

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): May 5, 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 240.13a-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 May 5, 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"), 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	Q1 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: May 5, 2022

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

Newpark Resources

May 2022



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 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. There can be no assurances that the ongoing portfolio review will result in any transaction, and no specific timeline has been established for the completion of the portfolio review. 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.

NEWPARK

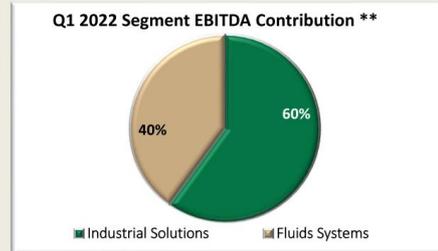
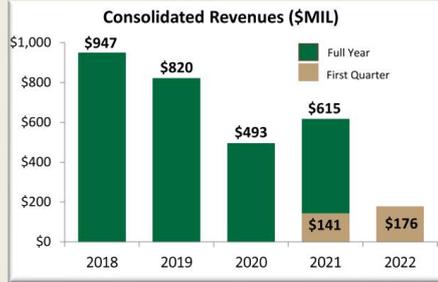
Non-GAAP Financial Measures

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"), 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.

NEWPARK

Company Overview

NEWPARK



Newpark is a worldwide provider of value-added products and related services serving a variety of industries, including:



Two operating segments:

Industrial Solutions

We are a leading provider of temporary worksite access solutions, with a diversified customer base

- Power transmission and renewable energy
- Oil and gas exploration
- Construction and other general access

Industrial Solutions has historically been the primary source of Newpark operating income and cash generation

Fluids Systems

We are a leading provider of drilling, completion, and stimulation chemical products, rated #1 in customer satisfaction globally*

* Source: 2021 Drilling Fluids Supplier Performance Report, Kimberlite International Oilfield Research.

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

1

Prioritize investment into high returning growth markets, including markets aligned to energy transition & sustainability tailwinds, while continuing to transform Fluids Systems to a capital-light cash generator

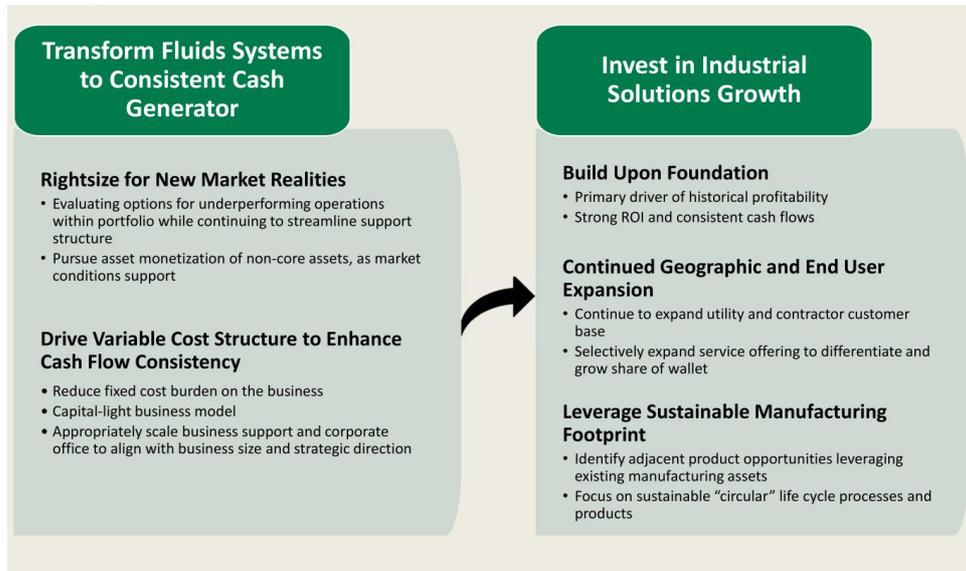
2

Leverage extensive experience & credibility to expand sustainable technology and service solutions

3

Laser focus on operating cost and balance sheet discipline to fund growth responsibly

We believe we have the right strategy in place to position the company for long-term success and to deliver enhanced value for our shareholders





ENVIRONMENTALLY FOCUSED PRODUCT OFFERING

Composite Matting System

- Manufactured with 100% recyclable materials
- Eliminates deforestation associated with competitive wood products
- Lower weight products improves logistics efficiency, reducing GHG emissions and community impact

Environmentally-Focused Drilling Fluids Technologies

- Water-based and synthetic-based fluids, replacing oil-based mud
- Lower environmental impact
- Lower risk to people & environment
- Offering includes TerraTherm™ system, designed specifically for geothermal drilling

