### 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): November 6, 2019

#### QUINTANA ENERGY SERVICES INC.

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of Incorporation) 001-38383 (Commission File Number) 82-1221944 (IRS Employer Identification No.)

1415 Louisiana Street, Suite 2900 Houston, Texas, 77002 (Address of Principal Executive Offices) (832) 518-4094 (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)	
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 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))	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 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c)	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:

<u>Title of each class:</u> Common stock, par value \$0.01 per share Trading Symbol(s)
QES

Name of each exchange on which registered:

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).

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  $\boxtimes$ 

#### Item 2.02. Results of Operations and Financial Condition

On November 6, 2019, Quintana Energy Services Inc. ("QES" or the "Company") issued a press release (the "Press Release") announcing its financial results for the third quarter ended September 30, 2019. QES is hereby furnishing the Press Release, which is included as Exhibit 99.1 hereto, pursuant to Item 2.02 of Form 8-K.

In accordance with General Instruction B.2 of Form 8-K, the information furnished pursuant to this Item 2.02, and including Exhibit 99.1 furnished herewith, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

#### Item 7.01. Regulation FD Disclosure

The information set forth under Item 2.02 above is incorporated by reference into this Item 7.01.

#### Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibit			
No.		Description	
99.1	Press Release, dated November 6, 2019*		

<sup>\*</sup> 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.

QUINTANA ENERGY SERVICES INC.

November 6, 2019 By: /s/ Keefer M. Lehner

Name: Keefer M. Lehner

Title: Chief Financial Officer, Executive Vice President

#### **Quintana Energy Services Reports Third Quarter 2019 Results**

HOUSTON--(BUSINESS WIRE)--November 6, 2019--Quintana Energy Services Inc. (NYSE: QES) ("QES" or the "Company") today reported financial and operating results for the third quarter ended September 30, 2019.

#### Third Quarter Highlights

- Highest quarterly Adjusted EBITDA of 2019
- Began execution of corporate restructuring plan and further realized cost and efficiency improvements
- Free cash flow positive and paid down \$2 million of debt

#### **Third Quarter 2019 Financial Results**

Third quarter 2019 revenue was \$121.1 million, down 3.6% from \$125.6 million in the second quarter of 2019. Third quarter 2019 net loss was \$47.4 million and Adjusted EBITDA was \$8.7 million, compared to a net loss of \$11.3 million and Adjusted EBITDA of \$5.9 million for the second quarter of 2019, and a net loss of \$2.4 million and Adjusted EBITDA of \$12.9 million in the third quarter of 2018. See "Non-GAAP Financial Measures" at the end of this release for a discussion of Adjusted EBITDA and its reconciliation to the most directly comparable financial measure calculated and presented in accordance with U.S. generally accepted accounting principles ("GAAP").

Chris Baker, QES' President and Chief Executive Officer, stated, "The corporate restructuring plan implemented during the third quarter has gone very smoothly and I'm proud of the progress that our teams have made to date. With rig count still trending down, and completions activity plagued by budget constraints and excess capacity, we have been strategically focused on maximizing the Company's flexibility, rebalancing our footprint within select geographic markets and improving our ability to weather uncertainty in the market. Our adjusted EBITDA expanded despite reduced revenues, thanks to the hard work of our dedicated employees, and illustrates that we are making solid progress towards our goals.

"Although there are numerous factors driving the market that are outside of our control, such as commodity prices and customer budgets, management has made it a priority to aggressively manage factors that are within our control to best position QES for the challenges ahead," added Baker. "This means a continuation of the optimization and streamlining of our cost structure, but also by matching this effort with maintaining an asset base and geographic presence that will enable us to fully participate in the eventual market upturn. It also means sustaining our momentum in providing superior execution in the field. We do this by supplying highly-trained personnel along with newer, well-maintained equipment that gives our customers the outstanding quality of service of which they have become accustomed.

"From a consolidated perspective, we do not expect any meaningful improvement in customer activity during the fourth quarter, however, our ongoing asset optimization and evaluation of our cost structure, coupled with our strong balance sheet and considerable liquidity give us some measure of security should weak conditions persist for an extended period of time," concluded Baker.

#### **Business Segment Results**

#### **Directional Drilling**

The Directional Drilling segment provides the highly-technical and essential services of guiding horizontal and directional drilling operations for exploration and production ("E&P") companies. Revenue was \$57.1 million in the third quarter of 2019, up approximately 5.0% compared to revenue of \$54.4 million in the second quarter of 2019 and up 12.2% from the third quarter of 2018. Third quarter 2019 Adjusted EBITDA was \$9.1 million, compared to Adjusted EBITDA of \$5.9 million for the second quarter of 2019. The sequential increase in revenue and Adjusted EBITDA was primarily due to higher revenues associated with the demand for premium service tools and lower direct operating expenses driven by lower overall job costs per day during the three months ended September 30, 2019. In the third quarter of 2018, revenue was \$50.9 million and Adjusted EBITDA was \$6.5 million.

#### **Pressure Pumping**

The Pressure Pumping segment primarily provides hydraulic fracturing services to E&P companies in the Mid-Con, Permian Basin and the Rockies. Revenue for the segment increased 13.8% to \$27.3 million in the third quarter of 2019, up from \$24.0 million in the second quarter of 2019. Third quarter 2019 Adjusted EBITDA was \$1.2 million, compared to Adjusted EBITDA of \$0.8 million for the second quarter of 2019. The sequential increases in revenue and Adjusted EBITDA were primarily attributable to a 28.2% increase in average revenue per stage to \$35,314 for the three months ended September 30, 2019 driven by a shift in job mix, offset by a corresponding 13.6% decrease in stages completed during the third quarter of 2019. Cost structure optimization improvements realized during the third quarter of 2019 continue to positively impact Adjusted EBITDA. In the third quarter of 2018, revenue was \$5.0 million and Adjusted EBITDA was \$5.8 million.

