

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 17, 2023



Newpark Resources, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)
9320 Lakeside Boulevard, Suite 100
The Woodlands, Texas
(Address of principal executive offices)

001-02960
(Commission File Number)

72-1123385
(I.R.S. Employer Identification No.)

77381
(Zip Code)

Registrant's telephone number, including area code: **(281) 362-6800**

Not Applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	NR	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01 Regulation FD Disclosure.

Newpark Resources, Inc. (the “Company”) has prepared presentation materials (the “Presentation Materials”) that management intends to use from time to time, on February 17, 2023, and thereafter, in presentations about the Company’s operations and performance. The Company may use the Presentation Materials, possibly with modifications, in presentations to current and potential investors, lenders, creditors, insurers, vendors, customers, employees, and others with an interest in the Company and its business.

The information contained in the Presentation Materials is summary information that should be considered in the context of the Company’s filings with the Securities and Exchange Commission and other public announcements that the Company may make by press release or otherwise from time to time. The Presentation Materials speak as of the date of this Current Report on Form 8-K. While the Company may elect to update the Presentation Materials in the future or reflect events and circumstances occurring or existing after the date of this Current Report on Form 8-K, the Company specifically disclaims any obligation to do so. The Presentation Materials are furnished as Exhibit 99.1 to this Current Report on Form 8-K and are incorporated herein by reference. The Presentation Materials will also be posted in the Investors section of the Company’s website, <http://www.newpark.com> for up to 90 days.

The information referenced under Item 7.01 (including Exhibit 99.1 referenced in Item 9.01 below) of this Current Report on Form 8-K is being “furnished” under “Item 7.01. Regulation FD Disclosure” and, as such, shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information set forth in this Current Report on Form 8-K (including Exhibit 99.1 referenced in Item 9.01 below) shall not be incorporated by reference into any registration statement, report or other document filed by the Company pursuant to the Securities Act of 1933, as amended (the “Securities Act”), except as shall be expressly set forth by specific reference in such filing.

Use of Non-GAAP Financial Information

To help understand the Company’s financial performance, the Company has supplemented its financial results that it provides in accordance with generally accepted accounting principles (“GAAP”) with non-GAAP financial measures. Such financial measures include earnings before interest, taxes, depreciation and amortization (“EBITDA”), Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Net Debt, and the Ratio of Net Debt to Capital.

We believe these non-GAAP financial measures are frequently used by investors, securities analysts and other parties in the evaluation of our performance and liquidity with that of other companies in our industry. Management uses these measures to evaluate our operating performance, liquidity and capital structure. In addition, our incentive compensation plan measures performance based on our consolidated EBITDA, along with other factors. The methods we use to produce these non-GAAP financial measures may differ from methods used by other companies. These measures should be considered in addition to, not as a substitute for, financial measures prepared in accordance with GAAP. Applicable reconciliations to the nearest GAAP financial measure of each non-GAAP financial measure are included in the attached Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Q4 2022 Presentation Materials
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NEWPARK RESOURCES, INC.
(Registrant)

Date: February 17, 2023

By: /s/ Gregg S. Piontek
Gregg S. Piontek
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)



February 2023 Investor Presentation

Refocusing Portfolio to Maximize
Returns Through the Energy Transition



Notice to Investors

Disclaimers

Forward Looking Statements

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. All statements other than statements of historical facts are forward-looking statements. Words such as "will," "may," "could," "would," "should," "anticipates," "believes," "estimates," "expects," "plans," "intends," and similar expressions are intended to identify these forward-looking statements but are not the exclusive means of identifying them. These statements are not guarantees that our expectations will prove to be correct and involve a number of risks, uncertainties, and assumptions. Many factors, including those discussed more fully elsewhere in this release and in documents filed with the Securities and Exchange Commission by Newpark, particularly its Annual Report on Form 10-K, and its Quarterly Reports on Form 10-Q, as well as others, could cause actual plans or results to differ materially from those expressed in, or implied by, these statements. These risk factors include, but are not limited to, risks related to the worldwide oil and natural gas industry; our ability to generate internal growth; economic and market conditions that may impact our customers' future spending; our customer concentration and reliance on the U.S. exploration and production market; our international operations; the ongoing conflict between Russia and Ukraine; operating hazards present in the oil and natural gas and utilities industries and substantial liability claims, including catastrophic well incidents; our contracts that can be terminated or downsized by our customers without penalty; our product offering and market expansion; our ability to attract, retain, and develop qualified leaders, key employees, and skilled personnel; our expanding services in the utilities sector, which may require unionized labor; the price and availability of raw materials; inflation; capital investments, business acquisitions, and joint ventures; our market competition; technological developments and intellectual property; severe weather, natural disasters, and seasonality; public health crises, epidemics, and pandemics; our cost and continued availability of borrowed funds, including noncompliance with debt covenants; environmental laws and regulations; our legal compliance; the inherent limitations of insurance coverage; income taxes; cybersecurity breaches or business system disruptions; our strategic actions; our divestitures; activist stockholders that may attempt to effect changes at our Company or acquire control over our Company; share repurchases; and our amended and restated bylaws, which could limit our stockholders' ability to obtain what such stockholders believe to be a favorable judicial forum for disputes with us or our directors, officers or other employees. We assume no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws. Newpark's filings with the Securities and Exchange Commission can be obtained at no charge at www.sec.gov, as well as through our website at www.newpark.com.

