

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): August 3, 2022



Newpark Resources, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

001-02960
(Commission File Number)

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

9320 Lakeside Boulevard, Suite 100
The Woodlands, Texas
(Address of principal executive offices)

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 August 3, 2022, 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 | Q2 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: August 3, 2022

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



Investor Presentation

August 2022



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 most recent 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 ongoing conflict between Russia and Ukraine; the COVID-19 pandemic; the worldwide oil and natural gas industry; our customer concentration and reliance on the U.S. exploration and production market; our international operations; operating hazards present in the oil and natural gas industry and substantial liability claims, including catastrophic well incidents; our contracts that can be terminated or downsized by our customers without penalty; our product offering expansion; our ability to attract, retain and develop qualified leaders, key employees and skilled personnel; the price and availability of raw materials; business acquisitions and capital investments; our market competition; technological developments and intellectual property in our industry; severe weather, natural disasters, and seasonality; 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 restructuring activities; activist stockholders that may attempt to effect changes at our Company or acquire control over our Company; our ability to maintain compliance with the New York Stock Exchange's continued listing requirements; 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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Why Invest in Newpark Resources?

Leading Provider of Sustainable Technologies and Services Across the Energy Industry



Global presence
in large-scale
energy markets

**Demonstrated ability
to adapt and grow** via
successful expansion
beyond O&G



Divisions that **operate**
at both ends of the
energy transition



Proven technologies that
offer tangible economic
and ESG benefits

**Focusing investment on
higher growth industrial**
opportunities to
generate consistent
cash flow generation



Reshaping the balance
sheet and capital
structure to **support**
growth plans

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Who are Newpark Resources Today?



Industrial Solutions

Preeminent manufacturer and rental fleet provider of composite temporary worksite access solutions with a diversified customer base servicing utilities, renewable energy, oil & gas, construction, pipeline, and general access.



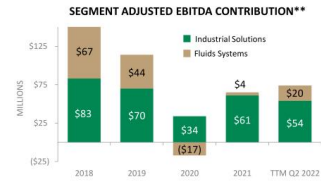
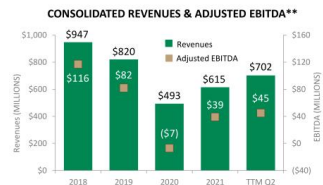
Fluids Systems

Leading provider of drilling, reservoir, stimulation fluids, and associated services, supported by a suite of innovative digital modeling software; rated #1* in overall performance globally.

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* Source: 2022 Drilling Fluids Supplier Performance Report, Kimberlita International Oilfield Research

** Adjusted EBITDA is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in the Appendix to this presentation



Strong Foundations for Value Creation & Growth

| PROVEN CREDIBILITY | TECHNOLOGY FOCUSED | SERVICE CULTURE | GLOBAL PRESENCE |
|---|---|--|---|
|  |  |  |  |
| Recognized industry leader, leveraging decades of experience | Sustainable and economically advantaged technology offerings | Newpark Service Advantage recognized by global customer base* | Established presence in all continents, with primary focus on NAM (~70% of global revenues) and EMEA (~25%) |

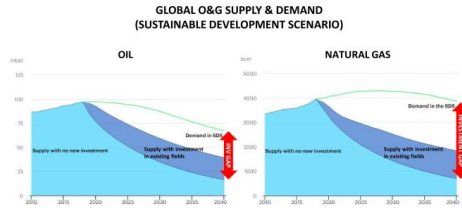
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* Ranked #1 in customer satisfaction globally, 2022 Drilling Fluids Supplier Performance Report, Kimberlite International Oilfield Research; Ranked #1 in Drilling-Related Services, 2022 EnergyPoint Research survey.

