

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2025

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 001-16337

OIL STATES INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

76-0476605

(I.R.S. Employer
Identification No.)

Three Allen Center, 333 Clay Street

Suite 4620

Houston, Texas

(Address of principal executive offices)

77002

(Zip Code)

(713) 652-0582

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common stock, par value \$0.01 per share	OIS	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒

No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒

No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐

Non-accelerated filer ☐

Accelerated filer ☒

Smaller reporting company ☐

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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐

No ☒

As of April 25, 2025, the number of shares of common stock outstanding was 61,868,817.

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OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

PART I – FINANCIAL INFORMATION

ITEM 1. Financial Statements

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

(In Thousands, Except Per Share Amounts)

	Three Months Ended March 31,	
	2025	2024
Revenues:		
Products	\$ 100,551	\$ 94,329
Services	59,387	72,933
	<u>159,938</u>	<u>167,262</u>
Costs and expenses:		
Product costs	80,329	75,137
Service costs	42,348	56,814
Cost of revenues (exclusive of depreciation and amortization expense presented below)	<u>122,677</u>	<u>131,951</u>
Selling, general and administrative expense	22,530	22,496
Depreciation and amortization expense	12,025	14,195
Impairment of goodwill	—	10,000
Other operating income, net	<u>(2,933)</u>	<u>(203)</u>
	<u>154,299</u>	<u>178,439</u>
Operating income (loss)	5,639	(11,177)
Interest expense, net	(1,578)	(2,101)
Other income (expense), net	138	(72)
Income (loss) before income taxes	<u>4,199</u>	<u>(13,350)</u>
Income tax provision	<u>(1,041)</u>	<u>(24)</u>
Net income (loss)	<u>\$ 3,158</u>	<u>\$ (13,374)</u>
Net income (loss) per share:		
Basic	\$ 0.05	\$ (0.21)
Diluted	0.05	(0.21)
Weighted average number of common shares outstanding:		
Basic	60,167	62,503
Diluted	60,167	62,503

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In Thousands)

	Three Months Ended March 31,	
	2025	2024
Net income (loss)	\$ 3,158	\$ (13,374)
Other comprehensive income (loss):		
Currency translation adjustments	5,539	(3,027)
Comprehensive income (loss)	<u>\$ 8,697</u>	<u>\$ (16,401)</u>

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share Amounts)

	March 31, 2025 (Unaudited)	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 66,828	\$ 65,363
Accounts receivable, net	183,539	194,336
Inventories, net	215,702	214,836
Prepaid expenses and other current assets	21,584	23,691
Total current assets	487,653	498,226
Property, plant, and equipment, net	268,021	266,871
Operating lease assets, net	18,406	19,537
Goodwill, net	70,058	69,709
Other intangible assets, net	122,238	125,862
Other noncurrent assets	24,359	24,903
Total assets	\$ 990,735	\$ 1,005,108
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 620	\$ 633
Accounts payable	49,909	57,708
Accrued liabilities	31,858	36,861
Current operating lease liabilities	7,111	7,284
Income taxes payable	2,071	2,818
Deferred revenue	50,908	52,399
Total current liabilities	142,477	157,703
Long-term debt	124,728	124,654
Long-term operating lease liabilities	16,478	17,989
Deferred income taxes	5,578	5,350
Other noncurrent liabilities	18,063	18,758
Total liabilities	307,324	324,454
Stockholders' equity:		
Common stock, \$.01 par value, 200,000,000 shares authorized, 80,479,690 shares and 78,605,848 shares issued, respectively	805	786
Additional paid-in capital	1,139,768	1,137,949
Retained earnings	276,818	273,660
Accumulated other comprehensive loss	(73,993)	(79,532)
Treasury stock, at cost, 18,606,814 and 17,112,853 shares, respectively	(659,987)	(652,209)
Total stockholders' equity	683,411	680,654
Total liabilities and stockholders' equity	\$ 990,735	\$ 1,005,108

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In Thousands)

Three Months Ended March 31, 2025

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
Balance, December 31, 2024	\$ 786	\$ 1,137,949	\$ 273,660	\$ (79,532)	\$ (652,209)	\$ 680,654
Net income	—	—	3,158	—	—	3,158
Currency translation adjustments (excluding intercompany advances)	—	—	—	3,336	—	3,336
Currency translation adjustments on intercompany advances	—	—	—	2,203	—	2,203
Stock-based compensation expense	19	1,819	—	—	—	1,838
Surrender of stock to settle taxes on stock awards	—	—	—	—	(2,432)	(2,432)
Stock repurchases	—	—	—	—	(5,346)	(5,346)
Balance, March 31, 2025	<u>\$ 805</u>	<u>\$ 1,139,768</u>	<u>\$ 276,818</u>	<u>\$ (73,993)</u>	<u>\$ (659,987)</u>	<u>\$ 683,411</u>

Three Months Ended March 31, 2024

	Common Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Stockholders' Equity
Balance, December 31, 2023	\$ 772	\$ 1,129,240	\$ 284,918	\$ (69,984)	\$ (635,401)	\$ 709,545
Net loss	—	—	(13,374)	—	—	(13,374)
Currency translation adjustments (excluding intercompany advances)	—	—	—	(895)	—	(895)
Currency translation adjustments on intercompany advances	—	—	—	(2,132)	—	(2,132)
Stock-based compensation expense	13	1,739	—	—	—	1,752
Surrender of stock to settle taxes on stock awards	—	—	—	—	(2,578)	(2,578)
Balance, March 31, 2024	<u>\$ 785</u>	<u>\$ 1,130,979</u>	<u>\$ 271,544</u>	<u>\$ (73,011)</u>	<u>\$ (637,979)</u>	<u>\$ 692,318</u>

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In Thousands)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income (loss)	\$ 3,158	\$ (13,374)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization expense	12,025	14,195
Impairment of goodwill	—	10,000
Stock-based compensation expense	1,838	1,752
Amortization of deferred financing costs	332	513
Deferred income tax provision (benefit)	175	(1,122)
Gains on disposals of assets	(2,189)	(1,245)
Other, net	(442)	(300)
Changes in operating assets and liabilities, net of effect from acquired business:		
Accounts receivable	12,382	1,579
Inventories	237	(8,909)
Accounts payable and accrued liabilities	(11,497)	(19,355)
Deferred revenue	(1,491)	4,771
Other operating assets and liabilities, net	(5,233)	135
Net cash flows provided by (used in) operating activities	<u>9,295</u>	<u>(11,360)</u>
Cash flows from investing activities:		
Capital expenditures	(9,158)	(10,092)
Proceeds from disposition of property and equipment	1,685	2,295
Proceeds from disposition of assets held for sale	7,500	—
Other, net	(34)	(31)
Net cash flows used in investing activities	<u>(7)</u>	<u>(7,828)</u>
Cash flows from financing activities:		
Revolving credit facility borrowings	170	1,894
Revolving credit facility repayments	(170)	(1,894)
Other debt and finance lease repayments	(171)	(154)
Payment of financing costs	(6)	(954)
Purchases of treasury stock	(5,346)	—
Shares added to treasury stock as a result of net share settlements due to vesting of stock awards	(2,432)	(2,578)
Net cash flows used in financing activities	<u>(7,955)</u>	<u>(3,686)</u>
Effect of exchange rate changes on cash and cash equivalents	132	(178)
Net change in cash and cash equivalents	1,465	(23,052)
Cash and cash equivalents, beginning of period	65,363	47,111
Cash and cash equivalents, end of period	<u>\$ 66,828</u>	<u>\$ 24,059</u>
Cash paid for:		
Interest	\$ 307	\$ 306
Income taxes, net	708	599

The accompanying notes are an integral part of these financial statements.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Basis of Presentation

The accompanying unaudited condensed consolidated financial statements of Oil States International, Inc. and its subsidiaries (the “Company”) have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission pertaining to interim financial information. Certain information in footnote disclosures normally included with financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) have been condensed or omitted pursuant to these rules and regulations. The unaudited financial statements included in this report reflect all the adjustments, consisting of normal recurring adjustments, which the Company considers necessary for a fair statement of the results of operations for the interim periods covered and for the financial condition of the Company at the date of the interim balance sheet. Results for the interim periods are not necessarily indicative of results for the full year.

The preparation of condensed consolidated financial statements in conformity with GAAP requires the use of estimates and assumptions by management in determining the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Examples of such estimates include, but are not limited to, goodwill and long-lived asset impairments, revenue and income recognized over time, valuation allowances recorded on deferred tax assets, reserves on inventory, allowances for doubtful accounts, settlement of litigation and potential future adjustments related to contractual indemnification and other agreements. Actual results could materially differ from those estimates.

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, which are adopted by the Company as of the specified effective date. Management believes that recently issued standards, which are not yet effective, will not have a material impact on the Company’s consolidated financial statements upon adoption.

The financial statements included in this report should be read in conjunction with the Company’s audited financial statements and accompanying notes included in its Annual Report on Form 10-K for the year ended December 31, 2024.

2. Asset Impairments and Other Charges

In 2024, the Company implemented initiatives to reduce future costs, which are continuing into 2025. These management actions included: the consolidation, relocation and exit of certain manufacturing and service locations; the exit of certain service offerings; reductions in the Company’s workforce in the United States as well as the realignment of operations within two of the Company’s reportable segments. The Company also incurred legal and other related costs to enforce certain patents related to its proprietary technologies in 2024. As a result of these events, actions and assessments, the Company recorded the following charges in 2025 and 2024 (in thousands):

	Offshore Manufactured Products	Completion and Production Services	Downhole Technologies	Corporate	Total
Three Months Ended March 31, 2025					
Facility exit charges	\$ —	\$ 930	\$ —	\$ —	\$ 930
Income tax benefit					196
After-tax total					\$ 734
Three Months Ended March 31, 2024					
Impairment of goodwill	\$ —	\$ —	\$ 10,000	\$ —	\$ 10,000
Facility consolidation and exit, and other charges	1,463	1,046	—	—	2,509
Pre-tax totals	\$ 1,463	\$ 1,046	\$ 10,000	\$ —	12,509
Income tax benefit					1,008
After-tax total					\$ 11,501

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Goodwill

The Company does not amortize goodwill, but rather assesses goodwill for impairment annually and when an event occurs or circumstances change that indicate the carrying amounts may not be recoverable. If the carrying amount of a reporting unit exceeds its fair value, goodwill is considered impaired and an impairment loss is recorded.

Management uses a combination of valuation methodologies including the income approach and guideline public company comparables. The fair values of each of the Company's reporting units were determined using significant unobservable inputs (Level 3 fair value measurements). The income approach estimates fair value by discounting the Company's forecasts of future cash flows by a discount rate (expected return) that a market participant is expected to require on its investment.

Significant assumptions and estimates used in the income approach include, among others, estimated future net annual cash flows and discount rates for each reporting unit, current and anticipated market conditions, estimated growth rates and historical data. These estimates rely upon significant management judgment.

In the first quarter of 2024, certain short-cycle, consumable product operations historically reported within the Offshore Manufactured Products segment (legacy frac plug and elastomer products) were integrated into the Downhole Technologies segment to better align with the underlying activity demand drivers and current segment management structure, as well as provide for additional operational synergies. In connection with this realignment, goodwill of \$10.0 million was reassigned from the Offshore Manufactured Products segment to the Downhole Technologies segment based on estimated relative fair values. The Company performed an interim quantitative assessment of goodwill recorded within the Offshore Manufactured Products segment as of February 29, 2024 (prior to realignment) which indicated that the fair value of the reporting unit exceeded its carrying value.

The Company also performed an interim quantitative assessment of goodwill transferred to the Downhole Technologies segment (subsequent to the realignment). This interim assessment indicated that the fair value of the reporting unit was less than its carrying amount and the Company concluded that goodwill reassigned to the Downhole Technologies business was fully impaired. The Company therefore recognized a non-cash goodwill impairment charge totaling \$10.0 million in the first quarter of 2024. This impairment charge did not impact the Company's liquidity position, debt covenants or cash flows.

The Company performed an annual qualitative assessment of goodwill as of December 1, 2024, which indicated that the fair value of the Offshore Manufactured Products segment was greater than its carrying amount and no additional provision for impairment was required. The Company's remaining goodwill within the segment totaled approximately \$70 million as of March 31, 2025 and December 31, 2024.

