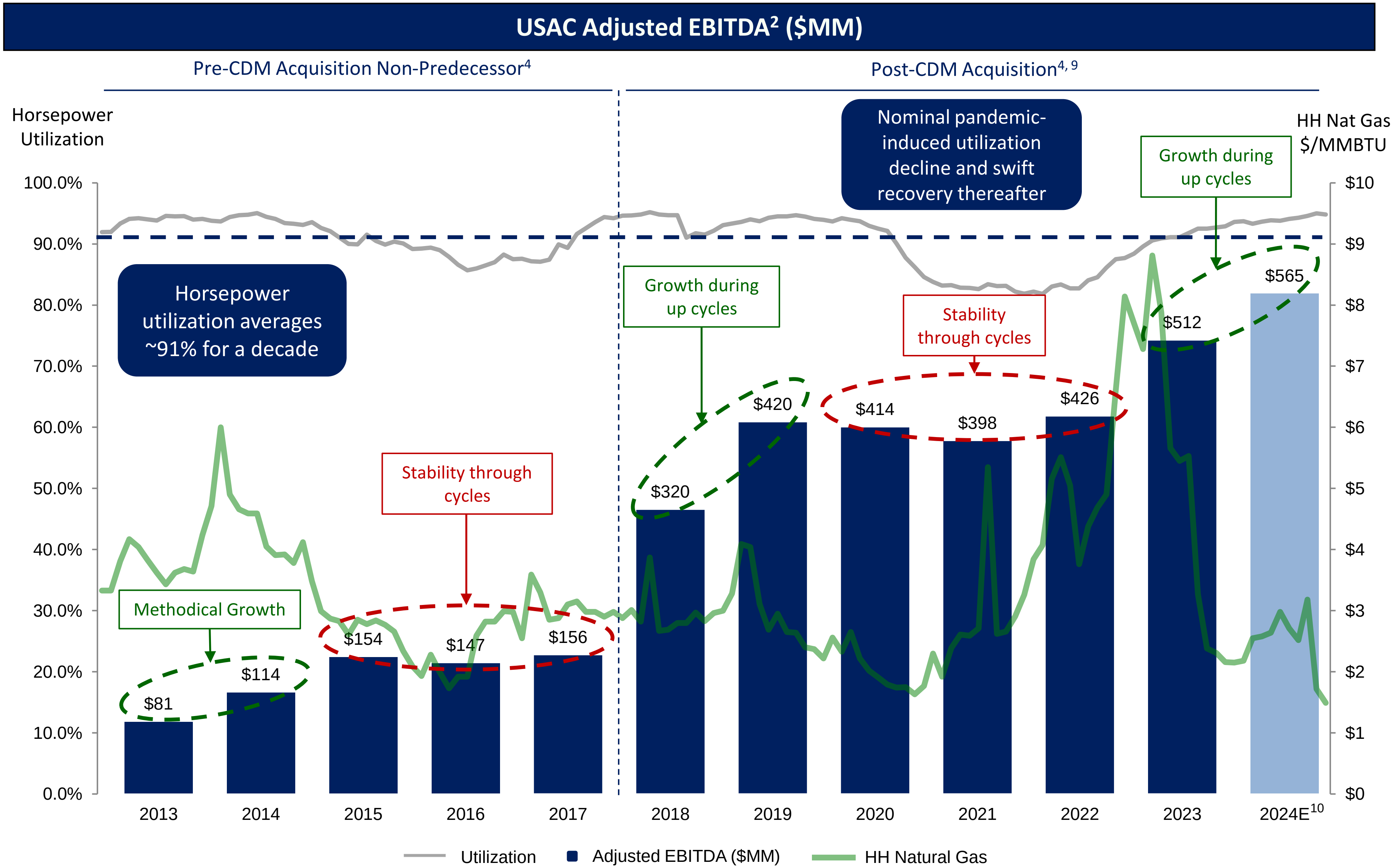


History of Managing Leverage Through Cycles

Ability to moderate capital spending enables stable leverage, resulting in consecutive-quarter leverage reductions throughout 2022 and 2023

See notes to presentation in appendix.