Efficient Stimulation Products

- Transition™ family of brine-tolerant chemicals reduces need for fresh water in stimulation



HIGH SOCIAL STANDARDS

Safety First

- Aim for zero incidents
- Training
- Lower risk to people & environment

Ethical Supply Chain

- Supplier engagement
- Enforcement of standards
- Compliance with human rights standards

Supported Employees

- Training and development
- Volunteer and charitable giving programs
- Diversity in global workforce

Local Content

- Create jobs and develop skills
- Develop local enterprises
- Improve local economies



ROBUST GOVERNANCE PROGRAMS

Compliance Program

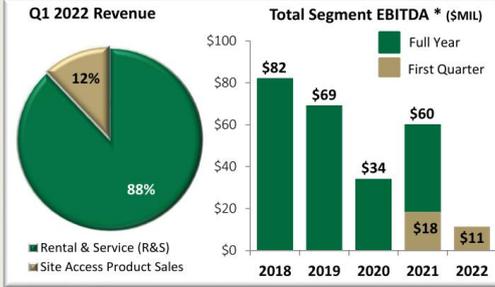
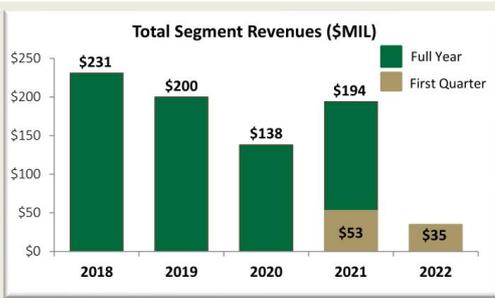
- Annual compliance training and Code of Ethics certification required for all employees
- Designated "Compliance Champion" network throughout global operations
- Global Hotline available 24/7
- Compliance Committee of senior executives – "Tone from the Top"

Board of Directors

- Non-executive Chairman
- Diverse and independent
- ESG Committee provides oversight of Company programs
- Robust Enterprise Risk process

Compensation and Benefits

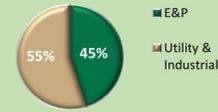
- Pay-for-Performance recognized by Proxy Advisors and Shareholders
- Competitive pay and benefits
- Shareholder engagement



Industrial End-Markets Remain Primary Focus

- First quarter 2022 impacted by timing of product sales activity, with project delays pushing sales to Q2
- End-market diversification through expansion in power transmission and other industrial end-markets has offset declining E&P presence in recent years

2019 Revenue



2021 Revenue

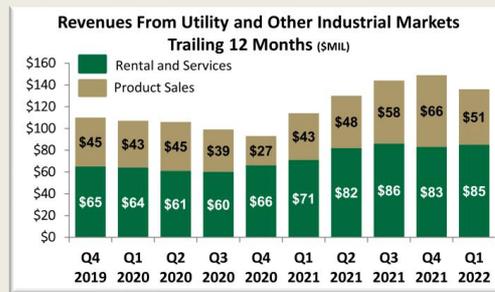
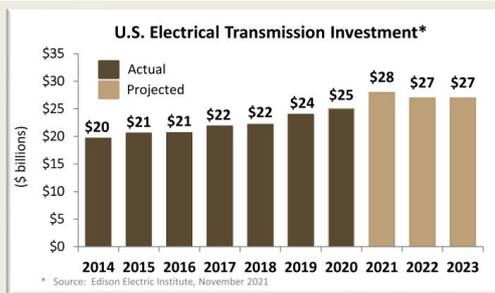


- Diversified market presence across end-markets is key to strong EBITDA and Free Cash Flow generation
- Industrial Blending started up in late 2020; shut down in Q1 2022

Strategic Course Unchanged

- While 2020 reflected meaningful COVID-19 impact, 2021 performance more in line with 2019 results, benefitting from growth in power transmission sector
- Industrial end-market growth remains primary focus, while presence maintained in key E&P markets

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



Stable Market with Strong Outlook

- Electric utility infrastructure investments expected to grow in the next five years
 - Aging U.S. infrastructure requires investment to maintain
 - Energy Transition expected to place increasing dependency on electric power transmission infrastructure

Market Penetration Gaining Momentum

- Momentum was building in 2019, but pulled back in 2020 due to COVID disruption to market activity
- 2021 reflected a record year for Utility & Other Industrial Markets, in both Rental & Service and Product Sales
- Tuck-in acquisition completed in December 2021 to expand utility sector coverage; Near-term expansion focuses on mid-Atlantic region
- Current market share remains < 10% of total U.S. site access market, providing meaningful runway for growth

Taking Strategic Actions to Support Expansion

- Energy Infrastructure expansion remains the highest priority for capital deployments
- Enhanced utility sector and renewable energy expertise through 2021-2022 Board of Directors appointments