3. Details of Selected Balance Sheet Accounts

Additional information regarding selected balance sheet accounts as of March 31, 2025 and December 31, 2024 is presented below (in thousands):

	March 31, 2025	December 31, 2024
Accounts receivable, net:		
Trade	\$ 109,505	\$ 128,167
Unbilled revenue	23,466	22,242
Contract assets	47,870	40,101
Other	5,469	6,440
Total accounts receivable	186,310	196,950
Allowance for doubtful accounts	(2,771)	(2,614)
	<u>\$ 183,539</u>	<u>\$ 194,336</u>
Allowance for doubtful accounts as a percentage of total accounts receivable	1 %	1 %

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

	March 31, 2025	December 31, 2024
Deferred revenue (contract liabilities)	\$ 50,908	\$ 52,399

As of March 31, 2025, accounts receivable, net in the United States and the United Kingdom represented 65% and 18%, respectively, of the total. No other country or single customer accounted for more than 10% of the Company's total accounts receivable as of March 31, 2025.

For the three months ended March 31, 2025, the \$7.8 million net increase in contract assets was primarily attributable to \$20.6 million in revenue recognized during the period, which was partially offset by \$12.9 million transferred to accounts receivable. Deferred revenue (contract liabilities) decreased by \$1.5 million in the first three months of 2025, primarily reflecting the recognition of \$13.0 million of revenue that was deferred at the beginning of the period, partially offset by \$10.9 million in new customer billings which were not recognized as revenue during the period.

The following provides a summary of activity in the allowance for doubtful accounts for the three months ended March 31, 2025 and 2024 (in thousands):

	Three Months Ended March 31,	
	2025	2024
Allowance for doubtful accounts – January 1	\$ 2,614	\$ 4,497
Provisions	167	12
Write-offs	(12)	(135)
Other	2	(5)
Allowance for doubtful accounts – March 31	\$ 2,771	\$ 4,369

	March 31, 2025	December 31, 2024
Inventories, net:		
Finished goods and purchased products	\$ 111,855	\$ 110,850
Work in process	34,647	34,539
Raw materials	108,565	108,421
Total inventories	255,067	253,810
Allowance for excess or obsolete inventory	(39,365)	(38,974)
	\$ 215,702	\$ 214,836

	March 31, 2025	December 31, 2024
Property, plant and equipment, net:		
Property, plant and equipment	\$ 738,354	\$ 734,548
Accumulated depreciation	(470,333)	(467,677)
	\$ 268,021	\$ 266,871

For the three months ended March 31, 2025 and 2024, depreciation expense was \$8.3 million and \$9.9 million, respectively.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

	March 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Other intangible assets:						
Customer relationships	\$ 122,950	\$ 57,406	\$ 65,544	\$ 122,859	\$ 55,534	\$ 67,325
Patents/Technology/Know-how	70,297	40,996	29,301	70,206	39,699	30,507
Tradenames and other	47,739	20,346	27,393	47,729	19,699	28,030
	<u>\$ 240,986</u>	<u>\$ 118,748</u>	<u>\$ 122,238</u>	<u>\$ 240,794</u>	<u>\$ 114,932</u>	<u>\$ 125,862</u>

For the three months ended March 31, 2025 and 2024, amortization expense was \$3.8 million and \$4.3 million, respectively.

	March 31, 2025	December 31, 2024
Other noncurrent assets:		
Deferred compensation plan	\$ 17,640	\$ 18,245
Deferred financing costs	1,490	1,619
Deferred income taxes	1,992	1,964
Other	3,237	3,075
	<u>\$ 24,359</u>	<u>\$ 24,903</u>

	March 31, 2025	December 31, 2024
Accrued liabilities:		
Accrued compensation	\$ 13,398	\$ 22,350
Accrued taxes, other than income taxes	2,354	1,234
Insurance liabilities	3,647	3,383
Accrued interest	3,022	1,555
Accrued commissions	3,540	3,237
Other	5,897	5,102
	<u>\$ 31,858</u>	<u>\$ 36,861</u>

4. Long-term Debt

As of March 31, 2025 and December 31, 2024, long-term debt consisted of the following (in thousands):

	March 31, 2025	December 31, 2024
Revolving credit facility ⁽¹⁾	\$ —	\$ —
2026 Notes ⁽²⁾	122,702	122,505
Other debt and finance lease obligations	2,646	2,782
Total debt	125,348	125,287
Less: Current portion	(620)	(633)
Total long-term debt	<u>\$ 124,728</u>	<u>\$ 124,654</u>

(1) Unamortized deferred financing costs of \$1.5 million and \$1.6 million as of March 31, 2025 and December 31, 2024, respectively, are presented in other noncurrent assets.

(2) The outstanding principal amount of the 2026 Notes was \$123.5 million as of March 31, 2025 and December 31, 2024.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)****Revolving Credit Facility**

The Company has a senior secured credit facility, which provides for a \$125.0 million asset-based revolving credit facility (as amended, the “ABL Facility”), under which credit availability is subject to a borrowing base calculation.

The ABL Facility is governed by a credit agreement, as amended, with Wells Fargo Bank, National Association, as administrative agent and the lenders and other financial institutions from time to time party thereto (as amended, the “ABL Agreement”). The ABL Facility matures on February 16, 2028, with a springing maturity 91 days prior to the maturity of any outstanding indebtedness with a principal amount in excess of \$17.5 million.

The ABL Agreement provides funding based on a borrowing base calculation that includes eligible U.S. customer accounts receivable and inventory and provides for a \$50.0 million sub-limit for the issuance of letters of credit. Borrowings under the ABL Agreement are secured by a pledge of substantially all of the Company’s domestic assets (other than real property) and the stock of certain foreign subsidiaries.

Borrowings under the ABL Agreement bear interest at a rate equal to the Secured Overnight Financing Rate (subject to a floor rate of 0%) plus a margin of 2.75% to 3.25%, or at a base rate plus a margin of 1.75% to 2.25%, in each case based on average borrowing availability. Quarterly, the Company must also pay a commitment fee of 0.375% to 0.50% per annum, based on unused commitments under the ABL Agreement.

The ABL Agreement places restrictions on the Company’s ability to incur additional indebtedness, grant liens on assets, pay dividends or make distributions on equity interests, dispose of assets, make investments, repay other indebtedness (including the 2026 Notes discussed below), engage in mergers, and other matters, in each case, subject to certain exceptions. The ABL Agreement contains customary default provisions, which, if triggered, could result in acceleration of repayment of all amounts then outstanding. The ABL Agreement also requires the Company to satisfy and maintain a fixed charge coverage ratio of not less than 1.0 to 1.0 (i) in the event that availability under the ABL Agreement is less than the greater of (a) 15% of the borrowing base and (b) \$14.1 million; (ii) to complete certain specified transactions; or (iii) if an event of default has occurred and is continuing.

As of March 31, 2025, the Company had no borrowings outstanding under the ABL Agreement and \$16.2 million of outstanding letters of credit. The total amount available to be drawn as of March 31, 2025 was \$62.1 million, calculated based on the current borrowing base less outstanding borrowings, if any, and letters of credit. As of March 31, 2025, the Company was in compliance with its debt covenants under the ABL Agreement.

2026 Notes

The Company issued \$135.0 million aggregate principal amount of its 4.75% convertible senior notes due 2026 (the “2026 Notes”) pursuant to an indenture, dated as of March 19, 2021 (the “2026 Indenture”), between the Company and Computershare Trust Company, National Association, as successor trustee.

The outstanding 2026 Notes bear interest at a rate of 4.75% per year and will mature on April 1, 2026, unless earlier repurchased, redeemed or converted. Interest is payable semi-annually in arrears on April 1 and October 1 of each year. Additional interest and special interest may accrue on the 2026 Notes under certain circumstances as described in the 2026 Indenture. The initial conversion rate is 95.3516 shares of the Company’s common stock per \$1,000 principal amount of the 2026 Notes (equivalent to an initial conversion price of \$10.49 per share of common stock). The conversion rate, and thus the conversion price, may be adjusted under certain circumstances as described in the 2026 Indenture. The Company’s intent is to repay the principal amount of the 2026 Notes in cash and settle the conversion feature (if any) in shares of the Company’s common stock. As of March 31, 2025, none of the conditions allowing holders of the 2026 Notes to convert, or requiring us to repurchase the 2026 Notes, had been met.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)**5. Fair Value Measurements**

The Company's financial instruments consist of cash and cash equivalents, investments, receivables, payables and debt instruments. The Company believes that the carrying values of these instruments, other than the 2026 Notes, on the accompanying consolidated balance sheets approximate their fair values. The estimated fair value of the 2026 Notes as of March 31, 2025 was \$122.1 million based on quoted market prices (a Level 2 fair value measurement), which compares to the principal amount of \$123.5 million.

6. Stockholders' Equity*Common and Preferred Stock*

The following table provides details with respect to the changes to the number of shares of common stock, \$0.01 par value, outstanding during the first three months of 2025 (in thousands):

	Outstanding
Shares of common stock outstanding – December 31, 2024	61,493
Restricted stock awards, net of forfeitures	1,874
Shares withheld for taxes on vesting of stock awards	(457)
Purchases of treasury stock	(1,037)
Shares of common stock outstanding – March 31, 2025	61,873

As of March 31, 2025 and December 31, 2024, the Company had 25,000,000 shares of preferred stock, \$0.01 par value, authorized, with no shares issued or outstanding.

On October 24, 2024, the Company's Board of Directors terminated the Company's existing common stock repurchase program and replaced it with a new \$50.0 million authorization for the repurchase of the Company's common stock, par value \$0.01 per share, through October 2026. Subject to applicable securities laws, such purchases will be at such times and in such amounts as the Company deems appropriate.

During the three months ended March 31, 2025, the Company purchased 1.0 million shares of common stock under the programs at a total cost of \$5.3 million. The amount remaining under the Company's current share repurchase authorization as of March 31, 2025 was \$36.0 million.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss, reported as a component of stockholders' equity, primarily relates to fluctuations in currency exchange rates against the U.S. dollar as used to translate certain of the international operations of the Company's operating segments. Accumulated other comprehensive loss decreased from \$79.5 million at December 31, 2024 to \$74.0 million at March 31, 2025. For the three months ended March 31, 2025 and 2024, currency translation adjustments recognized as a component of other comprehensive income (loss) were primarily attributable to the United Kingdom and Brazil.

During the three months ended March 31, 2025, the exchange rates for the British pound and the Brazilian real strengthened by 3% and 8%, respectively, compared to the U.S. dollar, contributing to other comprehensive income of \$5.5 million. During the three months ended March 31, 2024, the exchange rates for the British pound and the Brazilian real weakened by 1% and 3%, respectively, compared to the U.S. dollar, contributing to other comprehensive loss of \$3.0 million.

7. Income Taxes

Income tax provision for the three months ended March 31, 2025 and 2024 was calculated using a discrete approach. This methodology was used because changes in the Company's results of operations and non-deductible expenses can materially impact the estimated annual effective tax rate.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

For the three months ended March 31, 2025, the Company's income tax expense was \$1.0 million, which included the impact of certain discrete tax items and other non-deductible expenses on pre-tax income of \$4.2 million. This compares to an income tax expense of \$24 thousand, which included the impact of a \$10.0 million goodwill impairment charge (approximately \$7.7 million of which was non-deductible), discrete tax items and other non-deductible expenses on a pre-tax loss of \$13.4 million for the three months ended March 31, 2024.

8. Net Income (Loss) Per Share

The table below provides a reconciliation of the numerators and denominators of basic and diluted net income (loss) per share for the three months ended March 31, 2025 and 2024 (in thousands, except per share amounts):

	Three Months Ended March 31,	
	2025	2024
Numerators:		
Net income (loss)	\$ 3,158	\$ (13,374)
Less: Income attributable to unvested restricted stock awards	(114)	—
Numerator for basic net income (loss) per share	3,044	(13,374)
Effect of dilutive securities:		
Unvested restricted stock awards	—	—
Numerator for diluted net income (loss) per share	\$ 3,044	\$ (13,374)
Denominators:		
Weighted average number of common shares outstanding	62,049	63,883
Less: Weighted average number of unvested restricted stock awards outstanding	(1,882)	(1,380)
Denominator for basic net income (loss) per share	60,167	62,503
Effect of dilutive securities:		
Performance share units	—	—
Denominator for diluted net income (loss) per share	60,167	62,503
Net income (loss) per share:		
Basic	\$ 0.05	\$ (0.21)
Diluted	0.05	(0.21)

Shares issuable upon conversion of the Company's convertible senior notes were excluded from each period due to, among other factors, the Company's share price.

