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 30, 2023

KLX ENERGY SERVICES HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-38609	36-4904146
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

3040 Post Oak Boulevard, 15th Floor
Houston, Texas 77056
(Address of Principal Executive Offices)

(832) 844-1015
(Registrant's Telephone Number, Including Area Code)

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	**KLXE**	**The Nasdaq Global Select Market**

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.

Furnished as Exhibit 99.1 and incorporated by reference into this Item 7.01 in its entirety is a copy of a presentation to be presented by KLX Energy Services Holdings, Inc. (the "Company") to investors at the Louisiana Energy Conference in New Orleans on May 30 - June 1, 2023. The Company also posted the presentation to its website at https://investor.klxenergy.com/events-and-presentations.

The information contained in, or incorporated into, this Item 7.01 is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any registration statement or other filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference to such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Presentation by the Company to investors.*
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

*Furnished herewith.

SIGNATURES

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

KLX Energy Services Holdings, Inc.

By:	/s/ Christopher J. Baker
Name:	Christopher J. Baker
Title:	President and Chief Executive Officer
Date:	May 30, 2023


Louisiana
Energy Conference
May 2023

Disclaimer & Forward-looking Statements

Cautionary Statement on Forward-looking Statements
This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act. This presentation includes forward-looking statements that reflect our current expectations, projections and goals relating to our future results, performance and prospects. Forward-looking statements include all statements that are not historical in nature and are not current facts, including our preliminary estimated financial information for Q4 2022. When used in this news release (and any oral statements made regarding the subjects of this release, including on the conference call announced herein), the words “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “might,” “should,” “could,” “will” or the negative of these terms or similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. Such forward-looking statements involve risks and uncertainties. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events with respect to, among other things: our operating cash flows; the availability of capital and our liquidity; our ability to renew and refinance our debt; our future revenue, income and operating performance; our ability to sustain and improve our utilization, revenue and margins; our ability to maintain acceptable pricing for our services; future capital expenditures; our ability to finance equipment, working capital and capital expenditures; our ability to execute our long-term growth strategy and to integrate our acquisitions; our ability to successfully develop our research and technology capabilities and implement technological developments and enhancements; and the timing and success of strategic initiatives and special projects. The Company’s actual experience and results may differ materially from the experience and results anticipated in such statements. Factors that might cause such a difference include those discussed in the Company’s filings with the U.S. Securities and Exchange Commission (the “SEC”), which include its Annual or Transition Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K. For more information, see the section entitled “Forward-Looking Statements” contained in the Company’s Transition Report on Form 10-K and in other filings. Any forward-looking statements included in this presentation are made only as of the date of this presentation and, except as required by federal securities laws and rules and regulations of the SEC, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures
This presentation includes Adjusted EBITDA which is a "non-GAAP financial measure" as defined in Regulation G of the Securities Exchange Act of 1934. Adjusted EBITDA is a supplemental non-GAAP financial measure that is used by management and external users of our financial statements, such as industry analysts, investors, lenders and rating agencies. Adjusted EBITDA is not a measure of net earnings or cash flows as determined by GAAP. We define Adjusted EBITDA as net earnings (loss) before interest, taxes, depreciation and amortization, further adjusted for (i) goodwill and/or long-lived asset impairment charges, (ii) stock-based compensation expense, (iii) restructuring charges, (iv) transaction and integration costs related to acquisitions, (v) costs incurred related to the COVID-19 pandemic and (vi) other expenses or charges to exclude certain items that we believe are not reflective of ongoing performance of our business. Adjusted EBITDA is used to calculate the Company's leverage ratio, consistent with the terms of the Company's ABL facility. We believe Adjusted EBITDA is useful because it allows us to more effectively evaluate our operating performance and compare the results of our operations from period to period without regard to our financing methods or capital structure. We exclude the items listed above in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be considered as an alternative to, or more meaningful than, net income as determined in accordance with GAAP, or as an indicator of our operating performance or liquidity. Certain items excluded from Adjusted EBITDA are significant components in understanding and assessing a company's financial performance, such as a company's cost of capital and tax structure, as well as the historic costs of depreciable assets, none of which are components of Adjusted EBITDA. Our computations of Adjusted EBITDA may not be comparable to other similarly titled measures of other companies.