Site and Access Solutions Environmental Commitment

NEWPARK



Our fully recyclable composite matting program prevents the deforestation associated with production of timber alternatives



Lighter weight mats require fewer truckloads, thereby reducing GHG emissions with every load eliminated

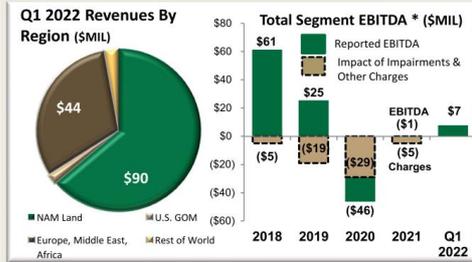
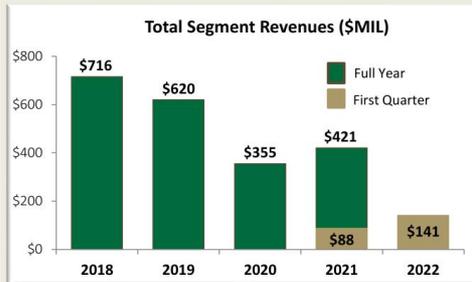


Fewer truckloads mean less miles driven and safer conditions for the community as a whole

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

For more information, see: www.Newpark.com/environmental

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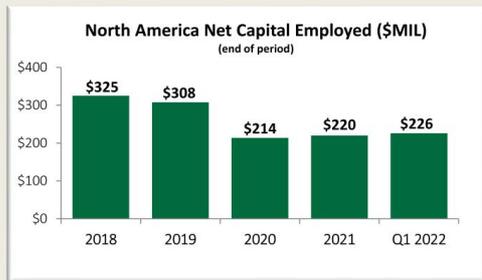
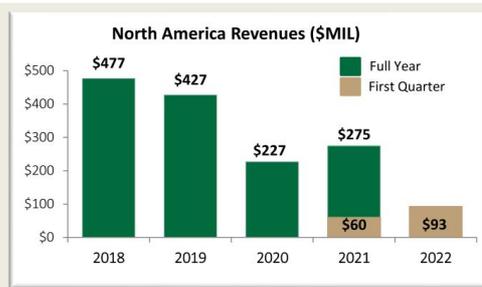


PROVIDING TOTAL FLUIDS SOLUTIONS

Drilling Fluids	<ul style="list-style-type: none"> • Non-aqueous • Water-based • Specialty Systems • Industrial Minerals • Solids Control and Waste Management
Completion & Reservoir Fluids	<ul style="list-style-type: none"> • Drill-In Fluids • Engineered Displacements • Breakers • Completion Brines • Filtration
Stimulation Fluids	<ul style="list-style-type: none"> • Hydraulic Fracturing • Matrix Acidizing • Coil Tubing • Sand Control

- Customer activities include oil and natural gas exploration, with emerging opportunity in geothermal drilling to support energy transition
- International activity recovering from COVID impacts, while structural actions continue to align U.S. operations for smaller market

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

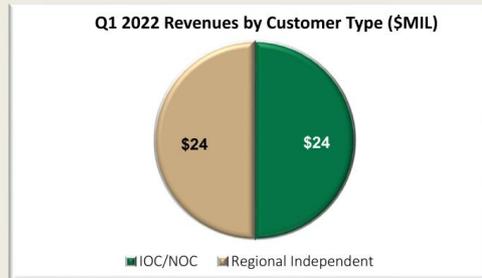
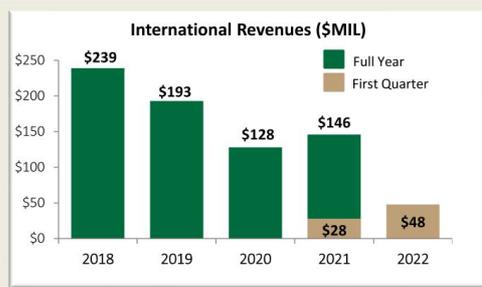


North America

- Unprecedented market collapse in 2020, with market rig count declining 70%, before recovering; market remains >25% below 2019 level
- Swift actions taken to rationalize roofline, cost structure and working capital, preserving presence in key markets
- Activity outlook strengthening in the wake of underinvestment in O&G in recent years, combined with heightened global focus on energy security
- Continuing to evaluate under-performing operations; further rationalization of activities, roofline and sale of excess infrastructure and assets, as needed

Asset Base

- Optimization of working capital and sale of excess assets to transform into capital-light business model
- Pursuing sale of U.S. mineral grinding business, which includes ~\$50m of Net Capital Employed, as another step toward capital-light model