9. Long-Term Incentive Compensation

The following table presents a summary of activity for service-based restricted stock and stock unit awards, and performance-based stock unit awards for the three months ended March 31, 2025 (in thousands):

	Service-based Restricted Stock	Performance- and Service-based Stock Units
Outstanding – December 31, 2024	1,513	1,033
Granted	1,407	265
Vested and distributed	(668)	(467)
Forfeited	—	—
Outstanding – March 31, 2025	2,252	831
Weighted average grant date fair value (2025 awards)	\$ 5.37	\$ 5.37

The restricted stock program consists of a combination of service-based restricted stock and stock units, as well as performance-based stock units. Service-based restricted stock awards vest on a straight-line basis over a term of three years.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Service-based stock unit awards (149 thousand outstanding as of March 31, 2025) vest over one year, with the underlying shares issued at a specified future date. Performance-based stock unit awards vest at the end of a three-year period, with the number of shares ultimately issued under the program dependent upon achievement of predefined specific performance objectives based on the Company's cumulative EBITDA over a three-year period.

In the event the predefined targets are exceeded for any performance-based award, additional shares up to a maximum of 200% of the target award may be granted. Conversely, if actual performance falls below the predefined target, the number of shares vested is reduced. If the actual performance falls below the threshold performance level, no shares will vest.

The Company issued conditional long-term cash incentive awards ("Cash Awards") with targeted values of \$1.4 million and \$1.5 million in the first quarters of 2025 and 2024, respectively. The performance measure for each of these Cash Awards is relative total stockholder return compared to a peer group of companies over a three-year period. The ultimate dollar amount to be awarded for each annual grant may range from zero to a maximum of \$2.9 million for 2025 awards and from zero to a maximum of \$3.1 million for 2024 awards, limited to their targeted value if the Company's total stockholder return were to be negative over the performance period. Obligations related to the Cash Awards are classified as liabilities and recognized over their respective vesting periods.

Stock-based compensation expense recognized during the three months ended March 31, 2025 and 2024 totaled \$1.8 million and \$1.8 million, respectively. As of March 31, 2025, there was \$14.0 million of pre-tax compensation costs related to service-based and performance-based stock awards, which will be recognized in future periods as vesting conditions are satisfied.

10. Segments and Related Information

The Company operates through three reportable operating segments: Offshore Manufactured Products, Completion and Production Services and Downhole Technologies. Financial information by operating segment for the three months ended March 31, 2025 and 2024 is summarized in the following tables (in thousands).

	Three Months Ended March 31, 2025				
	Offshore Manufactured Products	Completion and Production Services ⁽¹⁾	Downhole Technologies	Corporate	Total
Revenues	\$ 92,596	\$ 34,519	\$ 32,823	\$ —	\$ 159,938
Costs and expenses:					
Cost of revenues (exclusive of depreciation and amortization expense presented below)	66,915	26,905	28,857	—	122,677
Selling, general and administrative expense	8,635	1,996	1,999	9,900	22,530
Depreciation and amortization expense	3,608	4,272	4,029	116	12,025
Other operating (income) loss, net	(838)	(2,157)	62	—	(2,933)
	78,320	31,016	34,947	10,016	154,299
Operating income (loss)	\$ 14,276	\$ 3,503	\$ (2,124)	\$ (10,016)	\$ 5,639
Capital expenditures	\$ 4,823	\$ 3,525	\$ 791	\$ 19	\$ 9,158
Total assets (as of March 31, 2025)	506,530	147,665	268,139	68,401	990,735

(1) Operating income included \$0.9 million of facility consolidation charges.

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Three Months Ended March 31, 2024					
	Offshore Manufactured Products ⁽¹⁾	Completion and Production Services ⁽²⁾	Downhole Technologies ⁽³⁾	Corporate	Total
Revenues	\$ 86,857	\$ 47,292	\$ 33,113	\$ —	\$ 167,262
Costs and expenses:					
Cost of revenues (exclusive of depreciation and amortization expense presented below)	63,501	39,814	28,636	—	131,951
Selling, general and administrative expense	8,558	2,526	2,283	9,129	22,496
Depreciation and amortization expense	3,693	6,079	4,270	153	14,195
Impairment of goodwill	—	—	10,000	—	10,000
Other operating (income) loss, net	502	(708)	3	—	(203)
	76,254	47,711	45,192	9,282	178,439
Operating income (loss)	\$ 10,603	\$ (419)	\$ (12,079)	\$ (9,282)	\$ (11,177)
Capital expenditures	\$ 7,221	\$ 2,414	\$ 446	\$ 11	\$ 10,092
Total assets (as of March 31, 2024)	516,039	179,763	278,055	41,958	1,015,815

(1) Operating income included \$1.5 million of facility consolidation charges.

(2) Operating loss included \$1.0 million in facility consolidation and other charges.

(3) Operating loss included a \$10.0 million non-cash goodwill impairment charge (see Note 2, “Asset Impairments and Other Charges”).

The following table provides supplemental disaggregated revenue from contracts with customers by operating segment for the three months ended March 31, 2025 and 2024 (in thousands).

	Offshore Manufactured Products		Completion and Production Services		Downhole Technologies		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Three Months Ended March 31								
Project-driven:								
Products	\$ 59,124	\$ 53,137	\$ —	\$ —	\$ —	\$ —	\$ 59,124	\$ 53,137
Services	24,424	25,233	—	—	—	—	24,424	25,233
Total project-driven	83,548	78,370	—	—	—	—	83,548	78,370
Military and other products	9,048	8,487	—	—	—	—	9,048	8,487
Short-cycle products and services	—	—	34,519	47,292	32,823	33,113	67,342	80,405
	\$ 92,596	\$ 86,857	\$ 34,519	\$ 47,292	\$ 32,823	\$ 33,113	\$ 159,938	\$ 167,262

Revenues from products and services transferred to customers over time accounted for approximately 62% and 67% of consolidated revenues for the three months ended March 31, 2025 and 2024, respectively. The balance of revenues for the respective periods relates to products and services transferred to customers at a point in time. As of March 31, 2025, the Company had \$248.3 million of remaining backlog related to contracts with an original expected duration of greater than one year. Approximately 44% of this remaining backlog is expected to be recognized as revenue over the remaining nine months of 2025, with an additional 32% recognized in 2026 and the balance thereafter.

11. Commitments and Contingencies

The Company is a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning its commercial operations, products, employees and other matters. Although the Company can give no assurance about the outcome of pending legal and administrative proceedings and the effect such outcomes may have on the Company, management believes that any ultimate liability resulting from the outcome of such proceedings, to the extent not otherwise covered by insurance, will not have a material adverse effect on the Company’s consolidated financial position, results of operations or liquidity.

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q and other statements we make contain certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the “Exchange Act”). Actual results could differ materially from those projected in the forward-looking statements as a result of a number of important factors, including incorrect or changed assumptions. For a discussion of known material factors that could affect our results, please refer to “Part I, Item 1. Business,” “Part I, Item 1A. Risk Factors,” “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Part II, Item 7A. Quantitative and Qualitative Disclosures about Market Risk” included in our 2024 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on February 21, 2025.

You can typically identify “forward-looking statements” by the use of forward-looking words such as “may,” “will,” “could,” “project,” “believe,” “anticipate,” “expect,” “estimate,” “potential,” “plan,” “forecast,” “proposed,” “should,” “seek,” and other similar words. Such statements may relate to our future financial position, budgets, capital expenditures, projected costs, plans and objectives of management for future operations and possible future strategic transactions. Actual results frequently differ from assumed facts and such differences can be material, depending upon the circumstances.

While we believe we are providing forward-looking statements expressed in good faith and on a reasonable basis, there can be no assurance that actual results will not differ from such forward-looking statements. The following are important factors that could cause actual results to differ materially from those expressed in any forward-looking statement made by, or on behalf of, us:

- the impact of changes in tariffs and duties on imported materials and exported finished goods;*
- the ability and willingness of the Organization of Petroleum Exporting Countries and other producing nations (“OPEC+”) to set and maintain oil production levels and pricing;*
- the level of supply of and demand for oil and natural gas;*
- fluctuations in the current and future prices of oil and natural gas;*
- the level of exploration, drilling and completion activity;*
- the cyclical nature of the oil and natural gas industry;*
- the level of offshore oil and natural gas developmental activities;*
- inflation, including our ability to increase prices to our customers as our costs increase;*
- the impact of disruptions in the bank and capital markets;*
- the financial health of our customers;*
- the impact of the ongoing military actions in Europe and the Middle East, including, but not limited to, energy market disruptions, supply chain disruptions and increased costs, government sanctions, and delays or potential cancellation of planned customer projects;*
- the impact of environmental matters, including executive actions and federal, state and local regulatory or legislative efforts to adopt environmental or climate change regulations that may result in increased operating costs or reduced oil and natural gas production or demand globally, such as previous attempts to prohibit or otherwise limit new exports of liquefied natural gas (“LNG”), hydraulic fracturing, and lease development;*
- political, economic and litigation efforts to restrict or eliminate certain oil and natural gas exploration, development and production activities due to concerns over the threat of climate change;*
- the availability of and access to attractive oil and natural gas field prospects, which may be affected by governmental actions or actions of other parties restricting drilling and completion activities;*
- general global economic conditions;*
- global weather conditions and natural disasters, including hurricanes in the Gulf of America (formerly named the Gulf of Mexico);*
- changes in tax laws and regulations as well as volatility in the political, legal and regulatory environments in connection with the new U.S. presidential administration;*
- supply chain disruptions, including as a result of the adoption of or increase in tariffs, or the threat thereof;*
- our ability to timely obtain and maintain critical permits for operating facilities;*

- *our ability to attract and retain skilled personnel;*
- *our ability to develop new competitive technologies and products;*
- *fluctuations in currency exchange rates;*
- *physical, digital, cyber, internal and external security breaches and other incidents affecting information security and data privacy;*
- *the cost of capital in the bank and capital markets and our ability to access them;*
- *our ability to protect and enforce our intellectual property rights;*
- *negative outcome of litigation, threatened litigation or government proceedings;*
- *the potential for future federal or state requirements related to the enhanced disclosure of a range of climate-related information and risks;*
- *our ability to complete the integration of acquired businesses and achieve the expected accretion in earnings; and*
- *the other factors identified in “Part I, Item 1A. Risk Factors” in our 2024 Annual Report on Form 10-K, as well as in “Part II, Item 1A. Risk Factors” included in this Quarterly Report on Form 10-Q.*

Should one or more of these risks or uncertainties materialize, or should the assumptions on which our forward-looking statements are based prove incorrect or change, actual results may differ materially from those expected, estimated or projected. In addition, the factors identified above may not necessarily be all of the important factors that could cause actual results to differ materially from those expressed in any forward-looking statement made by us, or on our behalf. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no responsibility to publicly release the result of any revision of our forward-looking statements after the date they are made.

In addition, in certain places in this Quarterly Report on Form 10-Q, we refer to information and reports published by third parties that purport to describe trends or developments in the energy industry. We do so for the convenience of our stockholders and in an effort to provide information available in the market that will assist our investors in better understanding the market environment in which we operate. However, we specifically disclaim any responsibility for the accuracy and completeness of such information and undertake no obligation to update such information.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read together with our condensed consolidated financial statements and notes to those statements included elsewhere in this Quarterly Report on Form 10-Q and our consolidated financial statements and notes to those statements included in our 2024 Annual Report on Form 10-K in order to understand factors, such as charges and credits, financing transactions and changes in tax regulations, which may impact comparability from period to period.

We provide a broad range of manufactured products and services to customers in the energy, industrial and military sectors through our Offshore Manufactured Products, Completion and Production Services and Downhole Technologies segments. Demand for our products and services is cyclical and substantially dependent upon activity levels in the oil and gas industry, particularly our customers’ willingness to invest capital in the exploration for and development of crude oil and natural gas reserves. Our customers’ capital spending programs are generally based on their cash flows and their outlook for near-term and long-term commodity prices, making demand for our products and services sensitive to expectations regarding future crude oil and natural gas prices, as well as economic growth, commodity demand and estimates of resource production and regulatory pressures.

