

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 12, 2021



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
Rights to Purchase Series D Junior Participating Preferred Stock	N/A	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 12, 2021, 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	Q4 2020 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 12, 2021

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

Newpark Resources

February 2021



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 for the year ended December 31, 2019, and its Quarterly Report 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 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; our ability to attract, retain and develop qualified leaders, key employees and skilled personnel; the availability of raw materials; our cost and continued availability of borrowed funds, including noncompliance with debt covenants; operating hazards present in the oil and natural gas industry and substantial liability claims, including catastrophic well incidents; our ability to execute our business strategy and make successful business acquisitions and capital investments; our market competition; our contracts that can be terminated or downsized by our customers without penalty; our product offering expansion; our compliance with environmental laws and regulations; our legal compliance; the inherent limitations of insurance coverage; income taxes; the potential impairments of goodwill and long-lived intangible assets; technological developments and intellectual property in our industry; severe weather, natural disasters, and seasonality; cybersecurity breaches or business system disruptions; and fluctuations in the market value of our publicly traded securities, including our ability to maintain compliance with the New York Stock Exchange’s continued listing requirements. 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

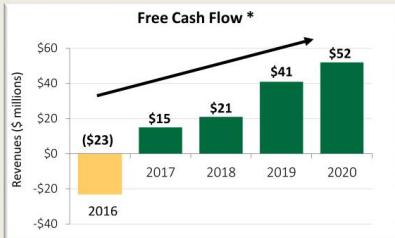
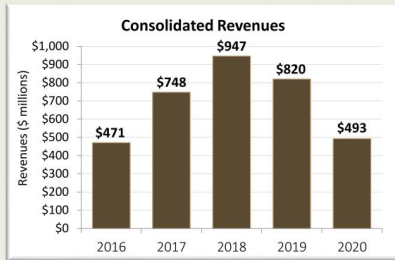
Non-GAAP Financial Measures

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



Our strategic playbook, built upon end-market diversification and a capital-light business model, has reduced our dependency on oil and gas customers and enhanced our ability to generate consistent cash flows.

Two operating segments:

Fluids Systems

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

Industrial Solutions

We are a leading provider of engineered site access solutions, with a diversified customer base across industries



- Electrical transmission infrastructure
- Oil and gas exploration
- Construction and other general access

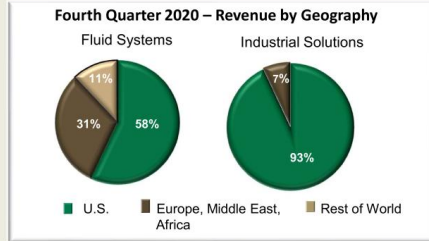
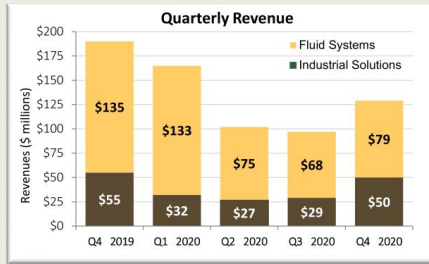
Industrial blending operations began in 2020

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

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

** Source: 2020 Drilling Fluids Supplier Performance Report, Kimberlite International Oilfield Research.

<div style="text-align: center; margin-bottom: 10px;">  </div> <p>ENVIRONMENTALLY FOCUSED PRODUCT OFFERING</p> <p>Composite Matting System</p> <ul style="list-style-type: none"> • Manufactured with 100% recyclable materials • Eliminates deforestation associated with competitive wood products • Lower weight products improves logistics efficiency, reducing carbon emissions and community impact <hr/> <p>Environmentally-Focused Drilling Fluids Technologies</p> <ul style="list-style-type: none"> • Water-based and synthetic-based fluids, replacing oil-based mud • Lower environmental impact • Lower risk to people & environment <hr/> <p>Efficient Stimulation Products</p> <ul style="list-style-type: none"> • Lower water utilization • Utilize more recycled water 	<div style="text-align: center; margin-bottom: 10px;">  </div> <p>HIGH SOCIAL STANDARDS</p> <p>Safety First</p> <ul style="list-style-type: none"> • Aim for zero incidents • Training • Lower risk to people & environment <hr/> <p>Ethical Supply Chain</p> <ul style="list-style-type: none"> • Supplier engagement • Enforcement of standards • Compliance with human rights standards <hr/> <p>Supported Employees</p> <ul style="list-style-type: none"> • Training and development • Volunteer and charitable giving programs • Diversity in global workforce <hr/> <p>Local Content</p> <ul style="list-style-type: none"> • Create jobs and develop skills • Develop local enterprises • Improve local economies 	<div style="text-align: center; margin-bottom: 10px;">  </div> <p>ROBUST GOVERNANCE PROGRAMS</p> <p>Compliance Program</p> <ul style="list-style-type: none"> • Annual compliance training and Code of Ethics certification required for all employees • Zero tolerance for compliance violations • Global Hotline available 24/7 • Compliance Committee of senior executives – “Tone from the Top” <hr/> <p>Board of Directors</p> <ul style="list-style-type: none"> • Non-executive Chairman • Diverse and independent • Stock ownership requirements • Robust Enterprise Risk Management process <hr/> <p>Compensation and Benefits</p> <ul style="list-style-type: none"> • Pay-for-Performance recognized by Proxy Advisors and Shareholders • Competitive pay and benefits • Shareholder engagement
---	--	--