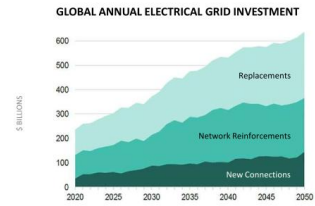


Serving Large-Scale, Long-Term End Markets

Multi Billion-Dollar Markets Provide Opportunity for Each Newpark Division to Reach Scale



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



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

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Source: (Left Charts & Data) International Energy Agency Fuel Report, Jan 2020 & Industry Investment Estimates (Right Charts & Data) Bloomberg NEF & S&P Global Market Intelligence, Feb 2021

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Clear Strategic Focus

- 1 Prioritize investment into high returning industrial growth markets aligned to energy transition and sustainability tailwinds
- 2 Leverage strong foundations to expand sustainable technology and service solutions
- 3 Laser focus on operating cost and balance sheet discipline to fund growth responsibly, balancing growth investments with return of capital to shareholders

Ability to Transition Business in Evolving Markets

From Origins as US Land Oil & Gas Services Provider

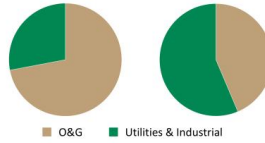


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Through Evolution by Focusing on Sustainable Technology



2018 vs 2022 YTD RELATIVE EBITDA CONTRIBUTION



To Global Sustainable Technology and Services Provider across the Energy Industry



UTILITIES



GEOTHERMAL



CR PLASTICS

Proven Commitment to ESG

Board of Directors ESG Committee Provides Oversight

Environmental Social Governance

Environmental

Industrial Solutions
400,000+ Trees Saved*
11+ MILLION Miles Saved TTM*
19,900+ Tons CO₂ Emissions Saved TTM*

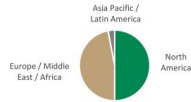
Fluids Systems

- Water-based fluids lowers environmental impact, risk to people, and overall carbon footprint
- Brine-tolerant chemicals reduces need for fresh water in stimulation

Social



Committed to the development of local personnel across our operations



- Globally adopted *Standards of Business Practices* clearly define expectations of all employees and contractors
- Formalized annual major shareholder outreach campaigns
- Regular shareholder listening sessions

38%
Board Diversity

94%
Shareholder approval rate of executive compensation

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

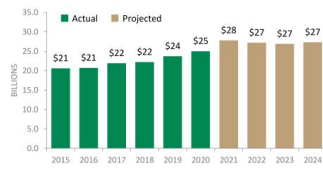


Prioritizing Investment in High Returning Industrial Growth

10%

Of typical Transmission investment spent on worksite access provides significant scale opportunity

US ELECTRICAL TRANSMISSION INVESTMENT*



11%

CAGR in Revenues from Utilities & Industrial Markets from 2018 - 2021

REVENUES FROM UTILITY AND OTHER INDUSTRIAL MARKETS



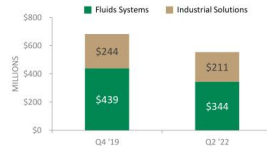
80%

2021-2022 Capital Investments directed to expansion within Utilities & Industrial Markets

Responsibly Funding Our Transition

23%

Reduction in Net Capital Employed from 2019 levels

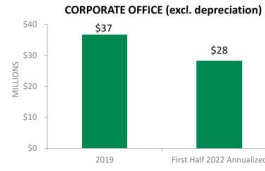


- U.S. mineral grinding business divestiture expected to drive additional \$50m+ reduction in Fluids Systems; will continue to target under-performing units for further improvements

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24%

Reduction in Corporate Office expense from 2019 levels



- Streamlining cost structure as business evolves

3%

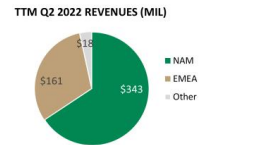
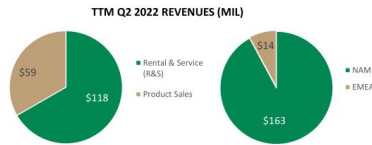
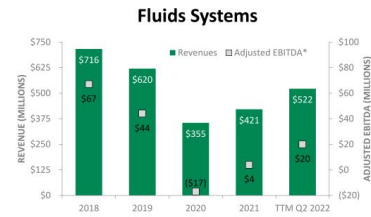
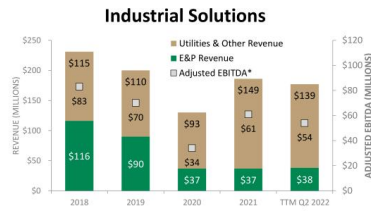
Average borrowing rate on outstanding debt



