

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
FOR THE FISCAL YEAR ENDED **DECEMBER 31, 2024**

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 1-13455

**TETRA Technologies, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or Other Jurisdiction of Incorporation or Organization)

**74-2148293**

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

**24955 Interstate 45 North**

**The Woodlands, Texas**

**77380**

(Address of Principal Executive Offices)

(Zip Code)

**(281) 367-1983**

(Registrant's Telephone Number, Including Area Code)

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

| Title of each class            | Trading Symbol(s) | Name of each exchange on which registered |
|--------------------------------|-------------------|---|
| Common Stock                   | TTI               | New York Stock Exchange                   |
| Preferred Share Purchase Right | N/A               | New York Stock Exchange                   |

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

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.

|                         |                          |                           |                                     |
|-------------------------|--------------------------|---------------------------|-------------------------------------|
| Large accelerated filer | <input type="checkbox"/> | Accelerated filer         | <input checked="" type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/> | Smaller reporting company | <input type="checkbox"/>            |
|                         |                          | Emerging growth company   | <input type="checkbox"/>            |

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No ☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of common stock held by non-affiliates of the Registrant was \$431,759,563 as of June 30, 2024. As of February 24, 2025, TETRA Technologies, Inc. had 132,394,159 shares outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III information is incorporated by reference to the registrant's proxy statement for its annual meeting of stockholders to be held May 23, 2025, to be filed with the Securities and Exchange Commission within 120 days of the end of the registrant's fiscal year.

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## Forward-Looking Statements

This Annual Report on Form 10-K (this “Annual Report”) contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”). Forward-looking statements in this Annual Report are identifiable by the use of the following words, the negative of such words, and other similar words: “anticipates”, “assumes”, “believes”, “budgets”, “could”, “estimates”, “expects”, “forecasts”, “goal”, “intends”, “may”, “might”, “plans”, “predicts”, “projects”, “schedules”, “seeks”, “should”, “targets”, “will”, and “would”.

Such forward-looking statements reflect our current views with respect to future events and financial performance and are based on assumptions that we believe to be reasonable, but such forward-looking statements are subject to numerous risks, and uncertainties, including, but not limited to:

- economic and operating conditions that are outside of our control, including the trading price of our common stock, and the supply, demand, and prices of oil and natural gas;
- the availability of adequate sources of capital to us;
- the effect of inflation on the cost of goods and services;
- the levels of competition we encounter;
- the activity levels of our customers;
- our operational performance;
- actions taken by our customers, suppliers, competitors and third-party operators;
- the availability of raw materials and labor at reasonable prices;
- risks related to the mineral resource and reserve estimates of lithium and bromine, the potential extraction of lithium and bromine from the leased acreage, the ability to obtain local governmental and regulatory approvals, the development of the assets including construction of lithium and bromine extraction plants, the economic viability thereof, the demand for such resources, and the timing and cost of such activities; the accuracy of our resources report, feasibility study and economic assessment regarding our lithium and bromine acreage;
- the ability to obtain a resources report that moves the remaining portion of our bromine and lithium inferred resources to a higher resource or reserve category;
- risks related to acquisitions and our growth strategy;
- restrictions under our debt agreements and the consequences of any failure to comply with debt covenants;
- the effect and results of litigation, commercial disputes, regulatory matters, settlements, audits, assessments, and contingencies;
- potential regulatory initiatives to restrict hydraulic fracturing activities on federal lands as well as other actions to more stringently regulate certain aspects of oil and gas development such as air emissions and water discharges;
- risks related to our foreign operations;
- risks related to our non-controlling equity investments;
- information and operational technology risks, including the risk of cyberattack;
- our health, safety and environmental performance;
- the effects of consolidation on our customers and competitors;
- the ability to attract and retain skilled employees;
- changes in general economic conditions, natural disasters, adverse weather conditions, pandemic (such as COVID-19), financial or political instability, casualty losses and other matters beyond our control;

- acts of terrorism, war or political or civil unrest in the United States or elsewhere, including the current conflict between Russia and Ukraine, the conflict in the Israel-Gaza region and continued hostilities in the Middle East, maritime piracy attacks, changes in laws and regulations, or the imposition of economic or trade sanctions affecting international commercial transactions including legislative, regulatory, trade and policy changes associated with a new administration;
- statements regarding our beliefs, expectations, plans, goals, future events and performance and other statements that are not purely historical; and
- other risks and uncertainties under “Item 1A. Risk Factors” in this Annual Report and as included in our other filings with the United States (“U.S.”) Securities and Exchange Commission (“SEC”), which are available free of charge on the SEC website at [www.sec.gov](http://www.sec.gov).

With respect to our disclosures of measured, indicated and inferred mineral resources, including bromine and lithium carbonate equivalent concentrations, it is unclear whether they will ever be economically developed. Investors are cautioned that mineral resources do not have demonstrated economic value and further exploration may not result in the estimation of a mineral reserve. Further there are a number of uncertainties related to processing lithium, which is an inherently difficult process, including, for example, the development of the technology to do so successfully and economically. Therefore, investors are cautioned not to assume that all or any part of our resources can be economically or legally commercialized. In particular, investors are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally commercialized, or that it will ever be upgraded to a higher category. In addition, reserve engineering is a process of estimating underground accumulations of minerals that cannot be measured in an exact way. The accuracy of any reserve estimates depends on the quality of available data, the interpretation of such data and price and cost assumptions made by reserve engineers. In addition, the results of drilling, testing and production activities may justify revisions of estimates that were made previously. If significant, such revisions would change the schedule of any further production and development program. Accordingly, reserve estimates may differ significantly from the quantities of bromine and lithium that are ultimately recovered.

With respect to the Company’s disclosures of the memorandum of understanding with Saltwerx LLC, it is uncertain about the ability of the parties to successfully negotiate one or more definitive agreements, the future relationship between the parties, and the ability to successfully and economically produce lithium and bromine from the Evergreen Brine Unit.

The risks and uncertainties referred to above are generally beyond our control, and we cannot predict all the risks and uncertainties that could cause our actual results to differ from those indicated by the forward-looking statements. If any of these risks or uncertainties materialize, or if any of the underlying assumptions prove incorrect, actual results may vary from those indicated by the forward-looking statements, and such variances may be material.

The discussions regarding the loss (“NOL”) carryforwards and pretax income associated with the valuation of the deferred tax assets, including our NOLs, assume that activity from deepwater Gulf of America and United States onshore calcium chloride and zinc bromide sales continue consistent with the recent years; and that United States onshore oil and gas activity is flat in the immediate years. We cannot guarantee that we will realize the full benefits of the NOLs or that we will achieve the full estimates of pretax income included herein. Investors are cautioned that such estimates are not guarantees of future performance and that actual results or developments may differ from those projected concerning the valuation of the deferred tax assets.

You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to update or revise any forward-looking statements we may make, except as may be required by law.

## Summary Risk Factors

Our business is subject to varying degrees of risk and uncertainty. Investors should consider the risks and uncertainties summarized below, as well as the risks and uncertainties discussed in Part I, Item 1A, “Risk Factors” of this Annual Report. Additional risks not presently known to us or that we currently deem immaterial may also

affect us. If any of these risks occur, our business, financial condition or results of operations could be materially and adversely affected. Our business is subject to the following principal risks and uncertainties:

- The demand and prices for our products and services are affected by several factors, including the supply, demand, and prices for oil and natural gas.
- We encounter, and expect to continue to encounter, intense competition in the sale of our products and services.
- The profitability of our operations is dependent on other numerous factors beyond our control.
- We hold minority investments in both publicly-traded and privately-held companies. Over time, the fair value of these investments may fluctuate significantly causing volatility in our financial results.
- Changes in the economic environment have resulted, and could further result, in significant impairments of certain of our long-lived assets.
- We are dependent on third-party suppliers for specific products and equipment necessary to provide certain of our products and services.
- We have technological and age-obsolescence risk, both with our products and services as well as with our equipment assets.
- Our operations involve significant operating risks and insurance coverage may not be available or cost-effective.
- We may not be able to economically extract lithium or bromine from the leased acreage in our Arkansas brine leases.
- Failure to effectively and timely execute any of our low carbon energy initiatives could have an adverse effect on our business and financial condition.
- Certain of our operations are seasonal and depend, in part, on weather conditions.
- Severe weather, including named windstorms, and severe winter weather, can cause damage and disruption to our businesses.
- The market price of our common stock has been and may continue to be volatile.
- Our long-term debt agreements contain covenants and other provisions that restrict our ability to take certain actions and may limit our ability to operate or grow our business in the future.
- We may not be able to utilize all or a portion of our net operating loss carryforwards or other tax benefits to offset future taxable income for U.S. federal, state or foreign tax purposes, which could adversely affect our financial position, results of operations and cash flows. We have adopted a Tax Benefits Preservation Plan that is designed to protect our Tax Attributes.
- We have continuing exposure to abandonment and decommissioning obligations associated with oil and gas properties previously owned by Maritech.
- From time to time the U.S. Department of Interior has sought to impose more stringent supplemental bonding and financial assurance requirements, which may increase our risks associated with the decommissioning obligations pertaining to oil and gas properties previously owned by Maritech.
- We are exposed to significant credit risks.
- Our operating results and cash flows for certain of our subsidiaries are subject to foreign currency risk.
- We are exposed to interest rate risks with regard to our credit facility debt and future refinancing thereof.
- We operate in a highly competitive environment. If we are unable to maintain product and technology leadership, this could adversely affect any competitive advantage we hold.
- Limitations on our ability to obtain, maintain, protect, or enforce our intellectual property rights, including our trade secrets, could cause a loss in revenue and any competitive advantage we hold.
- Our proprietary rights may be violated or compromised, which could damage our operations.
- Third parties may claim that we have infringed upon or otherwise violated their intellectual property rights.

- Our operations are subject to extensive and evolving U.S. and foreign federal, state, and local laws and regulatory requirements that increase our operating costs and expose us to potential fines, penalties, and litigation.
- The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and could impose new costs on our customers' operations.
- Our operations, and those of our suppliers and customers, are subject to a series of risks arising from climate change.
- Increased attention to ESG matters and conservation measures may adversely impact our or our customers' business.
- Our operations in foreign countries expose us to complex regulations and may present us with new obstacles to growth.
- Regulatory initiatives related to hydraulic fracturing or operations on public land in the countries where we and our customers operate could result in operating restrictions or delays in the completion of oil and gas wells that may reduce demand for our services.
- Our operations, reputation, and financial condition may be impaired if our information or operational technology systems fail to perform adequately or if we are the subject of a data breach or cyberattack.
- Changes to applicable tax laws and regulations or exposure to additional income tax liabilities could affect our business and future profitability.

## PART I

### Item 1. Business.

The financial statements presented in this Annual Report are the consolidated financial statements of TETRA Technologies, Inc., a Delaware corporation and its subsidiaries. When the terms “TETRA,” “the Company,” “we,” “us,” or “our” are used in this document, those terms refer to TETRA Technologies, Inc. and its consolidated subsidiaries.

TETRA is a Delaware corporation incorporated in 1981. Our corporate headquarters are located at 24955 Interstate 45 North, The Woodlands, Texas, 77380. Our phone number is 281-367-1983 and our website is [www.onetetra.com](http://www.onetetra.com). Our common stock is traded on the New York Stock Exchange (the “NYSE”) under the symbol “TTI.”

Our Corporate Governance Guidelines, Code of Business Conduct, Code of Ethics for Senior Financial Officers, Policy on Trading in Company Securities, Audit Committee Charter, Human Capital Management and Compensation Committee Charter, and Nominating, Governance and Sustainability Committee Charter, as well as our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, and all amendments to those reports are all available, free of charge, on our website at [www.onetetra.com](http://www.onetetra.com) as soon as practicable after we file the reports with the SEC. Information contained on or connected to our website is not, and shall not be deemed to be, a part of this Annual Report on Form 10-K or incorporated into any other filings with the SEC. The documents referenced above are available in print at no cost to any stockholder who requests them from our Corporate Secretary.

### About TETRA

TETRA Technologies, Inc., together with its consolidated subsidiaries, is an energy services and solutions company with operations on six continents focused on developing environmentally conscious services and solutions that help make people’s lives better. In addition to providing products and services to the oil and gas industry and calcium chloride for diverse applications, TETRA is expanding into the low-carbon energy market with chemistry expertise, key mineral acreage, and global infrastructure, helping to meet the demand for sustainable energy in the twenty-first century. We have two reportable segments - Completion Fluids & Products Division and Water & Flowback Services Division.

Our *Completion Fluids & Products Division* manufactures and markets clear brine fluids (“CBFs”), additives, and associated products and services to the oil and gas industry for use in well drilling, completion, and workover operations in the United States and in certain countries in Latin America, Europe, Asia, the Middle East, and Africa. The Division also markets liquid and dry calcium chloride products manufactured at its production facilities or purchased from third-party suppliers to a variety of markets outside the energy industry, and markets TETRA PureFlow, an ultra-pure zinc bromide as well as TETRA PureFlow Plus, an ultra-pure zinc bromide/zinc chloride blend, to several battery technology companies.

Our *Water & Flowback Services Division* provides onshore oil and gas operators with comprehensive water management services. The Division also provides frac flowback, production well testing, and other associated services in many of the major oil and gas producing regions in the United States, as well as in oil and gas basins in certain countries in Latin America, Europe, and the Middle East.

We continue to pursue a long-term growth strategy that includes expanding our core businesses, domestically and internationally, through the introduction of new technology, organic growth, and accretive acquisitions.

### Products and Services

#### Completion Fluids & Products Division

Liquid calcium chloride, calcium bromide, zinc bromide, zinc calcium bromide, sodium bromide, and blends of such products manufactured by our Completion Fluids & Products Division are referred to as CBFs in the oil and gas industry. CBFs are salt solutions that have variable densities and are used to control bottom-hole pressures during oil and gas completion and workover operations. The Division sells CBFs and various CBF additives to



United States and international oil and gas exploration and production companies and to other companies that service customers in the oil and gas industry.

The Completion Fluids & Products Division provides both stock and custom-blended CBFs based on each customer's specific needs and the proposed application. It provides a broad range of associated CBF services, including on-site fluids filtration, handling and recycling, wellbore cleanup, custom fluids blending, and fluid management services. The Division's flagship CBF technology, TETRA CS Neptune are high-density monovalent and divalent fluids that are free of undissolved solids, zinc, priority pollutants, and formate ions. They were developed by TETRA to be environmentally friendly alternatives to traditional zinc bromide high-density completion fluids and environmentally friendly and cost-effective alternatives to cesium formate high-density completion fluids, all of which are used in well completion and workover operations, as well as low-solids reservoir drilling fluids.

The Completion Fluids & Products Division offers to repurchase, or "buy-back", certain used CBFs from customers, which can be reconditioned and recycled. Selling used CBFs back to us reduces the net cost of the CBFs to customers and minimizes our customers' need to dispose of used fluids. We recondition used CBFs through filtration, blending and the use of proprietary chemical processes, and then market the reconditioned CBFs.

By blending different CBFs and using various additives, we are able to modify the specific density, crystallization temperature, and chemical composition of the CBFs as required to meet our customers' specific needs. The Division's fluid engineering personnel determine the optimal CBF blend for a customer's particular application to maximize its effectiveness and lifespan. Our filtration services use a variety of techniques and equipment to remove particulates from CBFs at the customer's site so the CBFs can be reused. Filtration also enables recovery of a greater percentage of used CBFs for reconditioning.

The Completion Fluids & Products Division manufactures liquid and dry calcium chloride and liquid calcium bromide, zinc bromide, zinc calcium bromide, and sodium bromide for distribution, primarily into energy markets. Liquid and dry calcium chloride are also sold into water treatment, industrial, cement, food processing, road maintenance, ice melt, agricultural, and consumer products markets. Sodium bromide is also sold into industrial water treatment markets, where it is used as a biocide in recirculated cooling tower waters and in other applications.

Our calcium chloride manufacturing facilities are located in the United States and Finland. In the United States, we manufacture liquid calcium chloride products at four manufacturing plant facilities. Liquid and flake calcium chloride are also produced at our Kokkola, Finland plant. We operate our European calcium chloride operations under the names TETRA Chemicals Europe AB and TETRA Chemicals Europe Oy. In the United States, we also manufacture liquid calcium chloride at our facilities in Parkersburg, West Virginia and Lake Charles, Louisiana, and we have two solar evaporation facilities located in San Bernardino County, California, that produce liquid calcium chloride and sodium chloride from underground brine reserves, which are replenished naturally. Our calcium chloride production facilities have a combined production capacity of approximately 1.0 million equivalent liquid tons per year. We also acquire calcium chloride inventory from other producers.