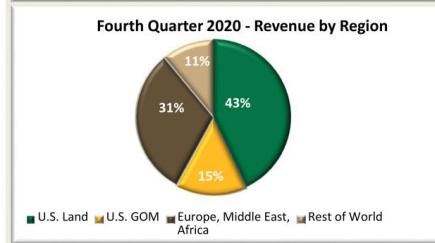
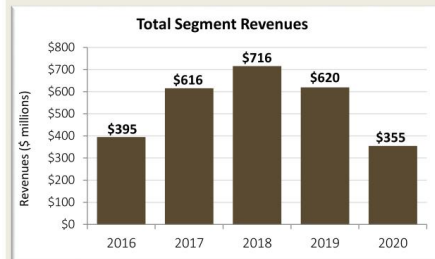


Primary Commercial Impact of COVID-19:

- Fluids Systems (EMEA region)**
 Restrictions on movement of personnel and products within several countries have caused operational disruptions and customer project delays. Q4 2020 revenues down 50% from Q4 2019, with recovery dependent on the lifting of COVID restrictions.
- Site and Access Solutions (U.S.)**
 Disruption seen broadly in utility sector, as logistics and permitting challenges led to delays in customer projects and purchases. Recovery began in Q4 2020, as delayed projects recommenced.

Fluids Systems Overview

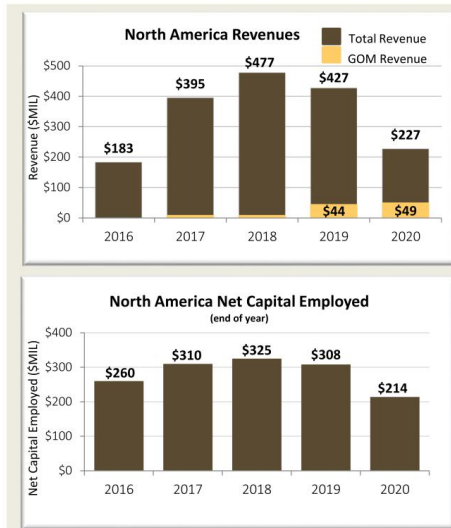
NEWPARK



Customer activities include oil and natural gas exploration, with emerging opportunity in geothermal drilling to support energy transition

PROVIDING TOTAL FLUIDS SOLUTION

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



U.S. Land

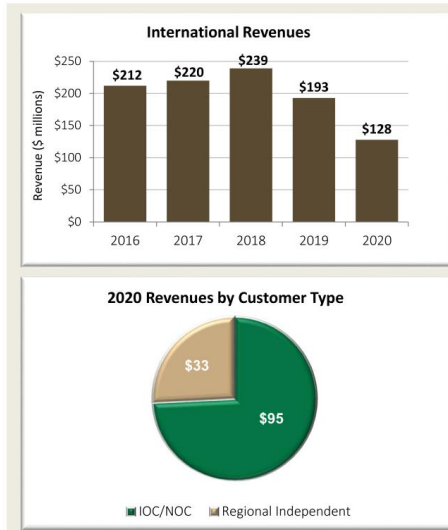
- Unprecedented market collapse in 2020, with market rig count declining 70%, before modestly recovering late in the year.
- Swift actions taken to rationalize cost structure, preserving presence in key markets
- U.S. workforce reduced by nearly 40% in 2020, with further footprint rationalization continuing into 2021