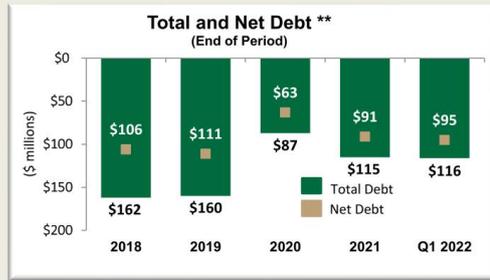
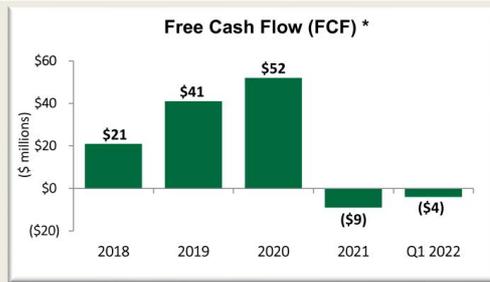


EMEA

- Historical stability in region driven by strong mix of IOC/NOC customers
- Foundation is built upon long-term NOC contracts in Kuwait and Algeria
- COVID-19 provided major headwind to this region in 2020 and 2021; Q1 2022 on pace with 2019 revenue level
- 2022 growth driven by broad-based recovery in Europe and Africa; activity outlook in key international markets strengthening in light of heightened global focus on energy security
- Emerging opportunity for growing geothermal drilling in support of energy transition
- Establishing JV with TAQA in Saudi Arabia; expected to be operational second half 2022

All Other Markets

- Selective geographic expansion that meet appropriate qualifications:
 - Non-commoditized market
 - Stability in long-term outlook
 - Limited capital investment



Cash Flow and Liquidity

- Flexible business model, with capital investments and working capital adjusted based on market, enabling consistent FCF generation
 - Reduction in 2021-2022 FCF reflects growth in net working capital to support higher revenues and manage supply chain uncertainty
- Investing activities heavily concentrated on industrial end-market growth
 - Expenditures primarily support revenue growth in the utility sector

Capital Structure

- Modest debt burden provides flexibility to accelerate growth
- U.S. Asset-Based Loan (ABL) facility reflects primary source of debt; facility recently amended, extending maturity to May 2027
 - Modest interest burden with average cash borrowing rate on debt below 3%

* Free Cash Flow is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in the Appendix to this presentation.
 ** Net Debt is a non-GAAP financial measure. See reconciliation to the most comparable GAAP measure in the Appendix to this presentation.

APPENDIX

NEWPARK

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(In thousands, except per share data)	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Revenues	\$ 176,438	\$ 179,563	\$ 141,172
Cost of revenues	150,988	153,182	119,991
Selling, general and administrative expenses	24,433	26,690	20,911
Other operating (income) loss, net	50	(250)	(274)
Operating income (loss)	967	(59)	544
Foreign currency exchange (gain) loss	64	(314)	(332)
Interest expense, net	1,206	2,057	2,408
Loss on extinguishment of debt	-	-	790
Loss before income taxes	(303)	(1,802)	(2,322)
Provision (benefit) for income taxes	(2,824)	1,879	3,040
Net income (loss)	<u>\$ 2,521</u>	<u>\$ (3,681)</u>	<u>\$ (5,362)</u>
Calculation of EPS:			
Net income (loss) - basic and diluted	\$ 2,521	\$ (3,681)	\$ (5,362)
Weighted average common shares outstanding - basic	92,118	92,043	90,701
Dilutive effect of stock options and restricted stock awards	1,821	-	-
Weighted average common shares outstanding - diluted	<u>93,939</u>	<u>92,043</u>	<u>90,701</u>
Net income (loss) per common share - basic:	\$ 0.03	\$ (0.04)	\$ (0.06)
Net income (loss) per common share - diluted:	\$ 0.03	\$ (0.04)	\$ (0.06)

OPERATING SEGMENT RESULTS (UNAUDITED)

(In thousands)	March 31, 2022	December 31, 2021	March 31, 2021
Revenues			
Fluids Systems	\$ 141,014	\$ 127,892	\$ 87,849
Industrial Solutions	35,424	51,671	53,323
Total revenues	<u>\$ 176,438</u>	<u>\$ 179,563</u>	<u>\$ 141,172</u>
Operating income (loss)			
Fluids Systems ⁽¹⁾	\$ 3,374	\$ 932	\$ (6,767)
Industrial Solutions ⁽²⁾	5,472	8,357	13,130
Corporate office	(7,879)	(9,348)	(5,819)
Total operating income (loss)	<u>\$ 967</u>	<u>\$ (59)</u>	<u>\$ 544</u>
Segment operating margin			
Fluids Systems	2.4%	0.7%	-7.7%
Industrial Solutions	15.4%	16.2%	24.6%

(1) Fluids Systems operating income for the three months ended December 31, 2021 included \$0.9 million of charges primarily related to facility exit and severance costs.