The Company’s results for the periods Q1’19 through Q1’20 are presented on a pre-merger combined basis, which is the sum of KLX Energy Services Holdings, Inc. (“KLXE”) and Quintana Energy Services, Inc. (“QES”) results as disclosed for the given period, without any pro forma adjustments. Note that legacy QES fiscal year ended on December 31 and legacy KLXE fiscal year ended on January 31, which continued for KLXE until the Company changed its fiscal year-end from January 31 to December 31, effective beginning with the year ended December 31, 2021. As a result, our pre-merger combined quarterly data for Q1’19 includes legacy KLXE for three months ended April 30, 2019 and legacy QES for three months ended March 31, 2019; for Q2’19 includes legacy KLXE for three months ended July 31, 2019 and legacy QES for three months ended June 30, 2019; for Q3’19 includes legacy KLXE for three months ended October 31, 2019 and legacy QES for three months ended September 30, 2019; for Q4’19 includes legacy KLXE for three months ended January 31, 2020 and legacy QES for three months ended December 31, 2019; and for Q1’20 includes legacy KLXE for three months ended April 30, 2020 and legacy QES for three months ended March 31, 2020.

Additional information is available from KLXE at its website, www.klxenergy.com.

Company Overview

KLX Energy Services (KLXE) Overview

Company Overview

- Leading U.S. onshore provider of value-added, mission critical services focused on the entire well life-cycle for the most technically demanding wells across the major US oil and gas basins
- ~2,100 total team members as of Q1 (pro forma for Greene's), including a deeply experienced ops leadership team with an average of 30 years of industry experience and 10 years with KLXE
- Vertical integration with in-house machining and R&D
- Long-standing relationships with blue-chip customer base
- Platform created through combination of organic and inorganic growth and well positioned to continue to grow via both

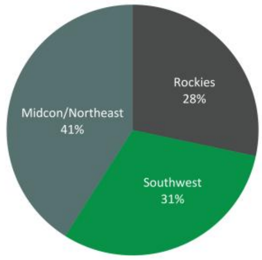
Areas of Operation

Diversified Product Offering

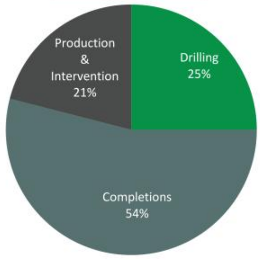
Drilling	• 110 measurement-while-drilling kits • Over 850 mud motors (~60% are latest gen)
Completion	• 23 modern, large-diameter Coiled Tubing Units • 75+ Wireline Units (split with Production) • 120+ Frac Trees and 50 Guardian Isolation Tools • 490+ accommodation trailers (split with Drilling) • 4 frac spreads (2 staffed and operating) • Suite of proprietary tools & consumables
Production & Intervention	• Leading fleet of fishing and rentals tools • 16 small diameter (2'' or less) Coiled Tubing Units • 34 rig-assisted Snubbing Units • Downhole production services

Diversified Business Model

Q1 '23 Revenue by Region



Q1 '23 Revenue by Product Line



Source: Company filings and disclosure
Facility listing and product offering detail include facilities and tools acquired via the March 8, 2023 Greene's acquisition.

KLXE / QES Merger Integration Success

(dollar amounts in millions)

Strategic Fit	✓ Premier provider of drilling, completion, production and intervention solutions with a returns driven strategy ✓ Minimal customer overlap with significant cross-sell potential ✓ Positioned to participate in further industry consolidation
People	✓ Strong management team with proven operational track-record and deep M&A experience ✓ Retention of key employees ✓ Strong Board and corporate governance
Efficiencies and Synergies	✓ Consolidated 24 facilities with overlapping geographic coverage and service offerings ✓ Eliminated duplicate management positions to reduce SG&A ✓ "Shared Services" consolidation and optimization ✓ Over $50MM of total cost synergies (reduced SG&A as a % of revenue from 21% in Q4 2019 (standalone KLXE) to 11% in Q1 2023) ✓ Approximately $19MM in sale of obsolete assets since closing (thru Q1 2023) ✓ Aligned across common systems, processes and procedures
Valuation and Structure	✓ 100% equity financed, merger of equals ✓ Created platform that generated over $1.0B of revenue and $156MM of Adj EBITDA on a pro forma 2019 basis, including $50MM of cost synergies ✓ Deleveraging and credit-enhancing to KLXE