Our Completion Fluids & Products Division manufactures liquid calcium bromide, zinc bromide, zinc calcium bromide, and sodium bromide at our West Memphis, Arkansas facility. A proprietary process applied at this facility uses bromine and zinc to manufacture zinc bromide. This facility also uses proprietary processes to manufacture calcium bromide and sodium bromide and to recondition and upgrade used CBFs that we have repurchased from our customers.

We are also pursuing low-carbon energy initiatives that leverage our fluids and aqueous chemistry core competencies, our significant bromine and lithium resources (including our approximately 40,000 gross acres of brine leases in Arkansas) and technologies (see our disclosures titled "Bromine and Lithium Resources" set forth in Part I, "Item 2. Properties" of this Annual Report), and our leading calcium chloride production capabilities. The Completion Fluids & Products Division manufactures and sells zinc bromide battery electrolyte for the long-duration energy battery storage market.

In August 2021, we announced completion of a preliminary technical assessment by an independent geological consulting firm to assess lithium and bromine exploration targets in our Southwest Arkansas brine leases. Bromine is a key mineral component in zinc-bromide energy storage systems and our TETRA PureFlow is an ultra-pure zinc bromide, which has been qualified by several battery technology companies. The lithium battery market is a rapidly growing market, affording us the potential opportunity to participate in a meaningful way. In December, 2021, we announced a strategic agreement with Eos Energy Enterprises, Inc. ("Eos") (NASDAQ: EOSE) involving a



long-term supply and collaboration agreement to supply our ultra-pure zinc bromide TETRA PureFlow to Eos. TETRA and Eos expect to collaborate for improved battery performance, cost and system life including a solution for the end of a battery's life using TETRA's extensive experience with reclaiming and recycling zinc bromide. In January 2024, we entered into a preferred supply agreement through December 31, 2027 in which Eos has agreed to purchase 100% of its requirement of zinc bromide products, including TETRA PureFlow zinc bromide, and 75% of its requirement of Eos' proprietary electrolyte solution from TETRA, and has provided TETRA a right of first refusal prior to entering into a supply agreement for such products from a third-party. In connection with the supply agreement, TETRA was granted a non-exclusive, non-sub-licensable, non-transferable license to Eos's proprietary electrolyte formula, solely in connection with manufacturing and provision of Eos' proprietary electrolyte solution to Eos.

We are committed to pursuing low-carbon energy initiatives that leverage our fluids and aqueous chemistry core competencies, our significant bromine and lithium assets and technologies, and our leading calcium chloride production capabilities. During 2022, we completed the maiden inferred bromine and lithium brine resource estimation report for our leased acreage in the Smackover Formation in Southwest Arkansas, as well as a front end engineering and design ("FEED") study for the design of a brine to bromine processing plant, pipeline and related assets. Completion of this FEED study and reservoir analysis were incremental steps for TETRA to complete an initial and preliminary economic analysis. During 2023, we completed a Technical Report Summary (the "Resources Report") for our 6,138 acre "Evergreen Brine Unit" in Arkansas. The Resources Report included both "measured" and "indicated" resources in addition to the "inferred" category. Further steps are required before making a decision to develop the bromine assets, which may include drilling an additional well or wells, further studies to mature the resource and completion of a pre-feasibility and/or feasibility study.

#### Water & Flowback Services Division

Our Water & Flowback Services Division provides a wide variety of water management services that support hydraulic fracturing in unconventional well completions for domestic onshore oil and gas operators. These services include fresh and produced water analysis, treatment, and recycling, blending and distribution, storage and pit lining, transfer, engineering, and environmental risk mitigation. The Water & Flowback Services Division's patented and patent-pending equipment and processes include advanced hydrocyclones for sand management, certain produced- and fresh-water blending technologies, and the TETRA Steel 1200, a lay-flat hose rapid deployment water transfer system. The Water & Flowback Services Division seeks to design sustainable solutions that meet the unique needs of each customer in order to maximize operational performance and efficiency and minimize the use of fresh water. These solutions include tailored "last mile" infrastructure to transfer water around well pads in a safe, efficient, and environmentally responsible manner - which consists of water storage ponds, movable storage tanks, a network of water transfer lines including poly pipe and TETRA Steel lay-flat hose, automated transfer and blending of produced water, and water treatment and recycling systems. These systems include the TETRA SwiftWater Automated Treatment ("SWAT") system that chemically treats produced water through a clarification process and the TETRA Oil Recovery After Production Technology (ORAPT) mobile oil separation system that recovers oil from produced water. Automation has also been deployed across the TETRA water management portfolio, and across TETRA flowback services, to reduce health, safety and environmental risks and enhance reliability and cost-effectiveness. In December 2024, we announced the commercial launch of TETRA Oasis TDS, an end-to-end water treatment and desalination technology for beneficial re-use and mineral extraction applications for oil and gas well produced water. During the fourth quarter of 2024, the Water & Flowback Services Division completed a commercial pilot project for the desalination of Delaware Basin produced water for a major North America oil and gas operator. The desalinated water was tested against published Texas Railroad Commission standards for beneficial re-use water at both TETRA's laboratory and an independent third-party laboratory. Subsequently, the treated water was sent to a third party for Whole Effluent Toxicity testing where it successfully passed all test parameters.

Our Water & Flowback Services Division also provides frac flowback services, early production facilities and services, production well testing services, and other associated services, including well flow management and evaluation services that enable operators to quantify oil and gas reserves, optimize oil and gas production and minimize oil and gas reservoir damage. In certain basins, water, sand, and other abrasive materials commonly accompany the initial production of natural gas or oil, often under high-pressure and high-temperature conditions and, in some cases, from reservoirs containing high levels of hydrogen sulfide gas. The Water & Flowback Services Division provides the specialized equipment and qualified personnel to address these impediments to production. Early production services typically include sophisticated evaluation techniques for reservoir management, including unconventional shale reservoir exploitation and optimization of well workover programs. Frac flowback and

production well testing services may include well control, well cleanup and laboratory analysis. These services are used in the completion process after hydraulic fracturing and in the production phase of oil and gas wells.

This Division maintains one of the largest fleets of high-pressure production testing equipment in the United States, including equipment designed to work in environments where high levels of hydrogen sulfide gas are present. The Division has domestic operating locations in Louisiana, New Mexico, Oklahoma, Pennsylvania, and Texas. The Division also has locations in certain countries in Latin America and the Middle East.

### ***Sources of Raw Materials***

Our Completion Fluids & Products Division manufactures calcium chloride, calcium bromide, zinc bromide, zinc calcium bromide, and sodium bromide for sale to its customers. The Division also recycles used calcium bromide and zinc bromide CBFs repurchased from its oil and gas customers.

The Completion Fluids & Products Division manufactures liquid calcium chloride, either from underground brine or by reacting hydrochloric acid with limestone. We produce calcium chloride and sodium chloride at our two facilities in San Bernardino County, California, by solar evaporation of pumped underground brine reserves that contain calcium chloride. The underground reserves of this brine are deemed adequate to supply our foreseeable need for calcium chloride at those plants. The Division also purchases liquid and dry calcium chloride from a number of United States and foreign chemical manufacturers.

The Completion Fluids & Products Division's primary sources of hydrochloric acid are co-product streams obtained from chemical manufacturers. Substantial quantities of limestone are also consumed when converting hydrochloric acid into calcium chloride. Currently, hydrochloric acid and limestone are generally available from multiple sources.

To produce calcium bromide, zinc bromide, zinc calcium bromide, and sodium bromide at our West Memphis, Arkansas facility, we use bromine, hydrobromic acid, zinc, ammonia water and lime as raw materials. There are multiple sources of zinc that we can use in the production of zinc bromide and zinc calcium bromide. We have a long-term supply agreement with LANXESS, AG ("LANXESS") under which the Completion Fluids & Products Division purchases its requirements of raw material bromine from LANXESS' Arkansas bromine production facilities. On May 25, 2023, we entered into the Third Amendment to Bromine Requirements Sales Agreement (the "Amendment") with LANXESS, which provides for, among other things, revised volume requirements, pricing, and related terms. The Amendment was effective April 1, 2023 and was entered into in connection with the entry into a settlement agreement in the Company's arbitration with LANXESS. See Note 11 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements in this Annual Report for further information.

We have not historically directly purchased any significant volumes of raw materials from Russia, Ukraine, Israel, or the Gaza region. Additionally, we have not historically sold any significant volumes of product to Russia, Ukraine, Israel or, the Gaza region and have discontinued all transactions with customers and suppliers in Russia and Ukraine. However, one of our raw material providers sourced one of their raw materials from Russia or Ukraine. Because of the ongoing conflict between Russia and Ukraine, during early 2022, we experienced supply constraints with our primary European supplier of certain raw materials. Although this constraint has since resolved, we experienced decreased production volumes of calcium chloride in the first half of 2022. Should we experience similar supply constraints in the future, we may experience future financial impact, the magnitude of which is uncertain.

We currently lease over 40,000 gross acres of brine leases near Magnolia, Arkansas, which contain bromine and lithium. See our disclosures titled "Bromine and Lithium Resources" set forth in Part I, "Item 2. Properties" of this Annual Report. The long-term LANXESS bromine supply agreement discussed above provides a secure supply of bromine to support a majority of the Division's current manufacturing levels. We do, however, continue to evaluate our strategy related to the Arkansas assets and their future development. In addition, we are party to agreements with Standard Lithium Ltd. ("Standard Lithium") (NYSE: SLI), under which Standard Lithium has the right to explore, produce and extract lithium and lithium derivatives in a portion of our Arkansas leases located outside of the Evergreen Brine Unit as well as additional potential resources in the Mojave region (San Bernardino County) of California. Standard Lithium delivered a notice to exercise this option to acquire those lithium rights in a portion of our Arkansas leases located outside of the Evergreen Brine Unit on October 6, 2023. See Note 2 - "Basis of Presentation and Significant Accounting Policies" and Note 14 - "Fair Value Measurements" in the Notes to Consolidated Financial Statements for further information.

The Water & Flowback Services Division purchases water management and production testing equipment and components from third-party manufacturers.

### ***Market Overview and Competition***

Our operations are highly dependent upon the demand for, and production of, natural gas and oil in the various domestic and international locations in which we operate. Demand for products and services of our Completion Fluids & Products Division remained resilient despite pandemic impacts on commodity prices in 2020. Following a period of depressed commodity prices during 2020, prices experienced significant recoveries beginning in the second half of 2021 and continued through 2022, but declined slightly during 2023 and remained consistent during 2024.

#### **Completion Fluids & Products Division**

Our Completion Fluids & Products Division provides its products and services to oil and gas exploration and production companies in the United States and certain foreign markets, and to other customers that service such companies. Current areas of market presence include the onshore U.S., the U.S. Gulf of America, the North Sea, Mexico and certain countries in South America, Europe, Asia, the Middle East, and Africa. Customers with deepwater operations frequently use high volumes of CBFs, which can be subject to harsh downhole conditions, such as high pressure and high temperatures. Demand for CBF products is generally driven by offshore completion and workover activity.

The Completion Fluids & Products Division's principal competitors in the sale of CBFs to the oil and gas industry are other major international drilling fluids and energy services companies, to many of which we provide products and services. This market is highly competitive and competition is based primarily on service, availability, and price. Customers of the Completion Fluids & Products Division include significant oilfield service companies, major and independent U.S. and international oil and gas producers, and U.S. and international chemical providers. The Division also sells its CBF products through various distributors.

The Completion Fluids & Products Division's liquid and dry calcium chloride products have a wide range of uses outside the energy industry. Non-energy market segments where these products are used include water treatment, industrial, food processing, road maintenance, ice melt, agricultural, and consumer products. As part of our low carbon solutions, we produce and provide end users with zinc bromide, used in zinc-bromine batteries and energy storage. We also sell sodium bromide into industrial water treatment markets as a biocide. Most of these markets are highly competitive. In Europe, our Completion Fluids & Products Division's calcium chloride operations market, distribute, sell or offer to sell calcium chloride products in certain European industries. Our principal competitors in the non-energy related calcium chloride markets include Occidental Chemical Corporation and Vitro Corporation in North America and Nedmag B.V. in Europe.

#### **Water & Flowback Services Division**

The Water & Flowback Services Division provides comprehensive water management and frac flowback services to a wide-range of onshore oil and gas operators located in all active North America unconventional oil and gas basins.

The Division also provides frac flowback services, early production facilities and services, production well testing services, sand filtration, and other associated services in various domestic and international locations, including well flow management and evaluation services that enable operators to quantify oil and gas reserves, optimize oil and gas production, and minimize oil and gas reservoir production damage.

The water management, flowback, and production testing markets are highly competitive, and competition is based on availability of appropriate equipment and qualified personnel, as well as price, quality of service, and safety record. The Division's skilled personnel, operating procedures, integrated closed-loop water management solution, automation systems, and safety record give us a competitive advantage. Competition in the U.S. water management markets includes Select Energy Services, Inc. and various regional companies, while competition in onshore U.S. production testing markets is primarily dominated by numerous small, privately owned operators. Halliburton and Schlumberger are competitors in the international production testing markets we serve although we provide these services to their customers on a subcontract basis from time to time. Customers for the Water &

Flowback Services Division include major integrated and independent U.S. and international oil and gas producers that are active in the areas in which we operate.

No single customer provided 10% or more of our total consolidated revenues during the years ended December 31, 2024, 2023, or 2022.

## ***Other Business Matters***

### *Human Capital Management*

We collaborate as a team to execute for each other, our customers, and our shareholders. As of December 31, 2024, we employed approximately 1,400 people worldwide. None of our U.S. employees are presently covered by a collective bargaining agreement. Our employees outside the U.S. are generally members of labor unions and associations in the countries in which they are employed. We use engagement surveys and exit interviews to, among other things, gauge our employees' perspective on the company. We ask questions around company culture, if employees would consider working for the company again, or if they recommend working for the company. Based on results, we believe that our relations with our employees are good.

### *Equal Employment Opportunity*

We value equal employment opportunity to stimulate creativity and innovation in our workforce as we use our collective talents to develop unique solutions to address the world's energy challenges. Our executive management sponsored Corporate Social Responsibility Committee focuses on sharing information and promoting key initiatives across the company to educate and create awareness about the importance of a multi-faceted and welcoming culture. The committee also assists the talent management group to attract, retain, develop, and reward a high-performing workforce, provide forums and sponsor training activities to share best practices concerning employment practices education, and develop communication platforms to share information about and promote the committee's activities.

### *Career Development*

The board of directors, the chief executive officer, and the vice president of Human Resources, evaluate, from time to time each year, executive development and succession planning to prepare us for future success. The succession planning process covers all senior management positions and certain other key positions. This review of executive talent determines readiness to take on additional leadership roles and identifies developmental opportunities needed to prepare our executives for greater responsibilities. Our short and long-term business strategy is considered when evaluating candidates and their skills.

### *Compensation and Benefits*

The Company's compensation programs are designed to incentivize performance, maximize returns, and build shareholder value. We work with consultants to perform market-based assessments of our compensation and benefits programs to help us offer competitive compensation packages to attract and retain high-performing talent. We also offer competitive benefits to attract and retain exceptional talent.

### *Safety*

Recognizing that safety, service quality, and environmental protection are conditions of employment, all employees and contractors are responsible for their safety, the safety of those around them, the quality of their work, and protection of the environment. As part of our safety-focused culture, it is customary that each meeting starts with an employee-led safety moment.

To ensure our work remains safe and of the highest quality, the Company has a comprehensive health, safety, environment, and quality ("HSEQ") Management System and program designed to improve the capacity of the organization by controlling worksite risks, developing proper work practices and procedures, and empowering employees with stop-work authority if they observe unsafe conditions, omissions, errors, or actions that could result in safety or environmental incidents, or product and service quality issues. If an incident takes place, we investigate all serious occurrences to determine root causes and implement corrective actions to ensure we expand our capacity to operate safely.



Driving is one of the highest exposure activities that we undertake in our day-to-day operations. We maintain a fleet of DOT and non-DOT vehicles and provide real-time behavior feedback to our drivers via near real-time monitors. Coupled with Journey Management, vehicle selection guidelines, and driver training, we have a comprehensive approach to reducing our driving exposure and incidents.

#### Proprietary Technology and Trademarks

We own a variety of intellectual property rights, such as patents, trademarks and trade secrets. While we believe that our patents and trade secrets are important to our competitive positions in our businesses, we do not believe any one patent or trade secret is essential to our success.

It is our practice to enter into confidentiality agreements with key employees, consultants and third parties to whom we disclose our confidential and proprietary information, and we have typical policies and procedures designed to maintain the confidentiality of such information. There can be no assurance, however, that these measures will prevent the unauthorized disclosure or use of our trade secrets and expertise, or that others may not independently develop similar trade secrets or expertise.

We sell various products and services under a variety of trademarks and service marks, some of which are registered in the United States or other countries.