#### **Pressure Control**

The Pressure Control segment consists of coiled tubing, rig-assisted snubbing, nitrogen, fluid pumping and well control services. Revenue for the segment decreased 2.9% to \$26.8 million in the third quarter of 2019, down from \$27.6 million in the second quarter of 2019. Third quarter 2019 Adjusted EBITDA was \$3.7 million, compared to Adjusted EBITDA of \$1.6 million for the second quarter of 2019. The small Pressure Control revenue decrease during the third quarter of 2019 was primarily due to a nominal decrease in utilization driven by market conditions. The increase in Adjusted EBITDA was primarily due to a sequential decrease in direct operating expenses driven by results realized from the second quarter cost reduction initiatives during the third quarter of 2019. In the third quarter of 2018, revenue was \$31.1 million and Adjusted EBITDA was \$4.4 million.

#### Wireline

The Wireline segment primarily provides cased-hole wireline services to E&P companies. Revenue for the segment decreased 49.5% to \$9.9 million in the third quarter of 2019 from \$19.6 million in the second quarter of 2019. Third quarter 2019 Adjusted EBITDA was a \$2.7 million loss, compared to Adjusted EBITDA of \$0.4 million for the second quarter of 2019. The sequential decreases in revenue and Adjusted EBITDA were primarily due to decreased utilization, pricing pressures and fewer revenue days compared to the second quarter of 2019. In the third quarter of 2018, revenue was \$18.9 million and Adjusted EBITDA was a \$0.7 million loss.

#### **Impairment**

Based on the Pressure Pumping and Wireline segments cash flow losses derived from the current macro market pricing and demand headwinds, the Company performed impairment tests during the quarter and for the three months ended September 30, 2019, recorded impairment charges for our Pressure Pumping and Wireline segments of \$34.2 million and \$2.0 million, respectively.

#### **Corporate Restructuring Program**

During the three months ended September 30, 2019, the Company implemented a corporate restructuring program to align its cost structure with the current and anticipated market conditions for U.S. onshore oilfield service providers. The Company recorded a \$5.3 million restructuring charge. This charge consisted of \$2.2 million of employee-related charges, \$0.2 million of lease abandonment charges, \$1.6 million for the termination of a supply contract and the write down of \$1.3 million of inventory and other costs.

#### Other Financial Information

General and administrative ("G&A") expense for the third quarter of 2019 decreased to \$12.1 million compared to the second quarter's G&A expense of \$13.9 million, and decreased by \$2.0 million, compared to \$14.1 million for the third quarter of 2018. The sequential decrease in G&A expense compared to the second quarter was primarily labor costs in the current quarter. The year over year decrease in G&A expenses was the result of cost savings associated with the continued optimization of our cost structure and lower non-cash stock based compensation expense during the third quarter of 2019.

Capital expenditures totaled \$7.6 million during the third quarter of 2019, compared to capital expenditures of \$8.9 million in the second quarter of 2019, and \$11.9 million in the third quarter of 2018. Capital spending during the third quarter of 2019 was driven primarily by overall maintenance capital expenditures across all segments, compared to the second quarter of 2019 where capital expenditures were driven by Directional Drilling expenditures on motors, Pressure Control expenditures on trailers and overall maintenance capital expenditures.

Third quarter interest expense of \$0.9 million was consistent with the second quarter's interest expense, and up from \$0.6 million in the third quarter of 2018. The third quarter interest expense increase over prior year period was primarily due to a higher debt outstanding balance during the third quarter of 2019.

The Company's balance sheet remains a significant strength and a key differentiator versus our peers. QES ended the third quarter of 2019 with a total debt balance of \$33.0 million, \$14.9 million of cash on hand, and \$39.1 million of net availability under its senior secured asset-based revolving credit facility. The Company reduced its debt balance by \$2.0 million during the three months ended September 30, 2019.

#### **Share Repurchase Plan**

On August 8, 2018, QES' Board of Directors approved a \$6.0 million stock repurchase program authorizing the Company to repurchase common stock in the open market. The timing and amount of stock repurchases will depend on market conditions and corporate, regulatory and other relevant considerations. Repurchases may be commenced or suspended at any time without notice. The program does not obligate QES to purchase any particular number of shares of common stock during any period or at all, and the program may be modified or suspended at any time, subject to the Company's insider trading policy, at the Company's discretion. As of September 30, 2019, 0.7 million shares were repurchased under this program.

#### **Conference Call Information**

QES has scheduled a conference call for 9:00 a.m. Central Time (10:00 a.m. Eastern Time) on Thursday, November 7, 2019, to review reported results. You may access the call by telephone at 1-201-389-0867 and asking for the QES 2019 Third Quarter Conference Call. The webcast of the call may also be accessed through the Investor Relations section of the Company's website at https://ir.quintanaenergyservices.com/ir-calendar. A replay of the call can be accessed on the Company's website for 90 days and will be available by telephone through November 14, 2019, at (201) 612-7415, access code 13695026#.

#### **About Quintana Energy Services**

QES is a growth-oriented provider of diversified oilfield services to leading onshore oil and natural gas exploration and production companies operating in both conventional and unconventional plays in all of the active major basins throughout the U.S. QES' primary services include: directional drilling, pressure pumping, pressure control and wireline services. The Company offers a complementary suite of products and services to a broad customer base that is supported by in-house manufacturing, repair and maintenance capabilities. More information is available at www.guintanaenergyservices.com.

#### Forward-Looking Statements and Cautionary Statements

This news release (and any oral statements made regarding the subjects of this release, including on the conference call announced herein) contains certain statements and information that may constitute "forward-looking statements." All statements, other than statements of historical fact, which address activities, events or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. The words "anticipate," "believe," "expect," "plan," "forecasts," "will," "could," "may," and similar expressions that convey the uncertainty of future events or outcomes, and the negative thereof, are intended to identify forward-looking statements. Forward-looking statements contained in this news release, which are not generally historical in nature, include those that express a belief, expectation or intention regarding our future activities, plans and goals and our current expectations with respect to, among other things: our operating cash flows, the availability of capital and our liquidity; 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; 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.