Non-GAAP Financial Measures

This presentation includes references to financial measurements that are supplemental to the Company's financial performance as calculated in accordance with generally accepted accounting principles ("GAAP"). These non-GAAP financial measures include earnings before interest, taxes, depreciation and amortization ("EBITDA"), Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow, Net Debt, and the Ratio of Net Debt to Capital. We believe these non-GAAP financial measures are frequently used by investors, securities analysts and other parties in the evaluation of our performance and liquidity with that of other companies in our industry. Management uses these measures to evaluate our operating performance, liquidity and capital structure. In addition, our incentive compensation plan measures performance based on our consolidated EBITDA, along with other factors. The methods we use to produce these non-GAAP financial measures may differ from methods used by other companies. These measures should be considered in addition to, not as a substitute for, financial measures prepared in accordance with GAAP.

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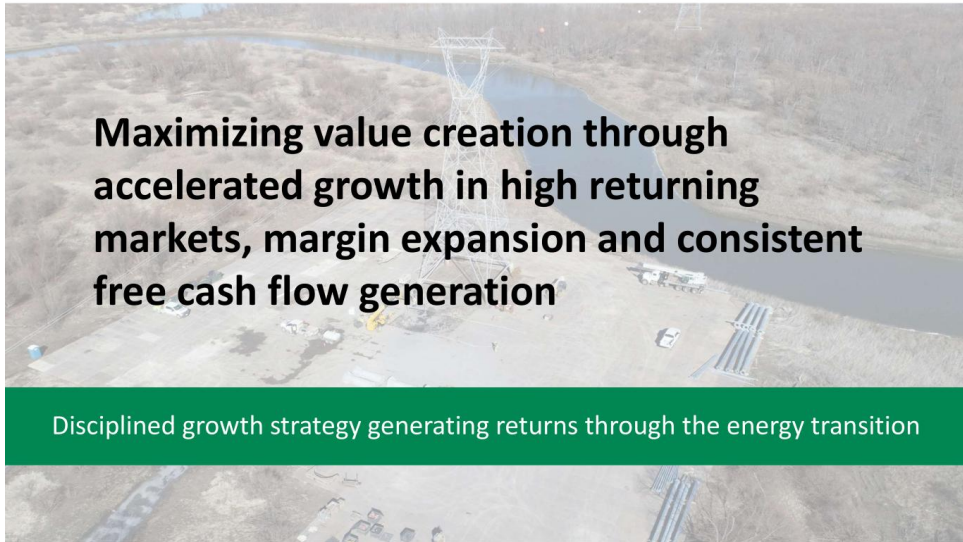


Agenda

- 1 Introduction
- 2 End-Market Overview
- 3 Summary of Key Financial Data



1 Introduction



Maximizing value creation through accelerated growth in high returning markets, margin expansion and consistent free cash flow generation

Disciplined growth strategy generating returns through the energy transition

Company Overview

Specialty Rental and Services Company Supporting Both Traditional and Energy Transition Markets

Newpark Resources, Inc. is a **global company** supporting energy and infrastructure markets. We built a reputation for innovating and adapting to the changing needs of our customers, **delivering sustainable technologies** that enable society to prosper.