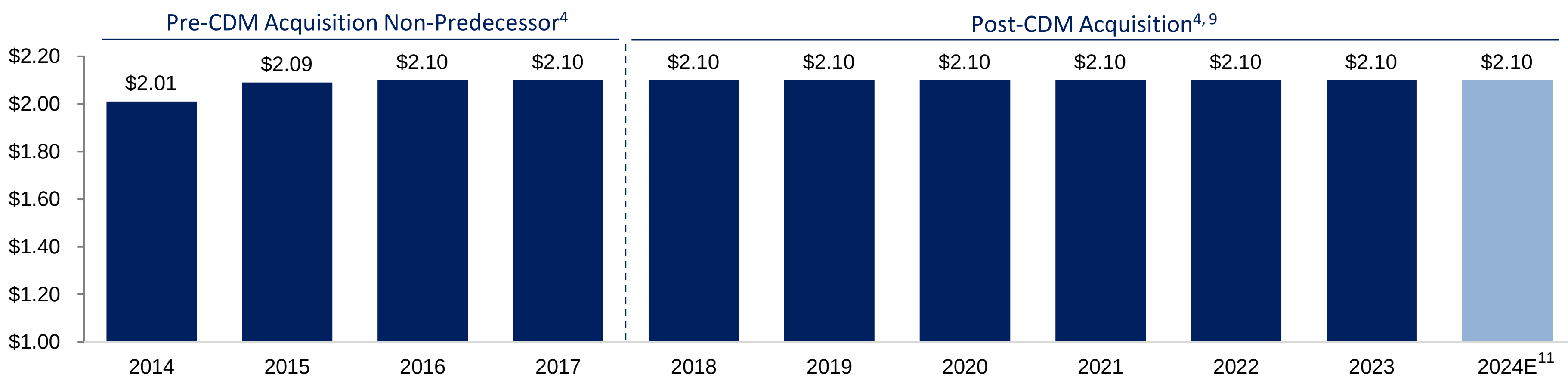
Stable Cash Flows Throughout Commodity Cycles



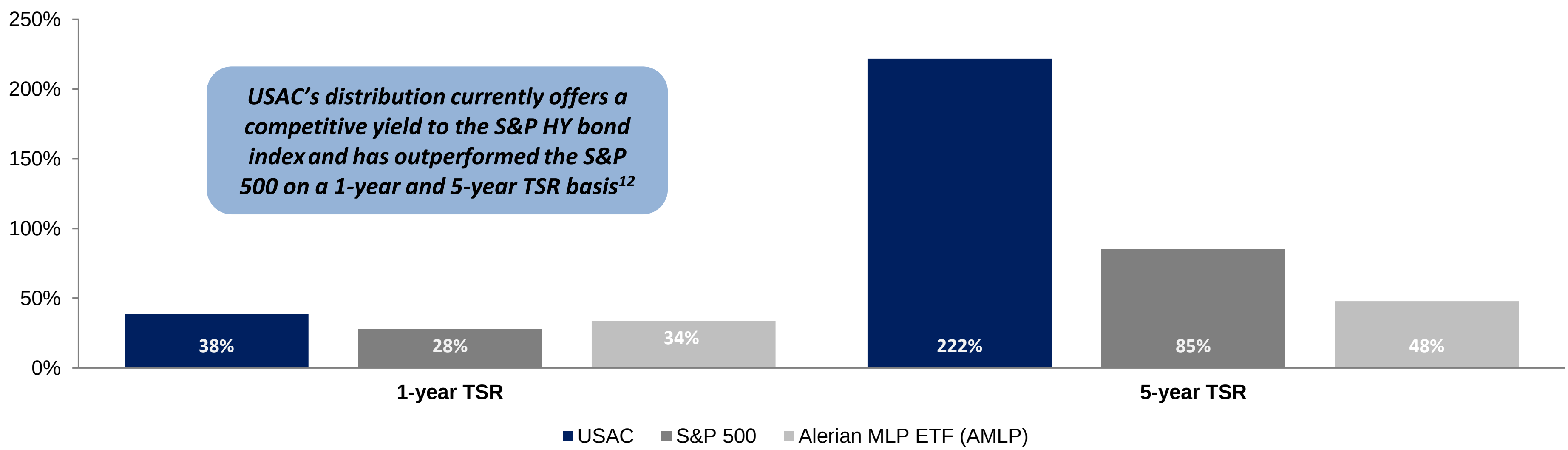
See notes to presentation in appendix.

History of Stable Distributions and Strong Returns to Unitholders

History of stable distributions paid through commodity price cycles



USAC has outperformed the S&P 500 and peers on a total shareholder return (“TSR”) basis[12]



See notes to presentation in appendix.