Adjusted EBITDA Bridge

A Transformed KLXE

People	✓ Veteran operators throughout the organization ✓ Deep technical expertise ✓ Transparent alignment of incentives
Performance	✓ Performance culture ✓ Detailed KPI tracking and data-driven decision making
Asset Integrity	✓ Rigorous maintenance program to minimize downtime and ensure equipment integrity and consistency in service quality ✓ Selective evaluation of opportunities to ensure equipment integrity
Safety	✓ Employees value safe, professional field operations ✓ Strong interdependent safety culture and track record of strong safety metrics affords KLXE the opportunity to work for the largest operators
Customer Focus	✓ Long-term relationships with blue-chip customers ✓ Strong visibility into drilling and completion programs
Profitability	✓ Significant operating leverage ✓ Return on capital orientation

Diversified and Complementary Product Service Offering

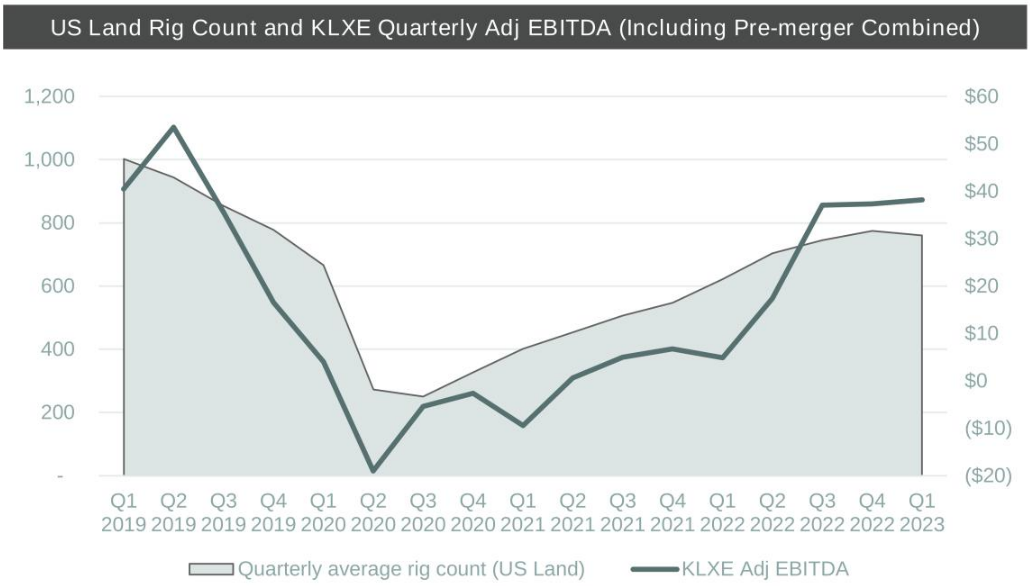
- Diversified product service offering positions KLXE to capture a larger percentage of customer spending across the lifecycle
- Refocused product service offering across core geographies to improve scale, utilization and returns

Primary Product Line	PSL[1]	Approximate Q1 2023 Rev. Contribution	Rockies	Southwest	Northeast/ Mid Con	Select Products & Services
Drilling	Directional Drilling	20%	✓	✓	✓	MWD, proprietary K-Series mud motor, directional electronics and other modules
Completion	Accommodations	5%		✓	✓	Living accommodations, water & sewage services, light plants, generators and other
Completion	Coiled Tubing	16%	✓	✓	✓	1-1/4" to 2-5/8" coiled tubing units
Completion	Pressure Pumping	16%	✓		✓	Acidizing, cement, frac
Completion	Other Completion Products and Services	12%	✓	✓	✓	Flowback, frac valve rental, proprietary composite & dissolvable plugs and other proprietary products
Production & Intervention	Wireline	6%	✓	✓		Pump down, pipe recovery, logging
Production & Intervention	Tech Services	12%	✓	✓	✓	Fishing tools & services, thru tubing, reverse units and snubbing
Production & Intervention	Rentals	12%	✓	✓	✓	Pressure control equipment, tubulars, torque & testing, and pipe handling

Source: Company. As of Q1 2023.
[1] Product Service Line
Numbers may not sum to 100% due to rounding

Significant Operating Leverage Tied To Market Recovery

(dollar amounts in millions)