NEWPARK RESOURCES GLOBAL FOOTPRINT



- NYSE: NR Stock Symbol
- Headquartered in The Woodlands, TX
- Operating in more than 20 countries worldwide; ~70% of 2022 revenues in North America
- Earnings primarily driven by utilities and industrial end-markets, while exposure to O&G reduced through recent divestitures
- Strong financial profile with modest debt burden and no significant near-term maturities

Diverse End-Market Coverage

O&G Exploration & Production



Midstream



Petrochemical



Infrastructure Construction



Transmission & Distribution



Renewable Generation



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Leader in Energy and Power Infrastructure Solutions

Providing Innovative Product and Service Solutions for Power T&D Infrastructure and O&G Markets

70% OF SEGMENT ADJ. EBITDA (2022)*	INDUSTRIAL SOLUTIONS Power Infrastructure, O&G Construction and Renewables	85% OF SEGMENT CAPEX (2022)
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Preeminent provider of specialty rental and services, redefining safety & efficiency standards of the temporary worksite access market

Unique business model includes **integrated manufacturing** of 100% recyclable DURA-BASE composite matting, which offers economic and ESG benefits vs. traditional access products

Longstanding, blue-chip customer relationships across T&D utility owners and infrastructure contractors



Consistent FCF generation, strong EBITDA margin, and solid ROI

30% OF SEGMENT ADJ. EBITDA (2022)*	FLUID SYSTEMS Oil, Natural Gas, and Geothermal	15% OF SEGMENT CAPEX (2022)
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#1 rated** drilling and reservoir fluids solutions provider in overall performance globally

Leading portfolio of sustainable water-based technologies delivering outstanding performance and reducing carbon footprint***

Globally positioned in long-term markets with established customers supported by current O&G global demand tailwinds



Improved margin and FCF generation profile through recent divestitures and focused asset-light operating model

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* Adjusted EBITDA is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in "Non-GAAP Financial Measures" slides within this presentation.
 ** 2022 Drilling Fluids Supplier Performance Report, Kimberlitz International Oilfield Research
 *** Relative to hydrocarbon-based fluids

2022 Key Highlights Aligned with Strategy

Business Improvement and Portfolio Rebalancing for Long-term Shareholder Value Creation



~80%

of CAPEX driving expansion of rental fleet and utilities market penetration

70%

growth in Adjusted EBITDA from 2021 to 2022

Divestitures provided

\$100m+

of liquidity and reduced asset base

5%

of outstanding shares purchased in Q4 of 2022

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* Adjusted EBITDA is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in "Non-GAAP Financial Measures" tables within this presentation.
 ** Reflects Q4 2022 ending Net Capital Employed, less \$31m of net working capital associated with business units divested in Q4 2022 and expected to be monetized in 2023.

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Differentiated Model Exploiting Competitive Advantages

Over 50 Years of Technology & Service Innovation Positioning Us for Tomorrow's Opportunities

- Self-funding organic expansion in **high-growth, higher-returning** infrastructure markets
- Capital light Fluid Systems now positioned to **generate cash** through cycles
- **Technology, scale, and service** drive customer loyalty and productivity
- Global presence in **diversified end markets** with blue-chip customers
- **Modest leverage** provides stability and potential inorganic growth funding
- Capable of balancing growth, returns, and FCF to **maximize long-term value creation** for our shareholders



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Transformation Not Reflected in Valuation

Significant Structural Improvements Since 2019 to Accelerate Growth, Improve Margin and Capital Returns

	2019	Q4 2022	Change
✓ Expanding EBITDA as we reposition the Company	\$82M Adjusted EBITDA*	\$86M Adjusted EBITDA* (Annualized)	+5%
✓ Increase EBITDA generation from more stable utilities and industrial end-markets	34% Segment EBITDA generated from utilities and industrials	58% Segment EBITDA generated from utilities and industrials	+70%
✓ Reduce capital employed to drive agility in cyclical industry segments	\$708M Net Capital Employed (EOY)	\$537M Net Capital Employed (EOY)	-24%
✓ Deploying investment capital to higher-returning segments	56% % of Capital Expenditures directed to Industrial Solutions	83% % of Capital Expenditures directed to Industrial Solutions	+48%
✓ Offset shareholder dilution through share repurchases	90M Shares outstanding (EOY)	90M Shares outstanding (EOY)	---
✓ Reduce total debt and equity-linked debt	\$172M (\$100M) Total Principal Outstanding (Equity-Linked)	\$114M (\$0M) Total Principal Outstanding (Equity-Linked)	-34% (-100%)
■ Average share price	\$7.46	\$3.66	-51%

* Adjusted EBITDA is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in "Non-GAAP Financial Measures" slides within this presentation.