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

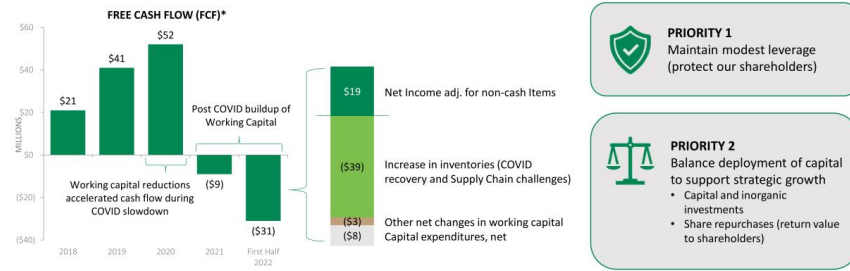
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Business Segment Revenue Contribution



FCF Generation and Capital Allocation Philosophy

Stabilizing Business Post-COVID & Supply Chain Disruption; Clear Priorities Established



PRIORITY 1
 Maintain modest leverage
 (protect our shareholders)

PRIORITY 2
 Balance deployment of capital
 to support strategic growth

- Capital and inorganic investments
- Share repurchases (return value to shareholders)

Why Invest in Newpark Resources?

Leading Provider of Sustainable Technologies and Services Across the Energy Industry



Global presence in large scale energy markets



Demonstrated ability to adapt and grow



Operate at both ends of the energy transition



Proven technologies with economic and ESG benefits



Focusing investment on higher growth industrial opportunities



Capital structure to support growth plans

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APPENDIX

Consolidated Statements of Operations (unaudited)

| (In thousands, except per share data) | Three Months Ended | | | Six Months Ended | |
|--|--------------------|-------------------|------------------|------------------|------------------|
| | June 30, 2022 | March 31, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Revenues | \$ 194,144 | \$ 176,438 | \$ 142,249 | \$ 370,582 | \$ 283,421 |
| Cost of revenues | 168,206 | 150,988 | 124,106 | 319,194 | 244,097 |
| Selling, general and administrative expenses | 24,330 | 24,433 | 22,980 | 48,763 | 43,891 |
| Other operating (income) loss, net | (80) | 50 | (1,590) | (30) | (1,864) |
| Impairment | 7,905 | - | - | 7,905 | - |
| Operating income (loss) | (6,217) | 967 | (3,247) | (5,250) | (2,703) |
| Foreign currency exchange (gain) loss | (583) | 64 | 224 | (519) | (108) |
| Interest expense, net | 1,638 | 1,206 | 2,164 | 2,844 | 4,572 |
| Loss on extinguishment of debt | - | - | - | - | 790 |
| Loss before income taxes | (7,272) | (303) | (5,635) | (7,575) | (7,957) |
| Provision (benefit) for income taxes | 480 | (2,824) | 363 | (2,344) | 3,403 |
| Net income (loss) | \$ (7,752) | \$ 2,521 | \$ (5,998) | \$ (5,231) | \$ (11,360) |
| Calculation of EPS: | | | | | |
| Net income (loss) - basic and diluted | \$ (7,752) | \$ 2,521 | \$ (5,998) | \$ (5,231) | \$ (11,360) |
| Weighted average common shares outstanding - basic | 92,657 | 92,118 | 91,145 | 92,389 | 90,924 |
| Dilutive effect of stock options and restricted stock awards | - | 1,821 | - | - | - |
| Weighted average common shares outstanding - diluted | 92,657 | 93,939 | 91,145 | 92,389 | 90,924 |
| Net income (loss) per common share - basic: | \$ (0.08) | \$ 0.03 | \$ (0.07) | \$ (0.06) | \$ (0.12) |
| Net income (loss) per common share - diluted: | \$ (0.08) | \$ 0.03 | \$ (0.07) | \$ (0.06) | \$ (0.12) |