Recent Developments

Brent and West Texas Intermediate (“WTI”) crude oil and natural gas pricing trends were as follows:

Year	Average Price ⁽¹⁾ for quarter ended						Average Price ⁽¹⁾ for year ended December 31			
	March 31	June 30		September 30		December 31				
Brent Crude (per bbl)										
2025	\$	75.87								
2024		82.92	\$	84.68	\$	80.01	\$	74.66	\$	80.52
WTI Crude (per bbl)										
2025	\$	71.78								
2024		77.50	\$	81.81	\$	76.43	\$	70.73	\$	76.61
Henry Hub Natural Gas (per MMBtu)										
2025	\$	4.14								
2024		2.15	\$	2.07	\$	2.11	\$	2.44	\$	2.19

(1) Source: U.S. Energy Information Administration (spot prices).

The spot price of WTI crude oil declined approximately 20% in April 2025 in response to the imposition of broad-based trade tariffs by the United States on imported goods and the announcement by OPEC+ of plans to increase crude oil production. These actions have raised uncertainties regarding the broad future effect of reciprocal trade tariff increases on the global economy as well as the future demand for and supply of crude oil.

The ultimate magnitude and duration of the trade conflict and increased crude oil production by OPEC+, and the related impacts on crude oil prices and the global economy, remain uncertain. While it is difficult for management to assess or predict with precision the broad future effect of these events on the global economy, the energy industry or the Company, management expects that it could adversely affect demand for our products and services, particularly in the United States, over the balance of 2025 and possibly beyond.

In 2024, we implemented initiatives to reduce future costs, which are continuing into 2025. Management actions in 2024 included: the consolidation, relocation and exit of certain underperforming locations; the exit of certain service offerings; reductions in our U.S. work force as well as the realignment of operations within two of our reportable segments. We also incurred legal and other related costs to enforce certain patents related to our proprietary technologies. As a result of these actions, our reported pre-tax results for the three months ended March 31, 2024 included \$10.0 million in non-cash goodwill impairment charges as well as \$2.5 million of facility consolidation and exit, patent defense and other charges. During the first quarter of 2025, we continued the exit of facilities closed in 2024 and further reduced headcount, incurring \$0.9 million of associated pre-tax charges.

During the first three months of 2025, we sold equipment and inventory (related to a service offering exited in 2024) that was classified as held for sale assets, generating net proceeds of \$7.5 million and we purchased \$5.3 million of our common stock.

Overview

Current and expected future pricing for WTI crude oil and natural gas and inflationary cost increases, along with expectations regarding the regulatory environment in the regions in which we operate, are factors that will continue to influence our customers’ willingness to invest capital in their businesses. Expectations for the longer-term price for Brent crude oil will continue to influence our customers’ spending related to global offshore and international drilling and development and, thus, a significant portion of the activity of our Offshore Manufactured Products segment.

Crude oil and natural gas prices and levels of demand for crude oil and natural gas are likely to remain highly volatile due to numerous factors, including: geopolitical conflicts in Europe and the Middle East, along with associated international tensions; the moderate perceived risk of a global economic recession; the levels of domestic or international crude oil and natural gas production; changes in governmental rules and regulations; sanctions; tariffs; the willingness of operators to invest capital in the exploration for and development of resources; use of alternative fuels; improved vehicle fuel efficiency; timing of capital investments in alternative energy sources; a more sustained movement to electric vehicles; and the potential for ongoing supply/demand imbalances.

U.S. drilling, completion and production activity and, in turn, our financial results, are sensitive to near-term fluctuations in commodity prices, particularly U.S. crude oil and natural gas prices, given the short-term, call-out nature of our U.S. operations.

Customer spending in the natural gas shale plays has declined in recent years due to technological advancements and consolidation of oil and gas producers that have led to significant amounts of natural gas being produced from prolific basins in the Northeastern United States and from associated gas produced from the drilling and completion of unconventional oil wells in the United States. However, the extended outlook for natural gas in the United States is positive with increased exports of LNG, as well as increased power needs for the technology sector, namely data centers.

Our Offshore Manufactured Products segment provides technology-driven, highly-engineered products and services for offshore oil and natural gas production systems and facilities globally, as well as certain products and services to the offshore drilling and completion markets. This segment is particularly influenced by global spending on deepwater drilling and production, which is primarily driven by our customers' longer-term commodity demand forecasts and outlook for crude oil and natural gas prices. Approximately 90% of Offshore Manufactured Products segment sales in the first three months of 2025 were driven by our customers' capital spending for products and services used in exploratory and developmental drilling, greenfield offshore production infrastructure, and subsea pipeline tie-in and repair system applications, along with upgraded equipment for existing offshore drilling rigs and other vessels (referred to herein as "project-driven products and services"). Deepwater oil and gas development projects typically involve significant capital investments and multi-year development plans. Such projects are generally undertaken by larger exploration, field development and production companies (primarily international oil companies and state-run national oil companies) using relatively conservative crude oil and natural gas pricing assumptions. Given the long lead times associated with field development, we believe some of these deepwater projects, once approved for development, are generally less susceptible to change based on short-term fluctuations in the price of crude oil and natural gas. This segment also produces a variety of products for use in industrial, military and other applications outside the traditional energy industry. Additionally, we are investing in research and product development (and have been awarded select contracts and are bidding on additional projects) to facilitate the development of alternative energy sources, including offshore wind and deepsea mineral gathering opportunities.

Backlog reported by our Offshore Manufactured Products segment increased to \$357 million as of March 31, 2025 from \$311 million as of December 31, 2024. Bookings totaled \$136 million in the first quarter of 2025, yielding a book-to-bill ratio of 1.5x in the first quarter of 2025. This compares to total bookings of \$66 million and a book-to-bill ratio of 0.8x in the first quarter of 2024. The following table sets forth backlog as of the dates indicated (in millions).

Year	Backlog as of			
	March 31	June 30	September 30	December 31
2025	\$ 357			
2024	305	\$ 300	\$ 313	\$ 311
2023	316	328	341	327

Our Completion and Production Services segment provides completion and production services in the United States (including the Gulf of America) and internationally. Prior to the sale of its drilling rigs in August of 2024, the segment also provided land drilling services in the United States. U.S. drilling and completion activity and, in turn, our Completion and Production Services results, are sensitive to near-term fluctuations in commodity prices, particularly WTI crude oil prices, given the short-term, call-out nature of its operations. We primarily supply equipment and service personnel utilized in the completion of, and initial production from, new and recompleted wells in our U.S. operations, which are dependent primarily upon the level and complexity of drilling, completion and workover activity in our areas of operations. Well intensity and complexity have increased with the continuing transition to multi-well pads, the drilling of longer lateral wells and increased downhole pressures, along with the increased number of frac stages completed in horizontal wells.

Our Downhole Technologies segment provides oil and gas perforation systems, downhole tools and services in support of completion, intervention, wireline and well abandonment operations. This segment designs, manufactures and markets its consumable engineered products to oilfield service as well as exploration and production companies. Product and service offerings for this segment include innovations in perforation technology through patented and proprietary systems combined with advanced modeling and analysis tools. This expertise has led to the optimization of perforation hole size, depth, and quality of tunnels, which are key factors for maximizing the effectiveness of hydraulic fracturing. Additional offerings include frac plugs, toe valves and other elastomer products, which are focused on zonal isolation for hydraulic fracturing of horizontal wells, and a broad range of consumable products, such as setting tools and bridge plugs, that are used in completion, intervention and decommissioning applications. Demand drivers for the Downhole Technologies segment include continued trends toward longer lateral lengths, increased frac stages and more perforation clusters to target increased unconventional well productivity.

Demand for our completion-related products and services within our Completion and Production Services and Downhole Technologies segments is highly correlated to changes in the total number of wells drilled in the United States, total footage drilled, the number of drilled wells that are completed and changes in the drilling rig count. The following table sets forth a summary of the U.S. drilling rig count, as measured by Baker Hughes Company, as of and for the periods indicated.

	As of April 25, 2025	Average for the Three Months Ended March 31,	
		2025	2024
United States Rig Count:			
Land – Oil	469	468	483
Land – Natural gas and other	102	103	119
Offshore	16	17	21
	<u>587</u>	<u>588</u>	<u>623</u>

The U.S. energy industry is primarily focused on crude oil and liquids-rich exploration and development activities in U.S. shale plays utilizing horizontal drilling and completion techniques. As of March 31, 2025, oil-directed drilling accounted for 82% of the total U.S. rig count – with the balance largely natural gas related.

We use a variety of domestically produced and imported raw materials and component products, including steel, in the manufacture of our products. In the first quarter of 2025, the United States imposed new or additional tariffs on a variety of imported raw materials and products, including steel and aluminum. In response to the U.S. tariffs on steel and aluminum, the European Union and several other countries, including Canada and China, have threatened and/or imposed retaliatory tariffs. In addition, in response to Russia’s invasion of Ukraine, governments in the European Union, the United States, the United Kingdom, Switzerland and other countries have enacted sanctions against Russia and Russian interests. On April 2, 2025, the U.S. government announced additional tariffs on goods imported into the United States, including steel and other metal products. The effect of these sanctions and tariffs and the application and interpretation of existing trade agreements and customs, anti-dumping and countervailing duty regulations continue to evolve, and we continue to monitor these matters. While we cannot predict with certainty the impact of any new or increased tariffs, or the impact of any retaliatory tariffs, if we encounter difficulty in procuring these raw materials and component products, or if the prices we have to pay for these products increase and we are unable to pass corresponding cost increases on to our customers, our financial position, cash flows and results of operations could be adversely affected. Furthermore, uncertainty with respect to potential costs in the drilling and completion of oil and gas wells could cause our customers to delay or cancel planned projects which, if this occurred, would adversely affect our financial position, cash flows and results of operations.

Other factors that can affect our business and financial results include but are not limited to: the general global economic environment; competitive pricing pressures; customer consolidations; labor market constraints; supply chain disruptions; inflation in wages, materials, parts, equipment and other costs; climate-related and other regulatory changes; geopolitical conflicts and tensions; management’s implementation of strategic decisions; public health crises; natural disasters; and changes in tax laws in the United States and in the international markets in which we operate. We continue to monitor the global economy, the prices of and demand for crude oil and natural gas, and the resultant impact on the capital spending plans and operations of our customers in order to plan and manage our business.

Human Capital

For more information on our health and safety policy and other workforce policies, please see “Part I, Item 1. Business – Human Capital” in our Annual Report on Form 10-K for the year ended December 31, 2024.

Selected Financial Data

This selected financial data should be read in conjunction with our Consolidated Financial Statements and related notes included in “Part II, Item 8. Financial Statements and Supplementary Data” of this Annual Report on Form 10-K and “Part II, Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in order to understand factors, such as charges, credits and financing transactions, which may impact comparability of the selected financial data.