Forward-looking statements are not assurances of future performance and actual results could differ materially from our historical experience and our present expectations or projections. These forward-looking statements are based on management's current expectations and beliefs, forecasts for our existing operations, experience, expectations and perception of historical trends, current conditions, anticipated future developments and their effect on us, and other factors believed to be appropriate. Although management believes the expectations and assumptions reflected in these forward-looking statements are reasonable as and when made, no assurance can be given that these assumptions are accurate or that any of these expectations will be achieved (in full or at all). Our forward-looking statements involve significant risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. Known material factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, risks associated with the following: a decline in demand for our services, including due to declining commodity prices, overcapacity and other competitive factors affecting our industry; the cyclical nature and volatility of the oil and gas industry, which impacts the level of exploration, production and development activity and spending patterns by E&P companies; a decline in, or substantial volatility of, crude oil and gas commodity prices, which generally leads to decreased spending by our customers and negatively impacts drilling, completion and production activity; and other risks and uncertainties listed in our filings with the U.S. Securities and Exchange Commission, including our Current Reports on Form 8-K that we file from time to time, Quarterly Reports on Form 10-Q and Annual Report on Form 10-K. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise, except as required by law.

# Quintana Energy Services Inc. Condensed Consolidated Statements of Operations (in thousands of U.S. dollars and shares, except per share amounts) (Unaudited)

		Three Months Ended					
	Septen	ıber 30, 2019	June 30, 2019		Sep	tember 30, 2018	
Revenues:	\$	121,082	\$	125,627	\$	150,897	
Costs and expenses:							
Direct operating costs		101,737		109,075		126,925	
General and administrative		12,056		13,862		14,140	
Depreciation and amortization		13,229		13,116		12,033	
Gain on disposition of assets		(1,116)		(153)		(629)	
Impairment and other charges		41,543		_		_	
Operating loss		(46,367)	'	(10,273)		(1,572)	
Non-operating expense:							
Interest expense		(898)		(853)		(574)	
Loss before income tax		(47,265)		(11,126)		(2,146)	
Income tax expense		(164)		(154)		(207)	
Net loss	\$	(47,429)	\$	(11,280)	\$	(2,353)	
Net loss per common share:							
Basic	\$	(1.41)	\$	(0.33)	\$	(0.07)	
Diluted	\$	(1.41)	\$	(0.33)	\$	(0.07)	
Weighted average common shares outstanding:							
Basic		33,533		33,804		33,631	
Diluted		33,533		33,804		33,631	

# Quintana Energy Services Inc. Condensed Consolidated Balance Sheets (in thousands of U.S. dollars, except per share and share amounts) (Unaudited)

	Sep	tember 30, 2019	Dec	cember 31, 2018
ASSETS	<u> </u>			
Current assets:				
Cash and cash equivalents	\$	14,937	\$	13,804
Accounts receivable, net of allowance of \$2,635 and \$1,841		85,725		101,620
Unbilled receivables		7,175		13,766
Inventories		23,323		23,464
Prepaid expenses and other current assets		2,866		7,481
Total current assets		134,026		160,135
Property, plant and equipment, net		120,176		153,878
Operating lease right-of-use asset		12,045		_
Intangible assets, net		_		9,019
Other assets		1,248		1,517
Total assets	\$	267,495	\$	324,549
LIABILITIES AND SHAREHOLDERS' EQUITY	<del></del>			
Current liabilities:				
Accounts payable	\$	39,559	\$	51,568
Accrued liabilities		30,819		37,533
Other current liabilities		7,476		422
Total current liabilities	·	77,854		89,523
Long-term debt		33,000		29,500
Long-term operating lease liabilities		9,044		_
Long-term finance lease obligations		8,663		3,451
Deferred tax liability		256		130
Other long-term liabilities		10		125
Total liabilities		128,827		122,729
Commitments and contingencies				
Shareholders' equity:				
Preferred shares, \$0.01 par value, 10,000,000 authorized; none issued and outstanding				_
Common shares, \$0.01 par value, 150,000,000 authorized; 34,547,463 issued; 33,523,588 outstanding		354		344
Additional paid-in-capital		356,068		349,080
Treasury shares, at cost, 1,023,875 and 232,892 common shares		(4,401)		(1,821)
Accumulated deficit		(213,353)		(145,783)
Total shareholders' equity	<u> </u>	138,668		201,820
Total liabilities and shareholders' equity	\$	267,495	\$	324,549

# Quintana Energy Services Inc. Condensed Consolidated Statements of Cash Flows (in thousands of U.S. dollars) (Unaudited)