Source: Company & Baker Hughes Rig Count.
The Company's results for the periods Q1'19 through Q1'20 are presented on a pre-merger combined basis, which is the sum of legacy KLX Energy Services Holdings, Inc. ("KLXE") and Quintana Energy Services, Inc. ("QES") results as disclosed for the given periods, without any pro forma adjustments. Note that legacy QES fiscal year ended on December 31 and legacy KLXE fiscal year ended on January 31, which continued for KLXE until the Company changed its fiscal year-end from January 31 to December 31, effective beginning with the year ended December 31, 2021. As a result, our pre-merger combined quarterly data for Q1'19 includes legacy KLXE for three months ended April 30, 2019 and legacy QES for three months ended March 31, 2019, for Q2'19 includes legacy KLXE for three months ended July 31, 2019 and legacy QES for three months ended June 30, 2019, for Q3'19 includes legacy KLXE for three months ended October 31, 2019 and legacy QES for three months ended September 30, 2019, for Q4'19 includes legacy KLXE for three months ended January 31, 2020 and legacy QES for three months ended December 31, 2019, and for Q1'20 includes legacy KLXE for three months ended April 30, 2020 and legacy QES for three months ended March 31, 2020. Furthermore, note that we have presented Q2'20 on a pro forma basis as the results of legacy KLXE and legacy QES assuming the Merger had occurred on February 1, 2020. We have presented Q3'21 on a pro forma basis as three months ended September 30, 2021, and we have presented Q4'21 on a pro forma basis as three months ended December 31, 2021. Pre-merger periods exclude the value of deal synergies.

Greene’s Acquisition Case Study

Greene’s Energy Group.

- On March 8, 2023 KLXE announced the all-stock acquisition of Greene’s Energy Services (“Greene’s”)
- Implied enterprise value of approximately $30.3 million based on a 30-day volume weighted average price ("VWAP") as of March 7, 2023 and less acquired cash
- Greene’s generated 2022 Revenue and Adj EBITDA of $69.0MM and $14.7,MM, respectively and expected full year 2023P Revenue and Adj EBITDA ranges of $70MM to $75MM and $18MM to $20MM, respectively

Strategic Fit	▪ Augments KLXE’s frac rentals and flowback/well testing offerings in the Permian and Eagle Ford with the addition of Greene’s proprietary isolation tool and their Eagle Ford flowback and well testing business
Cost Synergies	▪ Identified $2.0MM to $3.0MM recurring cost synergies ▪ Expect to realize savings within 12 months of transaction closing
Deleveraging	▪ Greene’s had zero leverage and $1.7MM of cash at closing ▪ KLXE 2022 Net Leverage Ratio improves to approximately 2.0x and 1.4x based on annualized 2H 2022 results
Accretive	▪ Expect the transaction to be accretive across all key metrics

Top Operators Choose KLXE

- Served over 760 unique customers in 2022 with no one customer accounting for more than 5% of 2022 revenue
- Diverse customer base – Top 10 2022 customers accounted for 30% of 2022 Revenue
- Significant leverage to the most active operators in the United States – MSAs with 19 of top 20 operators by rig count

Select Customer Relationships

Source: Company disclosure. As of Q4 2022.

Profitability and Net Leverage Continue to Improve

(dollar amounts in millions)

- Rapidly improving financial results as KLXE has grown back into the capital structure
- Q1 2023 Revenue and Adj EBITDA of $240MM and $38MM, respectively
    - Pro Forma for a full quarter contribution from Greene's, Q1 Revenue and Adj EBITDA would have been $252MM and $41MM, respectively
- Q1 2023 run-rate Net Leverage ratio of approximately 1.6x (1.5x pro forma for Greene's acquisition)