2 End Market Overview

Positioned Well Within Substantial Energy Megatrends

Multi Trillion-Dollar Markets Provide Long-term Opportunities for Each Newpark Division to Scale

~\$14T Investment in global electrical grid to enable "electrification of everything"

Renewable Generation tie-ins and grid hardening driving long-term infrastructure development

~\$12T - \$26T Investment in Oil & Gas projected to meet demand in Sustainable Development Scenario over next 30 years

Geopolitical instability heightens global focus on energy security during the transition to alternative energy sources

NEW AND TRADITIONAL ENERGY OUTLOOK BY 2050

\$27B+

Annual U.S. utility investment with ~10% of spend on temporary access specialty rental & services

110%+

Renewables demand growth requiring new infrastructure construction and related services

20%+

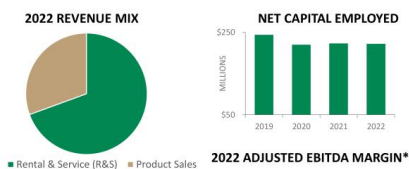
Increase in global Oil/Liquids/Natural Gas demand calling for efficient, innovative, and sustainable drilling and reservoir solutions

Industrial Solutions



Specialty Rental and Service Platform with Broad Use in Infrastructure Markets

- Expansion of specialty rental fleet to meet long-term infrastructure build-out
- 10% CAGR in Revenues from Utilities & Industrial Markets from 2018 - 2022
- Rental fleet assets typically have 10+ year useful life, with high residual value and limited maintenance cost
- Strategic investments in technology, scale, and service to drive specialty rental differentiation and margins
- Leverage R&D to launch higher-margin products focused on driving operating efficiency and sustainability



2022 ADJUSTED EBITDA MARGIN*
34%

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* Adjusted EBITDA Margin is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in "Non-GAAP Financial Measures" slides within this presentation.



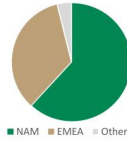
Fluids Systems



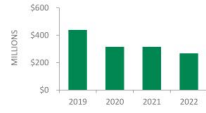
Agile, Capital-Light Technology & Service Platform Capable of Cash Generation Through Cycles

- Global footprint aligned to long-term, strategic markets
- Reshaped balance sheet to drive “Capital-Light” model, and reduce return cyclicality
- Strong focus on margin expansion through technology, service differentiation, and working capital discipline
- FCF generation to support higher-returning growth and return to shareholders

2022 REVENUE MIX



NET CAPITAL EMPLOYED



2022 ADJUSTED EBITDA MARGIN*

5%



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* Adjusted EBITDA Margin is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in “Non-GAAP Financial Measures” slides within this presentation.

Long-term Capital Allocation Strategy

Disciplined Approach Balances Growth Investments with Return of Capital



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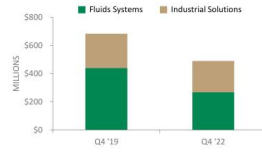
* Net leverage ratio calculated as net debt divided by Q4 2022 annualized Adjusted EBITDA. Net debt calculated as the December 2022 balance sheet value of debt less cash and cash equivalents.

** Reflects ABL Facility availability plus cash and cash equivalents.

Driving Efficiency in our Transition

~30%

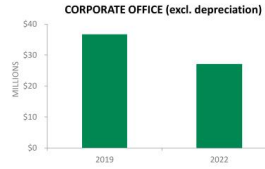
Reduction in Net Capital Employed from 2019 Levels



- Q4 2022 includes \$31m of working capital from U.S. minerals and Gulf of Mexico divestitures; expected to be monetized in 2023

27%

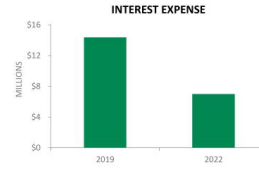
Reduction in Corporate Office Expense from 2019 Levels



- Streamlining cost structure as business evolves

6%

Average Borrowing Rate on Outstanding Debt



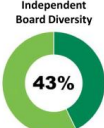
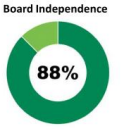
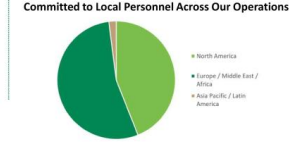
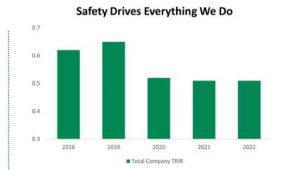
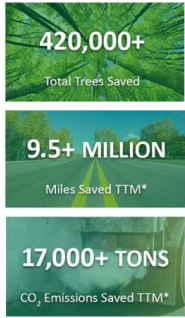
- Leveraging asset-based lending to drive reductions in borrowing cost
- Primary bank facility matures in May 2027

Built on a Solid Foundation of Values

Embedded in Our Operating DNA



Environmental Social Governance









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* Reflects internal estimates of impact of DURA-BASE® Composite Matting System. Reflects cumulative effect unless otherwise stated.