Ne loss         \$ (07,50)         \$ (07,50)           Algistments to reconcile net loss to net cash used in operating activities         38,785         34,265           Depreciation and amortization         38,215         ————————————————————————————————————		Nine Mon	ths Ended
Ne loss         \$ (07,50)         \$ (07,50)           Algistments to reconcile net loss to net cash used in operating activities         38,785         34,265           Depreciation and amortization         38,215         ————————————————————————————————————			
Adjustments to reconcile net loss to net cash used in operating activities         38,785         34,265           Impairment expense         36,215         —           Gin on disposition of assets         (8,009)         (5,256)           Common disposition of assets         (8,009)         (5,256)           Loss on debit extinguishment         —         6,394           Loss on debit extinguishment         —         6,994           Prevision for doubiful accounts         86         134           Stock-based compensation         6,994         15,395           Changes in operating assets and liabilities:         —         4,000           Accounts receivable         1,505         4,000           Inventories         1,10         (3,000)           Inventories         5,591         1,61           Inventories         5,591         1,61           Inventories         1,1         (3,000)           Other uncurrent assets         1,1         (9,000)           Accounts payable         9,752         4,18           Accounts payable         (9,725)         4,18           Accounts payable         (9,725)         4,58           Accuted liabilities         (1,100)         4,000 <t< th=""><th>Cash flows from operating activities:</th><th></th><th></th></t<>	Cash flows from operating activities:		
Depreciation and amontization         38,785         54,265           Impailment expeases         62,051         C5,261           Gain on disposition of assets         (8,009)         (5,256)           Non-cash interest expease         263         944           Loss on debt extinguishment	Net loss	\$ (67,569)	\$ (16,574
Impairment expense         36,215         —           Câtin on disposition of assets         (8,009)         (5,256)           Non-cash interest expense         26         944           Loss on debt extinguishment         —         8,594           Deformed income tax expense         86         134           Stock-based compensation         6,904         15,305           Changes in operating assets and liabilities:         -         4,608           Unfulled receivables         6,591         16           I hundled receivables         6,591         16           Unfulled receivables         6,591         16           I revenue         6,591         16           I revenue         6,591         16           I revenue         6,591         16           I revenue         6,591         11           I revenue         6,591         11           I prepared expenses and other current assets         11         0           Other noncurrent assets         11         0           Accounts payable         6,591         14,58           Account payable         6,202         16           Net cash powided by peperating activities         13,152         6,302	Adjustments to reconcile net loss to net cash used in operating activities		
Gain on disposition of assets         (8,069)         (5,256)           Non-cash interest expense         263         944           Loss on debt extinguishment         —         8,594           Provision for doubtrul accounts         841         573           Stock-based compensation         699         15,355           Stock-based compensation         599         15,355           Changes in operating assets and liabilities:         1504         (3,986)           Unbilled recivables         16,591         16           Inventories         10         (3,000)           Prepaid expenses and other current assets         5,042         2,538           Obber noncurrent assets         11         (9           Accounts payable         (9,725)         4,158           Account abilities         (11         (9           Purcess from account account account account account account acc	Depreciation and amortization	38,785	34,265
Non-each interest expense         263         9.44           Loss on obeh extinguishment         8,504         7.57           Provision for doubtral accounts         841         7.57           Deferred income tax expense         66         13.43           Stock-based compensation         6,994         15,955           Changes in operating assets and liabilities         15,054         (3,986)           Accounts receivable         16,591         164           Inventories         140         (3,086)           Prepaid expenses and other current assets         11         (9           Other noncurrent assets         11         (9           Accounts payable         (6,972)         4,158           Account payable suppose the payable and equipment         (10,10         (46)           Other long-term liabilities         (4824)         (101)           Account payable provided by operating activities         8         (29,078)           Cash flows from investing activities         8         (29,078)           Purchase of property, plant and equipment         13,157         6,836           Proceeds from solve in investing activities         29,070         6,6071           Payments on term loans         1,0         6,071		36,215	_
Los on debr extinguishment         — 8,504           Provision for doubtful accounts         841         573           Deferred fucome ax expense         86         134           Stock-based compensation         6,99         15,955           Changes in operating assets and liabilities:         15,055         164           Unabilid neceviable         15,951         164           Unabilid neceviables         6,591         164           Unabilid neceviables         1,962         2,538           Inventories         1,40         (3,080)           Prepaid expenses and other current assets         1,1         0           Oher noncurrent assets         1,1         0           Accordibabilities         (4,824)         (101)           Oher long-term liabilities         (4,824)         (101)           ONe clapt provided by operating activities         2,907         (53,122)           Purcheck from subtroperting activities         2,907         (53,122)           Purcheck from sub provide plant and equipment         13,157         6,856           Net cash used in investing activities         2,907         3,000           Payments on financing activities         2,502         2,002           Payments for minancing activities	Gain on disposition of assets	(8,069)	(5,256
Provision for doubful accounts         81         573           Deferred income tax expense         86         134           Stock-based compensation         693         15,385           Clanges in operating assets and liabilities:		263	944
Defered income tax espense         69         15.05           Stock-based compensation         699         15.05           Changes in operating assets and libilities:         30.06         (3.06)           Unabilide receivable         6.591         164           Unabilide receivables         6.591         164           Unbilide receivables         6.591         10           Unbilide receivables         5.042         2.538           Other Income and the current assets         11         (9           Other oncurrent assets         11         (9           Accorned labilities         (4,824)         (101)           Other long-term liabilities         (16)         (4,624)           Other long-term liabilities         (15)         (4,624)           Other long-term liabilities         (16)         (4,624)           Other long-term liabilities         (15)         (4,624)           Other long-term liabilities         (15)         (4,624)           Cast flows from investing activities         20,508         (3,512)           Purceeds from sale of property, plant and equipment         7,500         37,000           Received from sale of property, plant and equipment         7,500         37,000           Perceeds from sal	Loss on debt extinguishment	_	8,594
Skock-based compensation         6,994         15,395           Changes in operating assets and liabilities:         3,696         1,010         3,080           Unbilled receivables         6,591         1,61         3,080           Inventories         1,90         3,080         1,00         3,080           Other noncurrent assets         1,90         4,538         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         3,00         4,158         4,100         1,00         3,00         4,158         4,100         1,00         3,00         4,158         4,100         1,00	Provision for doubtful accounts	841	573
Canagas in operating assets and liabilities:   Accounts receivable	Deferred income tax expense	86	134