USAC Customer Overview

Top 10 Customers: Diverse Counterparties and Long-Term Relationships

Customer	% of Rev[13]	Length of relationship	Total HP[14]
Major O&G	12%	> 10 Years	309K
Independent Public E&P	6%	> 20 Years	234K
Major O&G	4%	> 15 Years	122K
Private Midstream	4%	> 10 Years	153K
Public Midstream	3%	> 15 Years	56K
Independent Public E&P	3%	> 20 Years	95K
Independent Public E&P	2%	> 20 Years	96K
Public Midstream	2%	> 10 Years	145K
Public Midstream	2%	> 5 Years	92K
Large Private E&P	2%	> 10 Years	65K
Total	**40%**		**1,367K**

- ✓ **Low revenue concentration risk – top 10 customers are 40% of total revenue**
- ✓ **7 of top 10 customers are investment grade**
- ✓ **Average relationship with top 10 customers over 15 years**
- ✓ **85%[13] of total revenues are under primary term**
- ✓ **Weighted average primary term of 29 months[15]**

USAC has written off only $4.0 million in bad debts over the last 19 years
(0.06% of total billings (~$6.2 billion) over same period[4])

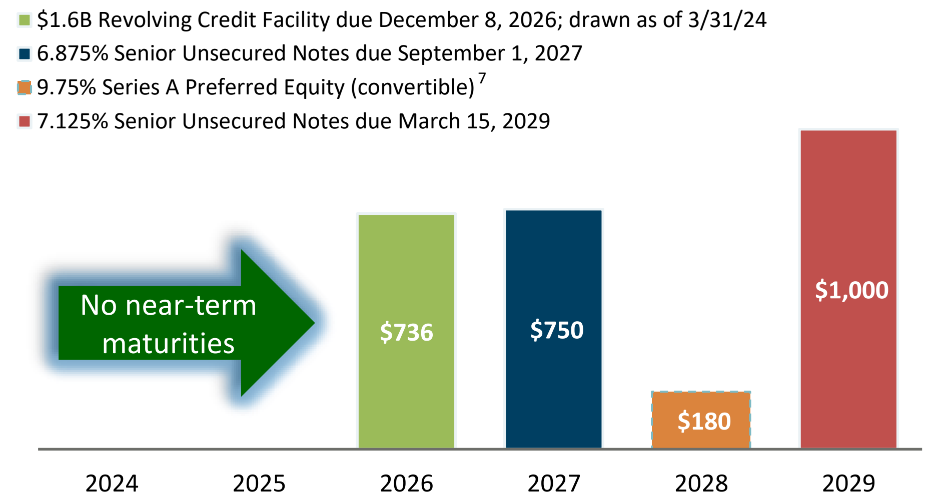
See notes to presentation in appendix.

Capitalization Overview

Capitalization as of March 31, 2024

	($MM)	% of cap
Cash and cash equivalents	$ -	
$1.6B Revolving Credit Facility due 2026	736	
Total Secured Debt	**$736**	**12.9%**
6.875% Senior Unsecured Notes due 2027	750	
7.125% Senior Unsecured Notes due 2029	1,000	
Total Debt	**$2,486**	**43.7%**
9.75% Series A Preferred Equity (convertible)[16,7]	$460	
Common Unit Equity Value[7,17]	$2,747	
Total Capitalization as of March 31, 2024	**$5,693**	**100.0%**

Maturity Profile



Ratings Summary

	Moody's	S&P	Fitch
Corporate Rating	B1	B+	BB
Unsecured	B2	B+	BB
Outlook	Positive	Stable	Stable
Last review	19-Mar-24	26-Feb-24	27-Nov-23

Outstanding Debt and Preferred Equity Overview

Issuer	Issue Type	Principal ($MM)	Coupon	Issue Date	Maturity	Issue ratings	As of 5/2/2024 Price	As of 5/2/2024 YTW	Implied Tenor[18]	Next call date	Next call price
USA Compression Partners LP	Sr Notes	750	6.875%	03/07/19	09/01/27	B3 / B+ / BB	99.50	7.04%	3.3	09/01/24	101.72
USA Compression Partners LP	Sr Notes	1,000	7.125%	03/18/24	03/15/29	B2 / B+ / BB	99.75	7.18%	4.9	03/15/26	103.56
USA Compression Partners LP	Pfd	180[7]	9.75%	04/02/18	04/02/28[16]	-	-	-	-	-	105.00

See notes to presentation in appendix.