GOM

- Market remaining much more stable, reflecting impact of IOC customer base
- 2019 expansion into Completion and Reservoir Fluids and market share growth contributed to 9% growth in revenues in 2020

Asset Base

- Liquidation of working capital, redeployment of assets and capital-light business model enhancing agility
- Net Capital Employed 20% below 2016 level

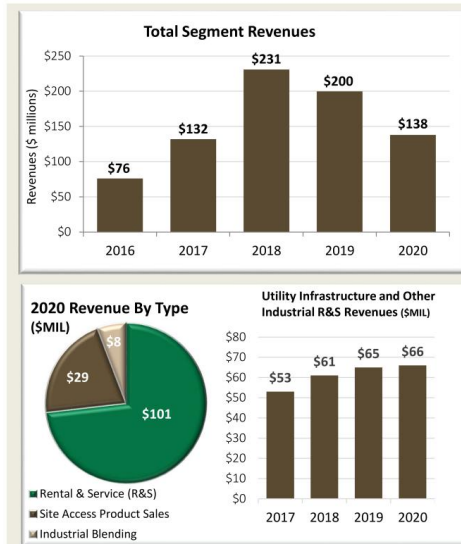


EMEA

- 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 historically stable region; recovery expected as COVID restrictions are lifted
- Recovery will further benefit from start-up of secured contracts, which were delayed by COVID
- Emerging opportunity for growing geothermal drilling in support of energy transition

All Other Markets

- Selective geographic expansion as market outlook improves, pursuing opportunities that meet appropriate qualifications:
 - Opportunity to differentiate with customer base
 - Stability in long-term outlook
 - Limited capital investment



Value Proposition

- Leading provider of engineered worksite access solutions, designed to:
 - Reduce customer operating costs
 - Reduce customer execution risk
 - Improve environmental sustainability

Diversified Market Presence

- Despite meaningful COVID headwind in 2020, achieved Y/Y growth in targeted industrial R&S markets
- With expanding presence in multi-billion dollar Utility and Energy Infrastructure market, E&P end-market revenue represented < 20% of segment revenue in Q4 2020
 - Remaining O&G presence heavily tied to natural gas-focused basins in Northeast US
- Industrial Blending started up in 2020, providing disinfectants and cleaning products

Strategic Course Unchanged

- 2021 poised for growth as utility sector projects delayed by COVID-19 recommence
- Strategy expected to continue to capitalize on energy transition and enhance market diversification

Site and Access Solutions – Environmental Commitment

NEWPARK



>360,000*

Total Trees Saved

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

24,700+* TONS

CO₂ Emission Reduction TTM

Lighter weight mats require fewer truckloads, thereby saving CO₂ emissions with every load eliminated

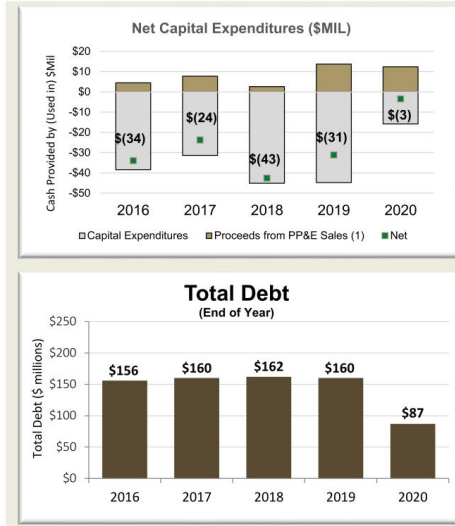
>13.7* Million

Miles Saved TTM

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, verified by 3rd party. TTM = Trailing Twelve Months*

For more information, see: Newpark.com/environmental



Cash Flow and Liquidity

- Capital investments primarily focused on Industrial end-market diversification in recent years
- Flexible business model, with capital investment level adjusted based on growth rate and market environment, as demonstrated in 2020

Capital Structure

- 2020 debt balance reflects lowest level in > 20 years
- \$67m Convertible Notes due December 2021 expected to be settled with cash on-hand and availability under Asset-Based Loan (ABL) facility, which is largely undrawn
- ABL facility has \$80m+ of unused capacity as of February 2021, and expected to grow in 2021

(1) Proceeds from sale of property, plant and equipment include the commercial sale of assets from mat rental fleet and other asset disposals.