Accounts receivable         15,054         (3,96)           Unbilled receivables         6,51         164           Inventories         140         (3,609)           Prepaid expenses and other current assets         5,142         2,538           Other noncurrent assets         11         (909)           Accounts payable         (9,725)         4,158           Accrued liabilities         (160)         (461)           Other long-term liabilities         (160)         (461)           Net cash provided by operating activities         19,79         36,984           Cash Wash         (29,078)         (31,12)           Process from investing activities         (29,078)         (31,12)           Process from peoperty, plant and equipment         (29,078)         36,35           Net cash used in investing activities         (29,078)         37,00           Process from revolving debt         (40,00)         68,071           Payments on financing activities         (20,078)         (20,078)           Payments on finance leases         (2,709)         (20,000)           Payments on finance leases         (2,700)         (20,000)           Payments of inanced payables         (2,270)         (1,544)           Prependent of	Stock-based compensation	6,994	15,395
Unbilled receivables         6,991         164           Inventories         340         3,080           Prepaid expenses and other current assets         5104         2,538           Other noncurrent assets         11         69           Accounts payable         (9,725)         4,158           Accruel liabilities         (4,604)         (101)           Other long-term liabilities         (16)         (46)           Net cash provided by operating activities         29,708         63,812           Proceeds from investing activities         (2,9078)         63,312           Proceeds from sale of property, plant and equipment         (2,9078)         63,312           Proceeds from sale of property, plant and equipment         (15,921)         (46,276)           Proceeds from sale of property, plant and equipment         (15,921)         (46,276)           Payment on term floars         7,500         37,000           Payment on term loans         7,500         37,000           Payment on term loans         7,500         4,000           Payment on term loans         (2,278)         -2           Payment on term loans         (2,278)         -2           Payment on term loans         (2,278)         -2           Payme	Changes in operating assets and liabilities:		
Inventories	Accounts receivable	15,054	(3,986
Prepaid expenses and other current assets         5,042         2,538           Other noncurrent assets         11         (9)           Accound Isabilities         (4,624)         (101)           Other long-term liabilities         (16)         (46)           Net cash provided by operating activities         19,719         36,984           Cash flows from investing activities         "Solution of Solution of Solution of Solution of Solution (15,921)         63,812           Pruchase of property, plant and equipment         (15,921)         6,836           Net cash used in investing activities         "Solution of Solution of Solution (15,921)         6,836           Net cash used in investing activities         "Topon of Solution of Solution (15,921)         6,836           Net cash used in investing activities         "Topon of Solution of Solution (15,921)         6,836           Net cash used in investing activities         (1,502)         37,000           Payments on financing activities         (4,000)         (86,711)           Payment on financing activities         (2,500)         11,225           Payments on finance leases         (2,278)         —           Payments on financed payables         (2,500)         (1,264)           Payments of infanced payables         (2,500)         (1,274)	Unbilled receivables	6,591	164
Other noncurren assets         11         69           Accounts payable         (9,72)         4,158           Account payable         (4,824)         (101)           Other long-term liabilities         (16)         (46)           Net cash provided by operating activities         19,79         36,384           Cash flows from investing activities         29,078         (53,112)           Proceds from sale of property, plant and equipment         (29,078)         (53,122)           Proceds from sale of property, plant and equipment         (29,078)         (35,002)           Net sals used in investing activities         7,500         37,000           Payments on financing activities         7,500         37,000           Payments on revolving debt         7,500         37,000           Payments on term loans         7         (60,721)           Payments on finance leases         (1,307)         (280)           Payments on financed payables         (2,278)         -2-           Payment of deferred financing costs         -         (1,564)           Peayment premiums on early debt extinguishment         -         (1,564)           Payments for treasury shares         -         (1,564)           Payments for treasury shares         - <td< td=""><td>Inventories</td><td>140</td><td>(3,809</td></td<>	Inventories	140	(3,809
Accounts payable         (9,725)         4,150           Actraced liabilities         (1,4824)         (1,011)           Other long-term liabilities         19,719         36,984           Cash flows from investing activities         19,719         36,984           Cash flows from investing activities         29,078)         (53,112)           Proceeds from sale of property, plant and equipment         13,157         6,836           Net cash used in investing activities         15,501         36,001           Proceeds from revolving debt         4,000         36,001           Payments on revolving debt         4,000         36,001           Payments on finance leases         1,1307         280           Payments on finance leases         1,1307         280           Payments on finance payables         2,278         -           Payments on financed payables         2,278         -           Payment of derred financing costs         2         1,1544           Payment of derred financing costs         -         1,364           Payment of derred financing activities         2,580         1,271           Proceeds from new shares issuance, net of underwriting commissions         -         6,154           Post of treasury shares         2,161	Prepaid expenses and other current assets	5,042	2,538
Accured liabilities         (4,824)         (101)           Other long-term liabilities         (16)         (46)           Nets ab provided by operating activities         10,10         36,984           Cash flows from investing activities:           Purchases of property, plant and equipment         (29,078)         (33,112)           Proceeds from slow fundering activities         (15,921)         (46,276)           Proceeds from revolving debt         7,500         37,000           Payments on revolving debt         (4,000)         (8,071)           Payments on financed payables         (1,022)         -22,220           Payments on financed payables         (2,278)         -22,220           Payment of deferred financing costs         2         (1,564)           Prepayment premiums on early debt extinguishment         2         (1,564)           Payments of from revolving debt         (2,278)         -2           Payments of termsury shares         (2,280)         -2           Payments of termsury shares         (2,560)         (1,274)           Prepayment premiums on early debt extinguishment         2         (2,560)         (1,274)           Proceeds from new shares issuance, net of underwriting commissions         -2,560         (2,561)         (2,561)	Other noncurrent assets	11	(ċ
Accured liabilities         (4,82)         (101)           Other long-term liabilities         (16)         (46)           Net saft provided by operating activities         19,19         36,984           Cash flows from investing activities:           Purchess of property, plant and equipment         (15,92)         (46,276)           Proceeds from selv in investing activities         (15,921)         (46,276)           Proceeds from flows from financing activities         7,500         37,000           Payments on revolving debt         (4,000)         (86,071)           Payments on financing cativities         (1,007)         (280)           Payments on financed payables         (2,278)         -(1,225)           Payments on financed payables         (2,278)         -(2,278)           Payments of deferred financing costs         (2,28)         -(2,28)           Prepayment premiums on early debt extinguishment         (2,500)         (1,274)           Proceeds from new shares issuance, net of underwriting commissions         (2,500)         (1,274)           Payments for treasury shares         (2,500)         (2,511)           Payments for treasury shares         (2,106)         (2,512)           Payments for treasury shares         (2,106)         (2,107)	Accounts payable	(9,725)	