(2) Industrial Solutions operating income for the three months ended December 31, 2021 included \$0.9 million of incremental pre-tax expenses related to a multi-year sales tax audit and insurance reserves. Industrial Solutions operating results include the Industrial Blending business that we shut down in March 2022. Industrial Blending results are as follows:

(In thousands)	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Revenues	\$ -	\$ 533	\$ 4,553
Operating loss	(886)	(1,116)	(50)
Depreciation	270	270	290
EBITDA (non-GAAP)	(616)	(846)	240

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except share data)	March 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 21,307	\$ 24,088
Receivables, net	187,609	194,296
Inventories	169,968	155,341
Prepaid expenses and other current assets	14,305	14,787
Total current assets	<u>393,189</u>	<u>388,512</u>
Property, plant and equipment, net	257,980	260,256
Operating lease assets	26,305	27,569
Goodwill	47,411	47,283
Other intangible assets, net	23,407	24,959
Deferred tax assets	2,260	2,316
Other assets	1,834	1,991
Total assets	<u>\$ 752,386</u>	<u>\$ 752,886</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current debt	\$ 20,767	\$ 19,210
Accounts payable	95,309	84,585
Accrued liabilities	37,302	46,597
Total current liabilities	<u>153,378</u>	<u>150,392</u>
Long-term debt, less current portion	95,475	95,593
Noncurrent operating lease liabilities	21,431	22,352
Deferred tax liabilities	6,370	11,819
Other noncurrent liabilities	10,589	10,344
Total liabilities	<u>287,243</u>	<u>290,500</u>
Common stock, \$0.01 par value (200,000,000 shares authorized and 109,335,733 and 109,330,733 shares issued, respectively)	1,093	1,093
Paid-in capital	636,397	634,929
Accumulated other comprehensive loss	(62,708)	(61,480)
Retained earnings	26,866	24,345
Treasury stock, at cost (16,982,629 and 16,981,147 shares, respectively)	<u>(136,505)</u>	<u>(136,501)</u>
Total stockholders' equity	<u>465,143</u>	<u>462,386</u>
Total liabilities and stockholders' equity	<u>\$ 752,386</u>	<u>\$ 752,886</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)	Three Months Ended March 31,	
	2022	2021
Cash flows from operating activities:		
Net income (loss)	\$ 2,521	\$ (5,362)
Adjustments to reconcile net income (loss) to net cash provided by operations:		
Depreciation and amortization	10,452	10,830
Stock-based compensation expense	1,468	1,279
Provision for deferred income taxes	(5,202)	1,569
Credit loss expense	185	50
Gain on sale of assets	(1,606)	(3,283)
Loss on extinguishment of debt	-	790
Amortization of original issue discount and debt issuance costs	178	1,082
Change in assets and liabilities:		
Decrease in receivables	5,795	2,414
(Increase) decrease in inventories	(14,812)	6,694
Decrease in other assets	17	1,275
Increase in accounts payable	11,246	11,437
Decrease in accrued liabilities and other	(7,452)	(1,002)
Net cash provided by operating activities	2,790	27,773
Cash flows from investing activities:		
Capital expenditures	(7,621)	(8,649)
Proceeds from sale of property, plant and equipment	575	8,027
Net cash used in investing activities	(7,046)	(622)
Cash flows from financing activities:		
Borrowings on lines of credit	69,188	51,922
Payments on lines of credit	(65,202)	(56,922)
Purchases of Convertible Notes	-	(18,107)
Proceeds from term loan	-	8,258
Debt issuance costs	-	(196)
Purchases of treasury stock	(4)	(6)
Other financing activities	(2,711)	(1,561)
Net cash provided by (used in) financing activities	1,271	(16,612)
Effect of exchange rate changes on cash	(376)	(882)
Net increase (decrease) in cash, cash equivalents, and restricted cash	(3,361)	9,657
Cash, cash equivalents, and restricted cash at beginning of period	29,489	30,348
Cash, cash equivalents, and restricted cash at end of period	<u>\$ 26,128</u>	<u>\$ 40,005</u>

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 measure of EBITDA:

Consolidated (In thousands)	Twelve Months Ended				Three Months Ended March 31,	
	2018	2019	2020	2021	2021	2022
Net income (loss) (GAAP) ⁽¹⁾	\$ 32,281	\$ (12,946)	\$ (80,696)	\$ (25,526)	\$ (5,362)	\$ 2,521
Interest expense, net	14,864	14,369	10,986	8,805	2,408	1,206
Provision (benefit) for income taxes	14,997	9,788	(11,883)	7,293	3,040	(2,824)
Depreciation and amortization	45,899	47,144	45,314	42,225	10,830	10,452
EBITDA (non-GAAP) ⁽¹⁾	\$ 108,041	\$ 58,355	\$ (36,279)	\$ 32,797	\$ 10,916	\$ 11,355

(1) Net loss and EBITDA for the three months ended March 31, 2021 included a \$0.8 million loss associated with the purchase of a portion of our convertible notes on the open market. 2021 net loss and EBITDA includes \$5.4 million of net 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, partially offset by a gain related to a legal settlement. 2020 net loss and EBITDA included \$29.2 million of charges, consisting of \$11.7 million for the recognition of cumulative foreign currency translation losses related to our exit from Brazil, \$10.3 million for inventory write-downs, \$4.2 million for severance and other costs, and \$3.0 million in fixed asset impairments. 2019 net loss and EBITDA included \$23.2 million of charges, consisting of an \$11.4 million non-cash impairment of goodwill and a total of \$11.8 million of charges associated with facility closures and related exit costs, inventory write-downs, and severance costs, as well as the modification of the Company's retirement policy. 2018 net income and EBITDA included \$6.8 million of charges, related to a corporate office charge of \$1.8 million associated with the retirement of our former Senior Vice President, General Counsel and Chief Administrative Officer, as well as a total of \$5.0 million of charges associated with severance costs, the Kenedy, Texas facility fire, and expenses related to the conversion of a drilling fluids facility into a completion fluids facility. Net income (loss) and EBITDA also includes the Industrial Blending business that we shut down in March 2022. Industrial Blending results are as follows:

(In thousands)	Twelve Months Ended				Three Months Ended March 31,	
	2018	2019	2020	2021	2021	2022
Revenues	\$ -	\$ -	\$ 7,548	\$ 8,821	\$ 4,553	\$ -
Operating income (loss)	-	-	179	(2,384)	(50)	(886)
Depreciation	-	-	300	1,095	290	270
EBITDA (non-GAAP)	-	-	479	(1,289)	240	(616) ²⁰

NON-GAAP FINANCIAL MEASURES (UNAUDITED)

Fluids Systems (In thousands)	Twelve Months Ended				Three Months Ended March 31,	
	2018	2019	2020	2021	2021	2022
Operating income (loss) (GAAP) ⁽¹⁾	\$ 40,337	\$ 3,814	\$ (66,403)	\$ (19,012)	\$ (6,767)	\$ 3,374
Depreciation and amortization	20,922	21,202	20,555	17,877	4,627	4,057
EBITDA (non-GAAP) ⁽¹⁾	61,259	25,016	(45,848)	(1,135)	(2,140)	7,431
Revenues	715,813	620,317	354,608	420,789	87,849	141,014
Operating Margin (GAAP)	5.6%	0.6%	-18.7%	-4.5%	-7.7%	2.4%
EBITDA Margin (non-GAAP)	8.6%	4.0%	-12.9%	-0.3%	-2.4%	5.3%

(1) 2021 Fluids Systems operating loss and EBITDA includes \$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. 2020 Fluids Systems operating loss and EBITDA included \$28.6 million of charges, consisting of \$11.7 million for the recognition of cumulative foreign currency translation losses related to our exit from Brazil, \$10.3 million for inventory write-downs, \$3.6 million for severance and other costs, and \$3.0 million in fixed asset impairments. 2019 Fluids Systems operating income and EBITDA included \$18.7 million of charges, consisting of an \$11.4 million non-cash impairment of goodwill and a total of \$7.3 million of charges associated with facility closures and related exit costs, inventory write-downs, and severance costs, as well as the modification of the Company's retirement policy. 2018 Fluids Systems operating income and EBITDA included \$5.0 million of charges related to severance costs, the Kenedy, Texas facility fire, and expenses related to the conversion of a drilling fluids facility into a completion fluids facility.

Industrial Solutions (In thousands)	Twelve Months Ended				Three Months Ended March 31,	
	2018	2019	2020	2021	2021	2022
Operating income (GAAP) ⁽¹⁾	\$ 60,604	\$ 47,466	\$ 13,459	\$ 39,733	\$ 13,130	\$ 5,472
Depreciation and amortization	21,321	21,763	20,427	20,399	5,136	5,712
EBITDA (non-GAAP) ⁽¹⁾	81,925	69,229	33,886	60,132	18,266	11,184
Revenues	230,735	199,802	138,017	193,992	53,323	35,424
Operating Margin (GAAP)	26.3%	23.8%	9.8%	20.5%	24.6%	15.4%
EBITDA Margin (non-GAAP)	35.5%	34.6%	24.6%	31.0%	34.3%	31.6%

(1) Industrial Solutions operating results include the Industrial Blending business that we shut down in March 2022, as shown above.