Appendix

Non-GAAP Reconciliations

	2024	2023				2022				2021				2020			
Adjusted gross margin *($ in thousands)*	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total revenues	**$229,276**	**$225,049**	**$217,085**	**$206,920**	**$197,124**	**$190,112**	**$179,613**	**$171,461**	**$163,412**	**$159,943**	**$158,627**	**$156,562**	**$157,513**	**$158,367**	**$161,666**	**$168,651**	**$ 178,999**
Cost of operations, exclusive of depreciation and amortization	(75,072)	(73,193)	(74,928)	(69,922)	(66,665)	(65,993)	(59,453)	(55,158)	(53,732)	(50,998)	(49,159)	(45,604)	(48,628)	(50,091)	(46,715)	(49,968)	(59,165)
Depreciation and amortization	(63,251)	(62,470)	(64,101)	(60,039)	(59,486)	(59,882)	(58,772)	(58,959)	(59,064)	(59,247)	(59,265)	(59,227)	(61,030)	(59,796)	(60,072)	(60,338)	(58,762)
Gross margin	**$ 90,953**	**$ 89,386**	**$ 78,056**	**$ 76,959**	**$ 70,973**	**$ 64,237**	**$ 61,388**	**$ 57,344**	**$ 50,616**	**$ 49,698**	**$ 50,203**	**$ 51,731**	**$ 47,855**	**$ 48,480**	**$ 54,879**	**$ 58,345**	**$ 61,072**
Depreciation and amortization	63,251	62,470	64,101	60,039	59,486	59,882	58,772	58,959	59,064	59,247	59,265	59,227	61,030	59,796	60,072	60,338	58,762
Adjusted gross margin	**$154,204**	**$151,856**	**$142,157**	**$136,998**	**$130,459**	**$124,119**	**$120,160**	**$116,303**	**$109,680**	**$108,945**	**$109,468**	**$110,958**	**$108,885**	**$108,276**	**$114,951**	**$118,683**	**$ 119,834**

	2024	2023				2022				2021				2020			
Adjusted EBITDA *($ in thousands)*	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income (loss)	**$ 23,573**	**$ 12,841**	**$ 20,902**	**$ 23,584**	**$ 10,941**	**$ 8,366**	**$ 9,612**	**$ 9,086**	**$ 3,254**	**$ 3,105**	**$ 4,115**	**$ 2,688**	**$ 371**	**$ (1,474)**	**$ 6,519**	**$ 2,684**	**$(602,461)**
Interest expense, net	46,666	44,832	43,257	42,045	39,790	37,991	35,142	33,079	31,838	32,966	32,222	32,350	32,288	32,336	32,004	31,815	32,478
Depreciation and amortization	63,251	62,470	64,101	60,039	59,486	59,882	58,772	58,959	59,064	59,247	59,265	59,227	61,030	59,796	60,072	60,338	58,762
Income tax expense	472	355	255	405	350	359	376	255	26	284	312	152	126	350	268	419	296
EBITDA	**$133,962**	**$120,498**	**$128,515**	**$126,073**	**$110,567**	**$106,598**	**$103,902**	**$101,379**	**$ 94,182**	**$ 95,602**	**$ 95,914**	**$ 94,417**	**$ 93,815**	**$ 91,008**	**$ 98,863**	**$ 95,256**	**$(510,925)**
Interest income on capital lease	—	—	—	—	—	—	—	—	—	—	—	—	48	67	87	105	124
Unit-based compensation expense	7,769	4,517	8,024	2,849	6,779	6,178	3,008	2,998	3,710	3,599	3,482	4,260	4,182	4,329	1,332	4,568	(1,829)
Transaction expenses	108	46	—	—	—	—	—	—	27	34	—	—	—	—	136	—	—
Severance charges	107	752	45	44	—	107	624	—	251	78	190	13	213	167	130	2,416	417
Loss (gain) on disposition of assets	1,254	2,265	(3,865)	309	(376)	(443)	1,118	1,031	(179)	(276)	48	(1,105)	(1,255)	261	1,686	(787)	(1,014)
Loss on extinguishment of debt	4,966	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Loss (gain) on derivative instrument	(8,771)	10,538	(3,437)	(14,550)	—	—	—	—	—	—	—	—	—	—	—	—	—
Impairment of compression equipment	—	—	882	10,273	1,191	551	504	—	432	168	—	2,403	2,550	2,461	1,706	3,923	—
Impairment of goodwill	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	619,411
Adjusted EBITDA	**$139,395**	**$138,616**	**$130,164**	**$124,998**	**$118,161**	**$112,991**	**$109,156**	**$105,408**	**$ 98,423**	**$ 99,205**	**$ 99,634**	**$ 99,988**	**$ 99,553**	**$ 98,293**	**$103,940**	**$105,481**	**$ 106,184**
Interest expense, net	(46,666)	(44,832)	(43,257)	(42,045)	(39,790)	(37,991)	(35,142)	(33,079)	(31,838)	(32,966)	(32,222)	(32,350)	(32,288)	(32,336)	(32,004)	(31,815)	(32,478)
Non-cash interest expense	1,995	1,819	1,819	1,819	1,822	1,814	1,814	1,815	1,822	2,899	2,288	2,297	2,281	2,289	2,167	1,960	1,986
Income tax expense	(472)	(355)	(255)	(405)	(350)	(359)	(376)	(255)	(26)	(284)	(312)	(152)	(126)	(350)	(268)	(419)	(296)
Interest income on capital lease	—	—	—	—	—	—	—	—	—	—	—	—	(48)	(67)	(87)	(105)	(124)
Transaction expenses	(108)	(46)	—	—	—	—	—	—	(27)	(34)	—	—	—	—	(136)	—	—
Severance charges	(107)	(752)	(45)	(44)	—	(107)	(624)	—	(251)	(78)	(190)	(13)	(213)	(167)	(130)	(2,416)	(417)
Cash received on derivative instrument	2,422	2,501	2,528	1,216	—	—	—	—	—	—	—	—	—	—	—	—	—
Other	60	1,494	(65)	34	(15)	65	(33)	(179)	(704)	(241)	(1,118)	(34)	(1,349)	180	78	2,349	1,623
Changes in operating assets and liabilities	(30,602)	(6,841)	(40,817)	2,298	(37,490)	5,686	(25,586)	20,518	(32,345)	12,556	(22,783)	29,723	(28,198)	29,705	(25,341)	22,320	(26,401)
Net cash provided by operating activities	**$ 65,917**	**$ 91,604**	**$ 50,072**	**$ 87,871**	**$ 42,338**	**$ 82,099**	**$ 49,209**	**$ 94,228**	**$ 35,054**	**$ 81,057**	**$ 45,297**	**$ 99,459**	**$ 39,612**	**$ 97,547**	**$ 48,219**	**$ 97,355**	**$ 50,077**