Unaudited Consolidated Results of Operations

The following summarizes our consolidated results of operations for the three months ended March 31, 2025 and 2024 (in thousands, except per share amounts):

	Three Months Ended March 31,		Variance
	2025	2024	
Revenues:			
Products	\$ 100,551	\$ 94,329	\$ 6,222
Services	59,387	72,933	(13,546)
	159,938	167,262	(7,324)
Costs and expenses:			
Product costs	80,329	75,137	5,192
Service costs	42,348	56,814	(14,466)
Cost of revenues (exclusive of depreciation and amortization expense presented below)	122,677	131,951	(9,274)
Selling, general and administrative expenses	22,530	22,496	34
Depreciation and amortization expense	12,025	14,195	(2,170)
Impairment of goodwill	—	10,000	(10,000)
Other operating income, net	(2,933)	(203)	(2,730)
	154,299	178,439	(24,140)
Operating income (loss)	5,639	(11,177)	16,816
Interest expense, net	(1,578)	(2,101)	523
Other income (expense), net	138	(72)	210
Income (loss) before income taxes	4,199	(13,350)	17,549
Income tax provision	(1,041)	(24)	(1,017)
Net income (loss)	\$ 3,158	\$ (13,374)	\$ 16,532
Net income (loss) per share:			
Basic	\$ 0.05	\$ (0.21)	
Diluted	0.05	(0.21)	
Weighted average number of common shares outstanding:			
Basic	60,167	62,503	
Diluted	60,167	62,503	

Unaudited Segment Results of Operations

We manage and measure our business performance in three distinct operating segments: Offshore Manufactured Products, Completion and Production Services and Downhole Technologies. Supplemental financial information by operating segment for the three months ended March 31, 2025 and 2024 is summarized below (in thousands):

	Three Months Ended March 31,		Variance
	2025	2024	
Revenues:			
Offshore Manufactured Products			
Project-driven:			
Products	\$ 59,124	\$ 53,137	\$ 5,987
Services	24,424	25,233	(809)
	83,548	78,370	5,178
Military and other products	9,048	8,487	561
	92,596	86,857	5,739
Completion and Production Services	34,519	47,292	(12,773)
Downhole Technologies	32,823	33,113	(290)
	<u>\$ 159,938</u>	<u>\$ 167,262</u>	<u>\$ (7,324)</u>
Operating income (loss):			
Offshore Manufactured Products ⁽¹⁾	\$ 14,276	\$ 10,603	\$ 3,673
Completion and Production Services ⁽²⁾	3,503	(419)	3,922
Downhole Technologies ⁽³⁾	(2,124)	(12,079)	9,955
Corporate	(10,016)	(9,282)	(734)
	<u>\$ 5,639</u>	<u>\$ (11,177)</u>	<u>\$ 16,816</u>

- (1) During the three months ended March 31, 2024, we recognized facility consolidation charges of \$1.5 million within the Offshore Manufactured Products segment, associated primarily with the segment's consolidation and relocation of certain manufacturing and service locations.
- (2) During the three months ended March 31, 2024, we recognized charges of \$1.0 million within the Completion and Production Services segment, associated primarily with the consolidation and exit of certain underperforming service locations. During the first quarter of 2025, the segment incurred charges of \$0.9 million associated with the exit of facilities closed in 2024 and, to a lesser extent, additional headcount reductions.
- (3) During the three months ended March 31, 2024, we recognized a \$10.0 million non-cash impairment charge within the Downhole Technologies segment related to goodwill reassigned to the business in connection with the realignment of operations between segments.

For further discussion of charges recognized during the three months ended March 31, 2025 and 2024, including the realignment of operations between segments during the first quarter of 2024, see Note 2, "Asset Impairments and Other Charges," to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

Three Months Ended March 31, 2025 Compared to Three Months Ended March 31, 2024

We reported net income for the three months ended March 31, 2025 of \$3.2 million, or \$0.05 per share. These results compare to a net loss for the three months ended March 31, 2024 of \$13.4 million, or \$0.21 per share, which included a non-cash goodwill impairment charge of \$10.0 million (\$9.5 million after-tax, or \$0.15 per share) and facility consolidation and other charges of \$2.5 million (\$2.0 million after-tax, or \$0.03 per share).

Our results of operations for the first three months of 2025 reflect the impact of management's decision to exit certain underperforming locations and service offerings in the United States in 2024. The impact was partially offset by growth in offshore and international projects and associated backlog conversion.

Revenues. Consolidated total revenues in the first three months of 2025 decreased \$7.3 million, or 4%, from the first three months of 2024 due primarily to our Completion and Production Services segment's exit of underperforming service offerings and locations during 2024. These exited operations generated \$16.8 million of revenues in the first three months of 2024. Excluding the impact of operations exited during 2024, consolidated revenues increased \$9.5 million, or 6%, year-over-year.

Consolidated product revenues in the first three months of 2025 increased \$6.2 million, or 7%, from the first three months of 2024, with the impact of higher customer demand for connector and military products, partially offset by a reduced U.S. customer demand for completion and perforating products. Consolidated service revenues in the first three months of 2025 decreased \$13.5 million, or 19%, from the first three months of 2024. This decrease was concentrated in the United States – driven by our exit of certain underperforming service offerings in 2024 (which generated \$16.8 million of revenues in the first three months of 2024).

The following table provides supplemental disaggregated revenue from contracts with customers by operating segment for the three months ended March 31, 2025 and 2024 (in thousands):

Three Months Ended March 31	Offshore Manufactured Products		Completion and Production Services		Downhole Technologies		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Project-driven:								
Products	\$ 59,124	\$ 53,137	\$ —	\$ —	\$ —	\$ —	\$ 59,124	\$ 53,137
Services	24,424	25,233	—	—	—	—	24,424	25,233
Total project-driven	83,548	78,370	—	—	—	—	83,548	78,370
Military and other products	9,048	8,487	—	—	—	—	9,048	8,487
Short-cycle:								
Products	—	—	—	—	32,379	32,705	32,379	32,705
Services	—	—	34,519	47,292	444	408	34,963	47,700
Total short-cycle	—	—	34,519	47,292	32,823	33,113	67,342	80,405
	<u>\$ 92,596</u>	<u>\$ 86,857</u>	<u>\$ 34,519</u>	<u>\$ 47,292</u>	<u>\$ 32,823</u>	<u>\$ 33,113</u>	<u>\$ 159,938</u>	<u>\$ 167,262</u>
By destination:								
Offshore and international	\$ 85,241	\$ 79,802	\$ 13,390	\$ 11,435	\$ 7,606	\$ 8,943	\$ 106,237	\$ 100,180
U.S. land	7,355	7,055	21,129	35,857	25,217	24,170	53,701	67,082
	<u>\$ 92,596</u>	<u>\$ 86,857</u>	<u>\$ 34,519</u>	<u>\$ 47,292</u>	<u>\$ 32,823</u>	<u>\$ 33,113</u>	<u>\$ 159,938</u>	<u>\$ 167,262</u>

Cost of Revenues (exclusive of Depreciation and Amortization Expense). Our consolidated total cost of revenues (exclusive of depreciation and amortization expense) decreased \$9.3 million, or 7%, in the first three months of 2025 compared to the first three months of 2024.

Consolidated product costs in the first three months of 2025 increased \$5.2 million, or 7%, compared to the first three months of 2024 due primarily to the reported increase in product revenue as well as an unfavorable shift in product sales mix. Consolidated service costs in the first three months of 2025 decreased \$14.5 million, or 25%, compared to the first three months of 2024, reflective primarily of the strategic management actions implemented in 2024 to improve reported results.

Selling, General and Administrative Expense. Selling, general and administrative expense totaled \$22.5 million in the first three months of 2025, consistent with the level reported in the first three months of 2024, which included \$0.4 million of costs associated with enforcing certain of our patents.

Depreciation and Amortization Expense. Depreciation and amortization expense decreased \$2.2 million, or 15%, in the first three months of 2025 compared to the prior-year period. Note 10, “Segments and Related Information,” to our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q presents depreciation and amortization expense by segment.

Impairment of Goodwill. In the first quarter of 2024, our Downhole Technologies operations recognized a non-cash impairment charge of \$10.0 million related to goodwill transferred to the business in connection with the realignment of operations between segments. See Note 2, “Asset Impairments and Other Charges and Credits,” to our Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Operating Income (Loss). Our consolidated operating income was \$5.6 million in the first three months of 2025, which included \$0.9 million in facility exit charges. This compares to consolidated operating loss of \$11.2 million in the first three months of 2024, which included a \$10.0 million non-cash goodwill impairment charge and \$2.5 million in facility consolidation and other charges. Excluding these charges, operating results improved by \$5.2 million year-over-year, driven by growth in offshore and international activity.

Interest Expense, Net. Net interest expense totaled \$1.6 million in the first three months of 2025, which compares to \$2.1 million in the first three months of 2024. Interest expense as a percentage of total debt outstanding was approximately 7% in the first three months of 2025 and the first three months of 2024.

Income Tax. Income tax expense for the first three months of 2025 and 2024 was calculated using a discrete approach. This methodology was used because changes in our results of operations and non-deductible expenses can materially impact the estimated annual effective tax rate. For the first three months of 2025, our income tax provision was \$1.0 million, which included the impact of certain discrete tax items and other non-deductible expenses on pre-tax income of \$4.2 million. This compares to an income tax provision of \$24 thousand, which included the impact of a \$10.0 million goodwill impairment charge and other non-deductible expenses, on a pre-tax loss of \$13.4 million for the first three months of 2024.

Other Comprehensive Income (Loss). Reported comprehensive income (loss) is the sum of reported net income (loss) and other comprehensive income (loss). Other comprehensive income was \$5.5 million in the first three months of 2025 compared to comprehensive loss of \$3.0 million in the first three months of 2024 due to fluctuations in foreign currency exchange rates compared to the U.S. dollar for certain of the international operations of our operating segments. For the first three months of 2025 and 2024, currency translation adjustments recognized as a component of other comprehensive income (loss) were primarily attributable to the United Kingdom and Brazil. During the first three months of 2025, the exchange rates for both the British pound and the Brazilian real strengthened compared to the U.S. dollar. This compares to the first three months of 2024, when the exchange rates for both the British pound and the Brazilian real weakened compared to the U.S. dollar.

Segment Operating Results

Offshore Manufactured Products

Revenues. Our Offshore Manufactured Products segment revenues increased \$5.7 million, or 7%, in the first three months of 2025 compared to the first three months of 2024 due primarily to increased demand for the segment’s international and offshore project-driven connector and valve products.

Operating Income. Our Offshore Manufactured Products segment reported operating income of \$14.3 million in the first three months of 2025. This compares to operating income of \$10.6 million in the first three months of 2024, which included \$1.5 million in facility consolidation and other charges. Excluding these charges, the Offshore Manufactured Products segment’s operating income increased \$2.2 million year-over-year due to the reported revenue growth and a favorable shift in revenue mix.

Backlog. Backlog in our Offshore Manufactured Products segment totaled \$357 million as of March 31, 2025 compared to \$311 million as of December 31, 2024. Bookings during the first three months of 2025 were \$136 million, yielding a book-to-bill ratio of 1.5x.

Completion and Production Services

Revenues. Our Completion and Production Services segment revenues decreased \$12.8 million, or 27%, in the first three months of 2025 compared to the first three months of 2024, driven primarily by the exit of underperforming service offerings and facilities during 2024. These exited operations generated \$16.8 million of revenues in the first three months of 2024. Excluding the impact of operations exited during 2024, revenues increased \$4.0 million, or 13%, year-over-year – driven primarily by increased customer activity in the Gulf of America.

Operating Income (Loss). Our Completion and Production Services segment reported operating income of \$3.5 million in the first three months of 2025, which included \$0.9 million in facility exit charges. This compares to an operating loss of \$0.4 million in the first three months of 2024, which included charges totaling \$1.0 million associated with the exit of three facilities and the defense of patents. Excluding these charges, the Completion and Production Services segment's operating results improved \$3.8 million from the prior-year period, due primarily to the reported revenue growth within our current base operations and the cost reduction measures implemented in 2024.

Downhole Technologies

Revenues. Our Downhole Technologies segment revenues decreased \$0.3 million, or 1%, in the first three months of 2025 from the first three months of 2024.

Operating Loss. Our Downhole Technologies segment reported an operating loss of \$2.1 million in the first three months of 2025. This compares to an operating loss of \$12.1 million reported in the first three months of 2024, which included the \$10.0 million non-cash goodwill impairment charge related to the segment realignment in the first quarter of 2024. Excluding the 2024 goodwill impairment charge, the Downhole Technologies segment's operating loss was comparable with the prior year.

Corporate

Operating Loss. Corporate expenses in the first three months of 2025 increased \$0.7 million, or 8%, from the first three months of 2024, due primarily to higher performance-based incentive compensation costs.

Liquidity, Capital Resources and Other Matters

Our primary liquidity needs are to fund operating and capital expenditures, new product development, general working capital needs and debt repayment. In addition, capital has been used to fund share repurchases and fund strategic business acquisitions. Our primary sources of funds are cash flow from operations and proceeds from borrowings under our ABL Facility and, less frequently, capital markets transactions.

Operating Activities

Cash flows from operations totaled \$9.3 million during the first three months of 2025, compared to \$11.4 million used in operations during the first three months of 2024.

During the first three months of 2025, \$5.6 million was used to fund net working capital increases, primarily due to a decrease in accounts payable and payment of accrued short- and long-term cash incentive compensation, partially offset by the favorable impact of a decrease in accounts receivable. During 2024, \$21.8 million was used to fund net working capital increases, primarily due to the payment of accrued 2023 short- and long-term cash incentives and a decrease in accounts payable.

Investing Activities

Investing activities were net cash neutral during the first three months of 2025, compared to \$7.8 million used in investing activities during the first three months of 2024.

Capital expenditures totaled \$9.2 million and \$10.1 million during the first three months of 2025 and 2024, respectively. These investments were offset by proceeds from the sale of property, equipment and assets held for sale of \$9.2 million and \$2.3 million during the first three months of 2025 and 2024, respectively.