APPENDIX

NEWPARK

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
(In thousands, except per share data)					
Revenues	\$ 129,705	\$ 96,424	\$ 189,471	\$ 492,625	\$ 820,119
Cost of revenues	115,583	99,301	162,400	473,258	684,738
Selling, general and administrative expenses	20,374	20,597	27,598	86,604	113,394
Other operating (income) loss, net	(1,424)	(820)	537	(3,330)	170
Impairments	11,689	3,038	11,422	14,727	11,422
Operating income (loss)	(16,517)	(25,692)	(12,486)	(78,634)	10,395
Foreign currency exchange (gain) loss	35	580	(1,572)	3,378	(816)
Interest expense, net	2,462	2,411	3,562	10,986	14,369
Gain on extinguishment of debt	—	—	—	(419)	—
Loss before income taxes	(19,014)	(28,683)	(14,476)	(92,579)	(3,158)
Provision (benefit) for income taxes	(580)	(4,813)	2,617	(11,883)	9,788
Net loss	\$ (18,434)	\$ (23,870)	\$ (17,093)	\$ (80,696)	\$ (12,946)
Calculation of EPS:					
Net loss - basic and diluted	\$ (18,434)	\$ (23,870)	\$ (17,093)	\$ (80,696)	\$ (12,946)
Weighted average common shares outstanding - basic	90,624	90,535	89,543	90,198	89,782
Dilutive effect of stock options and restricted stock awards	—	—	—	—	—
Dilutive effect of Convertible Notes	—	—	—	—	—
Weighted average common shares outstanding - diluted	90,624	90,535	89,543	90,198	89,782
Net loss per common share - basic:	\$ (0.20)	\$ (0.26)	\$ (0.19)	\$ (0.89)	\$ (0.14)
Net loss per common share - diluted:	\$ (0.20)	\$ (0.26)	\$ (0.19)	\$ (0.89)	\$ (0.14)

OPERATING SEGMENT RESULTS (UNAUDITED)

(In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Revenues					
Fluids systems	\$ 79,430	\$ 67,711	\$ 134,573	\$ 354,608	\$ 620,317
Industrial solutions	50,275	28,713	54,898	138,017	199,802
Total revenues	\$ 129,705	\$ 96,424	\$ 189,471	\$ 492,625	\$ 820,119
Operating income (loss) ⁽¹⁾					
Fluids systems	\$ (20,119)	\$ (18,957)	\$ (18,137)	\$ (66,405)	\$ 3,814
Industrial solutions	9,531	(139)	14,603	13,459	47,466
Corporate office	(5,929)	(6,596)	(8,952)	(25,690)	(40,885)
Total operating income (loss)	\$ (16,517)	\$ (25,692)	\$ (12,486)	\$ (78,634)	\$ 10,395
Segment operating margin					
Fluids systems	(25.3)%	(28.0)%	(13.5)%	(18.7)%	0.6 %
Industrial solutions	19.0 %	(0.5)%	26.6 %	9.8 %	23.8 %

(1) See tables below for charges included.

Operating results include the impact of the following pre-tax charges:

Consolidated	Three Months Ended			Twelve Months Ended		Fluids Systems	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019		December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
(In thousands)						(In thousands)					
Brazil exit impairment - Recognition of cumulative foreign currency translation losses	\$ 11,689	\$ —	\$ —	\$ 11,689	\$ —	Brazil exit impairment - Recognition of cumulative foreign currency translation losses	\$ 11,689	\$ —	\$ —	\$ 11,689	\$ —
Goodwill impairment	—	—	11,422	—	11,422	Goodwill impairment	—	—	11,422	—	11,422
Inventory write-downs	359	990	1,881	10,345	1,881	Inventory write-downs	359	990	1,881	10,345	1,881
Severance costs	442	351	2,213	4,313	3,365	Severance costs	442	189	1,112	3,729	2,264
Property, plant and equipment impairments	—	3,038	—	3,038	—	Property, plant and equipment impairments	—	3,038	—	3,038	—
Facility exit costs and other	(1,288)	286	2,631	(201)	2,631	Facility exit costs and other	(1,288)	286	2,631	(201)	2,631
Modification of retirement policy	—	—	—	—	3,953	Modification of retirement policy	—	—	—	—	605
	\$ 11,202	\$ 4,665	\$ 18,147	\$ 29,184	\$ 25,252		\$ 11,202	\$ 4,563	\$ 17,046	\$ 28,600	\$ 18,803

CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except share data)	December 31, 2020	December 31, 2019
ASSETS		
Cash and cash equivalents	\$ 24,197	\$ 48,672
Receivables, net	141,045	216,714
Inventories	147,857	196,897
Prepaid expenses and other current assets	15,081	16,526
Total current assets	328,180	478,809
Property, plant and equipment, net	277,696	310,409
Operating lease assets	30,969	32,009
Goodwill	42,444	42,332
Other intangible assets, net	25,428	29,677
Deferred tax assets	1,706	3,600
Other assets	2,769	3,243
Total assets	\$ 709,192	\$ 900,079
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current debt	\$ 67,472	\$ 6,335
Accounts payable	49,252	79,777
Accrued liabilities	36,934	42,750
Total current liabilities	153,658	128,862
Long-term debt, less current portion	19,690	153,538
Noncurrent operating lease liabilities	25,068	26,946
Deferred tax liabilities	13,368	34,247
Other noncurrent liabilities	9,376	7,841
Total liabilities	221,160	351,434
Common stock, \$0.01 par value (200,000,000 shares authorized and 107,587,786 and 106,696,719 shares issued, respectively)	1,076	1,067
Paid-in capital	627,031	620,626
Accumulated other comprehensive loss	(54,172)	(67,947)
Retained earnings	50,937	134,119
Treasury stock, at cost (16,781,150 and 16,958,418 shares, respectively)	(136,840)	(139,220)
Total stockholders' equity	488,032	548,645
Total liabilities and stockholders' equity	\$ 709,192	\$ 900,079

CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)	Twelve Months Ended December 31,	
	2020	2019
Cash flows from operating activities:		
Net loss	\$ (80,696)	\$ (12,946)
Adjustments to reconcile net loss to net cash provided by operations:		
Impairments and other non-cash charges	25,072	11,422
Depreciation and amortization	45,314	47,144
Stock-based compensation expense	6,373	11,640
Provision for deferred income taxes	(18,850)	(4,250)
Credit loss expense	1,427	1,792
Gain on sale of assets	(6,531)	(10,801)
Gain on extinguishment of debt	(419)	—
Amortization of original issue discount and debt issuance costs	5,152	6,188
Change in assets and liabilities:		
Decrease in receivables	70,994	40,182
Decrease in inventories	39,339	699
Increase in other assets	(656)	(1,032)
Decrease in accounts payable	(29,457)	(8,318)
Decrease in accrued liabilities and other	(1,996)	(9,434)
Net cash provided by operating activities	55,791	72,286
Cash flows from investing activities:		
Capital expenditures	(15,794)	(44,806)
Business acquisitions, net of cash acquired	—	(18,692)
Proceeds from sale of property, plant and equipment	12,389	13,734
Net cash used in investing activities	(3,395)	(49,764)
Cash flows from financing activities:		
Borrowings on lines of credit	173,794	327,983
Payments on lines of credit	(221,781)	(333,613)
Purchases of Convertible Notes	(29,124)	—
Debt issuance costs	—	(1,214)
Proceeds from employee stock plans	—	1,314
Purchases of treasury stock	(333)	(21,737)
Other financing activities	(497)	(229)
Net cash used in financing activities	(71,941)	(29,526)
Effect of exchange rate changes on cash	(970)	(399)
Net decrease in cash, cash equivalents, and restricted cash	(26,515)	(7,403)
Cash, cash equivalents, and restricted cash at beginning of period	56,863	64,266
Cash, cash equivalents, and restricted cash at end of period	\$ 30,348	\$ 56,863

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)	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Net income (loss) (GAAP) ⁽¹⁾	\$ (18,434)	\$ (23,870)	\$ (17,093)	\$ (80,696)	\$ (12,946)
Interest expense, net	2,462	2,411	3,562	10,986	14,369
Provision (benefit) for income taxes	(580)	(4,813)	2,617	(11,883)	9,788
Depreciation and amortization	11,128	11,271	12,253	45,314	47,144
EBITDA (non-GAAP) ⁽¹⁾	\$ (5,424)	\$ (15,001)	\$ 1,339	\$ (36,279)	\$ 58,555

(1) See table on Slide 15 for charges included.

Fluids Systems (In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Operating income (loss) (GAAP)	\$ (20,119)	\$ (18,957)	\$ (18,137)	\$ (66,403)	\$ 3,814
Depreciation and amortization	4,869	5,227	5,691	20,555	21,202
EBITDA (non-GAAP) ⁽¹⁾	(15,250)	(13,730)	(12,446)	(45,848)	25,016
Revenues	79,430	67,711	134,573	354,608	620,317
Operating Margin (GAAP)	(25.3)%	(28.0)%	(13.5)%	(18.7)%	0.6 %
EBITDA Margin (non-GAAP)	(19.2)%	(20.3)%	(9.2)%	(12.9)%	4.0 %

(1) See table on Slide 15 for charges included.