See notes to presentation in appendix and definitions to Non-GAAP measures at “Basis of Presentation; Explanation of Non-GAAP Financial Measures”.

USA COMPRESSION

Non-GAAP Reconciliations

	Post-CDM Acquisition[4,9]						Pre-CDM Acquisition Non-Predecessor[4]				
	Years Ended December 31,										
$ in thousands	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Net income (loss)	**$ 68,268**	**$ 30,318**	**$ 10,279**	**$ (594,732)**	**$ 39,132**	**$ (10,551)**	**$ 11,440**	**$ 12,935**	**$ (154,273)**	**$ 24,946**	**$ 11,071**
Interest expense, net	169,924	138,050	129,826	128,633	127,146	78,377	25,129	21,087	17,605	12,529	12,488
Depreciation and amortization	246,096	236,677	238,769	238,968	231,447	213,692	98,603	92,337	85,238	71,156	52,917
Income tax expense (benefit)	1,365	1,016	874	1,333	2,186	(2,474)	538	421	1,085	103	280
EBITDA	**$ 485,653**	**$ 406,061**	**$ 379,748**	**$ (225,798)**	**$ 399,911**	**$ 279,044**	**$ 135,710**	**$ 126,780**	**$ (50,345)**	**$ 108,734**	**$ 76,756**
Interest income on capital lease	—	—	48	383	672	709	1,610	1,492	1,631	1,274	—
Unit-based compensation expense	22,169	15,894	15,523	8,400	10,814	11,740	11,708	10,373	3,863	3,034	1,343
Transaction expenses	46	27	34	136	578	4,181	1,406	894	—	1,299	2,142
Severance charges	841	982	494	3,130	831	3,171	314	577	—	—	—
Loss (gain) on disposition of assets and other	(1,667)	1,527	(2,588)	146	940	12,964	(17)	772	(1,040)	(2,198)	637
Loss (gain) on derivative instrument	(7,449)	—	—	—	—	—	—	—	—	—	—
Impairment of compression equipment	12,346	1,487	5,121	8,090	5,894	8,666	4,972	5,760	27,274	2,266	203
Impairment of goodwill	—	—	—	619,411	—	—	—	—	172,189	—	—
Riverstone management fee	—	—	—	—	—	—	—	—	—	—	49
Adjusted EBITDA	**$ 511,939**	**$ 425,978**	**$ 398,380**	**$ 413,898**	**$ 419,640**	**$ 320,475**	**$ 155,703**	**$ 146,648**	**$ 153,572**	**$ 114,409**	**$ 81,130**
Interest expense, net	(169,924)	(138,050)	(129,826)	(128,633)	(127,146)	(78,377)	(25,129)	(21,087)	(17,605)	(12,529)	(12,488)
Non-cash interest expense	7,279	7,265	9,765	8,402	7,607	5,080	2,186	2,108	1,702	1,189	1,839
Income tax (expense) benefit	(1,365)	(1,016)	(874)	(1,333)	(2,186)	2,474	(538)	(421)	(1,085)	(103)	(280)
Interest income on capital lease	—	—	(48)	(383)	(672)	(709)	(1,610)	(1,492)	(1,631)	(1,274)	—
Transaction expenses	(46)	(27)	(34)	(136)	(578)	(4,181)	(1,406)	(894)	—	(1,299)	(2,142)
Severance charges	(841)	(982)	(494)	(3,130)	(831)	(3,171)	(314)	(577)	—	—	—
Cash received on derivative instrument	6,245	—	—	—	—	—	—	—	—	—	—
Riverstone management fee	—	—	—	—	—	—	—	—	—	—	(49)
Other	1,448	(851)	(2,742)	4,230	2,426	(2,030)	(490)	—	—	—	—
Changes in operating assets and liabilities	(82,850)	(31,727)	(8,702)	283	2,320	(13,221)	(3,758)	(20,588)	(17,552)	1,498	180
Net cash provided by operating activities	**$ 271,885**	**$ 260,590**	**$ 265,425**	**$ 293,198**	**$ 300,580**	**$ 226,340**	**$ 124,644**	**$ 103,697**	**$ 117,401**	**$ 101,891**	**$ 68,190**