Including investments associated with the continuing construction of a new facility in Batam, we expect to invest approximately \$25 million in capital expenditures during 2025. We plan to fund our capital expenditures with available cash, internally generated funds and, if necessary, borrowings under our ABL Facility discussed below.

Financing Activities

During the first three months of 2025, net cash of \$8.0 million was used in financing activities, which included the repurchase of \$5.3 million of our common stock. This compares to \$3.7 million of cash used in financing activities during the first three months of 2024.

As of March 31, 2025, we had cash and cash equivalents totaling \$66.8 million, which compared to \$65.4 million as of December 31, 2024.

As of March 31, 2025, we had no borrowings outstanding under our ABL Facility, \$123.5 million principal amount of our 2026 Notes outstanding and other debt of \$2.6 million. Our reported interest expense included amortization of deferred financing costs of \$0.3 million during the first three months of 2025. For the first three months of 2025, our contractual cash interest expense was \$1.8 million, or approximately 6% of the average principal balance of debt outstanding.

We believe that cash on-hand, cash flow from operations and borrowing capacity available under our ABL Facility will be sufficient to meet our full liquidity needs in the coming twelve months. Our 2026 Notes mature on April 1, 2026, and we anticipate that cash on hand, cash flow from operations generated during 2025 and borrowings under our ABL Facility will be sufficient to permit us to fully retire the 2026 Notes. Under the terms of the ABL Facility, if we have not reduced the principal amount of the 2026 Notes to less than \$17.5 million on or prior to December 31, 2025, any amounts outstanding under our ABL Facility will become due and payable and we will no longer have borrowing capacity under our ABL Facility. Accordingly, we have been engaged in discussions with the lenders under our ABL Facility to eliminate such springing maturity provision in order to facilitate the efficient retirement of the 2026 Notes subsequent to the springing maturity date. If our plans or assumptions change, or are inaccurate, we may need to raise additional capital from other sources. Our ability to obtain capital to repay debt, for general liquidity needs and for additional projects to implement our growth strategy over the longer term will depend upon our future operating performance, financial condition and, more broadly, on the availability of equity and debt financing. Capital availability will be affected by prevailing conditions in our industry, the global economy, the global banking and financial markets and other factors, many of which are beyond our control. For companies like ours that support the energy industry, disruptions affecting the availability of capital have in the past and may in the future negatively impact the value of

our common stock and may reduce our ability to access capital in the bank and capital markets or result in such capital being available on less favorable terms, which could negatively affect our liquidity.

On March 6, 2024, the SEC finalized rules relating to the disclosure of a range of climate-related information (the “Rules”). The Rules were temporarily stayed by the SEC on April 4, 2024 pending judicial review, and on March 27, 2025, the SEC announced it would end its defense of the Rules. Although the SEC’s rules are unlikely to become effective, certain states have enacted or are considering the adoption of similar rules. Thus, the ultimate impact on our business is uncertain, and we and our customers may incur increased compliance costs related to the assessment and disclosure of climate-related risks. For more information on our risks related to climate change, see the risk factors in “Part I, Item 1A. Risk Factors” included in our 2024 Annual Report on Form 10-K titled, “Our and our customers’ operations are subject to a series of risks arising out of the threat of climate change that could result in increased operating costs, limit the areas in which oil and natural gas production may occur, and reduce demand for the products and services we provide,” “The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and could impose new costs on our customers’ operations” and “Increasing attention to ESG matters may impact our business.”

Stock Repurchase Program. In October 2024, our Board of Directors authorized \$50.0 million for repurchases of our common stock, par value \$0.01 per share, through October 2026. Subject to applicable securities laws, such purchases will be at such times and in such amounts as we deem appropriate.

During the three months ended March 31, 2025, \$5.3 million in repurchases of common stock were made under these programs. The amount remaining under our new share repurchase authorization as of March 31, 2025 was \$36.0 million.

Revolving Credit Facility. Our senior secured credit facility provides for a \$125.0 million asset-based revolving credit facility (as amended, the “ABL Facility”) under which credit availability is subject to a borrowing base calculation.

The ABL Facility is governed by a credit agreement, as amended, with Wells Fargo Bank, National Association, as administrative agent and the lenders and other financial institutions from time to time party thereto (as amended, the “ABL Agreement”). The ABL Agreement matures on February 16, 2028 with a springing maturity 91 days prior to the maturity of any outstanding indebtedness with a principal amount in excess of \$17.5 million. Pursuant to this provision, our ABL Facility will mature, resulting in amounts thereunder becoming due and payable and borrowing availability terminating, if we have not reduced the outstanding principal amount of the 2026 Notes to less than \$17.5 million on or prior to December 31, 2025. Accordingly, we have been engaged in discussions with the lenders under our ABL Facility to eliminate such springing maturity provision in order to facilitate the efficient retirement of the 2026 Notes subsequent to the springing maturity date. See Note 4, “Long-term Debt,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for further information regarding the ABL Agreement.

As of March 31, 2025, we had \$16.2 million of outstanding letters of credit, but no borrowings outstanding under the ABL Agreement. The total amount available to be drawn as of March 31, 2025 was \$62.1 million, calculated based on the then-current borrowing base less outstanding letters of credit.

2026 Notes. We issued \$135.0 million aggregate principal amount of the 2026 Notes pursuant to an indenture, dated as of March 19, 2021 (the “2026 Indenture”), between us and Computershare Trust Company, National Association, as successor trustee. As of March 31, 2025, we have purchased a cumulative \$11.5 million principal amount of the 2026 Notes for \$10.8 million in cash, with \$123.5 million principal amount outstanding. The outstanding 2026 Notes will mature on April 1, 2026, unless earlier repurchased, redeemed or converted.

The 2026 Indenture contains certain events of default, including certain defaults by us with respect to other indebtedness of at least \$40.0 million. See Note 4, “Long-term Debt,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for further information regarding the 2026 Notes. As of March 31, 2025, none of the conditions allowing holders of the 2026 Notes to convert, or requiring us to repurchase the 2026 Notes, had been met.

Our total debt represented 15% and 16% of our combined total debt and stockholders’ equity as of March 31, 2025 and December 31, 2024, respectively.

Contingencies and Other Obligations. We are a party to various pending or threatened claims, lawsuits and administrative proceedings seeking damages or other remedies concerning our commercial operations, products, employees and other matters.

See Note 11, “Commitments and Contingencies,” to the Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional discussion.

Off-Balance Sheet Arrangements. As of March 31, 2025, we had no off-balance sheet arrangements.

Critical Accounting Policies

For a discussion of the critical accounting policies and estimates that we use in the preparation of our condensed consolidated financial statements, see “Part II Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2024. These estimates require significant judgments, assumptions and estimates. We have discussed the development, selection, and disclosure of these critical accounting policies and estimates with the audit committee of our Board of Directors. There have been no material changes to the judgments, assumptions and estimates upon which our critical accounting estimates are based.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board, which are adopted by us as of the specified effective date. Management believes that the impact of recently issued standards, which are not yet effective, will not have a material impact on our consolidated financial statements upon adoption.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

Market risk refers to the potential losses arising from changes in interest rates, foreign currency exchange rates, equity prices and commodity prices, including the correlation among these factors and their volatility.

Our principal market risks are our exposure to changes in interest rates and foreign currency exchange rates. We enter into derivative instruments only to the extent considered necessary to meet risk management objectives and do not use derivative contracts for speculative purposes.

Interest Rate Risk. We have a revolving credit facility that is subject to the risk of higher interest charges associated with increases in interest rates. As of March 31, 2025, we had no floating-rate obligations outstanding under our ABL Facility. The use of floating-rate obligations would expose us to the risk of increased interest expense in the event of increases in short-term interest rates.

Foreign Currency Exchange Rate Risk. Our operations are conducted in various countries around the world and we receive revenue from these operations in a number of different currencies. As such, our earnings are subject to movements in foreign currency exchange rates when transactions are denominated in (i) currencies other than the U.S. dollar, which is our functional currency, or (ii) the functional currency of our subsidiaries, which is not necessarily the U.S. dollar. In order to mitigate the effects of foreign currency exchange rate risks in areas outside of the United States (primarily in our Offshore Manufactured Products segment), we generally pay a portion of our expenses in local currencies and a substantial portion of our contracts provide for collections from customers in U.S. dollars. During the first three months of 2025, our reported foreign currency exchange losses were \$0.3 million and are included in “other operating income, net” in the consolidated statements of operations.

Accumulated other comprehensive loss, reported as a component of stockholders’ equity, primarily relates to fluctuations in currency exchange rates against the U.S. dollar as used to translate certain of the international operations of our operating segments. Our accumulated other comprehensive loss decreased \$5.5 million from \$79.5 million as of December 31, 2024 to \$74.0 million as of March 31, 2025, due to changes in currency exchange rates. During the three months ended March 31, 2025, the exchange rates for the British pound and the Brazilian real strengthened by 3% and 8%, respectively, compared to the U.S. dollar.

ITEM 4. *Controls and Procedures*

(i) Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this Quarterly Report on Form 10-Q, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) of the Exchange Act. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2025 at the reasonable assurance level.

(ii) Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the three months ended March 31, 2025, that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. Legal Proceedings

The information with respect to this Item 1 is set forth under Note 11, “Commitments and Contingencies.”

ITEM 1A. Risk Factors

“Part I, Item 1A. Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2024 includes a detailed discussion of our risk factors. The risks described in such report are not the only risks we face. Additional risks and uncertainties not currently known to us, or that we currently deem to be immaterial, may materially adversely affect our business, financial conditions or future results. There have been no material changes to our risk factors as set forth in our 2024 Annual Report on Form 10-K.

ITEM 2. Unregistered Sales of Equity Securities and Use of Proceeds

(a) None.

(b) None.

(c)

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Period	Total Number of Shares Purchased ⁽¹⁾⁽²⁾	Average Price Paid per Share ⁽¹⁾⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs ⁽³⁾
January 1 through January 31, 2025	199,461	\$ 5.19	—	\$ 41,306,216
February 1 through February 28, 2025	455,983	5.39	198,281	40,243,858
March 1 through March 31, 2025	838,517	5.09	838,517	35,960,503
Total	1,493,961	\$ 5.19	1,036,798	

(1) Average price paid per share excludes the impact of excise taxes.

(2) During the three-month period ended March 31, 2025, we acquired 457,163 shares from employees in connection with the settlement of income tax and related benefit withholding obligations arising from vesting of stock awards. These shares were not part of a publicly announced program to purchase common stock.

(3) In October 2024, our Board of Directors authorized \$50.0 million for the repurchases of our common stock, par value \$0.01 per share, through October 2026. As of March 31, 2025, \$14.0 million of share repurchases have been made under this authorization.

ITEM 3. Defaults Upon Senior Securities

None.

ITEM 4. Mine Safety Disclosures

Not applicable.

ITEM 5. Other Information

During the three months ended March 31, 2025, no director or executive officer adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (as each is defined in Item 408 of Regulation S-K) related to securities of our company.

ITEM 6. Exhibits

Exhibit No.	Description
<u>3.1</u>	— <u>Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q, as filed with the SEC on July 27, 2023 (File No. 001-16337)).</u>
<u>3.2</u>	— <u>Fifth Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K, as filed with the SEC on February 17, 2023 (File No. 001-16337)).</u>
<u>3.3</u>	— <u>Certificate of Designations of Special Preferred Voting Stock of Oil States International, Inc. (incorporated by reference to Exhibit 3.3 to the Company's Annual Report on Form 10-K for the year ended December 31, 2000, as filed with the SEC on March 30, 2001 (File No. 001-16337)).</u>
<u>10.1*+</u>	— <u>Form of Restricted Stock Agreement under the Registrant's Amended and Restated Equity Participation Plan.</u>
<u>10.2*+</u>	— <u>Form of Performance Award Agreement under the Registrant's Amended and Restated Equity Participation Plan.</u>
<u>31.1*</u>	— <u>Certification of Chief Executive Officer of Oil States International, Inc. pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u>
<u>31.2*</u>	— <u>Certification of Chief Financial Officer of Oil States International, Inc. pursuant to Rules 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, as amended.</u>
<u>32.1**</u>	— <u>Certification of Chief Executive Officer of Oil States International, Inc. pursuant to Rules 13a-14(b) or 15d-14(b) under the Securities Exchange Act of 1934, as amended.</u>
<u>32.2**</u>	— <u>Certification of Chief Financial Officer of Oil States International, Inc. pursuant to Rules 13a-14(b) or 15d-14(b) under the Securities Exchange Act of 1934, as amended.</u>
101.INS*	— XBRL Instance Document
101.SCH*	— XBRL Taxonomy Extension Schema Document
101.CAL*	— XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	— XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	— XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	— XBRL Taxonomy Extension Presentation Linkbase Document
104	— Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

+ Management contracts or compensatory plans or arrangements.