Summary

	PF Calendar Q4'21	Q1'22	Q2'22	Q3 '22	Q4 '22	Q1 '23
Revenue						
Rockies	$35.3	$43.3	$53.1	$66.5	$66.1	$67.9
Southwest	50.2	51.9	60.0	68.5	74.8	73.4
Mid-Con / Northeast	59.5	57.1	71.3	86.6	82.4	98.3
Revenue	$145.0	$152.3	$184.4	$221.6	$223.3	$239.6
Revenue Growth	13%	5%	21%	20%	1%	7%
Adjusted EBITDA						
Rockies	$2.3	$4.7	$9.3	$17.3	$17.9	$15.5
Southwest	4.2	4.2	6.4	10.2	12.4	10.2
Mid-Con / Northeast	6.2	2.7	11.1	21.3	19.7	23.7
Corporate & Other	(6.0)	(6.7)	(9.4)	(11.7)	(12.7)	(11.2)
Adjusted EBITDA	$6.7	$4.9	$17.4	$37.1	$37.3	$38.2
Adjusted EBITDA Margin						
Rockies	6.5%	10.9%	17.5%	26.0%	27.1%	22.8%
Southwest	8.4%	8.1%	10.7%	14.9%	16.6%	13.9%
Mid-Con / Northeast	10.4%	4.7%	15.6%	24.6%	23.9%	24.1%
Adjusted EBITDA Margin	4.6%	3.2%	9.4%	16.7%	16.7%	15.9%
Net Debt						
Cash	$28.0	$19.4	$31.5	$41.4	$57.4	$39.6
Total Debt	274.8	275.1	295.4	295.6	283.4	283.6
Net Debt	$246.8	$255.7	$263.9	$254.2	$226.0	$244.0

Source: Company disclosure.
Q1 2023 includes only a partial month contribution from Greene's.

Go-Forward Strategy

Sales & Pricing	▪ Return pricing to levels that drive acceptable margins and support reinvestment in our asset base and generate free cash flow ▪ Drive margin enhancing utilization
Cost Controls	▪ Continue to manage through supply chain constraints and pass costs onto customers ▪ Retain personnel and maintain equipment quality while continuing to proactively manage the cost structure to drive incremental margins ▪ Continue to proactively manage working capital
Organic Growth	▪ Expand share of wallet with top customers ▪ Expand certain PSLs geographically ▪ Continue to redeploy and expand our asset base in certain PSLs as returns warrant ▪ Re-allocate assets across geographies as demand and pricing warrant
Strategic	▪ Continue to pursue value-creating, de-leveraging consolidation opportunities ▪ Continue to de-lever through a combination of EBITDA growth, free cash flow generation, debt reduction and consolidation


Appendix

Reconciliation of Consolidated Net Loss to Adjusted EBITDA (Loss)

(dollar amounts in millions)

Adj EBITDA Reconciliation

	Q1'19 (2)	Q2'19 (2)	Q3'19 (2)	Q4'19 (2)	Q1'20 (2)	Q2'20	Q3'20	Q4'20
Consolidated net loss (1)	$ (13.9)	$ (7.8)	$ (117.2)	$ (33.0)	$ (263.8)	$ (54.8)	$ (38.3)	$ (30.5)
Income tax expense (benefit)........	0.5	0.3	(0.3)	(8.4)	0.1	—	0.2	0.1
Interest expense, net	7.8	8.3	8.1	8.3	8.1	7.6	7.7	8.0
Operating income (loss)	(5.6)	0.8	(109.4)	(33.1)	(255.6)	(47.2)	(30.4)	(22.4)
Bargain purchase gain	—	—	—	—	—	—	2.4	(1.6)
Impairment and other charges	—	—	87.3	1.2	218.0	—	4.4	0.8
One-time costs, excluding impairment and other charges	5.4	1.2	12.3	5.0	14.7	1.6	3.0	2.4
Adjusted operating income (loss)............	(0.2)	2.0	(9.8)	(26.9)	(22.9)	(45.6)	(20.6)	(20.8)
Depreciation and amortization .	27.2	29.6	29.9	26.8	26.1	21.5	14.7	17.9
Non-cash compensation	7.3	7.3	6.0	6.6	1.8	4.8	0.5	0.3
Adjusted EBITDA (loss)	**$ 34.3**	**$ 38.9**	**$ 26.1**	**$ 6.5**	**$ 5.0**	**$ (19.3)**	**$ (5.4)**	**$ (2.6)**

*Previously announced quarterly numbers may not sum to the year-end total due to rounding.

(1) Quarterly cost of sales includes $2.1 million of lease expense associated with five coiled tubing unit leases.