Other long-term liabilities         (16)         (46)           Net cash provided by operating activities         19,79         36,984           Cash flows from investing activities         229,078         (53,112)           Purchases of property, plant and equipment         (29,078)         (53,112)           Proceeds from sale of property, plant and equipment         (13,157)         6,836           Net cash provided by the control of the control	Accrued liabilities		(101
Net cash provided by operating activities         19,719         36,984           Cash flows from investing activities         26,920 (20,000)         (5,112)         (5,112)           Proceeds from sale of property, plant and equipment         (15,921)         (46,265)           Proceeds from sale of property, plant and equipment         (15,921)         (46,265)           Rot cash used in investing activities         7,500         3,000           Proceeds from revolving debt         7,500         3,000           Payments on term loans         7,500         (3,000)         (26,001)           Payments on term loans         (2,720)         (220)           Payments on finance leases         (1,307)         (220)           Payments of infance leases         (2,720)         (2,200)           Payments of infance leases         (2,270)         (2,200)           Payments of infance leases         (2,200)         (2,200)           Payments of infance leases         (2,200)         (2,200)           Payments of infance leaves         (2,200)         (2,200)           Payments of infance leaves         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)         (2,200)	Other long-term liabilities	(116)	
Cash flows from investing activities:         Cash (29,078)         (53,112)           Purchases of property, plant and equipment         13,157         6,836           Proceeds from sale of property, plant and equipment         (15,921)         (46,276)           Cash flows from financing activities         "TS         37,000           Payment son revolving debt         (4,000)         (86,071)           Payments on term loans         (1,307)         (280)           Payments on financed payables         (1,307)         (280)           Payment on financed payables         (2,78)         —           Payment on financed payables         (2,78)         —           Payment on financed payables         (2,78)         —           Payment of deferred financing costs         —         (1,364)           Payment of treasury shares         (2,78)         —           Proceeds from new shares issuance, net of underwriting commissions         —         (1,364)           Proceeds from new shares issuance, net of underwriting commissions         —         (3,144)           Roct cash provided by financing activities         2,265         2,261           Net cash provided by financing activities         \$ 1,33         13,31           Cash and cash equivalents beginning of period         \$ 1,493			
Purchases of property, plant and equipment         (29,078)         (53,112)           Proceds from sale of property, plant and equipment         13,157         6,363           Net cash used in investing activities         (15,921)         (46,276)           Cash flows from financing activities         7,500         37,000           Payments on revolving debt         7,500         37,000           Payments on finance leases         (1,307)         (2809)           Payments on finance leases         (2,278)         -           Payment of deferred financing costs         -         (1,544)           Prepayment premiums on early debt extinguishment         -         (1,544)           Prepayment premiums on early debt extinguishment         -         (1,544)           Prepayment premiums on early debt extinguishment         -         (3,744)           Proceeds from new shares issuance, net of underwriting commissions         -         (3,174)           Proceeds from new shares issuance, net of underwriting commissions         -         (3,174)           Not cash provided by financing activities         (2,665)         2,261           Net cash provided by financing activities         1,133         13,313           Cash and cash equivalents beginning of period         3,184         8,751           Cash pa			
Proceeds from sale of property, plant and equipment         13,157         6,836           Net cash used in investing activities         (15,921)         (46,276)           Cash flows from financing activities         Total Cash flows from revolving debt         7,500         37,000           Payments on revolving debt         (4,000)         (86,071)           Payments on term loans         (1,307)         (280)           Payments on finance leases         (1,307)         (280)           Payments of financed payables         -         (1,564)           Payment of deferred financing costs         -         (1,564)           Prepayment premiums on early debt extinguishment         -         (1,564)           Payments for treasury shares         (2,580)         (1,271)           Payments for unew shares issuance, net of underwriting commissions         -         (3,174)           Poceeds from new shares issuance, net of underwriting commissions         -         (3,174)           Net cash provided by financing activities         2,665         22,611           Net cash and cash equivalents         1,333         3,331           Cash and cash equivalents beginning of period         3,1804         8,751           Cash and cash equivalents beginning of period         3,208         1,608 <td< td=""><td></td><td>(29.078)</td><td>(53.11)</td></td<>		(29.078)	(53.11)
Net cash used in investing activities         (15,921)         (46,276)           Cash llows from financing activities:         7,500         37,000           Proceeds from revolving debt         (4,000)         (86,071)           Payments on revolving debt         (1,307)         (280)           Payments on finance leases         (1,307)         (280)           Payments on finance leases         (1,534)         —           Payments of inancing posts         —         (1,546)           Payment of deferred financing costs         —         (1,546)           Payment premiums on early debt extinguishment         —         (1,546)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         (2,580)         (1,271)           Proceeds from new shares issuance         —         (3,174)			
Cash flows from financing activities:           Proceeds from revolving debt         7,500         37,000           Payments on revolving debt         (4,000)         (86,071)           Payments on term loans         (1,225)         (280)           Payments on finance leases         (1,307)         (280)           Payments on financed payables         (2,278)         —           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (1,364)           Prepayment for treasury shares         (2,580)         (1,271)           Payments for treasury shares is unace, net of underwriting commissions         —         (3,174)           Proceeds from new shares issuance, net of underwriting commissions         —         (3,174)           Proceeds from new shares is unace, net of underwriting commissions         —         (3,174)           Proceeds from new shares is unace, net of underwriting commissions         —         (3,174)           Proceeds from new shares is unace, net of underwriting commissions         —         (3,174)           Proceeds from new shares is unace, net of underwriting commissions         —         (3,174)           Net cash provided by financing activities         2,2665         22,661           Oash and			
Proceeds from revolving debt         7,500         37,000           Payments on revolving debt         (4,000)         (86,071)           Payments on term loans         —         (11,225)           Payments on finance leases         (2,278)         —           Payments on financed payables         (2,278)         —           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (1,564)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         (3,174)           Payments for treasury shares         —         (3,174)           Payment for stock issuance         —         (3,174)           Payment for stock issuance, net of underwriting commissions         —         (3,174)           Posts incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         1,133         13,319           Cash and cash equivalents beginning of period         1,133         13,319           Cash and cash equivalents end of period         \$         \$         2,05           Cash paid for interest         \$         \$         2,05         \$	· · · · · · · · · · · · · · · · · · ·	(13,321)	(40,270