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Operating Segment Results (unaudited)

| (In thousands) | Three Months Ended | | | Six Months Ended | |
|--------------------------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| | June 30, 2022 | March 31, 2022 | June 30, 2021 | June 30, 2022 | June 30, 2021 |
| Revenues | | | | | |
| Fluids Systems | \$ 145,261 | \$ 141,014 | \$ 97,093 | \$ 286,275 | \$ 184,942 |
| Industrial Solutions | 48,883 | 35,424 | 43,287 | 84,307 | 92,057 |
| Industrial Blending | - | - | 1,869 | - | 6,422 |
| Total revenues | \$ 194,144 | \$ 176,438 | \$ 142,249 | \$ 370,582 | \$ 283,421 |
| Operating income (loss) | | | | | |
| Fluids Systems | \$ 425 | \$ 3,374 | \$ (6,531) | \$ 3,799 | \$ (13,298) |
| Industrial Solutions | 9,754 | 6,358 | 11,298 | 16,112 | 24,478 |
| Industrial Blending ⁽¹⁾ | (8,912) | (886) | (1,155) | (9,798) | (1,205) |
| Corporate office | (7,484) | (7,879) | (6,859) | (15,363) | (12,678) |
| Total operating income (loss) | \$ (6,217) | \$ 967 | \$ (3,247) | \$ (5,250) | \$ (2,703) |
| Segment operating margin | | | | | |
| Fluids Systems | 0.3% | 2.4% | -6.7% | 1.3% | -7.2% |
| Industrial Solutions | 20.0% | 17.9% | 26.1% | 19.1% | 26.6% |
| Industrial Blending | NM | NM | -61.8% | NM | -18.8% |

(1) Industrial Blending operating loss for the three and six months ended June 30, 2022 includes a \$7.9 million non-cash charge for the impairment of the long-lived assets as well as certain exit and other costs related to the ongoing process to sell these assets.

Consolidated Balance Sheets (unaudited)

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| (In thousands, except share data) | June 30, 2022 | December 31, 2021 |
|--|---------------|-------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 20,159 | \$ 24,088 |
| Receivables, net | 192,801 | 194,296 |
| Inventories | 190,171 | 155,341 |
| Prepaid expenses and other current assets | 17,800 | 14,787 |
| Total current assets | 420,931 | 388,512 |
| Property, plant and equipment, net | 242,062 | 260,256 |
| Operating lease assets | 25,500 | 27,569 |
| Goodwill | 47,132 | 47,283 |
| Other intangible assets, net | 22,006 | 24,959 |
| Deferred tax assets | 5,403 | 2,316 |
| Other assets | 2,890 | 1,991 |
| Total assets | \$ 765,924 | \$ 752,886 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current debt | \$ 22,484 | \$ 19,210 |
| Accounts payable | 94,587 | 84,585 |
| Accrued liabilities | 39,194 | 46,597 |
| Total current liabilities | 156,265 | 150,392 |
| Long-term debt, less current portion | 121,975 | 95,593 |
| Noncurrent operating lease liabilities | 20,488 | 22,352 |
| Deferred tax liabilities | 7,143 | 11,819 |
| Other noncurrent liabilities | 9,302 | 10,344 |
| Total liabilities | 315,173 | 290,500 |
| Common stock, \$0.01 par value (200,000,000 shares authorized and 111,287,933 and 109,330,733 shares issued, respectively) | 1,113 | 1,093 |
| Paid-in capital | 637,293 | 634,929 |
| Accumulated other comprehensive loss | (68,801) | (61,480) |
| Retained earnings | 18,091 | 24,345 |
| Treasury stock, at cost (17,288,261 and 16,981,147 shares, respectively) | (136,945) | (136,501) |
| Total stockholders' equity | 450,751 | 462,386 |
| Total liabilities and stockholders' equity | \$ 765,924 | \$ 752,886 |

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Consolidated Statements of Cash Flows (unaudited)