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 the Company's free cash flow:

Consolidated (In thousands)	Twelve Months Ended				Three Months Ended	
	2018	2019	2020	2021	March 31,	
					2021	2022
Net cash provided by (used in) operating activities (GAAP)	\$ 63,403	\$ 72,286	\$ 55,791	\$ (3,013)	\$ 27,773	\$ 2,790
Capital expenditures	(45,141)	(44,806)	(15,794)	(21,793)	(8,649)	(7,621)
Proceeds from sale of property, plant and equipment	2,612	13,734	12,399	15,999	8,027	575
Free Cash Flow (non-GAAP)	<u>\$ 20,874</u>	<u>\$ 41,214</u>	<u>\$ 52,396</u>	<u>\$ (8,807)</u>	<u>\$ 27,151</u>	<u>\$ (4,256)</u>

The following table reconciles the Company's ratio of total debt to capital calculated in accordance with GAAP to the non-GAAP financial measure of the Company's ratio of net debt to capital:

Consolidated (In thousands)	December 31,				March 31,	
	2018	2019	2020	2021	2021	2022
Current debt	\$ 2,522	\$ 6,335	\$ 67,472	\$ 19,210	\$ 55,242	\$ 20,767
Long-term debt, less current portion	159,225	153,538	19,690	95,593	17,000	95,475
Total Debt	161,747	159,873	87,162	114,803	72,242	116,242
Total stockholders' equity	569,681	548,645	488,032	462,386	480,922	465,143
Total Capital	<u>\$ 731,428</u>	<u>\$ 708,518</u>	<u>\$ 575,194</u>	<u>\$ 577,189</u>	<u>\$ 553,164</u>	<u>\$ 581,385</u>
Ratio of Total Debt to Capital	<u>22.1%</u>	<u>22.6%</u>	<u>15.2%</u>	<u>19.9%</u>	<u>13.1%</u>	<u>20.0%</u>
Total Debt	\$ 161,747	\$ 159,873	\$ 87,162	\$ 114,803	\$ 72,242	\$ 116,242
Less: cash and cash equivalents	(56,118)	(48,672)	(24,197)	(24,088)	(34,156)	(21,307)
Net Debt	105,629	111,201	62,965	90,715	38,086	94,935
Total stockholders' equity	569,681	548,645	488,032	462,386	480,922	465,143
Total Capital, Net of Cash	<u>\$ 675,310</u>	<u>\$ 659,846</u>	<u>\$ 550,997</u>	<u>\$ 553,101</u>	<u>\$ 519,008</u>	<u>\$ 560,078</u>
Ratio of Net Debt to Capital	<u>15.6%</u>	<u>16.9%</u>	<u>11.4%</u>	<u>16.4%</u>	<u>7.3%</u>	<u>17.0%</u>

Matthew Lanigan	President and Chief Executive Officer
Gregg Piontek	Senior Vice President & Chief Financial Officer
Chip Earle	Vice President, General Counsel, Chief Administrative Officer, Chief Compliance Officer & Corporate Secretary
David Paterson	President <i>Fluids Systems</i>
Lori Briggs	President <i>Industrial Solutions</i>

Matthew Lanigan, President and Chief Executive Officer: Matthew joined Newpark in April 2016, as President of Newpark Mats & Integrated Services. In September 2021, was appointed to the role of Newpark's President and Chief Operating Officer and effective March 2022, transitioned to the role of President and Chief Executive Officer. Matthew began his professional career at ExxonMobil in Australia working on rigs as a Drilling & Completions Engineer, progressing from there to Offshore Production Engineer and as a Marketer for Crude & LPG. While pursuing his MBA, he accepted a position with GE in the Plastics division where he rose to the role of Chief Marketing Officer before transferring to the Capital division of GE, based in the UK. His first opportunity to work in the United States came with the Enterprise Client Group of GE's Capital division, where he worked in leadership roles in Sales & Marketing. In 2011, he was appointed as the Director of Commercial Excellence for Asia Pacific, based in Australia. In addition to growing revenue and market share, key responsibilities for this role included developing cross-organizational synergies and market entry strategies.