SIGNATURES

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

OIL STATES INTERNATIONAL, INC.

Date: May 1, 2025

By: /s/ LLOYD A. HAJDIK

Lloyd A. Hajdik
Executive Vice President, Chief Financial Officer and
Treasurer (Duly Authorized Officer and Principal Financial Officer)

RESTRICTED STOCK AGREEMENT

THIS AGREEMENT is made as of _____ (the "Effective Date") between Oil States International, Inc., a Delaware corporation (the "Company"), and _____ ("Employee").

To carry out the purposes of the Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the "Plan"), by affording Employee the opportunity to acquire restricted shares of common stock of the Company ("Stock"), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. **Award of Shares.** Upon execution of this Agreement, the Company shall issue _____ shares of Stock to Employee. Employee acknowledges receipt of a copy of the Plan, and agrees that this award of Stock shall be subject to all of the terms and conditions set forth herein and in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

2. **Forfeiture Restrictions.** The Stock issued to Employee pursuant to this Agreement may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of to the extent then subject to the Forfeiture Restrictions (as hereinafter defined), and in the event of termination of Employee's employment with the Company or any of its Subsidiaries or Affiliates for any reason (other than as provided below), automatically upon such termination, Employee shall, for no consideration, forfeit to the Company all Stock to the extent then subject to the Forfeiture Restrictions. The prohibition against transfer and the obligation to forfeit and surrender Stock to the Company upon termination of employment are herein referred to as the "Forfeiture Restrictions," and the shares which are then subject to the Forfeiture Restrictions are herein sometimes referred to as the "Restricted Shares." The Forfeiture Restrictions shall be binding upon and enforceable against any transferee of the Stock. The Forfeiture Restrictions shall lapse as to Stock issued to Employee pursuant to this Agreement as follows: (a) with respect to 33% of the Restricted Shares, on the first anniversary of the Effective Date, (b) with respect to 67% of the Restricted Shares, on the second anniversary of the Effective Date, (c) with respect to 100% of the Restricted Shares, on the third anniversary of the Effective Date. Notwithstanding the foregoing, the Forfeiture Restrictions shall lapse as to all of the Stock on (i) the date a Change of Control (as such term is defined in the Plan) occurs if such Change of Control occurs while Employee is employed by the Company or (ii) the termination of Employee's employment due to his death or a disability that entitles Employee to receive benefits under a long term disability plan of the Company.

3. **Certificates.** A certificate evidencing the Restricted Shares shall be issued by the Company in Employee's name, pursuant to which Employee shall have voting rights and shall be entitled to receive dividends and other distributions (provided, however, that dividends or other distributions paid in any form other than cash shall be subject to the Forfeiture Restrictions). The certificate shall bear the following legend:

The shares evidenced by this certificate have been issued pursuant to an agreement made as of _____, a copy of which is attached hereto and incorporated herein, between the Company and the registered holder of the shares, and are subject to forfeiture to the Company under certain circumstances described in such agreement. The sale, assignment, pledge or other transfer of the shares of stock evidenced by this certificate is prohibited under the terms and conditions of such agreement, and such shares may not be sold, assigned, pledged or otherwise transferred except as provided in such agreement.

Notwithstanding the foregoing, the Company may, in its discretion, elect to complete the delivery of the Restricted Shares by means of electronic, book-entry statement, rather than issuing physical share certificates. The Company may cause the certificate, if any, to be delivered upon issuance to the Secretary of the Company as a depository for safekeeping until the forfeiture occurs or the Forfeiture Restrictions lapse pursuant to the terms of this Agreement. Upon request of the Company, Employee shall deliver to

the Company a stock power, endorsed in blank, relating to the Restricted Shares then subject to the Forfeiture Restrictions. Upon the lapse of the Forfeiture Restrictions without forfeiture, the Company shall cause a new certificate or certificates to be issued for the remaining Stock after the Company's tax withholding obligation has been satisfied pursuant to Section 5, without legend (except for any legend required pursuant to applicable securities laws or any other agreement to which Employee is a party) in the name of Employee in exchange for the certificate evidencing the Restricted Shares or, as may be the case, the Company shall issue appropriate instructions to the transfer agent if the electronic, book-entry method is utilized.

4. **Consideration.** It is understood that the consideration for the issuance of the Restricted Shares shall be Employee's agreement to render future services to the Company, which services shall have a value not less than the par value of such Restricted Shares.

5. **Withholding of Tax.** To the extent that a tax election by Employee or the receipt of Stock by Employee results in compensation income to Employee for federal or state tax purposes, Employee shall deliver to the Company at the time of such event, such amount of money or shares of Stock (which form of payment shall be determined by Employee) as the Company may require to meet its withholding obligation under applicable tax laws or regulations, and, if Employee fails to do so, the Company is authorized to withhold from any cash remuneration then or thereafter payable to Employee any tax required to be withheld by reason of such resulting compensation income. To the extent that the lapse of any Forfeiture Restrictions results in compensation income to Employee for federal or state tax purposes and Employee, in Employee's discretion, has not otherwise made arrangements to satisfy its withholding obligation, the Company shall withhold from the prior Restricted Shares such shares of Stock as the Company may require to meet its withholding obligations under applicable tax laws or regulations. Notwithstanding the foregoing, in satisfaction of the proceeding obligations where Employee is to receive distribution of Stock, Employee may elect, in Employee's discretion, to have the Company withhold shares of Stock otherwise payable pursuant to this Agreement with a value in excess of minimum tax withholding obligations, but not in excess of the allowable withholding determined by the maximum individual statutory rate in the applicable jurisdiction.

6. **Status of Stock.** Employee agrees that the Restricted Shares will not be sold or otherwise disposed of in any manner that would constitute a violation of any applicable federal or state securities laws. Employee also agrees that (i) the certificates, if any, representing the Restricted Shares may bear such legend or legends as the Committee deems appropriate in order to ensure compliance with applicable securities laws, (ii) the Company may refuse to register the transfer of the Restricted Shares on the stock transfer records of the Company if such proposed transfer would in the opinion of counsel satisfactory to the Company constitute a violation of any applicable securities law and (iii) the Company may give related instructions to its transfer agent, if any, to stop registration of the transfer of the Restricted Shares.

7. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, any parent or subsidiary entity of the Company or any successor to any of the foregoing. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee, and its determination shall be final.

8. **Clawback Policy.** Notwithstanding any provision in this Agreement or the Plan to the contrary, (a) to the extent required by applicable law, including, without limitation, the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection act of 2010, any Securities and Exchange Commission rule or any applicable securities exchange listing standards, and/or (b) as otherwise determined by the Committee or the Board of Directors of the Company (the "Board"), awards and amounts paid or payable pursuant to or with respect to awards shall be subject to the provisions of any applicable clawback policies or procedures that may be adopted or amended by the Board from time to time, including but not limited to the Oil States International, Inc. Incentive-Based Compensation Recoupment Policy, which clawback policies or procedures may provide for forfeiture, repurchase and/or recoupment of awards and amounts paid or payable pursuant to or with respect to awards. Notwithstanding any provision of the Plan or any award agreement to the contrary, the Company reserves the right, without the

consent of any recipient of any award under the Plan, to adopt any such clawback policies and procedures, including such policies and procedures applicable to the Plan or any award agreement with retroactive effect.

9. **Committee's Powers.** No provision contained in this Agreement shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to the Restricted Shares.

10. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

11. **Non-Alienation.** Employee shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or the rights hereunder, except by will or the laws of descent and distribution.

12. **Not a Contract of Employment.** This Agreement shall not be deemed to constitute a contract of employment, nor shall any provision hereof affect (a) the right of the Company to discharge Employee at will or (b) the terms and conditions of any other agreement between the Company and Employee except as expressly provided herein.

13. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

14. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all effective as of the Effective Date.

OIL STATES INTERNATIONAL, INC.

Cindy B. Taylor
President and Chief Executive Officer

EMPLOYEE

PERFORMANCE AWARD AGREEMENT

THIS AGREEMENT is made on _____ (“Grant Date”) between Oil States International, Inc., a Delaware corporation (the “Company”), and _____ (“Employee”).

To carry out the purposes of the Amended and Restated Equity Participation Plan of Oil States International, Inc. (as amended from time to time, the “Plan”), by affording Employee the opportunity to acquire cash and shares of common stock of the Company (“Stock”), and in consideration of the mutual agreements and other matters set forth herein and in the Plan, the Company and Employee hereby agree as follows:

1. **Grant of Award.** The Company grants to Employee on the Grant Date a performance award (“Performance Award”) comprised of two separate components: (a) a target cash award, the payout of which is based on relative total shareholder return (the “TSR Component”); and (b) a target number of deferred Stock units equal to a target number of shares of Stock, the payout of which is based on the Company’s cumulative EBITDA (the “EBITDA Component”), each as set forth in the Notice of Performance Award Conditions (“Notice”), attached as Exhibit A, which Notice is incorporated herein by reference as a part of this Agreement. Subject to Sections 2 and 3, the maximum amount of such cash award and the maximum number of such shares of Stock that Employee may earn pursuant to this Performance Award is determined by the applicable schedule set forth in the Notice. Employee acknowledges receipt of a copy of the Plan, and agrees that this Performance Award shall be subject to all of the terms and conditions set forth herein and in the Plan, including future amendments thereto, if any, pursuant to the terms thereof, which Plan is incorporated herein by reference as a part of this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan shall govern.

2. **Vesting.**

(a) If Employee remains continuously employed by the Company from the Grant Date through December 31, 2027, this Performance Award shall vest on such date at the levels set forth in the Notice based upon achievement of the Company performance objectives set forth in the Notice (“Performance Objectives”) during the period commencing on January 1, 2025 and ending December 31, 2027 (the “Performance Period”). As soon as administratively practicable after the end of the Performance Period (or such earlier date as set forth in Section 3 below), the Compensation Committee of the Board (“Committee”) shall affirm in writing the extent to which the Performance Objectives have been achieved and the cash and the number of units of deferred Stock that Employee earned as a result of such achievement.

3. **Effect of Certain Events on Vesting.**

(a) **Change of Control.** If prior to the end of the Performance Period, a “Change of Control” (as defined in Treasury Regulation Section 1.409A-3(i)(5) that also meets the definition of “Change of Control” under the Plan) of the Company occurs, this Performance Award shall vest at the greater of the “Determined Percentage” (as defined below) and the percentage attributable to the “target” levels of performance as set forth in the Notice. The “Determined Percentage” means the percentage of vesting that would have occurred with respect to the Performance Award pursuant to the Notice as if (1) the last day of the Performance Period was the Determination Date (as defined below) and the Performance Objectives were measured as of such date and (2) the dollar amount levels for “entry,” “target” and “overachievement” with respect to the Performance Objectives relating to the EBITDA Component set forth in the Notice were each prorated by multiplying the applicable dollar amount level by a fraction, the numerator of which is the number of calendar quarters during the period beginning on January 1, 2025 and ending on the Determination Date, and the denominator of which is twelve (12) (such prorated levels being referred to herein as the “Prorated EBITDA Objectives”). As used in this Agreement, the term “Determination Date” means (A) with respect to the TSR Component of the Performance Award, the date of the applicable vesting event, and (B) with respect to the EBITDA Component of the Performance Award, the most recently completed fiscal quarter of the Company coincident with or next preceding the date of the applicable vesting event.

(b) Termination of Employment or Service due to Disability or Death. If Employee incurs a “Disability” (as defined in Treasury Regulation Section 1.409A-3(i)(4) that also meets the definition of “disability” under the Company’s long-term disability plan), or Employee’s employment terminates due to Employee’s death, this Performance Award shall vest on the earliest of such events at the greater of the Determined Percentage and the percentage attributable to the “target” levels of performance as set forth in the Notice. Notwithstanding the foregoing, in the event that the Disability or death, as applicable, occurs prior to the eighteen (18)-month anniversary of the Grant Date, the percentage attributable to the “target” levels of performance as set forth in the Notice and the Determined Percentage shall be multiplied by a fraction, the numerator of which is equal to the number of Employee’s actual days of employment from the Grant Date to the date of Disability or death, as applicable, and the denominator of which is equal to the total number of days in the Performance Period (determined without regard to the occurrence of the applicable vesting date).