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| (In thousands) | Six Months Ended June 30, | |
|---|---------------------------|------------------|
| | 2022 | 2021 |
| Cash flows from operating activities: | | |
| Net income (loss) | \$ (5,231) | \$ (11,360) |
| Adjustments to reconcile net loss to net cash provided by (used in) operations: | | |
| Impairment | 7,905 | - |
| Depreciation and amortization | 20,563 | 21,493 |
| Stock-based compensation expense | 3,198 | 3,273 |
| Provision for deferred income taxes | (6,318) | 402 |
| Credit loss expense | 447 | 230 |
| Gain on sale of assets | (2,001) | (5,358) |
| Loss on extinguishment of debt | - | 790 |
| Amortization of original issue discount and debt issuance costs | 587 | 2,068 |
| Change in assets and liabilities: | | |
| Increase in receivables | (5,350) | (5,594) |
| Increase in inventories | (38,660) | (209) |
| Increase in other assets | (5,196) | (2,236) |
| Increase in accounts payable | 12,208 | 21,344 |
| Increase (decrease) in accrued liabilities and other | (4,563) | 994 |
| Net cash provided by (used in) operating activities | (23,011) | 25,837 |
| Cash flows from investing activities: | | |
| Capital expenditures | (9,515) | (10,477) |
| Proceeds from sale of property, plant and equipment | 1,943 | 9,208 |
| Net cash used in investing activities | (7,572) | (1,269) |
| Cash flows from financing activities: | | |
| Borrowings on lines of credit | 156,420 | 97,746 |
| Payments on lines of credit | (129,914) | (100,469) |
| Purchases of Convertible Notes | - | (18,107) |
| Proceeds from term loan | 3,754 | 8,258 |
| Debt issuance costs | (997) | (196) |
| Purchases of treasury stock | (2,537) | (1,350) |
| Other financing activities | 296 | 808 |
| Net cash provided by (used in) financing activities | 27,022 | (13,310) |
| Effect of exchange rate changes on cash | (1,412) | (591) |
| Net increase (decrease) in cash, cash equivalents, and restricted cash | (4,973) | 10,667 |
| Cash, cash equivalents, and restricted cash at beginning of period | 29,489 | 30,348 |
| Cash, cash equivalents, and restricted cash at end of period | \$ 24,516 | \$ 41,015 |

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Non-GAAP Financial Measures (unaudited)

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

| Consolidated (In thousands) | Twelve Months Ended | | | Six Months Ended | | TTM Q2 | |
|---|---------------------|-------------|-------------|------------------|-------------|------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2022 | |
| Net income (loss) (GAAP) | \$ 32,281 | \$ (11,946) | \$ (80,696) | \$ (25,526) | \$ (11,360) | \$ (5,231) | \$ (19,397) |
| Interest expense, net | 14,864 | 14,369 | 10,986 | 8,805 | 4,572 | 2,844 | 7,077 |
| Provision (benefit) for income taxes | 14,997 | 9,788 | (11,883) | 7,293 | 3,403 | (2,344) | 1,546 |
| Depreciation and amortization | 45,899 | 47,144 | 45,314 | 42,225 | 21,493 | 20,563 | 41,295 |
| EBITDA (non-GAAP) | 108,041 | 58,355 | (36,279) | 32,797 | 18,108 | 15,822 | 30,521 |
| Impairments and other charges | - | 11,422 | 14,727 | - | - | 7,905 | 7,905 |
| Fourchon, Louisiana hurricane-related costs | - | - | - | 2,596 | - | - | 2,596 |
| Facility exit costs and other | - | 2,631 | (201) | 2,399 | - | 761 | 3,160 |
| Severance costs | 4,621 | 3,814 | 4,773 | 1,898 | 1,057 | 520 | 1,361 |
| Inventory write-downs | - | 1,881 | 10,345 | - | - | - | - |
| Gain on legal settlement | - | - | - | (1,000) | (1,000) | - | - |
| (Gain) loss on extinguishment of debt | - | - | (419) | 1,000 | 790 | - | 210 |
| Other | 3,741 | 3,955 | - | (849) | - | - | (849) |
| Adjusted EBITDA (non-GAAP) | \$ 116,403 | \$ 82,058 | \$ (7,054) | \$ 38,841 | \$ 18,955 | \$ 25,018 | \$ 44,954 |