#### Health, Safety, and Environmental Affairs Regulations

Our service and sales operations and manufacturing plants are subject to stringent and complex U.S. and foreign health, safety, and environmental laws and regulations. Although we are committed to conducting all of our operations under the highest standards of safety and respect for the environment, risks of substantial costs and liabilities pursuant to such laws and regulations are inherent in certain of our operations and in the development and handling of certain products and equipment produced or used at our plants, well locations, and worksites. Because of these risks, there can be no assurance that significant costs and liabilities will not be incurred now or in the future. While from time to time there have been periods of deregulation under certain U.S. presidential administrations, the general trend has been towards more stringent changes in environmental laws and regulations. Changes in environmental and health and safety laws and regulations could subject us to more rigorous standards and could affect demand for our customers' products which in turn would impact demand for our products. We cannot predict the extent to which our operations may be affected by any changes to existing laws, regulations and enforcement policies, new interpretations of existing laws, regulations and policies, or any new laws, regulations, or policies promulgated in the future.

We are subject to numerous federal, state, local, and foreign laws and regulations relating to health, safety, and the environment, including regulations regarding air emissions, wastewater and storm water discharges, and the disposal of certain hazardous and nonhazardous wastes. Compliance with such laws and regulations may expose us to significant costs and liabilities, and cause us to incur significant capital expenditures in our operations. Failure to comply with these laws and regulations or associated permits may result in the assessment of administrative, civil or criminal fines and penalties, the imposition of other corrective action obligations or other injunctive relief, or both.

Our operations in the United States are subject to various evolving environmental laws and regulations that are enforced by the U.S. Environmental Protection Agency ("EPA"); the Bureau of Safety and Environmental Enforcement ("BSEE") of the U.S. Department of the Interior; the U.S. Coast Guard; and various other federal, state, and local environmental authorities. Similar laws and regulations, designed to protect the health and safety of our employees and visitors to our facilities, are enforced by the U.S. Occupational Safety and Health Administration, and other state and local agencies and authorities. Some of the primary environmental laws and regulations applicable to our operations include: (i) the Federal Water Pollution Control Act of 1972 (the "Clean Water Act"); (ii) the Resource Conservation and Recovery Act of 1976; (iii) the Clean Air Act of 1977 ("CAA"); (iv) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 ("CERCLA"); (v) the Superfund Amendments and Reauthorization Act of 1986; (vi) the Toxic Substances Control Act of 1976; (vii) the Hazardous Materials Transportation Act of 1975; (viii) the Pollution Prevention Act of 1990; and (ix) the Endangered Species Act of 1973 ("ESA"). Our operations outside the United States are subject to various foreign governmental laws and regulations relating to the environment, health and safety, and other regulated activities in the countries in which we operate, which may in some cases impose more stringent requirements than applicable laws in the United States.

Our operations routinely involve the handling of hydrocarbons and produced water. Hydrocarbons or hazardous and nonhazardous wastes may have been released during our operations, by third parties on wellhead sites where we provide services or store our equipment, or on or under other locations where wastes have been taken for disposal. Although most wastes associated with the exploration, development and production of oil and natural gas are currently exempt from the more stringent hazardous waste regulations under the Resource Conservation and Recovery Act ("RCRA") and its state analogs, it is possible that some of the material we handle now or may handle in the future may be subject to regulation under RCRA as a hazardous waste. Additionally, we cannot assure you that such materials will not be subject to more stringent requirements or characterized as hazardous wastes in the future. Separately, properties where such hydrocarbons and/or wastes are released or disposed of may be subject to investigatory, remediation, and monitoring requirements under foreign, federal, state, and local environmental laws and regulations. CERCLA and comparable state laws and regulations impose strict, joint, and several liabilities without regard to fault or the legality of the original conduct on certain classes of persons that contributed to the release of a hazardous substance into the environment. These persons include the owner or operator of a disposal site where a hazardous substance release occurred and any person that transported, disposed of, or arranged for the transport or disposal of such hazardous substances released at a site. Under CERCLA, such persons may be liable for the costs of remediating the hazardous substances that have been released into the environment, for damages to natural resources and for the costs of certain health studies.

The CAA and its implementing regulations, and comparable state laws and regulations, regulate the emissions of air pollutants from various industrial sources and impose monitoring and reporting requirements. These laws and regulations impose limits on the levels of various substances that may be emitted into the atmosphere. For example, from time to time the EPA has taken certain steps to regulate methane emissions from the oil gas sector. Most recently, in December 2023, EPA finalized a rule that, established more stringent OOOO(b) new source and OOOO(c) first-time existing source standards of performance for methane and volatile organic compound emissions for oil and gas facilities. Fines and penalties for violations of these rules can be substantial. The rules have been subject to legal challenge and, most recently, the D.C. Circuit Court granted the EPA's motion to hold the cases in abeyance while the agency reviews the final rule. The final rule may be repealed or modified by the Trump administration, though we cannot predict the substance or timing of such changes, if any.

In accordance with Section 402 of the Clean Water Act, the EPA is authorized to issue National Pollutant Discharge Elimination System ("NPDES") General Permits to regulate offshore discharges in the Gulf of America which includes Treatment, Completion and Workover ("TCW") fluids. Our operations include providing services and materials to oil and gas operators for the use of TCW fluids in the Gulf of America. The EPA's most recent NPDES permits for Region 6 for oil and gas operations in the federal waters of the western and central Gulf of America went into effect on May 11, 2023. The Region 4 permit for the eastern Gulf of America went into effect on April 3, 2024. Delays in issuing these permits or otherwise obtaining coverage under them could adversely impact our customers' operations and reduce demand for our services. The Clean Water Act, and comparable state laws and regulations thereunder, also prohibit the discharge of pollutants into regulated waters without a permit, including industrial wastewater discharges and storm water runoff, and establish limits on the levels of pollutants contained in such discharges.

The modification or reinterpretation of existing environmental laws or regulations, the more vigorous enforcement of existing environmental laws or regulations, or the adoption of new environmental laws or regulations could adversely affect oil and natural gas exploration and production operations, which in turn could have an adverse effect on us. For example, the federal government regularly evaluates new species for listing under the ESA. The ESA provides broad protection for species of fish, wildlife and plants that are listed as threatened or endangered, as well as certain "critical habitat" for such species. Similar protections are offered to migratory birds under the Migratory Bird Treaty Act. The listing of any new species, the relisting of a species from threatened to endangered, or the designation of critical habitat for any such species may cause us or our customers to incur additional costs or become subject to operating restrictions or bans at certain times or in certain areas. Separately, regulators at both the federal and state levels have placed increasing attention on matters related to oil and gas operations, particularly hydraulic fracturing and the emission of greenhouse gases ("GHGs"). For more information, see our risk factors titled "Our operations, and those of our suppliers and customers, are subject to a series of risks arising from climate change" and "Regulatory initiatives related to hydraulic fracturing in the countries where we and our customers operate could result in operating restrictions or delays in the completion of oil and gas wells that may reduce demand for our services."

We maintain various types of insurance intended to reimburse us for certain costs in the event of an accident, including an explosion or similar event, involving our onshore and offshore operations. Our insurance



program is reviewed not less than annually with our insurance brokers and underwriters. Such insurance policies may not cover, or may only partially cover, certain losses or claims, which could result in a material adverse effect on our business and operations.

## **Executive Officers and Directors**

The following table sets forth certain information with respect to our executive officers and directors:

### **Executive Officers:**

|                      |  |
|----------------------|--|
| Brady M. Murphy      | President, Chief Executive Officer, and board member         |
| Elijio V. Serrano    | Senior Vice President and Chief Financial Officer            |
| Matthew J. Sanderson | Executive Vice President and Chief Commercial Officer        |
| Timothy C. Moeller   | Senior Vice President – Global Supply Chain and Chemicals    |
| Roy E. McNiven       | Senior Vice President – Energy Services Operations           |
| Alicia P. Boston     | General Counsel and Chief Compliance Officer                 |
| Jacek M. Mucha       | Vice President – Finance, Treasurer, and Assistant Secretary |

### **Directors:**

|                      |   |
|----------------------|---|
| Mark E. Baldwin      | Former executive vice president and chief financial officer of Dresser-Rand Group, Inc.               |
| Thomas R. Bates, Jr. | Adjunct professor in the Finance Department at Texas Christian University                             |
| Christian A. Garcia  | Former executive vice president and chief financial officer of BrandSafway                            |
| John F. Glick        | Former chief executive officer of Lufkin Industries, Inc.   |
| Angela D. John       | Former director of innovation and strategy for New Energy Ventures with the Williams Companies, Inc.  |
| Sharon B. McGee      | Founder SDBM Executive and Strategic Advisory, LLC and former vice president at Albemarle Corporation |
| Shawn D. Williams    | Former chief executive officer of Nexeo Plastics Holdings, Inc.                                       |

## **Item 1A. Risk Factors.**

Although it is not possible to identify all of the risks we encounter, we have identified the following significant risk factors that could affect our actual results and cause actual results to differ materially from any such results that might be projected, forecasted, or estimated by us in this Annual Report.

### **Market Risks**

*The demand and prices for our products and services are affected by several factors, including the supply, demand, and prices for oil and natural gas.*

Demand for our services and products is particularly sensitive to the level of exploration, development, and production activity of, and the corresponding capital spending by, oil and natural gas companies. The level of exploration, development, and production activity is directly affected by oil and natural gas prices, which historically have been volatile and are likely to continue to be volatile. Prices for oil and natural gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and natural gas, market uncertainty, and a variety of other economic factors that are beyond our control.

For example, West Texas Intermediate oil prices averaged \$94.90, \$77.58, and \$76.63 per barrel during 2022, 2023, and 2024, respectively. Over this same period, U.S. natural gas prices have also been volatile, with the Henry Hub price averaging \$6.45, \$2.53, and \$2.15 per MMBtu during 2022, 2023, and 2024, respectively.

Prolonged volatility and low levels of oil and natural gas prices and supply and demand imbalances generate depressed levels of exploration, development, and production activity. If oil and natural gas prices decline significantly and supply and demand imbalances persist, there would be a material adverse effect on our business, consolidated results of operations, and consolidated financial condition. Should current market conditions worsen for an extended period of time, we may be required to record additional asset impairments. Such potential impairment charges could have a material adverse impact on our operating results.

Factors affecting the prices of oil and natural gas include: the level of supply and demand for oil and natural gas, worldwide; governmental regulations, including the policies of governments regarding the exploration for and production and development of their oil and natural gas reserves; weather conditions, natural disasters, and health or similar issues, such as pandemics or epidemics; worldwide political, military, and economic conditions such as the Russia-Ukraine conflict, the conflict in the Israel-Gaza region and continued hostilities in the Middle East; the ability or willingness of the Organization of Petroleum Exporting Countries ("OPEC") and non-OPEC countries, such as Russia, to set and maintain oil production levels; the levels of oil production in the U.S.; oil refining capacity and shifts in end-customer preferences toward fuel efficiency and the use of natural gas; the cost of producing and delivering oil and natural gas; and acceleration of the development of, and demand for, alternative energy sources.

We encounter, and expect to continue to encounter, intense competition in the sale of our products and services.

We compete with numerous companies in each of our operating segments, many of which have substantially greater financial and other resources than us. Certain of our competitors have lower standards of quality, and offer equipment and services at lower prices than we do. Other competitors have newer equipment that is better suited to our customers' needs. If we experience another period of low oil and natural gas pricing, to the extent competitors offer products or services at lower prices or higher quality, or more cost-effective products or services, our business could be materially and adversely affected. In addition, certain of our customers may elect to perform services internally in lieu of using our services, which could also materially and adversely affect our operations.

The profitability of our operations is dependent on other numerous factors beyond our control.

Our operating results in general, and gross profit in particular, are determined by market conditions and the products and services we sell in any period. Other factors, such as heightened competition, changes in sales and distribution channels, availability of skilled labor and contract services, shortages in raw materials, or inability to obtain supplies at reasonable prices, may also affect the cost of sales and the fluctuation of gross margin in future periods. Although equipment and materials used in providing our products and services to our customers are normally readily available, market conditions could trigger constraints in the supply chain of certain equipment and raw materials used in providing products and services to our customers. If we experience future supply chain disruptions, or if we experience significant increases in the costs of equipment and materials used in providing our products and services, it could have a material adverse effect on our revenues and profitability.

Other factors affecting our operating results and activity levels include oil and natural gas industry spending levels for exploration, completion, production, development, and acquisition activities, and impairments of long-lived assets. Customer consolidation may also lead to reductions in capital spending that could have an adverse effect on our business. In addition, Completion Fluids & Products Division profitability in future periods will continue to be affected by the mix of its products and services, including the timing of TETRA CS Neptune completion fluid projects, which are also dependent upon the success of customer offshore exploration and drilling efforts. If our customers reduce capital expenditures, such reductions may have a negative effect on the demand for many of our products and services and on our revenues and results of operations. A large concentration of our operating activities is located in the Permian Basin region of Texas and New Mexico. Our revenues and profitability are particularly dependent upon oil and natural gas industry activity and spending levels in this region. Our operations may also be affected by technological advances, cost of capital, and tax policies. Adverse changes in any of these other factors may have a material adverse effect on our revenues and profitability.

In addition, the United States has experienced higher inflation in recent years which has resulted and may in the future result in increases to the costs of our goods, services and labor, and in turn has caused and may cause our capital expenditures and operating costs to rise. To the extent elevated inflation remains, we may experience additional cost increases for our operations, including services, labor costs and equipment if our operating activity increases. If we can't recover higher costs through higher prices for our services, it would negatively impact our business, financial condition and results of operations.

We hold minority investments in both publicly-traded and privately-held companies. Over time, the fair value of these investments may fluctuate significantly causing volatility in our financial results.

As of December 31, 2024, we held investments in Kodiak Gas Services, Inc. ("Kodiak") and Standard Lithium, which had fair values of \$18.4 million and \$1.2 million, respectively. Our operating results could be

significantly affected by fluctuations in the market value of these investments. In January 2025, we sold our Kodiak shares for proceeds of \$19.0 million, net of transaction and broker fees. The value of our remaining investments may be adversely affected by negative changes in Standard Lithium's results of operations, cash flows and financial position.

As of December 31, 2024, we also held investments valued at approximately \$8.6 million in a convertible note, common units and preferred units issued by two privately-held companies. These convertible notes, common units and preferred units are not publicly traded and may not be offered, sold, transferred or pledged until such units are registered pursuant to an effective registration statement or pursuant to an exemption from registration. These investments will be subject to fair value measurement adjustments which will affect our financial results and there can be no assurance that the convertible notes will ultimately be repaid or converted in equity of the issuers.

*Changes in the economic environment have resulted, and could further result, in significant impairments of certain of our long-lived assets.*

Under U.S. generally accepted accounting principles ("U.S. GAAP"), we review the carrying value of our long-lived assets when events or changes in circumstances indicate that the carrying value of these assets may not be recoverable, based on their expected future cash flows. The impact of reduced expected future cash flow could require the write-down of all or a portion of the carrying value for these assets, which would result in additional impairments, resulting in decreased earnings. During the three-year period ending December 31, 2024, we recorded a total of \$5.9 million of impairments and other charges for certain right-of-use lease assets, inventory and long-lived assets other than goodwill. See Note 6 - "Impairments and other charges" in the Notes to Consolidated Financial Statements for further discussion of impairments. Depressed commodity prices and/or adverse changes in the economic environment could result in a greater decrease in the demand for many of our products and services, which could impact the expected utilization rates of certain of our long-lived assets, including plant facilities, operating locations, and operating equipment.

*We are dependent on third-party suppliers for specific products and equipment necessary to provide certain of our products and services.*

We sell a variety of CBFs to the oil and gas industry and non-energy markets, including calcium chloride, calcium bromide, zinc bromide, zinc calcium bromide, sodium bromide, formate-based brines, and our TETRA CS Neptune fluids, some of which we manufacture and some of which are purchased from third parties. Sales of these products contribute significantly to our revenues. In our manufacture of calcium chloride, we use brines, hydrochloric acid, and other raw materials purchased from third parties. In our manufacture of brominated CBF products, we use elemental bromine, hydrobromic acid, and other raw materials that are purchased from third parties. There are several raw materials for which there are only a limited number of suppliers or a single supplier. To mitigate potential supply constraints, we enter into supply agreements with particular suppliers. For example, we are currently required to purchase all of our requirements of elemental bromine, up to a certain specified maximum and subject to a specified annual minimum, from LANXESS under a long-term supply agreement. We also evaluate alternative sources of supply to avoid reliance on limited or sole-source suppliers when possible. Although we have long-term supply agreements with LANXESS, there is no assurance that we will have an adequate supply of elemental bromine or the other raw materials required for all of our CBF opportunities, or that such raw materials will be available at reasonable prices. Economic sanctions and other regulations imposed by the United States and other international countries as a result of the conflict involving Russia and Ukraine, Israel and Gaza region, hostilities in the Middle East, or maritime piracy attacks may disrupt supplies or affect the prices of certain raw materials. Should the conflict in Ukraine or other international locations further escalate, it is difficult to anticipate the extent to which current or future sanctions could increase our costs, disrupt our supplies, reduce our sales or otherwise affect our operations. Additionally, new or increased tariffs could impact raw material prices and the cost of component parts. If we are unable to acquire these raw materials at reasonable prices, or at all, for a prolonged period, our Completion Fluids & Products Division business could be materially and adversely affected.