Payments on revolving debt         (4,000)         (86,071)           Payments on term loans         —         (11,225)           Payments on finance leases         (1,307)         (280)           Payments on financed payables         —         (1,564)           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (1,364)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         13,804         8,751           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989		7 500	37 000
Payments on tirnal celases         (11,225)           Payments on finance leases         (1,307)         (280)           Payments on financed payables         (2,278)         —           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         —         (3,174)           Net cash provided by financing activities         —         (3,174)           Cash and cash equivalents beginning of period         11,30         8,751           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents send of period         \$ 14,937         \$ 2,058           Supplemental cash flow information         \$ 2,058         \$ 1,608           Income taxes paid for interest         \$ 2,058         \$ 1,608           Income taxes paid for interest         \$ 2,058         \$ 1,608           Income taxes paid for interest         \$ 2,148         1,989           Fival asset purchases in accounts payable and accrued liabilities         2			
Payments on finance leases         (1,307)         (280)           Payments on financed payables         (2,278)         —           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (1,346)           Prepayments for treasury shares         (2,580)         (1,271)           Payments for treasury shares         —         90,542           Payments for treasury shares         —         90,542           Costs incurred for stock issuance         —         (3,174)           Proceeds from new shares issuance, net of underwriting commissions         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net cash provided by financing activities         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,007           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in ac		(4,000)	
Payments on financed payables         (2,278)         —           Payment of deferred financing costs         —         (1,564)           Prepayment premiums on early debt extinguishment         —         (1,346)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         3,279           Non-cash payment for property, plant and equipment         — <t< td=""><td>·</td><td>(1 307)</td><td></td></t<>	·	(1 307)	
Payment of deferred financing costs         — (1,564)           Prepayment premiums on early debt extinguishment         — (1,346)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         — 90,542           Costs incurred for stock issuance         — (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         426         —           Fixed asset purchases in accounts payable and accrued liabilities         8,873         53           Fixed asset purchases in payable and accrued liabilities         3,279         3,27	·		(200
Prepayment premiums on early debt extinguishment         —         (1,346)           Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         \$ 2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         8,873         53           Fixed asset purchase additions         8,873         53           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment <td< td=""><td></td><td>(2,2/0)</td><td>(1 56)</td></td<>		(2,2/0)	(1 56)
Payments for treasury shares         (2,580)         (1,271)           Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash flow information         —         5           Supplemental cash flow information         —         8           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Financed payables         426         —           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment         —         3,279           Debt conversion of Former Term Loan to equity         —         33,631	·		•
Proceeds from new shares issuance, net of underwriting commissions         —         90,542           Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Financed payables         426         —           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment         —         3,279           Debt conversion of Former Term Loan to equity         —         33,631		(2.500)	
Costs incurred for stock issuance         —         (3,174)           Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Financed payables         426         —           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment         —         3,279           Debt conversion of Former Term Loan to equity         —         33,631		(2,500)	
Net cash provided by financing activities         (2,665)         22,611           Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Financed payables         426         —           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment         —         3,279           Debt conversion of Former Term Loan to equity         —         33,631	-	_	
Net increase in cash and cash equivalents         1,133         13,319           Cash and cash equivalents beginning of period         13,804         8,751           Cash and cash equivalents end of period         \$ 14,937         \$ 22,070           Supplemental cash flow information           Cash paid for interest         \$ 2,058         \$ 1,608           Income taxes paid         484         90           Supplemental non-cash investing and financing activities         \$ 2,148         1,989           Fixed asset purchases in accounts payable and accrued liabilities         2,148         1,989           Financed payables         426         —           Non-cash capital lease additions         8,873         53           Non-cash payment for property, plant and equipment         —         3,279           Debt conversion of Former Term Loan to equity         —         33,631		(2.005)	
Cash and cash equivalents beginning of period13,8048,751Cash and cash equivalents end of period\$ 14,937\$ 22,070Supplemental cash flow informationCash paid for interest\$ 2,058\$ 1,608Income taxes paid48490Supplemental non-cash investing and financing activities\$ 2,1481,989Fixed asset purchases in accounts payable and accrued liabilities2,1481,989Financed payables426—Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631			
Cash and cash equivalents end of period \$ 14,937 \$ 22,070  Supplemental cash flow information  Cash paid for interest \$ 2,058 \$ 1,608 Income taxes paid \$ 484 \$ 90  Supplemental non-cash investing and financing activities  Fixed asset purchases in accounts payable and accrued liabilities \$ 2,148 \$ 1,989  Financed payables \$ 426 \$ —  Non-cash capital lease additions \$ 8,873 \$ 53  Non-cash payment for property, plant and equipment \$ — 3,279  Debt conversion of Former Term Loan to equity \$ — 33,631			
Supplemental cash flow information  Cash paid for interest \$2,058 \$1,608 Income taxes paid 484 90  Supplemental non-cash investing and financing activities  Fixed asset purchases in accounts payable and accrued liabilities 2,148 1,989 Financed payables  Financed payables 426 —  Non-cash capital lease additions 8,873 53  Non-cash payment for property, plant and equipment — 3,279  Debt conversion of Former Term Loan to equity — 33,631			
Cash paid for interest\$ 2,058\$ 1,608Income taxes paid48490Supplemental non-cash investing and financing activitiesFixed asset purchases in accounts payable and accrued liabilities2,1481,989Financed payables426—Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631	Cash and cash equivalents end of period	\$ 14,937	\$ 22,070
Income taxes paid48490Supplemental non-cash investing and financing activitiesFixed asset purchases in accounts payable and accrued liabilities2,1481,989Financed payables426—Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631	Supplemental cash flow information		
Supplemental non-cash investing and financing activitiesFixed asset purchases in accounts payable and accrued liabilities2,1481,989Financed payables426—Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631			
Fixed asset purchases in accounts payable and accrued liabilities  Financed payables  Non-cash capital lease additions  Non-cash payment for property, plant and equipment  Debt conversion of Former Term Loan to equity  1,989  2,148  426  — 3,279  3,279		484	90
Financed payables426—Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631			
Non-cash capital lease additions8,87353Non-cash payment for property, plant and equipment—3,279Debt conversion of Former Term Loan to equity—33,631	· ·		1,989
Non-cash payment for property, plant and equipment — 3,279 Debt conversion of Former Term Loan to equity — 33,631	Financed payables		_
Debt conversion of Former Term Loan to equity — 33,631	Non-cash capital lease additions	8,873	
	Non-cash payment for property, plant and equipment	_	
Issuance of common shares for members' equity — 212,630	Debt conversion of Former Term Loan to equity	_	
	Issuance of common shares for members' equity	_	212,630