(2) The Company's results for the periods Q1'19 through Q1'20 are presented on a pre-merger combined basis, which is the sum of KLX Energy Services Holdings, Inc. ("KLXE") and Quintana Energy Services, Inc. ("QES") results as disclosed for the given period, without any pro forma adjustments. Note that legacy QES fiscal year ended on December 31 and legacy KLXE fiscal year ended on January 31, which continued for KLXE until the Company changed its fiscal year-end from January 31 to December 31, effective beginning with the year ended December 31, 2021. As a result, our pre-merger combined quarterly data for Q1'19 includes legacy KLXE for three months ended April 30, 2019 and legacy QES for three months ended March 31, 2019, for Q2'19 includes legacy KLXE for three months ended July 31, 2019 and legacy QES for three months ended June 30, 2019, for Q3'19 includes legacy KLXE for three months ended October 31, 2019 and legacy QES for three months ended September 30, 2019, for Q4'19 includes legacy KLXE for three months ended January 31, 2020 and legacy QES for three months ended December 31, 2019, and for Q1'20 includes legacy KLXE for three months ended April 30, 2020 and legacy QES for three months ended March 31, 2020. Furthermore, note that we have presented Q2'20 on a pro forma basis as the results of legacy KLXE and legacy QES assuming the Merger had occurred on February 1, 2020. Pre-merger periods exclude the value of deal synergies.

Source: Company Disclosure

Reconciliation of Consolidated Net Loss to Adjusted EBITDA (Loss)

(dollar amounts in millions)

Adj EBITDA Reconciliation (Continued)

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Consolidated net income (loss) (2)	$ (36.8)	$ (25.0)	$ (20.3)	$ (18.6)	$ (19.9)	$ (7.5)	$ 11.1	$ 13.2	$ 9.4
Income tax expense	0.1	0.1	0.1	0.1	0.1	0.2	0.3	—	0.2
Interest expense, net	7.8	8.0	8.2	8.2	8.3	8.7	9.0	9.0	9.3
Operating income (loss)	(28.9)	(16.9)	(12.0)	(10.3)	(11.5)	1.4	20.4	22.2	18.9
Bargain purchase gain	—	0.5	0.5	—	—	—	—	—	(3.2)
Impairment and other charges (1)	—	0.2	0.2	—	—	—	—	—	—
One-time costs (benefits), excluding impairment and other charges (1)	3.3	1.3	0.7	1.4	2.0	1.2	1.7	(0.5)	5.3
Adjusted operating income (loss)	(25.6)	(14.9)	(10.6)	(8.9)	(9.5)	2.6	22.1	21.7	21.0
Depreciation and amortization	15.4	14.5	13.8	14.8	13.7	14.0	14.2	14.9	16.5
Non-cash compensation	0.8	1.0	0.9	0.8	0.7	0.8	0.8	0.7	0.7
Adjusted EBITDA (loss)	**$ (9.4)**	**$ 0.6**	**$ 4.1**	**$ 6.7**	**$ 4.9**	**$ 17.4**	**$ 37.1**	**$ 37.3**	**$ 38.2**

*Previously announced quarterly numbers may not sum to the year-end total due to rounding.

(1) The one-time benefits during the first quarter of 2023 relate to $3.3 in retention bonus costs, $1.2 in costs related to the Greene's acquisition and $0.8 in non-recurring legal costs.

(2) Quarterly cost of sales includes $2.1 million of lease expense associated with five coiled tubing unit leases.

(3) We have presented Q3'21 on a pro forma basis as three months ended September 30, 2021, and we have presented Q4'21 on a pro forma basis as three months ended December 31, 2021.

Source: Company Disclosure

Consolidated Net Income (Loss) Margin Reconciliation

(dollar amounts in millions)

Consolidated Net Income (Loss) Margin Reconciliation	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Net income (loss)	$(36.8)	$(25.0)	$(20.3)	$(18.6)	$(19.9)	$(7.5)	$11.1	$13.2	$ 9.4
Revenue	90.8	111.9	128.3	145.0	152.3	184.4	221.6	223.3	239.6
Consolidated net income (loss) margin	**(40.5)%**	**(22.3)%**	**(15.8)%**	**(12.8)%**	**(13.1)%**	**(4.1)%**	**5.0 %**	**5.9 %**	**3.9 %**

Source: Company Disclosure

Consolidated Adjusted EBITDA (Loss) Margin Reconciliation

(dollar amounts in millions)

Consolidated Adjusted EBITDA (Loss) Margin Reconciliation

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Adjusted EBITDA (loss)	$ (9.4)	$ 0.6	$ 4.1	$ 6.7	$ 4.9	$17.4	$37.1	$37.3	$38.2
Revenue	90.8	111.9	128.3	145.0	152.3	184.4	221.6	223.3	239.6
Consolidated Adjusted EBITDA (loss) margin	**(10.3)%**	**0.5 %**	**3.2 %**	**4.6 %**	**3.2 %**	**9.4 %**	**16.7 %**	**16.7 %**	**15.9 %**