See definitions to Non-GAAP measures at “Basis of Presentation; Explanation of Non-GAAP Financial Measures”.

Non-GAAP Reconciliations for Illustrative Examples

$ in thousands	Three Months Ended March 31, 2024 As Reported 64% Converted[7]	Three Months Ended March 31, 2024 Pro Forma[6] 100% Assumption[8]
Net income	**$ 23,573**	**$ 23,573**
Non-cash interest expense	1,995	1,995
Depreciation and amortization	63,251	63,251
Non-cash income tax expense	60	60
Unit-based compensation expense	7,769	7,769
Transaction expenses	108	108
Severance charges	107	107
Loss on disposition of assets	1,254	1,254
Loss on extinguishment of debt	4,966	4,966
Change in fair value of derivative instrument	(6,349)	(6,349)
Distributions on Preferred Units	*(4,388)*	—
Maintenance capital expenditures	(5,757)	(5,757)
Distributable Cash Flow	**$ 86,589**	**$ 90,977**
Maintenance capital expenditures	5,757	5,757
Transaction expenses	(108)	(108)
Severance charges	(107)	(107)
Distributions on Preferred Units	*4,388*	—
Changes in operating assets and liabilities	(30,602)	(30,602)
Net cash provided by operating activities	**$ 65,917**	**$ 65,917**
Distributions for DCF Coverage Ratio[5]	**$ 61,422**	**$ 66,144**
Distributable Cash Flow Coverage Ratio	**1.41x**	**1.38x**

See notes to presentation in appendix and definitions to Non-GAAP measures at "Basis of Presentation; Explanation of Non-GAAP Financial Measures".

Non-GAAP Reconciliations

2024 Guidance

	2024 Guidance
Net income	$95.0 to $115.0 million
Plus: Interest expense, net	184.0 million
Plus: Depreciation and amortization	260.0 million
Plus: Income tax expense	1.0 million
EBITDA	$540.0 million to $560.0 million
Plus: Unit-based compensation expense and other	15.0 million
Adjusted EBITDA	**$555.0 million to $575.0 million**
Less: Cash interest expense	169.0 million
Less: Current income tax expense	1.0 million
Less: Maintenance capital expenditures	32.0 million
Less: Distributions on Preferred Units	18.0 million
Plus: Cash received on derivative instrument	5.0 million
Distributable Cash Flow	**$340.0 million to $360.0 million**
Distributable Cash Flow Coverage Ratio[19]	**1.38x to 1.46x**

See notes to presentation in appendix and definitions to Non-GAAP measures at "Basis of Presentation; Explanation of Non-GAAP Financial Measures".