Why Invest in Newpark Resources?

Leading Provider of Sustainable Technologies and Services

-  Operate across the spectrum of the energy transition
-  Global presence in large-scale energy markets
-  Proven technologies with economic and ESG benefits
-  Demonstrated ability to adapt and grow
-  Balancing investment in higher growth markets with return of capital
-  Capital structure to support growth plans

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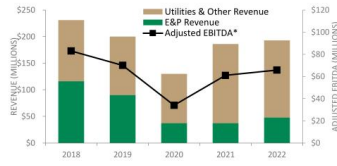
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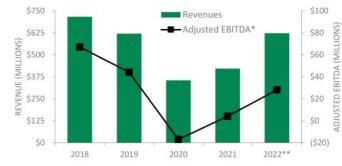
3 Summary of Key Financial Data

Business Segment Overview

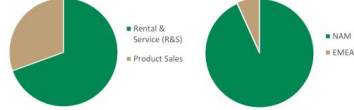
Industrial Solutions



Fluids Systems

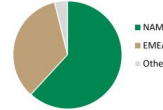


2022 REVENUES



- Consistent cash flow and solid ROI
- Strong Energy Transition market tailwinds
- Meaningful growth opportunities

2022 REVENUES



- Strong O&G market tailwinds in NAM Land and EMEA
- Transformative actions reshaping portfolio to improve returns

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* Adjusted EBITDA is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in "Non-GAAP Financial Measures" slides within this presentation.
 ** Includes operations of Gulf of Mexico and U.S. Mineral Grinding operations, both of which were exited in Q4 2022. Divested units contributed \$83 million of revenues, \$5 million of depreciation expense, and a \$40 million operating loss in 2022, including \$29 million impairment charge.

Consolidated Statements of Operations (unaudited)

(In thousands, except per share data)	Three Months Ended			Twelve Months Ended	
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Revenues	\$ 225,159	\$ 219,853	\$ 179,563	\$ 815,594	\$ 614,781
Cost of revenues	186,980	187,884	153,182	694,058	529,552
Selling, general and administrative expenses	24,648	24,207	26,690	97,618	94,445
Other operating (income) loss, net	(3,995)	(345)	(250)	(4,370)	(391)
Impairments and other charges	-	29,417	-	37,322	-
Operating income (loss)	17,526	(21,310)	(59)	(9,034)	(8,825)
Foreign currency exchange (gain) loss	2,332	(1,424)	(314)	389	(397)
Interest expense, net	2,321	1,875	2,057	7,040	8,805
Loss on extinguishment of debt	-	-	-	-	1,000
Income (loss) before income taxes	12,873	(21,761)	(1,802)	(16,463)	(18,233)
Provision for income taxes	3,881	2,834	1,879	4,371	7,293
Net income (loss)	<u>\$ 8,992</u>	<u>\$ (24,595)</u>	<u>\$ (3,681)</u>	<u>\$ (20,834)</u>	<u>\$ (25,526)</u>
Calculation of EPS:					
Net income (loss) - basic and diluted	\$ 8,992	\$ (24,595)	\$ (3,681)	\$ (20,834)	\$ (25,526)
Weighted average common shares outstanding - basic	92,324	93,737	92,043	92,712	91,460
Dilutive effect of stock options and restricted stock awards	1,156	-	-	-	-
Weighted average common shares outstanding - diluted	<u>93,480</u>	<u>93,737</u>	<u>92,043</u>	<u>92,712</u>	<u>91,460</u>
Net income (loss) per common share - basic:	\$ 0.10	\$ (0.26)	\$ (0.04)	\$ (0.22)	\$ (0.28)
Net income (loss) per common share - diluted:	\$ 0.10	\$ (0.26)	\$ (0.04)	\$ (0.22)	\$ (0.28)

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Operating Segment Results (unaudited)