Source: Company Disclosure

Reconciliation of Segment Operating Income (Loss) to Adjusted EBITDA (Loss)

(dollar amounts in millions)

Rocky Mountains Segment Adj EBITDA (Loss) Reconciliation

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Rocky Mountains operating income	$ (7.1)	$ (2.2)	$ (0.4)	$ (3.8)	$ (0.8)	$ 4.0	$ 11.7	$ 12.4	$ 9.8
One-time costs (1)	0.3	0.2	0.2	0.2	0.1	0.1	0.3	—	—
Adjusted operating income (loss)	(6.8)	(2.0)	(0.2)	(3.6)	(0.7)	4.1	12.0	12.4	9.8
Depreciation and amortization expense	5.1	5.0	5.0	5.9	5.4	5.2	5.3	5.5	5.7
Non-cash compensation	0.1	0.1	—	—	—	—	—	—	—
Rocky Mountains Adjusted EBITDA (loss)	**$ (1.6)**	**$ 3.1**	**$ 4.8**	**$ 2.3**	**$ 4.7**	**$ 9.3**	**$ 17.3**	**$ 17.9**	**$ 15.5**

(1) One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

Source: Company Disclosure

Reconciliation of Segment Operating Income (Loss) to Adjusted EBITDA (Loss)

(dollar amounts in millions)

Southwest Segment Adj EBITDA (Loss) Reconciliation

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Southwest operating income (loss)	$ (7.5)	$ (3.7)	$ (4.2)	$ (1.0)	$ (0.4)	$ 2.0	$ 5.2	$ 7.7	$ 4.8
One-time costs (1)	0.9	0.1	0.1	0.3	0.1	(0.2)	0.4	0.1	—
Adjusted operating income (loss)	(6.6)	(3.6)	(4.1)	(0.7)	(0.3)	1.8	5.6	7.8	4.8
Depreciation and amortization expense	5.8	5.4	4.7	4.9	4.5	4.6	4.6	4.6	5.4
Non-cash compensation	0.1	—	—	—	—	—	—	—	—
Southwest Adjusted EBITDA (loss)	**$ (0.7)**	**$ 1.8**	**$ 0.6**	**$ 4.2**	**$ 4.2**	**$ 6.4**	**$ 10.2**	**$ 12.4**	**$ 10.2**

(1) One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

Source: Company Disclosure

Reconciliation of Segment Operating Income (Loss) to Adjusted EBITDA (Loss)

(dollar amounts in millions)

Northeast/Mid-Con Segment Adj EBITDA (Loss) Reconciliation

	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Northeast/Mid-Con operating income (loss).......	$ (6.8)	$ (3.8)	$ (0.6)	$ 2.1	$ (0.8)	$ 7.3	$ 17.2	$ 15.4	$ 18.7
One-time costs (1)..........................	0.7	0.6	0.5	0.6	0.1	0.1	—	0.1	—
Adjusted operating income (loss)....................	(6.1)	(3.2)	(0.1)	2.7	(0.7)	7.4	17.2	15.5	18.7
Depreciation and amortization expense................	3.8	3.6	3.6	3.4	3.4	3.6	4.0	4.2	5.0
Non-cash compensation	0.2	0.1	0.1	0.1	—	0.1	0.1	—	—
Northeast/Mid-Con Adjusted EBITDA (loss)....	**$ (2.1)**	**$ 0.5**	**$ 3.6**	**$ 6.2**	**$ 2.7**	**$ 11.1**	**$ 21.3**	**$ 19.7**	**$ 23.7**

(1) One-time costs are defined in the Reconciliation of Consolidated Net Loss to Adjusted EBITDA (loss) table above. For purposes of segment reconciliation, one-time costs also includes impairment and other charges.