(c) Termination of Employment or Service without Cause or due to Retirement. If on or after the Grant Date and prior to the end of the Performance Period Employee terminates employment with the Company on or after age fifty-eight (58) for a reason other than death or Disability (“Retirement”), or the Company terminates Employee’s employment with the Company for a reason other than “Cause” (as defined below), and not by reason of Employee’s death or Disability (“Involuntary Termination”), this Performance Award shall vest on the date of such termination (the “Retirement Date” or “Involuntary Termination Date”, as applicable) at the Determined Percentage; provided, however, that if the Retirement Date or Involuntary Termination Date, as applicable, occurs prior to the eighteen (18)-month anniversary of the Grant Date, then the amount determined pursuant to the preceding provisions of this sentence shall be multiplied by a fraction, the numerator of which is equal to the number of Employee’s actual days of employment from the Grant Date to Employee’s Retirement Date or Involuntary Termination Date, as applicable, and the denominator of which is equal to the total number of days in the Performance Period (determined without regard to Employee’s Retirement or Involuntary Termination).

For purposes of this Agreement, “Cause” means “cause” (or a term of like import) as defined in Employee’s individual employment or severance agreement with the Company or an affiliate in effect at the time of Employee’s termination of employment or, in the absence of such an agreement or definition, shall mean (i) Employee’s conviction of (or plea of nolo contendere to) a felony, dishonesty or a breach of trust as regards the Company or any subsidiary; (ii) Employee’s commission of any act of theft, fraud, embezzlement or misappropriation against the Company or any subsidiary that is materially injurious to the Company or such subsidiary regardless of whether a criminal conviction is obtained; (iii) Employee’s willful and continued failure to devote substantially all of Employee’s business time to the Company’s business affairs (excluding failures due to illness, incapacity, vacations, incidental civic activities and incidental personal time) which failure is not remedied within a reasonable time after written demand is delivered by the Company, which demand specifically identifies the manner in which the Company believes that Employee has failed to devote substantially all of his business time to the Company’s business affairs; or (iv) Employee’s unauthorized disclosure of confidential information of the Company or any subsidiary that is materially injurious to the Company or such subsidiary. For purposes of the preceding sentence, no act, or failure to act, on Employee’s part shall be deemed “willful” unless done, or omitted to be done, by Employee not in good faith and without reasonable belief that Employee’s action or omission was in the best interest of the Company.

(d) Termination of Employment or Service for Any Other Reason. If Employee’s employment with the Company is terminated prior to the end of the Performance Period, and neither (b) nor (c) above apply, this Performance Award automatically shall be forfeited in full, without payment, on the applicable termination date.

4. **Payment.** As soon as administratively practicable after, and in no event later than two and a half (2 ½) months following the end of the calendar year in which occurs, the earliest of the applicable vesting events pursuant to Section 3, Employee shall receive from the Company, subject to satisfying the tax withholding obligations of Section 7, (a) with respect to the TSR Component, the vested cash, and (b) with respect to the EBITDA Component, the shares of Stock represented by the vested units of deferred Stock, an amount of cash equal to the Fair Market Value (as defined in the Plan) on the vesting date of a

number of shares of Stock equal to the number of shares of Stock represented by the vested units of deferred Stock, or a combination thereof, as determined by the Committee in its sole discretion. It is understood that the consideration for the issuance of such Stock is Employee's services to the Company, which services shall have a value not less than the par value of such Stock.

5. **Community Interest of Spouse.** The community interest, if any, of any spouse of Employee in this Performance Award shall be subject to all the terms, conditions and restrictions in the Plan, this Agreement and the Notice.

6. **No Shareholder Rights.** Neither Employee, nor anyone lawfully claiming under Employee, shall have any right to vote, receive dividends or any other privileges or rights of a shareholder of the Company with respect to the units of deferred Stock subject to this Performance Award, unless and until actual shares of Stock are delivered to Employee following the vesting of such deferred Stock units.

7. **Withholding of Tax.** To the extent that payment of this Performance Award results in compensation income to Employee for federal, state or other tax purposes, including payroll taxes, Employee, in Employee's discretion, shall (a) deliver to the Company, at the time of such payment, such amount of cash or shares of Stock, (b) direct the Company to withhold or "net" cash or such amount of Stock otherwise payable pursuant to this Agreement, or (c) provide any combination of (a) or (b), as required for the Company to meet its withholding obligations under applicable tax laws or regulations, calculated in a manner consistent with the Company's then-current accounting practices. Notwithstanding the foregoing, in satisfaction of the proceeding obligations, the maximum level of net withholding shall never exceed the aggregate amount of applicable tax liabilities determined based upon the allowable withholding determined by the maximum individual statutory rates in the applicable jurisdiction that may be utilized without creating adverse accounting treatment with respect to this Performance Award.

8. **Employment Relationship.** For purposes of this Agreement, Employee shall be considered to be in the employment of the Company as long as Employee remains an employee of the Company, any parent or subsidiary entity of the Company or any successor to any of the foregoing. Any question as to whether and when there has been a termination of such employment, and the cause of such termination, shall be determined by the Committee in its sole discretion, and its determination shall be final. For purposes of this Agreement, termination of Employee's employment with the Company shall be interpreted consistent with the meaning of the term "separation from service" in Section 409A(a)(2)(A)(i) of the Internal Revenue Code of 1986, as amended ("Code").

9. **Committee's Powers.** No provision contained in this Agreement or the Notice shall in any way terminate, modify or alter, or be construed or interpreted as terminating, modifying or altering any of the powers, rights or authority vested in the Committee pursuant to the terms of the Plan, including, without limitation, the Committee's rights to make certain determinations and elections with respect to the Performance Award. Specifically, but not by way of limitation, the Committee's determinations respecting the attainment of the Performance Objectives shall be made in its sole discretion, shall be subject to such adjustments consistent with the intent of this Agreement as the Committee deems appropriate and shall not be subject to challenge by Employee or any other person.

10. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of any successors to the Company and all persons lawfully claiming under Employee.

11. **Non-Alienation.** Employee shall not have any right to pledge, hypothecate, anticipate or assign this Agreement or any rights hereunder, except by will or the laws of descent and distribution.

12. **Not a Contract of Employment.** This Agreement shall not be deemed to constitute a contract of employment, nor shall any provision hereof affect (a) the right of the Company to terminate Employee anytime, with or without reason, or (b) the terms and conditions of any other written agreement between the Company and Employee, except as expressly provided therein.

13. **Code Section 409A.** Each payment under this Agreement is intended to be a short-term deferral under Treasury Regulation Section 1.409A-1(b)(4). Each payment under this Agreement, and each payment or benefit payable pursuant to the terms of the benefit plans, programs and policies of the Company, shall be considered a separate payment for purposes of Section 409A of the Code. Notwithstanding any provision in the Plan or this Agreement to the contrary, if any payment or benefit provided for under this Agreement would be subject to additional taxes and interest under section 409A of the Code if Employee's receipt of such payment or benefit is not delayed in accordance with the requirements of section 409A(a)(2)(B)(i) of the Code, then such payment or benefit shall not be provided to Employee (or Employee's estate, if applicable) until the earlier of (i) the date of Employee's death or (ii) the date that is six months after the date of Employee's "separation from service" with the Company within the meaning of the Section 409A of the Code and the regulations promulgated thereunder.

14. **Clawback.** Employee's receipt of this Performance Award is expressly conditioned on Employee's agreement to the terms and provisions of this Section 14, and Employee acknowledges that Employee would not have received this Performance Award in the absence of such agreement. By accepting this Performance Award, Employee acknowledges and agrees that:

(a) the compensation (inclusive of Stock) payable pursuant to this Performance Award and any other award granted to Employee under the Plan (whether granted before, on or after the Grant Date) shall not be deemed fully earned or vested, even if paid or distributed to Employee, if such compensation or any portion thereof is subject to recovery, revocation, recoupment or "clawback" by the Company or any of its affiliates pursuant to (i) the provisions of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"), (ii) any rules or regulations promulgated under the Act or by any stock exchange on which the Company's Stock is listed (collectively, the "Rules"), or (iii) any compensation recoupment or clawback policies or procedures adopted by the Company or any of its affiliates, including the Oil States International, Inc. Incentive-Based Compensation Recoupment Policy, in each case with respect to clauses (i), (ii) and (iii) above as such provisions, rules, regulations, policies and procedures may be adopted and amended from time to time (including with retroactive effect); and

(b) any other compensation or benefit (inclusive of Stock) payable to or on behalf of Employee from the Company or any of its affiliates (whether payable before, on or after the Grant Date, but excluding any compensation or benefit payable pursuant to a Performance Award granted under the Plan) shall not be deemed fully earned or vested, even if paid or distributed to Employee, if such compensation, benefit or any portion thereof is subject to recovery, revocation, recoupment or clawback by the Company or any of its affiliates pursuant to the Act, the Rules or any compensation recoupment or clawback policies or procedures adopted by the Company or any of its affiliates, including the Oil States International, Inc. Incentive-Based Compensation Recoupment Policy, in each case as the Act, the Rules and such policies and procedures may be adopted and amended from time to time (including with retroactive effect).

In addition, Employee hereby agrees (on behalf of Employee and any other individual, entity or other person claiming under or through Employee) that: (x) compensation payable pursuant to this Performance Award (inclusive of Stock) and any other compensation or benefit payable to or on behalf of Employee (whether under the Plan or otherwise) shall be subject to recovery, revocation, recoupment or clawback as provided in the preceding provisions of this Section 14; and (y) Employee (or any such individual, entity or other person) shall not seek indemnification or contribution from the Company or any of its affiliates with respect to any amount so recovered, revoked, recouped or clawed back. This Section shall survive the termination of this Agreement.

15. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement.

16. **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Texas.

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed by an officer thereunto duly authorized, and Employee has executed this Agreement, all effective on the Grant Date.

OIL STATES INTERNATIONAL, INC.

Cindy B. Taylor
President and Chief Executive Officer
Oil States International, Inc.

EMPLOYEE

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF OIL STATES INTERNATIONAL, INC.
PURSUANT TO RULE 13a-14(a) UNDER THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Cindy B. Taylor, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oil States International, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Cindy B. Taylor

Name: Cindy B. Taylor
President and Chief Executive Officer
Date: May 1, 2025

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF OIL STATES INTERNATIONAL, INC.
PURSUANT TO RULE 13a-14(a) UNDER THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED**

I, Lloyd A. Hajdik, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Oil States International, Inc. (Registrant);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
 - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. evaluated the effectiveness of the Registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. disclosed in this report any change in the Registrant's internal control over financial reporting that occurred during the Registrant's most recent fiscal quarter (the Registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Registrant's internal control over financial reporting; and
5. The Registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant's auditors and the audit committee of the Registrant's Board of Directors (or persons performing the equivalent functions):
 - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant's ability to record, process, summarize and report financial information; and
 - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal control over financial reporting.

/s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik
Executive Vice President, Chief Financial Officer and
Treasurer

Date: May 1, 2025

**CERTIFICATION OF
CHIEF EXECUTIVE OFFICER
OF OIL STATES INTERNATIONAL, INC.
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Oil States International, Inc. for the quarterly period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Cindy B. Taylor, President and Chief Executive Officer of Oil States International, Inc. (the "Company"), hereby certify, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Cindy B. Taylor

Name: Cindy B. Taylor
President and Chief Executive Officer

Date: May 1, 2025

**CERTIFICATION OF
CHIEF FINANCIAL OFFICER
OF OIL STATES INTERNATIONAL, INC.
PURSUANT TO 18 U.S.C. § 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Oil States International, Inc. for the quarterly period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lloyd A. Hajdik, Executive Vice President, Chief Financial Officer and Treasurer of Oil States International, Inc. (the "Company"), hereby certify, to the best of my knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lloyd A. Hajdik

Name: Lloyd A. Hajdik
Executive Vice President, Chief Financial Officer and
Treasurer

Date: May 1, 2025