## **Operating and Technological Risks**

*We have technological and age-obsolescence risk, both with our products and services as well as with our equipment assets.*

New drilling, completion, and production technologies and equipment are constantly evolving. If we are unable to adapt to new advances in technology or replace older assets with new assets, we are at risk of losing

customers and market share. Certain equipment, such as a portion of our production testing equipment fleet, may be inadequate to meet the needs of our customers in certain markets. The permanent replacement or upgrade of any of our equipment will require significant capital. Due to the unique nature of many of these assets, finding a suitable or acceptable replacement may be difficult and/or cost prohibitive. The replacement or enhancement of these assets over the next several years may be necessary for us to effectively compete in the current marketplace.

*Our operations involve significant operating risks and insurance coverage may not be available or cost-effective.*

We are subject to operating hazards normally associated with the oilfield service industry, including automobile accidents, fires, explosions, blowouts, formation collapses, mechanical problems, abnormally pressured formations, and environmental accidents. Environmental accidents could include, but are not limited to, oil and produced water spills, gas leaks or ruptures, uncontrollable flows of oil, gas, or well fluids, or discharges of CBFs or toxic gases or other pollutants into the air, soil, water, groundwater, etc. These operating hazards may also include injuries to employees and third parties during the performance of our operations.

We have maintained a policy of insuring our risks of operational hazards that we believe is customary in the industry. We believe that the limits of insurance coverage we have purchased are consistent with the exposures we face and the nature of our products and services. Due to economic conditions in the insurance industry, from time to time, we have increased our self-insured retentions for certain policies in order to minimize the increased costs of coverage, or we have reduced our limits of insurance coverage for, or not procured, certain coverage. In certain areas of our business, we, from time to time, have elected to assume the risk of loss for specific assets. To the extent we suffer losses or claims that are not covered, or are only partially covered by insurance, our results of operations could be adversely affected.

*We may not be able to economically extract lithium or bromine from the leased acreage in our Arkansas brine leases.*

In addition to proven bromine reserves, our Arkansas brine leases currently contain probable bromine reserves and inferred, indicated and measured resources of lithium and bromine, and we may never convert any of these resources to proven mineral reserves on these properties, or enough of them to justify the decision to engage in the extraction of lithium and/or bromine. There can be no assurance that any future exploration efforts on these properties will be successful.

While we continue to evaluate the next steps regarding the potential development of our brine leases, we have only very recently completed a definitive feasibility study with respect to bromine and an updated technical resources report for our Evergreen Brine Unit, and we are not currently able to determine the economic viability of the extraction of the lithium and bromine from the leased acreage. In addition, the extraction of lithium and bromine from these brine leases will likely require a significant amount of time and capital, which may exceed current estimates and which may not be available to us on acceptable terms or at all. In August 2024, we published a definitive feasibility study for the production of bromine from our Evergreen Unit. Prior to producing lithium and bromine from the Evergreen Brine Unit, we must complete a lithium FEED study and a feasibility study for our lithium acreage, validate the lithium technologies used, coordinate with the local utility co-op for the construction of power infrastructure to supply electricity to our plant site, complete detailed engineering for a processing facility, obtain permits for our extraction activities which could be subject to delays or onerous conditions, as well as finalize any contractual agreements with our potential joint venture partner, Saltwerx. We and Saltwerx continue to evaluate the potential development of and the negotiation of the joint venture for the Evergreen Brine Unit and are continuing to advance the engineering studies required to more precisely define the lithium project economics. Unless and until we finalize any contractual agreements with Saltwerx, including a joint venture agreement, our relationship with Saltwerx will be governed by the MOU and the Brine Unit Operating Agreement approved by the Arkansas Oil and Gas Commission. See “Item 2. Properties—Bromine and Lithium Resources” for more information regarding the MOU. As a result of these uncertainties, no assurance can be given that any future exploration programs will result in the discovery of commercially viable mineral resources or reserves.

*Failure to effectively and timely execute any of our low carbon energy initiatives could have an adverse effect on our business and financial condition.*

Our future success may depend on our ability to effectively execute on our low carbon energy initiatives. This strategy depends on our ability to effectively identify, develop, and scale new technologies, expand application of our global infrastructure and chemistry expertise and on the economic viability of the extraction of lithium and bromine from our Arkansas brine leases. Furthermore, execution of our low carbon initiatives are subject to a number of permitting, real estate, and project development risks, which could delay, limit, or even prevent the

successful execution of these initiatives. Moreover, we cannot guarantee that the low carbon initiatives we may identify will meet the expectations of our various stakeholders. Even if successful, we could face increased costs from our pursuit of low carbon initiatives. For example, the exploration, development and extraction of brine and lithium from our Arkansas brine leases will likely require significant time and capital, and there is no guarantee of a return from these operations. Our low carbon energy initiatives may also depend in part on successful development of partnerships with other companies, such as our partnership and investments in privately-held companies and our MOU and potential joint venture partnership with Saltwerx, and such partners' execution of their own respective projects and business strategies. Moreover, successful execution of these initiatives may turn on the timely issuance of permits or other authorizations for activities, which we cannot control. If we, or the projects or partners we invest in, fail to execute our low carbon energy initiatives as planned, or if execution of such initiatives requires more time and capital than expected, demand for our technologies, services and mineral assets and consequently, our business, results of operations and financial condition could be adversely affected.

## **Weather-Related Risks**

*Certain of our operations are seasonal and depend, in part, on weather conditions. In addition, severe weather, including named windstorms, and severe winter weather, can cause damage and disruption to our businesses.*

In certain markets, the Water & Flowback Services Division's onshore water management services can be dependent on adequate water supplies being available to our customers. To the extent severe drought or other weather-related conditions prevent our customers from obtaining needed water, frac water operations may not be possible and our Water & Flowback Services Division business may be negatively affected.

Further, a portion of our operations is susceptible to adverse weather conditions in the Gulf of America, including hurricanes and other extreme weather conditions. Even if we do not experience direct damage from storms, we may experience disruptions in our operations, because we are unable to operate or our customers or suppliers may curtail their activities due to damage to their wells, platforms, pipelines, and facilities. From time to time, our onshore operations are also negatively affected by adverse weather conditions, including sustained rain and flooding. Severe weather during the winter may also have a significant impact on natural gas storage levels and reduce drilling activity and other customer activity substantially.

## **Financial Risks**

*The market price of our common stock has been and may continue to be volatile.*

The market price of our common stock has fluctuated in the past and is subject to significant fluctuations in response to many factors, some of which are beyond our control, including the following:

- our operational performance;
- supply, demand, and prices of oil and natural gas;
- the activity levels of our customers;
- deviations in our earnings from publicly disclosed forward-looking guidance or analysts' projections;
- recommendations by research analysts that cover us and other companies in our industry;
- risks related to acquisitions, divestitures and our growth strategy;
- uncertainty about current global economic conditions; and
- other general economic conditions.

During 2024, the closing price for our common stock ranged from a high of \$4.93 per share to a low of \$2.76 per share. In recent years, the stock market in general has experienced extreme price and volume fluctuations that have affected the market price for companies in industries similar to ours. Some of these fluctuations have been unrelated to operating performance and are attributable, in part, to outside factors such as general economic conditions, including the impact of the ongoing Russia-Ukraine conflict, conflict in the Israel-Gaza region, continued hostilities in the Middle East, maritime piracy attacks, and fear of a global recession. The volatility of our common stock may make it difficult to resell shares of our common stock at attractive prices.



Our long-term debt agreements contain covenants and other provisions that restrict our ability to take certain actions and may limit our ability to operate or grow our business in the future.

As of December 31, 2024, our total long-term debt outstanding of \$179.7 million consisted of the carrying amount outstanding under our credit facility. Our credit facility matures in January 2030 and consists of a \$190.0 million funded term loan and a \$75.0 million delayed-draw term loan (collectively the “Term Credit Agreement”). We also have availability under our Asset-Based Credit Agreement (the “ABL Credit Agreement”), and under our revolving credit facility for seasonal working capital needs of subsidiaries in Sweden (“Swedish Credit Facility”).

The Term Credit Agreement contains certain affirmative and negative covenants, including covenants that restrict the ability of the Company and certain of its subsidiaries to take certain actions including, among other things and subject to certain significant exceptions, the incurrence of debt, the granting of liens, engaging in mergers and other fundamental changes, the making of investments, entering into transactions with affiliates, the payment of dividends and other restricted payments, the prepayment of other indebtedness and the sale of assets. The Term Credit Agreement also requires the Company to maintain a Leverage Ratio (as defined in the new term loan credit agreement) of not more than 4.0 to 1.0 as of the end of each fiscal quarter and Liquidity (as defined in the New Term Credit Agreement) of not less than \$50.0 million at all times.

The ABL Credit Agreement contains certain affirmative and negative covenants, including covenants that restrict the ability of TETRA and certain of its subsidiaries to take certain actions including, among other things and subject to certain significant exceptions, incurring debt, granting liens, engaging in mergers and other fundamental changes, making investments, entering into, or amending, transactions with affiliates, paying dividends and making other restricted payments, prepaying other indebtedness and selling assets. The ABL Credit Agreement also contains a provision that may require a fixed charge coverage ratio (as defined in the ABL Credit Agreement) of not less than 1.00 to 1.00 in the event that certain conditions associated with outstanding borrowings and cash availability occur.

Our continuing ability to comply with covenants in our Long-Term Debt Agreements depends largely upon our ability to generate adequate earnings and operating cash flow.

We may not be able to utilize all or a portion of our net operating loss carryforwards or other tax benefits to offset future taxable income for U.S. federal, state or foreign tax purposes, which could adversely affect our financial position, results of operations and cash flows. We have adopted a Tax Benefits Preservation Plan (the “Tax Plan”) that is designed to protect our Tax Attributes.

As of December 31, 2024, we had deferred tax assets associated with federal, state, and foreign net operating loss carryforwards/carrybacks (“NOLs”) equal to approximately \$72.4 million, \$9.0 million, and \$7.7 million, respectively. In those countries and states in which NOLs are subject to an expiration period, our NOLs, if not utilized, will expire at various dates beginning in 2025 through 2043.

We may be limited in the portion of our NOLs that we can use in the future to offset taxable income for United States, federal, state, and foreign income tax purposes. Utilization of these NOLs depends on many factors, including our future taxable income, which cannot be assured and our future assessments may be materially different from the current estimate.

Under Section 382 (“Section 382”) of the Internal Revenue Code of 1986, as amended (the “Code”), if a corporation experiences an “ownership change,” any NOLs, losses or deductions attributable to a “net unrealized built-in loss” and other tax attributes (“Tax Attributes”) could be substantially limited, and timing of the usage of such Tax Attributes could be substantially delayed. A corporation generally will experience an ownership change if one or more stockholders (or group of stockholders) who are each deemed to own at least 5% of the corporation’s stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a testing period (generally, a rolling three-year period). Utilization of our Tax Attributes may be subject to a significant annual limitation as a result of prior or future “ownership changes.” Determining the limitations under Section 382 is technical and highly complex, and no assurance can be given that, upon further analysis, our ability to take advantage of our NOLs or other Tax Attributes will not be limited to a greater extent than we currently anticipate.

The Board of Directors has adopted the Tax Plan to protect the availability of the Company’s Tax Attributes. The Tax Plan is designed to reduce the likelihood that we experience an ownership change by deterring certain



acquisitions of our common stock. There can be no assurances, however, that the deterrent mechanism will be effective, and, therefore, such acquisitions may still occur. In addition, the Tax Plan could adversely affect the marketability of our common stock by discouraging existing or potential investors from acquiring our common stock or additional shares of our common stock. If the Company is unable to use the Tax Attributes in years in which it has taxable income, the Company will pay significantly more in cash tax than if it were able to utilize the Tax Attributes, and those tax costs would negatively impact the Company's financial position, results of operations and cash flows.

*We have continuing exposure to abandonment and decommissioning obligations associated with oil and gas properties previously owned by Maritech.*

From 2001 to 2012, our former subsidiary, Maritech Resources, Inc. ("Maritech"), acquired, produced, and operated various oil and gas properties in the Gulf of America and eventually sold the various oil and gas producing properties in numerous transactions to different buyers. In connection with those sales, the buyers generally assumed the decommissioning liabilities associated with the properties sold (the "Legacy Liabilities") and generally became the successor operator. In some cases, we provided guaranties of certain liabilities retained by Maritech, and we provided guaranties to the entities which originally sold the properties to Maritech. To the extent that a buyer, or subsequent buyer, of these properties fails to perform the decommissioning work required, Maritech or we may be required to perform operations to satisfy the Legacy Liabilities.

In March 2018, pursuant to a series of transactions, Maritech sold the remaining offshore leases held by Maritech to Orinoco Natural Resources, LLC ("Orinoco") and, immediately thereafter, we sold all equity interest in Maritech to Orinoco. Under the Maritech Asset Purchase Agreement, Orinoco assumed all of Maritech's decommissioning liabilities related to the leases conveyed to Orinoco (the "Orinoco Lease Liabilities") and, under the Maritech Membership Interest Purchase Agreement, Orinoco assumed all other liabilities of Maritech, including the Legacy Liabilities and liabilities pertaining to properties still operated by Maritech, subject to limited exceptions unrelated to the decommissioning liabilities. Pursuant to a Bonding Agreement entered into as part of the Orinoco transactions (the "Bonding Agreement"), Orinoco provided non-revocable performance bonds in an aggregate amount of \$46.8 million to cover the Orinoco Lease Liabilities (the "Initial Bonds") and agreed to replace the Initial Bonds with other non-revocable performance bonds in the aggregate sum of \$47.0 million (collectively, the "Replacement Bonds"). In the event Orinoco does not provide the Replacement Bonds, Orinoco is required to make certain cash escrow payments to us. However, as of the date of this report, the Replacement Bonds have not been received and no cash escrow payments have been made. In the event that Orinoco fails to perform, our guarantees may still cover these liabilities. Separately, significant decommissioning liabilities that were assumed by the buyers of the Maritech properties in these previous sales remain unperformed. If these buyers, or any successor owners of the Maritech properties, are unable to satisfy and extinguish their decommissioning liabilities due to bankruptcy or other liquidity issues, the U.S. Department of the Interior may seek to impose those obligations on Maritech and on us. The amount of cash necessary to satisfy these obligations could be significant and, if Maritech or Orinoco is unable to cover any deficiency between any bond payment and the decommissioning liability, we may be liable for a portion of the costs and our financial condition and results of operations may be negatively affected. For example, Maritech is liable, with other third parties, for certain decommissioning obligations in the Gulf of America. While the ultimate outcome of this matter cannot be predicted, we could potentially be liable for an estimated amount in the range of \$5.8 million to \$19.4 million, depending on the outcome of negotiations and whether other partners or property owners in the chain of title fulfill their respective obligations under their agreements. Such estimates are based on information known to us as of the time of this report and are subject to change.

In addition, Maritech and certain other interest owners have received decommissioning orders from BSEE and could receive additional decommissioning orders in the future. Such decommissioning orders received by Maritech and other interest owners relate to asset retirement obligations for certain properties in the Gulf of America. From time to time, we also receive demand notices from third parties related to certain corporate guarantees or other arrangements covering such decommissioning liabilities. While the ultimate outcome of such matters cannot be predicted at this time, if Maritech or other interest owners default, BSEE or third parties may seek to enforce certain corporate guarantees or third party indemnity agreements against us for a portion of such decommissioning obligations, which may be significant. On February 13, 2025, Arena Energy, LLC filed a complaint in U.S. District Court for the Southern District of Texas seeking indemnification from us and Maritech for decommissioning costs related to a Maritech oil and gas platform in the Gulf of America. We are evaluating the allegations included in the complaint and intend to vigorously defend against the claims brought by Arena Energy, LLC but are presently unable to predict the duration, scope or result of this proceeding.

See Note 11 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements for further discussion of decommissioning liabilities, the Bonding Agreement, and the process for replacement of the Orinoco bonds.

From time to time the U.S. Department of Interior has sought to impose more stringent supplemental bonding and financial assurance requirements, which may increase our risks associated with the decommissioning obligations pertaining to oil and gas properties previously owned by Maritech.