Industrial Solutions (In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Operating income (loss) (GAAP)	\$ 9,531	\$ (139)	\$ 14,603	\$ 13,459	\$ 47,466
Depreciation and amortization	5,186	4,916	5,505	20,427	21,763
EBITDA (non-GAAP)	14,717	4,777	20,108	33,886	69,229
Revenues	50,275	28,713	54,898	138,017	199,802
Operating Margin (GAAP)	19.0 %	(0.5)%	26.6 %	9.8 %	23.8 %
EBITDA Margin (non-GAAP)	29.3 %	16.6 %	36.6 %	24.6 %	34.6 %

18

Free Cash Flow

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

Consolidated (In thousands)	Three Months Ended			Twelve Months Ended	
	December 31, 2020	September 30, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Net cash provided by operating activities (GAAP)	\$ 15,498	\$ 15,280	\$ 19,100	\$ 55,791	\$ 72,286
Capital expenditures	(1,185)	(3,954)	(9,003)	(15,794)	(44,806)
Proceeds from sale of property, plant and equipment	1,902	2,534	6,618	12,399	13,734
Free Cash Flow (non-GAAP)	\$ 16,215	\$ 13,860	\$ 16,715	\$ 52,396	\$ 41,214

NON-GAAP FINANCIAL MEASURES (UNAUDITED)

Ratio of Net Debt to Capital

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:

(In thousands)	December 31, 2020	December 31, 2019
Current debt	\$ 67,472	\$ 6,335
Long-term debt, less current portion	19,690	153,538
Total Debt	87,162	159,873
Total stockholders' equity	488,032	548,645
Total Capital	\$ 575,194	\$ 708,518
Ratio of Total Debt to Capital	15.2 %	22.6 %
Total Debt	\$ 87,162	\$ 159,873
Less: cash and cash equivalents	(24,197)	(48,672)
Net Debt	62,965	111,201
Total stockholders' equity	488,032	548,645
Total Capital, Net of Cash	\$ 550,997	\$ 659,846
Ratio of Net Debt to Capital	11.4 %	16.9 %

Executive Management

NEWPARK

EXPERIENCED LEADERSHIP

Paul Howes	President & 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>
Matthew Lanigan	President <i>Industrial Solutions</i>

Paul L. Howes, President & CEO: Paul L. Howes joined Newpark's Board of Directors and was appointed as the Chief Executive Officer in March 2006. In June 2006, Mr. Howes was also appointed as the President. Mr. Howes' career has included experience in the defense industry, chemicals and plastics manufacturing, and the packaging industry. Following the sale of his former company in October 2005 until he joined Newpark's Board of Directors in March 2006, Mr. Howes was working privately as an inventor and engaging in consulting and private investing activities. From 2002 until October 2005, he served as President and Chief Executive Officer of Astaris LLC, a primary chemicals company headquartered in St. Louis, Missouri, with operations in North America, Europe and South America. Prior to this, from 1997 until 2002, he served as Vice President and General Manager, Packaging Division, for Flint Ink Corporation, a global ink company headquartered in Ann Arbor, Michigan with operations in North America, Europe, Asia Pacific and Latin America. Mr. Howes started his career with Lockheed Martin (Martin Marietta) in the early 80's, working on the space shuttle program.

Mr. Howes is also actively engaged in energy industry trade associations. He is currently a member of the Board of Directors of the American Petroleum Institute (API), and the National Ocean Industries Association (NOIA). Mr. Howes is Chairman of Buckets of Rain, a non-profit organization, focused on the rebuilding of Detroit one garden at a time through growing produce in local communities. He was previously Chairman of the General Membership Committee and a member of the Executive Committee of the API.

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 financial 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.

Matthew Lanigan, President Industrial Solutions: Matthew joined Newpark in April 2016, as President of Newpark Mats & Integrated Services. 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.

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
PAUL L. HOWES	President and 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
JOHN C. MINGÉ	Former Chairman and President, BP America
ROSE M. ROBESON	Retired VP and CFO, general partner of DCP Midstream Partners LP

Please visit our website for full biographies of our Board.