Source: Company Disclosure

Segment Operating Income (Loss) Margin Reconciliation

(dollar amounts in millions)

Segment Operating Income (Loss) Margin Reconciliation	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Rocky Mountains									
Operating income (loss)	$(7.1)	$(2.2)	$(0.4)	$(3.8)	$(0.8)	$ 4.0	$11.7	$12.4	$ 9.8
Revenue	24.3	33.6	37.4	35.3	43.3	53.1	66.5	66.1	67.9
Segment operating income (loss) margin percentage	**(29.2)%**	**(6.5)%**	**(1.1)%**	**(10.8)%**	**(1.8)%**	**7.5 %**	**17.6 %**	**18.8 %**	**14.4 %**
Southwest									
Operating income (loss)	(7.5)	(3.7)	(4.2)	(1.0)	(0.4)	2.0	5.2	7.7	4.8
Revenue	38.0	43.0	43.7	50.2	51.9	60.0	68.5	74.8	73.4
Segment operating income (loss) margin percentage	**(19.7)%**	**(8.6)%**	**(9.6)%**	**(2.0)%**	**(0.8)%**	**3.3 %**	**7.6 %**	**10.3 %**	**6.5 %**
Northeast/Mid-Con									
Operating income (loss)	(6.8)	(3.8)	(0.6)	2.1	(0.8)	7.3	17.2	15.4	18.7
Revenue	28.5	35.3	47.2	59.5	57.1	71.3	86.6	82.4	98.3
Segment operating income (loss) margin percentage	**(23.9)%**	**(10.8)%**	**(1.3)%**	**3.5 %**	**(1.4)%**	**10.2 %**	**19.9 %**	**18.7 %**	**19.0 %**

Source: Company Disclosure

Segment Adjusted EBITDA (Loss) Margin Reconciliation

(dollar amounts in millions)

Segment Adj EBITDA (Loss) Margin Reconciliation	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Rocky Mountains									
Adjusted EBITDA (loss)	$(1.6)	$ 3.1	$ 4.8	$ 2.3	$ 4.7	$ 9.3	$17.3	$17.9	$15.5
Revenue	24.3	33.6	37.4	35.3	43.3	53.1	66.5	66.1	67.9
Adjusted EBITDA Margin Percentage	**(6.6)%**	**9.2 %**	**12.8 %**	**6.5 %**	**10.9 %**	**17.5 %**	**26.0 %**	**27.1 %**	**22.8 %**
Southwest									
Adjusted EBITDA (loss)	(0.7)	1.8	0.6	4.2	4.2	6.4	10.2	12.4	10.2
Revenue	38.0	43.0	43.7	50.2	51.9	60.0	68.5	74.8	73.4
Adjusted EBITDA Margin Percentage	**(1.8)%**	**4.2 %**	**1.4 %**	**8.4 %**	**8.1 %**	**10.7 %**	**14.9 %**	**16.6 %**	**13.9 %**
Northeast/Mid-Con									
Adjusted EBITDA (loss)	(2.1)	0.5	3.6	6.2	2.7	11.1	21.3	19.7	23.7
Revenue	28.5	35.3	47.2	59.5	57.1	71.3	86.6	82.4	98.3
Adjusted EBITDA Margin Percentage	**(7.4)%**	**1.4 %**	**7.6 %**	**10.4 %**	**4.7 %**	**15.6 %**	**24.6 %**	**23.9 %**	**24.1 %**

Source: Company Disclosure

SG&A Margin Reconciliation

(dollar amounts in millions)

SG&A Margin Reconciliation	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Selling, general and administrative expenses................	$14.9	$14.3	$14.1	$15.7	$15.0	$18.0	$18.0	$19.4	$26.2
Revenue	90.8	111.9	128.3	145.0	152.3	184.4	221.6	223.3	239.6
SG&A Margin Percentage	**16.4 %**	**12.8 %**	**11.0 %**	**10.8 %**	**9.8 %**	**9.8 %**	**8.1 %**	**8.7 %**	**10.9 %**

Source: Company Disclosure

Annualized Adjusted EBITDA (Loss) Reconciliation

(dollar amounts in millions)

Annualized Quarterly Adj EBITDA (Loss) Reconciliation	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23
Adjusted EBITDA (loss)	$ (9.4)	$ 0.6	$ 4.1	$ 6.7	$ 4.9	$ 17.4	$ 37.1	$ 37.3	$ 38.2
Multiplied by four quarters	4	4	4	4	4	4	4	4	4
Annualized Quarterly Adjusted EBITDA (loss)	**$ (37.6)**	**$ 2.4**	**$ 16.4**	**$ 26.8**	**$ 19.6**	**$ 69.6**	**$ 148.4**	**$ 149.2**	**$ 152.8**

Source: Company Disclosure