Gregg S. Piontek, SVP & CFO: Gregg joined Newpark in April 2007 and served as Vice President, Controller and Chief Accounting Officer from April 2007 to October 2011. Prior to joining Newpark, Mr. Piontek was Vice President and Chief Accounting Officer of Stewart & Stevenson LLC from 2006 to 2007. From 2001 to 2006, Mr. Piontek held the positions of Assistant Corporate Controller and Division Controller for Stewart & Stevenson Services, Inc. Prior to that, Mr. Piontek served in various financials roles at General Electric and CNH Global N.V., after beginning his career as an auditor for Deloitte & Touche LLP. Mr. Piontek is a Certified Public Accountant and holds a bachelor degree in Accountancy from Arizona State University and a Master of Business Administration degree from Marquette University.

Edward “Chip” Earle, Vice President, General Counsel, Chief Administrative Officer, Chief Compliance Officer & Corporate Secretary: Chip joined Newpark in August 2018 as Vice President and Executive Advisor as part of a succession plan to become the Vice President, General Counsel, Corporate Secretary, Chief Administrative Officer and Chief Compliance Officer in September 2018. Mr. Earle most recently served for six years as Senior Vice President, Chief Legal & Support Officer and Corporate Secretary for Bristow Group, Inc. Prior to Bristow, he worked for Transocean, Ltd where after working in a variety of progressively senior positions within the Legal function, he held the role of Assistant Vice President, Global Legal and Corporate Secretary. Additionally, Mr. Earle has exceptional governance, corporate, securities and M&A experience gained at the start of his legal career during his time in private practice with the law firms of Baker Botts, LLP and Wilson, Sonsini, Goodrich & Rosati, PC. He received his Bachelor of Arts degree from Middlebury College in 1995 and his MBA and JD from the University of Texas in 2001.

David A. Paterson, President, Fluid Systems: David was appointed as Vice President of the Company and President of Fluids Systems in July 2019. From October 2018 to July 2019, Mr. Paterson served as President - Pressure Pumping of Weir Oil and Gas. From December 1995 to October 2018, he served in varying roles for Schlumberger including President - Artificial Lift, President – Geoservices, and Vice President - Drilling Group Asia. During this time, he spent 17 years working directly in the Drilling Fluids, Completion Fluids, Solids Control and Waste management sector in Dowell Drilling Fluids and the M-I SWACO Joint Venture. He held numerous assignments of progressing responsibility in this space including: Well Site Fluids Engineer working on land, Offshore and Deepwater rigs, Customer In-House Fluids Representative, Field Service Manager, Product Line Manager for Completion Fluids, Country Manager, Asia Pacific Vice President, Eastern Hemisphere Senior Vice President, and Global Product Line Vice President. Mr. Paterson holds a Bachelor of Science and a Master of Science in Offshore Engineering from The Robert Gordon University in Aberdeen, Scotland.

Lori Briggs, President Industrial Solutions: Lori joined Newpark in October 2017 as Senior Director, Business Transformation & Integration, was promoted to the position of Vice President, Marketing for Newpark Industrial Services in January 2021, and then promoted to her current role of President, Industrial Solutions in September 2021. Ms. Briggs has progressed her career by blending her expertise in marketing, business development, pricing, and finance to optimize team performance and drive profitability across multiple platforms. Prior to joining Newpark, she held leadership roles with progressing responsibility in various divisions of GE (including Oil & Gas, Capital, and Aviation) for over 25 years, most recently holding the position of Global Pricing Leader for GE Oil & Gas, an energy subsidiary. Ms. Briggs received her Bachelor of Science degree in Finance and Statistics/Mathematics from Miami University and her MBA from Washington University in St. Louis.

Our Board members represent a desirable mix of diverse backgrounds, skills and experiences and we believe they all share the personal attributes of effective directors. They each hold themselves to the highest standards of integrity and are committed to the long-term interests of our stockholders.

ANTHONY J. BEST (Chairman)	Retired Chief Executive Officer, SM Energy Company
G. STEPHEN FINLEY	Retired Senior V.P. and Chief Financial Officer, Baker Hughes Incorporated
MATTHEW S. LANIGAN	Chief Executive Officer, Newpark Resources
RODERICK A. LARSON	President and Chief Executive Officer, Oceaneering International, Inc.
MICHAEL A. LEWIS	Retired Interim President and Senior Vice President, Electrical Operations, Pacific Gas & Electric Corporation
CLAUDIA M. MEER	Co-founder and CEO, CoreMax Consulting
JOHN C. MINGÉ	Retired Chairman and President, BP America
ROSE M. ROBESON	Retired VP and CFO, general partner of DCP Midstream Partners LP
DONALD W. YOUNG	Managing Member, Race Rock Group LLC

Please visit our website for full biographies of our Board.