There has been substantial uncertainty relating to the supplemental bonding and financial assurance program managed by the U.S. Department of the Interior over the past several years. Under prior administrations, the U.S. Department of Interior has sought to require certain oil and gas owners and operators with infrastructure in the Gulf of America to provide additional supplemental bonds or other acceptable financial assurance for decommissioning liabilities. These changes have the potential to adversely impact the financial condition of lease owners and operators in the Gulf of America and increase the number of such owners and operators seeking bankruptcy protection.

For example, in April 2024, BOEM finalized a rulemaking which modified its criteria for determining bonds and financial assurance for offshore oil and gas lessees and other operators, generally imposing more stringent requirements for waiving supplemental bonding requirements. These developments, coupled with recent volatility in the surety market with respect to covering OCS obligations, have the potential to increase operating costs for lease owners and operators in the Gulf of America and reduce the availability of surety bonds due to the increased demands for such bonds.

The U.S. Department of the Interior also increased its estimates for decommissioning liabilities in the Gulf of America, causing the potential need for additional supplemental bonding and/or other financial assurances to be dramatically increased. When coupled with any volatility with respect to the prices of oil and gas, it is difficult to predict the impact of BOEM's 2024 rule and regulatory changes already promulgated, and any other changes as may be forthcoming by the U.S. Department of the Interior relating to financial assurance for decommissioning liabilities. We cannot predict what actions, if any, and on what timing, the new Administration may take with respect to these matters; however, the ultimate impact of BOEM's 2024 rule, and other rulemaking, is presently unclear given a recent Executive Order issued by the Trump Administration. Still, any further revisions to the U.S. Department of the Interior's supplemental bonding requirements that increase their stringency could result in demands for the posting of increased financial assurances by owners and operators in the Gulf of America, including Maritech, Orinoco and the other entities to whom Maritech divested its Gulf of America assets, but such demands cannot be directly placed on us due to the fact that we are only a former parent company of Maritech and are only a guarantor as opposed to an actual lease owner or operator. This may force lease owners and operators of leases and other infrastructure in the Gulf of America to obtain additional surety bonds or other forms of financial assurance, the costs of which could be significant. Moreover, the changes to the bonding and financial assurance program for the Gulf of America (to include loss of supplemental bonding waivers, exceedances of the surety bond market's ability to meet current demands, and resultant bankruptcies) could increase the risk that we may be required to step in and satisfy remaining decommissioning liabilities of Maritech and any buyer of the Maritech properties, including Orinoco, through our third-party indemnity agreements and private guarantees. Such obligations could be significant and could adversely affect our business, results of operations, financial condition and cash flows.

We are exposed to significant credit risks.

We face credit risk associated with the significant amounts of accounts receivable we have with our customers in the energy industry. Many of our customers, particularly those associated with our onshore operations, are small- to medium-sized oil and gas operators that may be more susceptible to declines in oil and gas commodity prices or generally increased operating expenses than larger companies. Our ability to collect from our customers could be impacted by volatility in the oil and natural gas price environment and we may face increased credit risks if the price of oil were to fall and remain low for an extended period of time.

As discussed in the preceding risk factors, we face the risk of having to satisfy decommissioning liabilities on properties presently or formerly owned by Maritech. Consequently, we face credit risk associated with the ability of these companies to satisfy their decommissioning liabilities. If these companies are unable to satisfy their obligations, it will increase the possibility that we will become liable for such decommissioning obligations in the future.

Our operating results and cash flows for certain of our subsidiaries are subject to foreign currency risk.

The operations of certain of our subsidiaries are exposed to fluctuations between the U.S. dollar and certain foreign currencies, particularly the euro, the British pound, the Brazilian Real, the Argentinian peso and the Mexican peso. Our plans to grow our international operations could cause this exposure from fluctuating currencies to increase. Historically, exchange rates of foreign currencies have fluctuated significantly compared to the U.S. dollar, and this exchange rate volatility is expected to continue. Significant fluctuations in foreign currencies against the U.S. dollar could adversely affect our balance sheet and results of operations.

We are exposed to interest rate risks with regard to our credit facility debt and future refinancing thereof.

As of December 31, 2024, we had \$190.0 million principal outstanding under our Term Credit Agreement and no balance outstanding under our ABL Credit Agreement. These credit facilities consist of floating rate loans that bear interest at an agreed upon percentage rate spread above the secured overnight financing rate ("SOFR") or an alternate base rate. Whenever we have amounts outstanding under our long-term debt agreements and credit facilities, our cash flows and results of operations will be subject to interest rate risk exposure associated with the debt balance outstanding. We currently are not a party to an interest rate swap contract or other derivative instrument designed to hedge our exposure to interest rate fluctuation risk.

Our Term Credit Agreement is scheduled to mature on January 1, 2030 and our ABL Credit Agreement is scheduled to mature on May 13, 2029. There can be no assurance that financial market conditions or borrowing terms at the times these existing debt agreements are renegotiated will be as favorable as the current terms and interest rates. We may be unable to obtain financing in the future for working capital, capital expenditures, acquisitions, debt service requirements, or other purposes.

## **Legal, Regulatory, and Political Risks**

We operate in a highly competitive environment. If we are unable to maintain product and technology leadership, this could adversely affect any competitive advantage we hold.

The industries in which we operate are highly competitive and rapidly evolving. Our business may be adversely affected if we fail to continue developing and producing innovative products and services in response to changes in the market, including customer and government requirements, or if we fail to deliver such products and services to our customers in a timely and cost-competitive manner. If we are unable to maintain products and services leadership in our industries, our ability to maintain market share, defend, maintain, or increase prices for our products and services, and negotiate acceptable contract terms with our customers could be adversely affected. Furthermore, competing or new technologies may accelerate the obsolescence of our products or services and reduce the value of our intellectual property.

Limitations on our ability to obtain, maintain, protect, or enforce our intellectual property rights, including our trade secrets, could cause a loss in revenue and any competitive advantage we hold.

There can be no assurance that the steps we take to obtain, maintain, protect, and enforce our intellectual property rights will be adequate. Some of our products or services, and the processes we use to produce or provide them, have been granted patent protection, have patent applications pending, or are trade secrets. Our business may be adversely affected when our patents are unenforceable, the claims allowed under our patents are not sufficient to protect our technology, our patent applications are denied, or our trade secrets are not adequately protected. Our competitors may also be able to develop technology independently that is similar to ours without infringing on our patents or gaining access to our trade secrets.

Our proprietary rights may be violated or compromised, which could damage our operations. In addition, third parties may claim that we have infringed upon or otherwise violated their intellectual property rights.

We own numerous patents, patent applications, and unpatented trade secret technologies in the U.S. and certain foreign countries. There can be no assurance that the steps we have taken to protect our proprietary rights will be adequate to deter misappropriation of these rights. In addition, independent third parties may develop competitive or superior technologies.

Additionally, the tools, techniques, methodologies, programs, and components we use to provide our services and products may infringe upon or otherwise violate the intellectual property rights of others or be challenged on that basis. Regardless of the merits, any such claims generally result in significant legal and other costs, including reputational harm, and may distract management from running our business. Resolving such claims could increase our costs, including through royalty payments to acquire licenses, if available, from third parties and through the development of replacement technologies. If a license to resolve a claim were not available, we might not be able to continue providing a particular service or product.

*Our operations are subject to extensive and evolving U.S. and foreign federal, state, and local laws and regulatory requirements that increase our operating costs and expose us to potential fines, penalties, and litigation.*

Laws and regulations govern our operations, including those relating to corporate governance, employees, taxation, fees, importation and exportation restrictions, environmental affairs, health and safety, and the manufacture, storage, handling, transportation, use and sale of chemical products. Certain foreign countries impose additional restrictions on our activities, such as currency restrictions and restrictions on various labor practices. These laws and regulations are becoming increasingly complex and stringent, and compliance is becoming increasingly expensive. Governmental authorities have the power to enforce compliance with these regulations, and violators are subject to civil and criminal penalties, including civil fines, and injunctions. Third parties may also have the right to pursue legal actions to enforce compliance with certain laws and regulations. It is possible that increasingly strict environmental, health and safety laws, regulations, and enforcement policies could result in substantial costs and liabilities to us.

For example, the EPA has asserted federal regulatory authority under the Safe Drinking Water Act Underground Injection Control program over certain hydraulic fracturing activities involving the use of diesel fuels and published permitting guidance for such activities and issued a final regulation under the Clean Water Act prohibiting discharges to publicly owned treatment works of wastewater from onshore unconventional oil and gas facilities. Certain environmental and other groups have suggested that additional federal, state, and local laws and regulations may be needed to more closely regulate the hydraulic fracturing process. Several states have adopted regulations that require operators to disclose the chemical constituents in hydraulic fracturing fluids. We cannot predict whether any foreign, federal, state or local laws or regulations will be enacted regarding hydraulic fracturing, and, if so, what actions any such laws or regulations would require or prohibit. If additional levels of regulation or permitting requirements are imposed on oil and gas operators through the adoption of new laws and regulations, the demand for certain of our products and services could be decreased or subject to delays.

We operate in the U.S. Gulf of America. At this time, we cannot predict the full impact that other regulatory actions that may be mandated by the federal government may have on our operations or the operations of our customers. Other governmental or regulatory actions could further reduce our revenues and increase our operating costs, including the cost to insure offshore operations, resulting in reduced cash flows and profitability.

Our onshore and offshore operations, including operations related to energy storage and carbon capture, utilization, and storage, expose us to risks such as the potential for harmful substances escaping into the environment and causing damages or injuries, which could be substantial. We maintain limited environmental liability insurance covering named locations and environmental risks associated with contract services for oil and gas operations. We could be materially and adversely affected by an enforcement proceeding or a claim that is not covered or is only partially covered by insurance.

Because our business depends on the level of activity in the oil and natural gas industry, existing or future laws, regulations, treaties, or international agreements that impose additional restrictions on the industry may adversely affect our financial results. Regulators are becoming more focused on air emissions from oil and gas operations, including volatile organic compounds, hazardous air pollutants, and GHGs. In particular, the focus on GHGs and climate change, including incentives to conserve energy or use alternative energy sources, such as those contained in laws like the Inflation Reduction Act (“IRA 2022”), unless amended or otherwise superseded, could have a negative impact on our financial results if such laws, regulations, treaties, or international agreements reduce the worldwide demand for oil and natural gas or otherwise result in reduced economic activity generally. In addition, such laws, regulations, treaties, or international agreements could result in increased compliance costs, capital spending requirements, or additional operating restrictions for us, which may have a negative impact on our financial results.



In addition to increasing our risk of environmental liability, the rigorous enforcement of environmental laws and regulations has accelerated demand for our products and services in some of the markets we serve. For more information on the environmental laws and regulations to which we are subject, see our disclosures titled “Health, Safety, and Environmental Affairs Regulation” set forth in Item 1 of this Annual Report.

*The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and could impose new costs on our customers’ operations.*

In August 2022, President Biden signed the IRA 2022 into law. The IRA 2022 contains hundreds of billions in incentives for the development of renewable energy, clean hydrogen, clean fuels, electric vehicles and supporting infrastructure and carbon capture and sequestration, amongst other provisions. In addition, the IRA 2022 imposes the first ever federal fee on the emission of greenhouse gases through a methane emissions charge. The IRA 2022 amends the federal Clean Air Act to impose a fee on the emission of methane from sources required to report their GHG emissions to the U.S. Environmental Protection Agency (“EPA”), including those sources in the onshore petroleum and natural gas production and gathering and boosting source categories. The methane emissions charge began in calendar year 2024 at \$900 per ton of methane, increases to \$1,200 in 2025, and will be set at \$1,500 for 2026 and each year after. Calculation of the fee is based on certain thresholds established in the IRA 2022. While the tax incentives created by the IRA for carbon capture and sequestration may increase demand for some of the services we provide as part of our low carbon solutions business, the methane charge imposed on our oil and natural gas customers could further accelerate the transition of the economy away from the use of fossil fuels towards lower- or zero-carbon emissions alternatives. We cannot predict whether, how, or when the incoming Trump administration might take action to revise or repeal the methane emissions charge. Additionally, Congress may take actions to repeal or revise the IRA, including with respect to the methane emissions charge, which timing or outcome similarly cannot be predicted. To the extent that the methane emissions charge is implemented as originally promulgated, it could decrease demand for oil and gas and consequently adversely affect the business of our customers, thereby reducing demand for our other services.

*Our operations, and those of our suppliers and customers, are subject to a series of risks arising from climate change.*

The threat of climate change continues to attract considerable attention in the United States and in foreign countries. As a result, our operations as well as the operations of our oil and natural gas exploration and production customers and our suppliers are subject to a series of regulatory, political, litigation, and financial risks associated with the production and processing of fossil fuels and emission of GHGs.

In the United States, no comprehensive climate change legislation has been implemented at the federal level, though laws such as the IRA 2022 advance numerous climate-related objectives. Following the U.S. Supreme Court finding that GHG emissions constitute a pollutant under the CAA, the EPA adopted regulations that, among other things, established construction and operating permit reviews for GHG emissions from certain large stationary sources, required the monitoring and annual reporting of GHG emissions from certain petroleum and natural gas system sources in the United States, and together with the DOT, implemented GHG emissions limits on vehicles manufactured for operation in the United States. However, from time to time certain administrations have taken actions to repeal or revise such climate-related actions. For example, the regulation of methane from oil and gas facilities has been subject to uncertainty in recent years. For more information, see our disclosures titled “The Inflation Reduction Act of 2022 could accelerate the transition to a low carbon economy and could impose new costs on our customers’ operations.” Given the long-term trend toward increasing regulation, further federal GHG regulations of the oil and gas industry remain a significant possibility. For more information, see our disclosures titled “Health, Safety, and Environmental Affairs Regulation” set forth in Item 1 of this Annual Report. Moreover, certain international jurisdictions continue to impose more stringent regulations with respect to GHGs, and other stakeholders may pressure us or our customers to take additional action beyond any applicable regulatory requirements.

Separately, various states and groups of states have adopted or are considering adopting legislation, regulation or other regulatory initiatives that are focused on such areas as GHG cap and trade programs, carbon taxes, reporting and tracking programs, and restriction of emissions. At the international level, in 2021, the U.S. rejoined the Paris Agreement, which requires member nations to submit non-binding GHG emissions reduction goals every five years. However, on January 20, 2025, President Trump signed an Executive Order withdrawing the United States from the Paris Agreement and from any other commitments made by the United Nations Framework Convention on Climate Change. Additionally, President Trump revoked any purported financial commitment made by the United States pursuant to the same. The full impact of these actions is uncertain at this time.

Governmental, scientific, and public concern over the threat of climate change arising from GHG emissions has resulted in increasing political risks in the United States. Litigation risks are also increasing as a number of parties have sought to bring suit against oil and natural gas companies in state or federal court, alleging among other things, that such companies created public nuisances by producing fuels that contributed to climate change or alleging that the companies have been aware of the adverse effects of climate change for some time but defrauded their investors or customers by failing to adequately disclose those impacts. There is also a growing trend of parties suing public companies for “greenwashing,” which is where a company makes unsubstantiated statements designed to mislead consumers or shareholders into thinking that the company’s products or practices are more environmentally friendly than they are.

There have also recently been increasing financial risks for companies in the fossil fuel sector as certain shareholders currently invested in such companies may elect in the future to shift some or all of their investments into other sectors. Institutional lenders who provide financing to fossil fuel energy companies also have become more attentive to sustainable lending practices and some of them may elect not to provide funding for fossil fuel energy companies or seek to require more aggressive action with respect to climate-related risks, although this trend has waned recently and several high-profile banks and institutional investors have withdrawn from various associations that aim to limit financing of industries that emit significant GHG emissions. Limitation of investments in and financing for fossil fuel energy companies could result in the restriction, delay or cancellation of drilling programs or development or production activities, which could reduce demand for our products and services. Additionally, the Securities and Exchange Commission published a final rule in March 2024 that would require registrants to make certain climate-related disclosures, including any climate targets and goals, and data on Scope 1 and 2 GHG emissions. However, the future of the rule is uncertain at this time given that its implementation has been stayed pending the outcome of legal challenges; moreover, on February 11, 2025, SEC Acting Chairman Mark T. Uyeda requested that the U.S. Court of Appeals for the Eighth Circuit not schedule argument in the case while the Commission reconsiders the final rule. The Commission under the current administration may seek to repeal or otherwise modify the rule, though we cannot predict whether such action will occur or its timings. Several states have also enacted or are considering enhanced climate-related disclosure requirements. While we cannot predict the final form or substance of these various rules, this may result in additional costs to comply with any such disclosure requirements. Additionally, we cannot predict how financial institutions and investors might consider information disclosed under such rules, and as a result it is possible that we could face increases with respect to the costs of, or restrictions imposed on, our access to capital.