#### Quintana Energy Services Inc. Additional Selected Operating Data (Unaudited)

	Three Months Ended						
	September 30,	September 30, 2018					
Other Operational Data:							
Directional Drilling rig days (1) (2)	4,8	63	4,854		4,874		
Average monthly Directional Drilling rigs on revenue (3)		67	71		77		
Total hydraulic fracturing stages	7	00	810		908		
Average hydraulic fracturing revenue per stage	\$ 35,3	14 \$	27,545	\$	50,119		

- (1) Rig days represent the number of days we are providing services to rigs and are earning revenues during the period, including days that standby revenues are earned.
- (2) Rigs on revenue represents the number of rigs earning revenues during a time period, including days that standby revenues are earned.
- (3) Includes unconventional stages and conventional jobs, the latter are counted as a single stage.

#### **Non-GAAP Financial Measures**

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 income or cash flows as determined by GAAP. We define Adjusted EBITDA as net income or (loss) plus income taxes, net interest expense, depreciation and amortization, impairment charges, net (gain) or loss on disposition of assets, stock based compensation, transaction expenses, rebranding expenses, settlement expenses, severance expenses, restructuring expenses, impairment expenses and equipment stand-up expense.

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 following tables present a reconciliation of the non-GAAP financial measures of Adjusted EBITDA to the most directly comparable GAAP financial measure for the periods indicated:

## Quintana Energy Services Inc. Reconciliation of Net Loss to Adjusted EBITDA (In thousands of U.S. dollars) (Unaudited)

	Three Months Ended					
	Septem	ber 30, 2019	June 30, 2019		Sep	tember 30, 2018
Net loss	\$	(47,429)	\$	(11,280)	\$	(2,353)
Income tax expense		164		154		207
Interest expense		898		853		574
Depreciation and amortization expense		13,229		13,116		12,033
Gain on disposition of assets, net		(1,116)		(153)		(629)
Impairment and other charges		41,543		_		_
Non-cash stock based compensation		1,260		2,692		2,569
Rebranding expense		_		_		193
Settlement expense (1)		87		408		133
Severance expense		99		85		74
Equipment and stand-up expense		_		_		97
Adjusted EBITDA	\$	8,735	\$	5,875	\$	12,898

<sup>(1)</sup> For 2019, represents certain nonrecurring corporate professional fees related to contemplated mergers and acquisitions activities, legal fees for FLSA claims and other non-recurring settlement expenses, of which \$0.5 million was recorded in general and administrative expenses. For 2018, represents legal fees for FLSA claims, facility closures and other non-recurring expenses that were recorded in general and administrative expenses.

### Quintana Energy Services Inc. Reconciliation of Segment Adjusted EBITDA to Net Loss (In thousands of U.S. dollars) (Unaudited)

	Three Months Ended					
	Septem	ber 30, 2019	June 30, 2019		Sept	tember 30, 2018
Directional Drilling	\$	9,103	\$	5,854	\$	6,452
Pressure Pumping		1,218		762		5,795
Pressure Control		3,670		1,584		4,421
Wireline		(2,719)		384		(738)
Corporate and Other		(3,983)		(5,894)		(6,098)
Income tax expense		(164)		(154)		(207)
Interest expense		(898)		(853)		(574)
Depreciation and amortization		(13,229)		(13,116)		(12,033)
Gain on disposition of assets, net		1,116		153		629
Impairment and other charges		(41,543)		_		
Net loss	\$	(47,429)	\$	(11,280)	\$	(2,353)

#### Quintana Energy Services Inc. Segment Adjusted EBITDA Margin (In thousands of U.S. dollars, except percentages) (Unaudited)

		Т	hree M	onths Ended		
	Septem	September 30, 2019		June 30, 2019		ember 30, 2018
Segment Adjusted EBITDA Margin <sup>(1)</sup>						
Directional Drilling						
Adjusted EBITDA	\$	9,103	\$	5,854	\$	6,452
Revenue		57,056		54,380		50,919
Adjusted EBITDA Margin Percentage		16.0		10.8		12.7
Pressure Pumping						
Adjusted EBITDA		1,218		762		5,795
Revenue		27,312		24,038		49,987
Adjusted EBITDA Margin Percentage		4.5		3.2		11.6
Pressure Control						
Adjusted EBITDA		3,670		1,584		4,421
Revenue		26,838		27,646		31,138
Adjusted EBITDA Margin Percentage		13.7		5.7		14.2
Wireline						
Adjusted EBITDA		(2,719)		384		(738)
Revenue		9,876		19,563		18,853
Adjusted EBITDA Margin Percentage		(27.5)		2.0		(3.9)

<sup>(1)</sup> Segment Adjusted EBITDA Margin is defined as the quotient of Segment Adjusted EBITDA and total segment revenue. Segment Adjusted EBITDA is net income (loss) plus income taxes, net interest expense, depreciation and amortization, net (gain) loss on disposition of assets, stock based compensation, transaction expenses, rebranding expenses, settlement expenses, severance expenses, restructuring expenses, impairment expenses and equipment stand-up expense.

#### **Contacts**

<u>Quintana Energy Services</u> Keefer M. Lehner, EVP & CFO 832-518-4094 IR@qesinc.com

Dennard Lascar Investor Relations Ken Dennard / Natalie Hairston 713-529-6600 QES@dennardlascar.com