(In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Revenues					
Fluids Systems	\$ 167,705	\$ 168,621	\$ 127,892	\$ 622,601	\$ 420,789
Industrial Solutions	57,454	51,232	51,138	192,993	185,171
Industrial Blending	—	—	533	—	8,821
Total revenues	\$ 225,159	\$ 219,853	\$ 179,563	\$ 815,594	\$ 614,781
Operating income (loss)					
Fluids Systems ⁽¹⁾	\$ 4,828	\$ (24,193)	\$ 932	\$ (15,566)	\$ (19,012)
Industrial Solutions	17,751	10,036	9,472	43,899	42,117
Industrial Blending ⁽²⁾	2,322	(526)	(1,115)	(8,002)	(2,384)
Corporate office	(7,375)	(6,627)	(9,348)	(29,365)	(29,546)
Total operating income (loss)	\$ 17,526	\$ (21,310)	\$ (59)	\$ (9,034)	\$ (8,825)
Segment operating margin					
Fluids Systems	2.9%	-14.3%	0.7%	-2.5%	-4.5%
Industrial Solutions	30.9%	19.6%	18.5%	22.7%	22.7%
Industrial Blending	NM	NM	NM	NM	-27.0%

(1) Fluids Systems operating loss for the three months ended September 30, 2022 and twelve months ended December 31, 2022 includes \$29.4 million of non-cash impairment charges related to the long-lived assets and inventory associated with the exit of our Gulf of Mexico operations. Fluids Systems operating loss for the twelve months ended December 31, 2021 included \$5.5 million of charges primarily related to self-insured costs associated with Hurricane Ida damage to our Fourchon, Louisiana Fluids Systems operating base, facility exit, and severance costs.

(2) Industrial Blending operating income for the three months ended December 31, 2022 includes a \$2.6 million gain related to the sale of the blending facility and related assets, partially offset by exit and other costs. Industrial Blending operating loss for the twelve months ended December 31, 2022 includes a \$7.9 million non-cash charge for the impairment of the long-lived assets as well as exit and other costs, partially offset by the \$2.6 million gain upon the eventual sale of these assets.

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Impact of 2022 Divestitures (unaudited)

Summarized operating results (including impairments and other charges) of our Excalibar business and Gulf of Mexico operations, both included in the Fluids Systems segment historical results, are shown in the following tables:

(In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Revenues					
Excalibar	\$ 11,922	\$ 17,623	\$ 10,816	\$ 55,990	\$ 36,396
Gulf of Mexico	8,011	8,591	4,049	26,708	25,366
Total revenues	<u>\$ 19,933</u>	<u>\$ 26,214</u>	<u>\$ 14,865</u>	<u>\$ 82,698</u>	<u>\$ 61,762</u>
Operating income (loss)					
Excalibar	\$ 1,127	\$ 888	\$ 385	\$ 3,665	\$ (277)
Gulf of Mexico	(4,023)	(32,931)	(2,257)	(43,215)	(6,753)
Total operating income (loss)	<u>\$ (2,896)</u>	<u>\$ (32,043)</u>	<u>\$ (1,872)</u>	<u>\$ (39,550)</u>	<u>\$ (7,030)</u>

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Consolidated Balance Sheets (unaudited)

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(In thousands, except share data)	December 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 23,182	\$ 24,088
Receivables, net	242,247	194,296
Inventories	149,571	155,341
Prepaid expenses and other current assets	10,966	14,787
Total current assets	425,966	388,512
Property, plant and equipment, net	193,099	260,256
Operating lease assets	23,769	27,569
Goodwill	47,110	47,283
Other intangible assets, net	20,215	24,959
Deferred tax assets	2,275	2,316
Other assets	2,441	1,991
Total assets	\$ 714,875	\$ 752,886
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current debt	\$ 22,438	\$ 19,210
Accounts payable	93,633	84,585
Accrued liabilities	46,871	46,597
Total current liabilities	162,942	150,392
Long-term debt, less current portion	91,677	95,593
Noncurrent operating lease liabilities	19,816	22,352
Deferred tax liabilities	8,121	11,819
Other noncurrent liabilities	9,291	10,344
Total liabilities	291,847	290,500
Common stock, \$0.01 par value (200,000,000 shares authorized and 111,451,999 and 109,330,733 shares issued, respectively)	1,115	1,093
Paid-in capital	641,266	634,929
Accumulated other comprehensive loss	(67,186)	(61,480)
Retained earnings	2,489	24,345
Treasury stock, at cost (21,751,232 and 16,981,147 shares, respectively)	(154,656)	(136,501)
Total stockholders' equity	423,028	462,386
Total liabilities and stockholders' equity	\$ 714,875	\$ 752,886