The adoption and implementation of new or more stringent international, federal or state legislation, regulations or other regulatory initiatives that impose more stringent standards for GHG emissions from the oil and natural gas sector or otherwise restrict the areas in which this sector may produce oil and natural gas or generate the GHG emissions could result in increased costs of compliance or costs of consuming, and thereby reduce demand for oil and natural gas, which could reduce demand for our products and services. Additionally, political, litigation and financial risks may result in our oil and natural gas operators restricting or cancelling production activities, incurring liability for infrastructure damages as a result of climatic changes, or impairing their ability to continue to operate in an economic manner, which also could reduce the demand for our products and services. Actions taken on the federal, state or local levels to ban, limit, or restrict products that rely on oil or natural gas could also reduce demand for our products and services. One or more of these developments could have a material adverse effect on our business, financial condition and results of operation.

Climate change may also result in various physical risks, such as the increased frequency or intensity of extreme weather events or changes in meteorological and hydrological patterns, that could adversely impact us, our customers’, and our suppliers’ operations. Such physical risks may result in damage to our customers’ facilities or infrastructure, or otherwise adversely impact their operations, such as if they become subject to water use curtailments in response to drought, or demand for their products, such as to the extent warmer winters reduce the demand for energy for heating purposes, which may ultimately reduce demand for the products and services we provide. Such physical risks may also impact our suppliers, which may adversely affect our ability to provide our products and services.

*Increased attention to ESG matters and conservation measures may adversely impact our or our customers’ business.*

Increasing attention to, and societal expectations on companies to address, climate change and other environmental and social impacts, investor, regulatory and societal expectations regarding voluntary and mandatory ESG-related disclosures, and consumer demand for alternative forms of energy may result in increased costs, reduced demand for our customers’ products, reduced profits, increased investigations and litigation, and negative impacts on our stock price and reduced access to capital markets. Increased attention to climate change and



environmental conservation, for example, may result in demand shifts for oil and natural gas products and additional governmental investigations and private litigation against us or our customers. To the extent that societal pressures, regulatory, political or other factors are involved, it is possible that such liability could be imposed without regard to our causation of or contribution to the asserted damage, or to other mitigating factors. While the extent of these pressures may change from time to time, we cannot predict the ultimate impact they may have in the near, mid or long-term on our operations. For more information, see our risk factor titled “Our operations, and those of our suppliers and customers, are subject to a series of risks arising from climate change.”

Moreover, while we may create and publish voluntary disclosures regarding ESG matters from time to time, certain statements in those voluntary disclosures may be based on expectations and assumptions and hypothetical scenarios that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Mandatory ESG-related disclosure is also emerging as an area where we may be, subject to required disclosures in certain jurisdictions, and any such mandatory disclosures may similarly necessitate the use of hypothetical, projected or estimated data, some of which is not controlled by us and is inherently subject to imprecision. Disclosures reliant upon such expectations and assumptions and hypothetical scenarios are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. Additionally, we may announce various targets or product and service offerings in an attempt to improve our ESG profile, which are often aspirational. However, we cannot guarantee that we will be able to meet any such targets or that such targets or offerings will have the intended results on our ESG profile, including but not limited to any unforeseen costs, consequences, changes to relevant accounting methodologies or technical difficulties associated with such targets or offerings. Also, despite any voluntary actions, we may receive pressure from certain investors, lenders, or other groups to adopt more aggressive climate or other ESG-related goals or policies, but we cannot guarantee that we will be able to pursue or implement such goals because of potential costs or technical or operational obstacles.

Furthermore, our reputation, as well as our stakeholder relationships, could be adversely impacted as a result of, among other things, any failure to meet our ESG plans or goals or stakeholder perceptions of statements made by us, our employees and executives, agents, or other third parties or public pressure from investors or policy groups to change our policies. Certain statements with respect to ESG matters are becoming increasingly subject to heightened scrutiny from public and governmental authorities, as well as other parties, related to the risk of potential “greenwashing.” For example, the SEC has recently taken enforcement action against companies for ESG-related misconduct, including greenwashing. Certain regulators, such as the SEC and various state agencies, as well as non-governmental organizations and other private actors have also filed lawsuits under various securities and consumer protection laws alleging that certain ESG-statements, goals or standards were misleading, false or otherwise deceptive. Additionally, certain employment practices and social initiatives are the subject of scrutiny by both those calling for the continued advancement of such policies, as well as those who believe they should be curbed, including government actors, and the complex regulatory and legal frameworks applicable to such initiatives continue to evolve. We cannot be certain of the impact of such regulatory, legal and other developments on our business. More recent political developments could mean that the Company faces increasing criticism or litigation risks from certain “anti-ESG” parties, including various governmental agencies. Such sentiment may focus on the Company’s environmental commitments (such as reducing GHG emissions) or its pursuit of certain employment practices or social initiatives that are alleged to be political or polarizing in nature or are alleged to violate laws based, in part, on changing priorities of, or interpretations by, federal agencies or state governments. Consideration of ESG-related factors in the Company’s decision-making could be subject to increasing scrutiny and objection from such anti-ESG parties. As a result, we may face increased litigation risks from private parties and governmental authorities related to our ESG efforts. Moreover, any alleged claims of greenwashing against us or others in our industry may lead to negative sentiment towards our company or industry. To the extent that we are unable to respond timely and appropriately to any negative publicity, our reputation could be harmed. Damage to our overall reputation could have a negative impact on our financial results and require additional resources to rebuild our reputation.

In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on their approach to ESG matters. Such ratings may be used by some investors to inform their investment and voting decisions. While such ratings do not impact all investors’ investment or voting decisions, unfavorable ESG ratings and recent activism directed at shifting funding away from companies with energy-related assets could lead to increased negative investor sentiment toward us and our industry and to the diversion of investment to other industries, which could have a negative impact on our stock price and our access to and costs of capital. Additionally, to the extent ESG matters negatively impact our

reputation, we may not be able to compete as effectively to recruit or retain employees, which may adversely affect our operations.

Such ESG matters may also impact our customers, which may result in reduced demand for certain of our products and services. We also cannot guarantee that any new product or service offerings we develop in light of ESG matters, including but not limited to the energy transition, will be suitable for our customers' business operations. To the extent alternative technologies are preferred, whether as a result of regulatory impacts, technological developments, or changes in industry practice, it may adversely impact our business or results of operation.

*Our operations in foreign countries expose us to complex regulations and may present us with new obstacles to growth.*

We plan to continue to grow both in the United States and in foreign countries. We have established operations in Argentina, Brazil, Finland, Ghana, Norway, Saudi Arabia, Sweden, and the United Kingdom, as well as other foreign countries. Foreign operations carry special risks. Our business in the countries in which we currently operate and those in which we may operate in the future could be limited or disrupted by:

- restrictions on repatriating cash back to the United States;
- the impact of compliance with anti-corruption laws on our operations and competitive position in affected countries and the risk that actions taken by us or our agents may violate those laws;
- government controls and government actions, such as expropriation of assets and changes in legal and regulatory environments;
- import and export license requirements;
- political, social, or economic instability;
- trade restrictions;
- changes in tariffs, which could impact raw material prices and the cost of component parts, and taxes; and
- our limited knowledge of these markets or our inability to protect our interests.

We and our affiliates operate in countries where governmental corruption has been known to exist. While we and our subsidiaries are committed to conducting business in a legal and ethical manner, there is a risk of violating the U.S. Foreign Corrupt Practices Act, the U.K Bribery Act, or laws or legislation promulgated pursuant to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or other applicable anti-corruption regulations that generally prohibit the making of improper payments to foreign officials for the purpose of obtaining or keeping business. Violation of these laws could result in monetary penalties against us or our subsidiaries and could damage our reputation and our ability to do business.

Foreign governments and agencies often establish permit and regulatory standards different from those in the U.S. If we cannot obtain foreign regulatory approvals, or if we cannot obtain them in a timely manner, our growth and profitability from foreign operations could be adversely affected.

*Regulatory initiatives related to hydraulic fracturing or operations on public lands in the countries where we and our customers operate could result in operating restrictions or delays in the completion of oil and gas wells that may reduce demand for our services.*

Although we do not directly engage in hydraulic fracturing, our operations support many of our exploration and production customers in such activities. The practice continues to be controversial in certain parts of the country, resulting in increased scrutiny and regulation of the hydraulic fracturing process, including by federal and state agencies and local municipalities.

Hydraulic fracturing typically is regulated by state oil and gas commissions or similar state agencies, but several federal agencies have asserted regulatory authority over certain aspects of the process in the U.S. For example, the EPA has issued rulemakings under several laws governing hydraulic fracturing activities and disposal of wastes associated with the process. In addition, from time to time certain administrations have taken steps to limit hydraulic fracturing specifically or oil and gas production more broadly on U.S. federal lands. For example, President Biden previously issued an executive order that effectively paused new leasing activities for oil and gas exploration and production on non-Indian federal lands and offshore waters pending completion of a comprehensive

review and reconsideration of federal oil and gas permitting and leasing practices that take into consideration potential climate and other impacts associated with oil and gas activities on such lands and waters. Although the federal court for the Western District of Louisiana issued a permanent injunction against the leasing pause, in response to the executive order, the Department of Interior issued a report recommending various changes to the federal leasing program, though many such changes would require Congressional action. In April 2024, the Bureau of Land Management finalized a rule that reduces the waste of natural gas from venting, flaring and leaks from well sites on federal lands, as well as allows the delay or denial of permits if the Bureau finds that an operator's methane waste minimization plan is insufficient. This rule is currently subject to litigation and halted in certain states. Additionally, also in April 2024, the Bureau finalized a rule updating the fiscal terms of federal oil and gas leases, increasing fees, rents, royalties, and bonding requirements. Most recently, in January 2025, President Biden announced executive action under the Outer Continental Shelf Lands Act prohibiting all future oil and natural gas leasing in the U.S. Outer Continental Shelf areas off the East and West coasts, the eastern Gulf of America, and portions of the Northern Bering Sea in Alaska. However, President Trump, on his first day in office, revoked the Executive Order regarding withdrawal of leasing in the Northern Bering Sea and signed a new Executive Order promoting the expediting of permitting and leasing in Alaska as well as the development and production of the natural resources located in the state. At this time, it is still unclear the extent to which these actions may impact our operations or the operations of customers.

At the state level, some states, including Texas, Oklahoma and New Mexico, have adopted, and other states are considering adopting legal requirements that could impose new or more stringent permitting, public disclosure, or well construction requirements on hydraulic fracturing activities. States could elect to prohibit high volume hydraulic fracturing altogether. Local governments also may seek to adopt ordinances within their jurisdictions regulating the time, place and manner of drilling activities in general or hydraulic fracturing activities in particular. For example, from time to time states such as Texas and Oklahoma have suspended permitting for disposal wells in certain areas in response to seismic activity. If new or more stringent federal, state, or local legal restrictions relating to the hydraulic fracturing process are adopted, our customers could incur potentially significant added costs to comply with such requirements, experience delays or curtailment in the pursuit of exploration, development or production activities, and perhaps even be precluded from drilling wells.

Increased regulation and attention given to the hydraulic fracturing process or oil and gas operations on federal lands could lead to greater opposition to oil and gas production activities using hydraulic fracturing techniques. Additional legislation or regulation could also lead to operational delays or increased operating costs for our customers in the production of oil and gas, including from the developing shale plays, or could make it more difficult to perform hydraulic fracturing or otherwise operate on federal lands. The adoption of any federal, state or local laws or the implementation of additional regulations regarding hydraulic fracturing or oil and gas operations on federal lands could potentially cause a decrease in the completion of new oil and gas wells and an associated decrease in demand for our services and increased compliance costs and time, which could have a material adverse effect on our liquidity, consolidated results of operations, and consolidated financial condition.

*Our operations, reputation, and financial condition may be impaired if our information or operational technology systems fail to perform adequately or if we are the subject of a data breach or cyberattack.*

Our information and operational technology systems are critically important to operating our business. We rely on our information and operational technology systems to manage our business data, communications, supply chain, customer invoicing, employee information, and other business processes. We outsource certain business process functions to third-party providers and similarly rely on these third parties to maintain and store confidential information on their systems. The failure of these information technology systems to perform as we anticipate could disrupt our business and could result in transaction errors, processing inefficiencies, and the loss of sales and customers, causing our business and results of operations to suffer.

Although we allocate significant resources to protect our information technology systems, we have experienced varying degrees of cyber-incidents in the normal conduct of our business, including viruses, worms, other destructive software, process breakdowns, phishing and other malicious activities. On January 6, 2020, the Department of Homeland Security issued a public warning that indicated companies in the energy industry might be specific targets of cybersecurity threats. Such breaches have in the past and could again in the future result in unauthorized access to information including customer, supplier, employee, or other company confidential data. We do carry insurance against these risks, although the potential damages we might incur could exceed our available insurance coverage. We also invest in security technology, perform penetration tests from time to time, and design our business processes to attempt to mitigate the risk of such breaches.

However, there can be no assurance that future security breaches will not occur. Our facilities and systems, and those of our third-party service providers, have been and are vulnerable to security breaches, computer viruses, lost or misplaced data, programming errors, scams, burglary, human errors, acts of vandalism, misdirected wire transfers, or other malicious or criminal activities. These threats and incidents may originate from a variety of sources, including hackers, cybercriminals, nation-states, insiders, or other third parties.

Moreover, the development and maintenance of these measures requires continuous monitoring as technologies change and efforts to overcome security measures evolve. Cyberattacks in particular are evolving and have increased in frequency. Cyberattacks are becoming more sophisticated and include, but are not limited to, ransomware attacks, credential stuffing, spear phishing, social engineering, use of deepfakes (i.e., highly realistic synthetic media generated by artificial intelligence) and other attempts to gain unauthorized access to data for purposes of extortion or other malfeasance.

We have experienced and expect to continue to experience, cyber security threats and incidents, though as of the date of this Annual Report, we are not aware of any previous cybersecurity threats that have materially affected or are reasonably likely to materially affect the Company. However, a successful breach or attack could have a material negative impact on our operations or business reputation and subject us to consequences such as litigation costs, regulatory fines, remediation costs, and direct costs associated with incident response. No security measure is infallible.

*Changes to applicable tax laws and regulations or exposure to additional income tax liabilities could affect our business and future profitability.*

We are subject to various complex and evolving U.S. federal, state, and local and non-U.S. taxes. Our business and future profitability could be affected by numerous factors, including the availability of tax credits, exemptions, refunds and other benefits to reduce our tax liabilities, changes in the relative amount of our earnings subject to tax in the various jurisdictions in which we operate or have subsidiaries, the potential expansion of our business into or otherwise becoming subject to tax in additional jurisdictions, changes to our existing business structure and operations, the extent of our intercompany transactions, and the extent to which taxing authorities in the relevant jurisdictions respect those intercompany transactions.

Further, U.S. federal, state, and local and non-U.S. tax laws, policies, statutes, rules, regulations, or ordinances could be interpreted, changed, modified, or applied adversely to us, in each case, possibly with retroactive effect, and may have an adverse effect on our business and future profitability.

#### **Item 1B. Unresolved Staff Comments.**

Not applicable.

#### **Item 1C. Cybersecurity.**

##### ***Description of Processes for Assessing, Identifying, and Managing Cybersecurity Risks***

We are reliant on the continuous and uninterrupted operation of our various technology systems. User access to our sites and information technology systems are important elements of our operations, as are cloud security and protection against cyber incidents. In the ordinary course of our business, we collect and store sensitive data in our data centers and on our networks, including intellectual property, proprietary business information, critical operating information, information regarding suppliers, customers and business partners, including certain personally identifiable information. In addition, the information technology infrastructure we use is important to the operation of our business and to our ability to perform day-to-day operations. Industrial control systems now control large-scale processes that can include multiple sites across long distances.

To assess, identify and manage material cybersecurity risks, we have endeavored to implement procedures, standards, and technical controls with the aim of protecting our networks and applications. We use internal and third-party tools and technologies to aid us in seeking to protect our network and internal systems from unauthorized access, intrusion, or disruption, including those described below.

### Risk Assessment

Assessments are conducted across our systems, networks, and data infrastructure to identify potential cybersecurity threats and vulnerabilities. These assessments may include one or a combination of penetration testing, security audits, incident response planning, vendor risk assessments, and regulatory compliance assessments. Feedback from our maturity and technical assessments is incorporated into our systems and procedures through upgrades intended to further improve our security posture.

### Incident Identification and Response

A monitoring and detection system has been implemented to help identify cybersecurity incidents. Our network activity, logs, and system behavior are monitored for anomalous or unauthorized activity using threat detection technologies. In addition, we have a cross-functional incident response plan, which includes an executive management team, established incident levels, and associated notification procedures, including escalation procedures upon discovery of material cybersecurity risks. We assess and update our security procedures and controls in an effort to address evolving threats and comply with applicable laws and regulations. We perform cybersecurity tabletop exercises to test the effectiveness of our incident response plan and implement post-incident “lessons learned” to enhance our response.