Investor Relations Contact Information

IR@usacompression.com

Notes to Presentation

1	As of May 2, 2024, Energy Transfer LP held 46.1 million common units, including 8.0 million common units held by USA Compression GP, LLC (the Partnership's general partner), public unitholders held 70.9 million common units, and the Partnership had 117.0 million common units outstanding.
2	Adjusted EBITDA, Adjusted gross margin, DCF, and DCF Coverage Ratio are all Non-GAAP measures. See appendix for reconciliations to the comparable GAAP measures, and information on calculations of these non-GAAP measures. Adjusted EBITDA Margin Percentage and Adjusted Gross Margin Percentage are calculated as a percentage of revenue. Non-GAAP measures may not be comparable to similarly titled measures of other companies.
3	The Partnership's Seventh Amended and Restated Credit Agreement, dated as of December 8, 2021 (the "Credit Agreement") includes a financial covenant for Total Leverage Ratio (as defined in the Credit Agreement). Beginning with the third-quarter 2023 and for each quarter thereafter, the Partnership added back recurring taxes to the calculation of EBITDA under the Credit Agreement, consistent with the definition under the Credit Agreement, but which the Partnership had not added back previous to the third-quarter 2023. This tax add back increased EBITDA under the Credit Agreement, which is the denominator of the Total Leverage Ratio calculation. If the Partnership had not implemented this tax add back, the Partnership's Total Leverage Ratio as of the end of the third-quarter 2023 would have been 4.40x. Historical leverage calculated as total debt divided by annualized quarterly Adjusted EBITDA for the applicable quarter, in accordance with the Credit Agreement. Actual historical leverage may differ based on certain adjustments.
4	Following the Transactions, the USA Compression Predecessor has been determined to be the historical predecessor of the Partnership for financial reporting purposes. The information presented for USAC represents information of USA Compression Partners, LP, which is not the predecessor of the Partnership, for periods prior to the Transactions and is presented for illustrative purposes only. See Slide 1 for more detail.
5	Represents distributions to the holders of the Partnership's common units as of the first-quarter 2024 distribution record date.
6	Information used herein that is qualified as "pro forma" is presented on an illustrative basis assuming 100% of the remaining 180,000 Series A Preferred Units were converted to Common Units as of April 22, 2024, the first-quarter 2024 distribution record date, in accordance with the Partnership's Second Amended and Restated Agreement of Limited Partnership.
7	Effective April 2, 2024, EIG converted 280,000 Preferred Units into 13,991,954 common units. These Preferred Units were converted into common units and, for our first-quarter 2024 distribution, the holders received the common unit distribution of $0.525 on the 13,991,954 common units in lieu of the Preferred Unit distribution of $24.375 on the converted 280,000 Preferred Units. This increased Distributable Cash Flow by approximately $6.8MM for first-quarter 2024. As of April 2, 2024, face value of the Preferred Units outstanding is $180MM.
8	Information presented herein is for illustrative purposes only.
9	For 2018, represents the results of operations of the Partnership, which includes the results of operations of the USA Compression Predecessor for the three months ended March 31, 2018, and the results of operations of the Partnership, which includes the USA Compression Predecessor, for the nine months ended December 31, 2018.
10	Represents Midpoint of 2024 Adjusted EBITDA guidance.
11	$2.10 is an annualized distribution rate based on the 1Q 2024 distribution of $0.525 per common unit. Distributions are subject to many factors and USAC cannot make any assurances or guarantees with respect to future distributions in 2024 or beyond.
12	Data as of March 31, 2024.
13	Represents recurring revenues for the three months ended March 31, 2024.
14	Represents total contracted revenue-generating horsepower for March 2024.
15	Based on horsepower under primary term, excluding month-to-month, as of March 31, 2024.

Notes to Presentation (continued)

16	The Preferred Units are convertible, at the option of the holder, into common units. On or after April 2, 2028, each holder of the Preferred Units will have the right to require us to redeem all or a portion of their Preferred Units, subject to certain minimum redemption threshold amounts, which we may elect to pay up to 50% in common units, subject to certain limits.
17	Based on 103.0 million common units outstanding and a closing unit price of $26.67 as of March 28, 2024.
18	As of May 2, 2024.
19	Assumes full-year 2024 distributions based on the actual Q1 2024 distribution and estimated distributions for Q2 – Q4 2024 based on 117.0 million common units outstanding as of May 2, 2024, DRIP issuances, LTIP vestings, and a flat full-year distribution per unit of $2.10 for 2024.

USA COMPRESSION

Basis of Presentation; Explanation of Non-GAAP Financial Measures

This presentation includes the non-U.S. generally accepted accounting principles ("non-GAAP") financial measures of Adjusted gross margin, Adjusted EBITDA, Distributable Cash Flow, and Distributable Cash Flow Coverage Ratio.