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Consolidated Statements of Cash Flows (unaudited)

(In thousands)	Twelve Months Ended December 31,		(In thousands)	Twelve Months Ended December 31,	
	2022	2021		2022	2021
Cash flows from operating activities:			Cash flows from investing activities:		
Net loss	\$ (20,834)	\$ (25,526)	Capital expenditures	(28,273)	(21,793)
Adjustments to reconcile net loss to net cash used in operations:			Proceeds from divestitures	71,286	-
Impairments and other non-cash charges	37,322	-	Business acquisitions, net of cash acquired	-	(13,434)
Depreciation and amortization	38,610	42,225	Proceeds from sale of property, plant and equipment	3,217	15,999
Stock-based compensation expense	6,861	7,926	Proceeds from insurance property claim	-	1,753
Provision for deferred income taxes	(3,384)	(1,209)	Net cash provided by (used in) investing activities	46,230	(17,475)
Credit loss expense	1,039	664			
Gain on divestitures	(3,596)	-	Cash flows from financing activities:		
Gain on sale of assets	(2,809)	(7,321)	Borrowings on lines of credit	287,276	286,154
Gain on insurance recovery	-	(849)	Payments on lines of credit	(290,886)	(208,575)
Loss on extinguishment of debt	-	1,000	Purchases of Convertible Notes	-	(28,137)
Amortization of original issue discount and debt issuance costs	871	3,707	Payment on Convertible Notes	-	(38,567)
Change in assets and liabilities:			Proceeds from term loan	3,754	8,258
Increase in receivables	(42,452)	(61,283)	Proceeds from financing obligation	-	8,004
Increase in inventories	(46,909)	(10,336)	Debt issuance costs	(1,499)	(295)
Increase in other assets	(655)	(726)	Purchases of treasury stock	(20,248)	(1,448)
Increase in accounts payable	10,781	36,341	Other financing activities	(3,327)	(3,986)
Increase in accrued liabilities and other	334	12,235	Net cash provided by (used in) financing activities	(24,930)	21,408
Net cash used in operating activities	(25,021)	(3,013)	Effect of exchange rate changes on cash	(707)	(1,779)
			Net decrease in cash, cash equivalents, and restricted cash	(4,428)	(859)
			Cash, cash equivalents, and restricted cash at beginning of period	29,489	30,348
			Cash, cash equivalents, and restricted cash at end of period	\$ 25,061	\$ 29,489

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Non-GAAP Financial Measures (unaudited)

The following tables reconcile the Company's net income (loss) calculated in accordance with GAAP to the non-GAAP financial measures of EBITDA and Adjusted EBITDA:

Consolidated (In thousands)	Three Months Ended				
	December 31, 2021	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022
Net income (loss) (GAAP)	\$ (3,681)	\$ 2,521	\$ (7,752)	\$ (24,595)	\$ 8,992
Interest expense, net	2,057	1,206	1,638	1,875	2,321
Provision (benefit) for income taxes	1,879	(2,824)	480	2,834	3,881
Depreciation and amortization	10,216	10,452	10,111	9,696	8,351
EBITDA (non-GAAP)	10,471	11,355	4,477	(10,190)	23,545
Impairments and other charges	-	-	7,905	29,417	-
Gain on divestitures	-	-	-	-	(3,596)
Facility exit costs and other	708	-	761	388	1,303
Severance costs	201	367	153	-	216
Adjusted EBITDA (non-GAAP)	<u>\$ 11,380</u>	<u>\$ 11,722</u>	<u>\$ 13,296</u>	<u>\$ 19,615</u>	<u>\$ 21,468</u>

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Non-GAAP Financial Measures (unaudited)

The following tables reconcile the Company's net income (loss) calculated in accordance with GAAP to the non-GAAP financial measures of EBITDA and Adjusted EBITDA:

Consolidated (In thousands)	Twelve Months Ended				
	2018	2019	2020	2021	2022
Net income (loss) (GAAP)	\$ 32,281	\$ (12,946)	\$ (80,696)	\$ (25,526)	\$ (20,834)
Interest expense, net	14,864	14,369	10,986	8,805	7,040
Provision (benefit) for income taxes	14,997	9,788	(11,883)	7,293	4,371
Depreciation and amortization	45,899	47,144	45,314	42,225	38,610
EBITDA (non-GAAP)	108,041	58,355	(36,279)	32,797	29,187
Impairments and other charges	-	11,422	14,727	-	37,322
Gain on divestitures	-	-	-	-	(3,596)
Fourchon, Louisiana hurricane-related costs	-	-	-	2,596	-
Facility exit costs and other	-	2,631	(201)	2,399	2,452
Severance costs	4,621	3,814	4,773	1,898	736
Inventory write-downs	-	1,881	10,345	-	-
Gain on legal settlement	-	-	-	(1,000)	-
(Gain) loss on extinguishment of debt	-	-	(419)	1,000	-
Other	3,741	3,955	-	(849)	-
Adjusted EBITDA (non-GAAP)	<u>\$ 116,403</u>	<u>\$ 82,058</u>	<u>\$ (7,054)</u>	<u>\$ 38,841</u>	<u>\$ 66,101</u>

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Non-GAAP Financial Measures (unaudited)

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The following tables reconcile the Company's segment operating income (loss) calculated in accordance with GAAP to the non-GAAP financial measures of EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin:

Fluids Systems (In thousands)	Twelve Months Ended				
	2018	2019	2020	2021	2022
Revenues	\$ 715,813	\$ 620,317	\$ 354,608	\$ 420,789	\$ 622,601
Operating income (loss) (GAAP)	\$ 40,337	\$ 3,814	\$ (66,403)	\$ (19,012)	\$ (15,566)
Depreciation and amortization	20,922	21,202	20,555	17,877	13,875
EBITDA (non-GAAP)	61,259	25,016	(45,848)	(1,135)	(1,691)
Impairments and other charges	-	11,422	14,727	-	29,417
Gain on divestiture	-	-	-	-	(971)
Fourchon, Louisiana hurricane-related costs	-	-	-	2,596	-
Facility exit costs and other	-	2,631	(201)	2,399	1,000
Inventory write-downs	-	1,881	10,345	-	-
Severance costs	3,933	2,264	3,729	1,329	398
Other	1,908	605	-	(849)	-
Adjusted EBITDA (non-GAAP)	\$ 67,100	\$ 43,819	\$ (17,248)	\$ 4,340	\$ 28,153
Operating Margin (GAAP)	5.6%	0.6%	-18.7%	-4.5%	-2.5%
Adjusted EBITDA Margin (non-GAAP)	9.4%	7.1%	-4.9%	1.0%	4.5%

Industrial Solutions (In thousands)	Twelve Months Ended				
	2018	2019	2020	2021	2022
Revenues	\$ 230,735	\$ 199,802	\$ 130,469	\$ 185,171	\$ 192,993
Operating income (GAAP)	\$ 60,604	\$ 47,466	\$ 13,030	\$ 42,117	\$ 43,899
Depreciation and amortization	21,321	21,763	20,127	19,304	21,653
EBITDA (non-GAAP)	81,925	69,229	33,157	61,421	65,552
Severance costs	634	434	437	302	214
Gain on legal settlement	-	-	-	(1,000)	-
Adjusted EBITDA (non-GAAP)	\$ 82,559	\$ 69,663	\$ 33,594	\$ 60,723	\$ 65,766
Operating Margin (GAAP)	26.3%	23.8%	10.0%	22.7%	22.7%
Adjusted EBITDA Margin (non-GAAP)	35.8%	34.9%	25.7%	32.8%	34.1%

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Non-GAAP Financial Measures (unaudited)

The following table reconciles the Company's net cash provided by (used in) operating activities calculated in accordance with GAAP to the non-GAAP financial measure of free cash flow:

Consolidated (In thousands)	Twelve Months Ended				
	2018	2019	2020	2021	2022
Net cash provided by (used in) operating activities (GAAP)	\$ 63,403	\$ 72,286	\$ 55,791	\$ (3,013)	\$ (25,021)
Capital expenditures	(45,141)	(44,806)	(15,794)	(21,793)	(28,273)
Proceeds from sale of property, plant and equipment	2,612	13,734	12,399	15,999	3,217
Free Cash Flow (non-GAAP)	<u>\$ 20,874</u>	<u>\$ 41,214</u>	<u>\$ 52,396</u>	<u>\$ (8,807)</u>	<u>\$ (50,077)</u>