### Cybersecurity Training and Awareness

Our cybersecurity program also focuses on providing training and awareness to our employees on cybersecurity best practices. Our training program includes computer-based training sessions assigned to employees and information sharing to educate employees on current cybersecurity-related topics. We also conduct phishing exercises to test and improve our employees’ awareness and response to potential cyber threats.

### Access Controls

User access controls are used to limit unauthorized access to sensitive information and critical systems. In addition, we require multi-factor authentication for some, but not all, accounts. Users are provided with access consistent with the principle of least privilege, which requires that users be given no more access than necessary to complete their job functions.

We engage assessors, consultants, auditors, and other third parties in connection with the above processes. We recognize that third-party service providers introduce cybersecurity risks. In an effort to mitigate these risks, we conduct due diligence to evaluate their cybersecurity capabilities. Additionally, we endeavor to include cybersecurity requirements in our contracts with these providers and endeavor to require them to adhere to specific security standards and protocols.

### ***Impact of Risks from Cybersecurity Threats***

We have experienced and expect to continue to experience cyber threats and incidents, though as of the date of this Annual Report, we are not aware of any previous cybersecurity threats that have materially affected or are reasonably likely to materially affect the Company. However, cybersecurity threats are continually evolving, and the possibility of future cyber incidents remains. Despite the implementation of our cybersecurity processes, our security measures cannot guarantee that a significant cyberattack will not occur. A successful attack on our information technology systems could have significant consequences to the business. While we devote resources to our security measures to protect our systems and information, these measures cannot provide absolute security. See “Item 1A. Risk Factors” for additional information about the risks to our business associated with a breach or compromise to our information technology systems.

### ***Board of Directors’ Oversight and Management’s Role***

Management is responsible for assessing, identifying, and managing risks from cybersecurity threats. The Company focuses on current and emerging cybersecurity matters. The Company’s cybersecurity processes are led by the Vice President of Information Technology, who reports to the Company’s Chief Financial Officer, including



with respect to emerging cybersecurity incidents. They are responsible for implementing cybersecurity policies, programs, procedures, and strategies. To facilitate effective oversight, our Vice President of Information Technology holds discussions on cybersecurity risks, incident trends, and the effectiveness of cybersecurity measures as necessitated by emerging material cyber risks. Our Vice President of Information Technology has decades of experience selecting, deploying, and operating cybersecurity technologies, initiatives, and processes around the world, and relies on threat intelligence as well as other information obtained from governmental, public or private sources, including external consultants engaged by us.

Our Board of Directors and its Audit Committee oversee risks from cybersecurity threats. The Company's Vice President of Information Technology or Chief Financial Officer update the Audit Committee on our cybersecurity risk profile typically on a quarterly basis, and review with our Board of Directors at least annually.

## **Item 2. Properties.**

Our facilities consist primarily of our corporate headquarters facility, chemical plants, processing plants and distribution facilities. We believe our facilities are adequate for our present needs. We also hold brine leases on acreage which contains bromine and lithium. The following information describes facilities that we (i) leased or owned and (ii) leased acreage as of December 31, 2024.

### ***Facilities***

#### ***Completion Fluids & Products Division***

Our Completion Fluids & Products Division facilities include six operating chemical production plants located in the states of Arkansas, California, Louisiana, and West Virginia, and the country of Finland, having a total production capacity of more than 1.1 million equivalent liquid tons per year. The two California locations consist of 29 square miles of leased mineral acreage and solar evaporation ponds, and related owned production and storage facilities. Our facilities also include a fluids plant in Brazil serving deepwater and ultra-deepwater operations in the South Atlantic. The facility provides engineering, testing, blending, filtration, and storage for the full line of TETRA fluids, including clear-brine and zinc-free/formate-free fluids, as well as chemical additives.

In addition to the production facilities described above, the Completion Fluids & Products Division owns or leases multiple service center facilities in the United States and in other countries. The Completion Fluids & Products Division also leases several offices and numerous terminal locations in the United States and in other countries.

#### ***Water & Flowback Services Division***

The Water & Flowback Services Division conducts its operations through production testing and water management service centers (most of which are leased) in the United States, located in Louisiana, New Mexico, Oklahoma, Pennsylvania and Texas. In addition, the Water & Flowback Services Division has leased facilities in certain countries in Latin America, Europe, and the Middle East.

### ***Corporate***

Our headquarters is located in The Woodlands, Texas, in a 153,000 square foot office building, which is located on 2.6 acres of land, under a lease that expires in 2027. In addition, we own a 28,000 square foot technical facility in The Woodlands, Texas, to service our Completion Fluids & Products and Water & Flowback Services Divisions' operations.

### ***Bromine and Lithium Resources***

Our Completion Fluids & Products Division leases approximately 40,000 gross acres of brine leases in Magnolia, Arkansas, which contain bromine and lithium. This acreage is leased for possible future development and as a source of supply for our bromine and other raw materials. We have rights to the brine, including rights to the bromine and lithium contained in the brine underlying this acreage, pursuant to certain brine leases and brine deeds with various landowners. With respect to approximately 35,000 gross acres of that total acreage, we had previously entered into an agreement granting Standard Lithium an option to acquire the lithium rights in that acreage located outside of the Evergreen Brine Unit. The agreements governing this option contemplate a 2.5% royalty that



Standard Lithium would pay us based on gross lithium revenues. Standard Lithium delivered a notice to exercise this option to acquire lithium rights in the optioned acreage on October 6, 2023.

Since acquiring this acreage, we have engaged in various exploratory activities with respect to our brine leases. In 2024, we continued to follow up on prior exploration work regarding bromine and lithium materials that may be present in our approximately 40,000 gross acres of brine leases in the Smackover Formation in Southwest Arkansas. Building on an earlier maiden inferred bromine and brine resource estimation report from the third quarter of 2022 for this area, we completed a report for our Evergreen Brine Unit in Arkansas in January 2024 that identified proven and probable bromine reserves, and both “measured,” and “indicated” and “inferred” resources of bromine and lithium. Later, in August 2024, we announced the completion of a definitive feasibility study and an updated technical resources report (the “Resources Report”) for our Evergreen Brine Unit. The Resources Report updated the amounts previously reported in our January report issued in 2024 and incorporates the results of the definitive feasibility study, including bromine reserve determinations. The Company is continuing to evaluate these assets and has not made any final decisions about whether to proceed to development stages but is instead still focusing on sampling and analysis and the consideration of the financial implications of proceeding to commence operations to produce these materials.

In June 2023, we entered into the MOU with Saltwerx, LLC, an indirect wholly owned subsidiary of ExxonMobil Corporation, relating to a newly-proposed brine unit in the Smackover Formation in Southwest Arkansas (the “Evergreen Brine Unit”) and potential bromine and lithium production from brine produced from the unit. We filed an amended unit application with the Arkansas Oil and Gas Commission (“AOGC”) covering approximately 6,138 acres, which combines brine acreage that is leased by each of TETRA and Saltwerx. On September 26, 2023, the AOGC held a public hearing and unanimously approved our application to establish the Evergreen Brine Unit. On October 17, 2023, the AOGC issued formal orders establishing the Evergreen Brine Unit and integrating all unleased owners within the Evergreen Brine Unit, subject to a 60-day statutory election period for each unleased party to elect whether or not to participate and share in costs of development of the Evergreen Brine Unit. The 60-day statutory election period expired on December 16, 2023 and such unleased parties were deemed integrated within the Evergreen Brine Unit as described in the formal orders. While bromine can be commercially extracted, among other events that must take place before we can commercially produce lithium from the Evergreen Brine Unit, the AOGC will need to establish an agreeable lithium royalty.

The MOU with Saltwerx includes provisions relating to: (i) initial brine ownership percentages within the Evergreen Brine Unit, including the bromine and lithium contained in the brine, (ii) the transfer of certain leased acres outside the proposed Evergreen Brine Unit from us to Saltwerx, (iii) reimbursement by Saltwerx of certain expenses that we incurred for the development of leased acreage to be included in the Evergreen Brine Unit, and (iv) an allocation of certain future costs for the drilling of a brine production test well and other development operations, including front-end engineering and design studies for bromine and lithium production facilities. Unless and until we finalize any contractual agreements with Saltwerx, including a joint venture agreement, our relationship with Saltwerx will be governed by the MOU and the Unit Operating Agreement and there can be no assurance that we will agree to terms beyond those of the MOU and the Unit Operating Agreement.

The basis for the lithium and bromine resources is that hypersaline formation water, or brine, associated with some of the world’s oilfields and/or geothermal fields contains confined reservoirs, or aquifers, that are known to contain anomalous concentrations of lithium, bromine and other elements of interest. We propose to assess stratigraphically deep (more than 2,250 meters or 7,450 feet below surface) brine from oil and gas aquifers associated with the Late Jurassic Smackover Formation. The brine is currently pumped from the aquifer to the earth’s surface as a wastewater product associated with hydrocarbon production (e.g., oil, gas, and condensate). We expect that we will be able to develop or utilize evolving commercial technologies to economically remove the bromine and lithium from the brine underlying our acreage before the brine is reinjected back down into the

subsurface aquifer but whether we will ultimately be able to economically remove the bromine and lithium materials will depend on the outcome of further studies.

Any effort to pursue the extraction of lithium and bromine from these brine leases would likely require a significant amount of time and capital, which may exceed current estimates. While we have completed a definitive feasibility study with respect to bromine and an updated technical resources report for our Evergreen Brine Unit, we must also complete a lithium FEED study and a feasibility study for our lithium acreage and validate the lithium technologies used in order to be in a position to determine whether to proceed. Should any such decision be made to pursue the development of either one or both of these materials, it would also be necessary to obtain permits for our extraction activities which could be subject to delays or onerous conditions, as well as finalize any contractual agreements with our potential joint venture partner, Saltwerx. Long term, we believe that lithium prices will rebound to levels that support increased investment in supply, especially from the United States, and we and our Evergreen Unit partner remain focused on completing all the engineering studies required to define the lithium project economics. Once these studies are completed, any future investments in our lithium initiatives will be evaluated at that time and subject to reaching agreement with our Evergreen Unit partner.

### **Item 3. Legal Proceedings.**

We are named defendants in numerous lawsuits and respondents in certain governmental proceedings arising in the ordinary course of business. While the outcome of lawsuits or other proceedings against us cannot be predicted with certainty, management does not consider it reasonably possible that a loss resulting from such lawsuits or other proceedings in excess of any amounts accrued has been incurred that is expected to have a material adverse effect on our financial condition, results of operations or liquidity. See Note 11 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements for further information.

### **Item 4. Mine Safety Disclosures.**

None.

## PART II

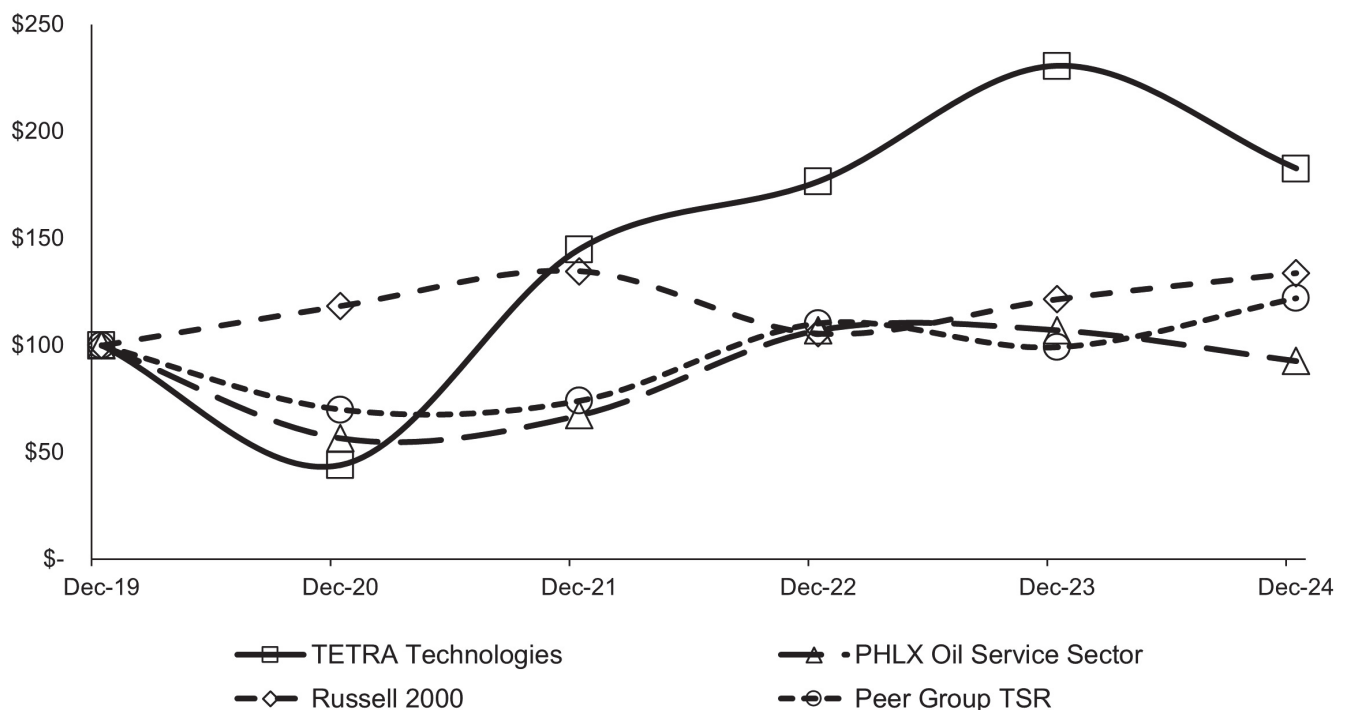
### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Repurchases of Equity Securities.

#### Common Stock

Our common stock is traded on the New York Stock Exchange under the symbol "TTI." As of February 24, 2025, there were approximately 200 holders of record of the common stock. The actual number of holders of our common stock is greater than this number of record holders and includes common stockholders who are beneficial owners but whose shares are held in street name by banks, brokers, and other nominees.

#### Market Price of Common Stock

The following graph compares the five-year cumulative total returns of our common stock, the Russell 2000 Index ("Russell 2000"), the Philadelphia Oil Service Sector Index ("PHLX Oil Service") and a Peer Group Total Stock Return ("Peer Group TSR"), assuming \$100 invested in each stock, index or group on December 31, 2019, all dividends reinvested, and a fiscal year ending December 31<sup>st</sup>. The Peer Group consists of Core Laboratories, Inc., Expro Group Holdings N.V., Flotek Industries, Inc., Forum Energy Technologies, Inc., Hawkins, Inc., KLX Energy Services Holdings, Inc., Mammoth Energy Services, Inc., National Energy Services Reunited Corp, Newpark Resources, Inc., Nine Energy Service, Inc., Oil States International, Inc., Ranger Energy Services, Inc., RPC, Inc., and Select Water Solutions, Inc., with each company equally weighted. The Peer Group includes peer companies selected to measure our relative total shareholder return under our long-term incentive awards and were publicly traded during the entire period of the stock performance graph. This information shall be deemed furnished, and not filed, in this Form 10-K and shall not be deemed incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934 as a result of this furnishing, except to the extent we specifically incorporate it by reference.



#### Securities Authorized for Issuance Under Equity Compensation Plans

For additional information about common stock authorized for issuance under equity compensation plans, see Note 13 - "Equity-Based Compensation and Other" in the Notes to Consolidated Financial Statements.

### Item 6. [Reserved]

## **Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.**

The following discussion is intended to analyze major elements of our consolidated financial statements and provide insight into important areas of management's focus. This section should be read in conjunction with the Consolidated Financial Statements and the accompanying Notes included elsewhere in this Annual Report. Statements in the following discussion may include forward-looking statements. These forward-looking statements involve risks and uncertainties. See "Item 1A. Risk Factors" for additional discussion of these factors and risks. For discussion of 2023 compared to 2022, see disclosures titled "Results of Operations" set forth in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of our [Annual Report on Form 10-K](#) for the year ended December 31, 2023 filed with the SEC on February 27, 2024.

### ***Business Overview***

We are an energy services and solutions company with operations on six continents focused on developing environmentally conscious services and solutions that help make people's lives better. Calcium chloride is used in the oil and gas industry, and also has broad industrial applications to the agricultural, road, food and beverage, and lithium production markets. We operate through two reporting segments - Completion Fluids & Products Division and Water & Flowback Services Division.

Completion Fluids & Products Division activity for 2024 decreased slightly compared to 2023. We were awarded a three-well TETRA CS Neptune fluids project in the Gulf of America that is expected to begin in the first quarter of 2025. TETRA CS Neptune fluids projects are historically higher revenue and margin projects. We also recently secured a significant multi-well, multi-year deep water completion fluids contract in Brazil.