Adjusted gross margin, a non-GAAP measure, is defined as revenue less cost of operations, exclusive of depreciation and amortization expense. Management believes that Adjusted gross margin is useful to investors as a supplemental measure of the Partnership's operating profitability. Adjusted gross margin primarily is impacted by the pricing trends for service operations and cost of operations, including labor rates for service technicians, volume and per-unit costs for lubricant oils, quantity and pricing of routine preventative maintenance on compression units, and property tax rates on compression units.

EBITDA, a non-GAAP measure, is defined as net income (loss) before net interest expense, depreciation and amortization expense, and income tax expense (benefit). Adjusted EBITDA, also a non-GAAP measure, is defined as EBITDA plus impairment of compression equipment, impairment of goodwill, interest income on capital leases, unit-based compensation expense (benefit), severance charges, management fees, certain transaction expenses, loss (gain) on disposition of assets, loss on extinguishment of debt, loss (gain) on derivative instrument, and other. The Partnership's management views Adjusted EBITDA as one of its primary tools, to assess: (i) the financial performance of the Partnership's assets without regard to the impact of financing methods, capital structure, or the historical cost basis of the Partnership's assets; (ii) the viability of capital expenditure projects and the overall rates of return on alternative investment opportunities; (iii) the ability of the Partnership's assets to generate cash sufficient to make debt payments and pay distributions; and (iv) the Partnership's operating performance as compared to those of other companies in its industry without regard to the impact of financing methods and capital structure. The Partnership believes that Adjusted EBITDA provides useful information to investors because, when viewed in conjunction with GAAP results and the accompanying reconciliations, it may provide a more complete assessment of the Partnership's performance compared to considering solely GAAP results.

Distributable Cash Flow, a non-GAAP measure, is defined as net income (loss) plus non-cash interest expense, non-cash income tax expense (benefit), depreciation and amortization expense, unit-based compensation expense (benefit), impairment of compression equipment, impairment of goodwill, certain transaction expenses, severance charges, loss (gain) on disposition of assets, loss on extinguishment of debt, change in fair value of derivative instrument, proceeds from insurance recovery, and other, less distributions on the Partnership's Series A Preferred Units ("Preferred Units"), and maintenance capital expenditures. The Partnership's management believes Distributable Cash Flow is an important measure of operating performance because it allows management, investors, and others to compare the cash flows that the Partnership generates (after distributions on the Partnership's Preferred Units but prior to any retained cash reserves established by the Partnership's general partner and the effect of the Distribution Reinvestment Plan ("DRIP")) to the cash distributions that the Partnership expects to pay its common unitholders.

See previous slides for gross margin reconciled to Adjusted gross margin, Adjusted EBITDA reconciled to net income (loss) and net cash provided by operating activities, and net income (loss) reconciled to Distributable Cash Flow.

This presentation contains a forward-looking estimate of Adjusted EBITDA and Distributable Cash Flow projected to be generated by the Partnership in its 2024 fiscal year. A forward-looking estimate of net cash provided by operating activities, and reconciliations of the forward-looking estimates of Adjusted EBITDA and Distributable Cash Flow to net cash provided by operating activities are not provided because the items necessary to estimate net cash provided by operating activities, in particular the change in operating assets and liabilities, are not accessible or estimable at this time. The Partnership does not anticipate the changes in operating assets and liabilities to be material, but changes in accounts receivable, accounts payable, accrued liabilities, and deferred revenue could be significant, such that the amount of net cash provided by operating activities would vary substantially from the amount of projected Adjusted EBITDA and Distributable Cash Flow.

Adjusted gross margin, Adjusted EBITDA, and Distributable Cash Flow should not be considered an alternative to, or more meaningful than, gross margin, net income (loss), operating income, cash flows from operating activities, or any other measure presented in accordance with GAAP. Moreover, Adjusted gross margin, Adjusted EBITDA, and Distributable Cash Flow as presented may not be comparable to similarly titled measures of other companies.

The Partnership believes that external users of its financial statements benefit from having access to the same financial measures that management uses to evaluate the results of the Partnership's business.

Distributable Cash Flow Coverage Ratio, a non-GAAP measure, is defined as Distributable Cash Flow divided by distributions declared to common unitholders in respect of such period. We believe Distributable Cash Flow Coverage Ratio is an important measure of operating performance because it permits management, investors, and others to assess our ability to pay distributions to common unitholders out of the cash flows that we generate. Our Distributable Cash Flow Coverage Ratio as presented may not be comparable to similarly titled measures of other companies.