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 | | | Six Months Ended | | |
|--|---------------------|-----------|-----------|------------------|---------------|-------------|
| | 2018 | 2019 | 2020 | 2021 | June 30, 2022 | |
| Net cash provided by (used in) operating activities (GAAP) | \$ 63,403 | \$ 72,286 | \$ 55,791 | \$ (3,013) | \$ 25,837 | \$ (23,011) |
| Capital expenditures | (45,141) | (44,806) | (15,794) | (21,793) | (10,477) | (9,515) |
| Proceeds from sale of property, plant and equipment | 2,612 | 13,734 | 12,399 | 15,999 | 9,208 | 1,943 |
| Free Cash Flow (non-GAAP) | \$ 20,874 | \$ 41,214 | \$ 52,396 | \$ (8,807) | \$ 24,568 | \$ (30,583) |

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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:

Non-GAAP Financial Measures (unaudited)

| Fields Systems (In thousands) | Twelve Months Ended | | | | Six Months Ended | | TTM Q2 |
|--|---------------------|------------|-------------|-------------|------------------|------------|------------|
| | 2018 | 2019 | 2020 | 2021 | 2021 | 2022 | 2022 |
| Revenues | \$ 715,813 | \$ 620,317 | \$ 354,608 | \$ 420,789 | \$ 184,942 | \$ 286,275 | \$ 522,122 |
| Operating income (loss) (GAAP) | \$ 40,337 | \$ 3,814 | \$ (66,403) | \$ (19,012) | \$ (13,298) | \$ 3,799 | \$ (1,913) |
| Depreciation and amortization | 20,922 | 21,202 | 20,555 | 17,877 | 9,164 | 7,919 | 16,632 |
| EBITDA (non-GAAP) | 61,259 | 25,016 | (45,848) | (1,135) | (4,134) | 11,718 | 14,717 |
| Impairments and other charges | - | 11,422 | 14,727 | - | - | - | - |
| Fourchon, Louisiana hurricane-related cost | - | - | - | 2,596 | - | - | 2,596 |
| Facility exit costs and other | - | 2,631 | (201) | 2,399 | - | - | 2,399 |
| Inventory write-downs | - | 1,881 | 10,345 | - | - | - | - |
| Severance costs | 3,933 | 2,264 | 3,729 | 1,329 | 613 | 235 | 951 |
| Other | 1,908 | 605 | - | (849) | - | - | (849) |
| Adjusted EBITDA (non-GAAP) | \$ 87,100 | \$ 43,819 | \$ (17,248) | \$ 4,240 | \$ (3,521) | \$ 11,953 | \$ 19,814 |
| Operating Margin (GAAP) | 5.6% | 0.6% | -18.7% | -4.5% | -7.2% | 1.3% | -0.4% |
| Adjusted EBITDA Margin (non-GAAP) | 9.4% | 7.1% | -4.9% | 1.0% | -1.9% | 4.2% | 3.8% |

| Industrial Solutions (In thousands) | Twelve Months Ended | | | | Six Months Ended | | TTM Q2 |
|--|---------------------|------------|------------|------------|------------------|-----------|------------|
| | 2018 | 2019 | 2020 | 2021 | 2021 | 2022 | 2022 |
| Revenues | \$ 230,735 | \$ 199,802 | \$ 130,469 | \$ 185,171 | \$ 92,057 | \$ 84,307 | \$ 177,421 |
| Operating income (GAAP) | \$ 60,604 | \$ 47,466 | \$ 13,030 | \$ 42,117 | \$ 24,478 | \$ 16,112 | \$ 33,751 |
| Depreciation and amortization | 21,321 | 21,763 | 20,127 | 19,304 | 9,604 | 10,804 | 20,504 |
| EBITDA (non-GAAP) | 81,925 | 69,229 | 33,157 | 61,421 | 34,082 | 26,916 | 54,255 |
| Severance costs | 634 | 434 | 437 | 302 | 238 | 161 | 225 |
| Gain on legal settlement | - | - | - | - | (1,000) | - | - |
| Adjusted EBITDA (non-GAAP) | \$ 82,559 | \$ 69,663 | \$ 33,594 | \$ 60,723 | \$ 33,320 | \$ 27,077 | \$ 54,480 |
| Operating Margin (GAAP) | 26.3% | 23.8% | 10.0% | 22.7% | 26.6% | 19.1% | 19.0% |
| EBITDA Margin (non-GAAP) | 35.8% | 34.9% | 25.7% | 32.8% | 36.2% | 32.1% | 30.7% |

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