Our Water & Flowback Services Division activity also decreased compared to 2023 reflecting a slowdown in onshore activity in the United States and lower offshore completions fluids activity, as well as lower service revenues following the sale of early production facilities in Latin America. We initiated a series of cost reduction actions in the second half of 2024 to adjust to market levels.

We are committed to pursuing low-carbon energy initiatives that leverage our fluids and aqueous chemistry core competencies, our significant bromine and lithium assets and technologies, and our leading calcium chloride production capabilities. In August 2024, we published a definitive feasibility study and updated technical resources report with respect to bromine from our Evergreen Brine Unit. We have ongoing negotiations with various bromine providers for bridging supply agreements that, if and when finalized, will give us flexibility on the timing of a plant start-up, allowing us to accumulate additional cash from our base business. These initiatives are expected to provide us the volumes necessary for the growing deepwater market plus the growing long-duration battery requirements, while deferring investments in Arkansas or scaling up our bromine production at lower levels than previously anticipated. If and when the bridging supply agreement is finalized, we will announce our revised Arkansas investment and timing plans.

We are prioritizing our strategic investments on projects that can immediately impact our near-term results, with a focus on TETRA CS Neptune fluids in the Gulf of America, TETRA PureFlow+ electrolyte shipments to Eos Energy Enterprises, and further advancing our water desalination commercial pilot units that are expected to subsequently transition into long-term contracts for commercial desalination plants.

## Results of Operations

The following data should be read in conjunction with the Consolidated Financial Statements and the associated Notes contained elsewhere in this report.

### Consolidated Comparisons

|  | Year Ended<br>December 31, |                   | Period to Period Change |                   |
|--|----------------------------|-------------------|-------------------------|-------------------|
|  | 2024                       | 2023              | 2024 vs. 2023           | % Change          |
| (In Thousands, Except Percentages)   |                            |                   |                         |                   |
| <b>Revenues</b>  | <b>\$ 599,111</b>          | <b>\$ 626,262</b> | <b>\$ (27,151)</b>      | <b>(4.3)%</b>     |
| <b>Gross profit</b>  | <b>139,853</b>             | <b>153,645</b>    | <b>(13,792)</b>         | <b>(9.0)%</b>     |
| Gross profit as a percentage of revenue                                    | 23.3 %                     | 24.5 %            |                         |                   |
| Exploration and pre-development costs                                      | —                          | 12,119            | (12,119)                | (100.0)%          |
| General and administrative expense   | 89,969                     | 96,590            | (6,621)                 | (6.9)%            |
| General and administrative expense as a percentage of revenue              | 15.0 %                     | 15.4 %            |                         |                   |
| Interest expense, net  | 22,465                     | 22,349            | 116                     | 0.5 %             |
| Loss on debt extinguishment  | 5,535                      | —                 | 5,535                   | 100.0 %           |
| Other income, net  | (6,858)                    | (9,112)           | 2,254                   | (24.7)%           |
| <b>Income before taxes and discontinued operations</b>                     | <b>28,742</b>              | <b>31,699</b>     | <b>(2,957)</b>          | <b>(9.3)%</b>     |
| Income before taxes and discontinued operations as a percentage of revenue | 4.8 %                      | 5.1 %             |                         |                   |
| Provision (benefit) for income taxes                                       | (84,878)                   | 6,220             | (91,098)                | NM <sup>(1)</sup> |
| Income before discontinued operations                                      | 113,620                    | 25,479            | 88,141                  | 345.9 %           |
| Income (loss) from discontinued operations, net of taxes                   | (5,340)                    | 278               | (5,618)                 | NM <sup>(1)</sup> |
| Net income   | 108,280                    | 25,757            | 82,523                  | 320.4 %           |
| Loss attributable to noncontrolling interest                               | 4                          | 27                | (23)                    | (85.2)%           |
| <b>Net income attributable to TETRA stockholders</b>                       | <b>\$ 108,284</b>          | <b>\$ 25,784</b>  | <b>\$ 82,500</b>        | <b>320.0 %</b>    |

<sup>(1)</sup> Percent change is not meaningful

### Revenues

Consolidated revenues for 2024 decreased compared to the prior year due to lower activity in both our Completion Fluids & Products and Water & Flowback Services divisions, where revenue decreased by \$1.7 million and \$25.4 million, respectively. The decrease in our Completion Fluids & Products division is primarily due to lower completion fluid sales volumes from international markets. The decrease in our Water & Flowback Services division is primarily from an overall decline in the US market for our production testing and water management services. See Divisional Comparisons section below for a more detailed discussion of the change in our revenues.

### Gross Profit

Consolidated gross profit as a percentage of revenue decreased slightly due to a decrease in revenue, an increase in operating costs and the effect of changes in product mix. See Divisional Comparisons section below for additional discussion.

### Exploration and Pre-Development Costs

Exploration and pre-development costs decreased \$12.1 million compared to the prior year due to the capitalization of costs beginning in January 2024 following project developments, including the completion of a technical resources report, compared to expensing of costs associated with the front-end engineering and design study and appraisal costs associated with the activity in the prior year.



### General and Administrative Expense

Consolidated general and administrative expenses decreased during 2024 compared to the prior year primarily due to a \$7.4 million decrease in employee compensation from a reduction in equity-based compensation expense and incentive compensation as a result of lower operational margin performance.

### Loss on Early Extinguishment of Debt

Consolidated loss on debt extinguishment increased \$5.5 million from non-cash unamortized finance costs expensed in connection with the repayment of our prior Term Credit Agreement in January 2024.

### Other Income, net

Consolidated other income, net decreased during 2024 compared to the prior year primarily due to a \$9.3 million reimbursement from our partner associated with the collaborative arrangement related to our Arkansas resource development opportunity prior to capitalization of net pre-development costs beginning in January 2024, and a \$1.0 million increase in unrealized losses on our convertible note embedded option. These decreases were partially offset by a \$8.3 million increase in unrealized gains due to the change in the stock price of the Kodiak Gas Services, Inc. (NYSE: KGS) ("Kodiak") shares we received in exchange for CSI Compressco LP ("CSI Compressco") common units we owned in connection with Kodiak's acquisition of CSI Compressco in April 2024.

### Provision for Income Tax

Our consolidated effective tax rate for the year ended December 31, 2024 and December 31, 2023 was (295.3)% and 19.6%, respectively. The increase in our tax benefit compared to the prior year tax provision was primarily due to the reversal of the valuation allowance related to our United States deferred tax assets (federal and state). We establish a valuation allowance to reduce the deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. As of each reporting date, management considers new evidence, both positive and negative, that could affect its view of the future realization of deferred tax assets. As of December 31, 2024, in part because in the current year we achieved three years of cumulative pretax income in the United States tax jurisdiction, management determined that there is sufficient positive evidence to conclude that it is more likely than not that additional deferred taxes of \$97.5 million are realizable. We therefore reduced the valuation allowance accordingly.

### Divisional Comparisons

#### *Completion Fluids & Products Division*

|  | Year Ended<br>December 31, |                   | Period to Period Change |               |
|--|----------------------------|-------------------|-------------------------|---------------|
|  | 2024                       | 2023              | 2024 vs. 2023           | % Change      |
| (In Thousands, Except Percentages)   |                            |                   |                         |               |
| <b>Revenues</b>  | <b>\$ 311,301</b>          | <b>\$ 313,030</b> | <b>\$ (1,729)</b>       | <b>(0.6)%</b> |
| <b>Gross profit</b>  | <b>109,305</b>             | <b>107,684</b>    | <b>1,621</b>            | <b>1.5 %</b>  |
| Gross profit as a percentage of revenue                                    | 35.1 %                     | 34.4 %            |                         |               |
| Exploration and pre-development costs                                      | —                          | 12,119            | (12,119)                | (100.0)%      |
| General and administrative expense   | 25,754                     | 28,003            | (2,249)                 | (8.0)%        |
| General and administrative expense as a percentage of revenue              | 8.3 %                      | 8.9 %             |                         |               |
| Interest income, net   | (713)                      | (646)             | 67                      | 10.4 %        |
| Other (income) loss, net   | 1,369                      | (10,106)          | 11,475                  | (113.5)%      |
| <b>Income before taxes and discontinued operations</b>                     | <b>\$ 82,895</b>           | <b>\$ 78,314</b>  | <b>\$ 4,581</b>         | <b>5.8 %</b>  |
| Income before taxes and discontinued operations as a percentage of revenue | 26.6 %                     | 25.0 %            |                         |               |

The Completion Fluids & Products Division revenues decreased slightly primarily due to a decline of international brominated product sales, particularly in Europe and Latin America, offset by increased volumes and continued favorable pricing for industrial chemicals sales.

The Completion Fluids & Products Division gross profit during 2024 increased compared to the prior year despite slightly lower revenues due to pricing improvements. Completion Fluids & Products Division profitability in future periods will continue to be affected by the mix of its products and services, market demand for our products and services, drilling and completions activity and commodity prices.

The Completion Fluids & Products Division pretax income increased during 2024 compared to the prior year primarily due to the increase in gross profit, along with a decrease in general and administrative expenses primarily due to a \$1.9 million decrease in employee compensation and a \$0.9 million decrease in professional services as well as a \$0.6 million decrease in unrealized losses from our investment in Standard Lithium shares, which is included in other (income) loss, net. These changes were partially offset by a \$12.1 million decrease in exploration and pre-development costs and a \$9.3 million decrease in other income from reimbursements from our partner due to the capitalization of costs net of reimbursements beginning in January 2024. In addition, the unrealized losses on our convertible notes embedded derivative increased \$1.0 million as the notes approach their maturity.

#### *Water & Flowback Services Division*

|  | Year Ended<br>December 31, |                   | Period to Period Change |                |
|--|----------------------------|-------------------|-------------------------|----------------|
|  | 2024                       | 2023              | 2024 vs. 2023           | % Change       |
| (In Thousands, Except Percentages)   |                            |                   |                         |                |
| <b>Revenues</b>  | <b>\$ 287,810</b>          | <b>\$ 313,232</b> | <b>\$ (25,422)</b>      | <b>(8.1)%</b>  |
| <b>Gross profit</b>  | <b>31,014</b>              | <b>47,138</b>     | <b>(16,124)</b>         | <b>(34.2)%</b> |
| Gross profit as a percentage of revenue                                    | 10.8 %                     | 15.0 %            |                         |                |
| General and administrative expense   | 19,116                     | 19,452            | (336)                   | (1.7)%         |
| General and administrative expense as a percentage of revenue              | 6.6 %                      | 6.2 %             |                         |                |
| Interest expense, net  | 64                         | 205               | (141)                   | (68.8)%        |
| Other expense, net   | 1,134                      | 1,757             | (623)                   | (35.5)%        |
| <b>Income before taxes and discontinued operations</b>                     | <b>\$ 10,700</b>           | <b>\$ 25,724</b>  | <b>\$ (15,024)</b>      | <b>(58.4)%</b> |
| Income before taxes and discontinued operations as a percentage of revenue | 3.7 %                      | 8.2 %             |                         |                |

The Water & Flowback Services Division revenues decreased during 2024 compared to the prior year primarily due to an overall decline in the United States market from both our production testing and water management services. This was partially offset by improved international market conditions in Latin America including an early production facility expansion as well as a full year of operation of an additional early production facility.

The Water & Flowback Services Division gross profit decreased due to lower revenues resulting from the decreased activity levels described above and operating cost inflation.

The Water & Flowback Services Division income before taxes decreased during 2024 compared to the prior year primarily due the decrease in gross profit, partially offset by a \$0.4 million increase in other income, a \$0.3 million decrease in general and administrative expenses from headcount reductions, and a \$0.2 million increase in unrealized gain on our investment.

## Corporate Overhead

|  | Year Ended<br>December 31, |                    | Period to Period Change |               |
|--|----------------------------|--------------------|-------------------------|---------------|
|  | 2024                       | 2023               | 2024 vs. 2023           | % Change      |
| (In Thousands, Except Percentages)                   |                            |                    |                         |               |
| Depreciation and amortization                        | \$ 357                     | \$ 400             | \$ (43)                 | (10.8)%       |
| General and administrative expense                   | 45,099                     | 49,135             | (4,036)                 | (8.2)%        |
| Interest expense, net                                | 23,114                     | 22,790             | 324                     | 1.4 %         |
| Impairments and other charges                        | 109                        | 777                | (668)                   | (86.0)%       |
| Loss on debt extinguishment                          | 5,535                      | —                  | 5,535                   | 100.0 %       |
| Other income, net                                    | (9,361)                    | (763)              | 8,598                   | 1,126.9 %     |
| <b>Loss before taxes and discontinued operations</b> | <b>\$ (64,853)</b>         | <b>\$ (72,339)</b> | <b>\$ 7,486</b>         | <b>10.3 %</b> |

Corporate Overhead loss before taxes decreased during 2024 compared to the prior year primarily due to an \$8.3 million increase in unrealized gain on our investment in Kodiak, which acquired CSI Compressco in April 2024. General administrative expenses decreased primarily due to a \$4.5 million decrease in salary related expenses. Impairments decreased \$0.7 million primarily from an impairment of our corporate office lease in the prior year. These were partially offset by a \$5.5 million loss on debt extinguishment from non-cash unamortized finance costs expensed in connection with the repayment of our prior Term Credit Agreement in January 2024 and a \$1.0 million increase in professional services.

## Non-GAAP Financial Measures

We use U.S. GAAP financial measures such as revenues, gross profit, income (loss) before taxes, and net cash provided by operating activities, as well as certain non-GAAP financial measures, including Adjusted EBITDA, as performance measures for our business.

**Adjusted EBITDA.** We define Adjusted EBITDA as net income (loss) before taxes and discontinued operations, excluding impairments, exploration and pre-development costs, certain special, non-recurring or other charges (or credits), interest, depreciation and amortization, income from collaborative arrangement and certain non-cash items such as equity-based compensation expense. The most directly comparable GAAP financial measure is net income (loss) before taxes and discontinued operations. Exploration and pre-development costs represent expenditures incurred to evaluate potential future development of TETRA's lithium and bromine properties in Arkansas. Such costs include exploratory drilling and associated engineering studies. Income from collaborative arrangement represents the portion of exploration and pre-development costs that are reimbursable by our strategic partner. Exploration and pre-development costs, net of the associated income from collaborative arrangement are excluded from Adjusted EBITDA because they do not relate to the Company's current business operations. Adjustments to long-term incentives represent adjustments to valuation of long-term cash incentive compensation awards that are related to prior years. These costs are excluded from Adjusted EBITDA because they do not relate to the current year and are considered to be outside of normal operations. Long-term incentives are earned over a three-year period and the costs are recorded over the three-year period they are earned. The amounts accrued or incurred are based on a cumulative of the three-year period. Equity-based compensation expense represents compensation that has been or will be paid in equity and is excluded from Adjusted EBITDA because it is a non-cash item.

Adjusted EBITDA is used by management as a supplemental financial measure to assess financial performance, without regard to charges or credits that are considered by management to be outside of its normal operations and without regard to financing methods, capital structure or historical cost basis, and to assess the Company's ability to incur and service debt and fund capital expenditures.

Adjusted EBITDA is a financial measure that is not in accordance with U.S. GAAP and should not be considered an alternative to net income, operating income, cash flows from operating activities, or any other measure of financial performance presented in accordance with U.S. GAAP. This measure may not be comparable to similarly titled financial metrics of other entities, as other entities may not calculate Adjusted EBITDA in the same manner as we do. Management compensates for the limitations of Adjusted EBITDA as analytical tools by reviewing

the comparable U.S. GAAP measures, understanding the differences between the measures, and incorporating this knowledge into management's decision-making processes.

The following table reconciles net income (loss) to Adjusted EBITDA for the periods indicated:

|   | Year Ended<br>December 31, 2024    |                                 |                    |                           |                   |
|---|------------------------------------|---------------------------------|--------------------|---------------------------|-------------------|
|   | Completion<br>Fluids &<br>Products | Water &<br>Flowback<br>Services | Corporate<br>SG&A  | Other and<br>Eliminations | Total             |
|   | (In Thousands, Except Percents)    |                                 |                    |                           |                   |
| <b>Revenue</b>  | <b>\$ 311,301</b>                  | <b>\$ 287,810</b>               | <b>\$ —</b>        | <b>\$ —</b>               | <b>\$ 599,111</b> |
| <b>Net income (loss) before taxes and discontinued operations</b> | <b>82,895</b>                      | <b>10,700</b>                   | <b>(45,099)</b>    | <b>(19,754)</b>           | <b>28,742</b>     |
| Completion fluids buy-back allowance adjustment                   | (1,776)                            | —                               | —                  | —                         | (1,776)           |
| Impairments and other charges                                     | —                                  | —                               | —                  | 109                       | 109               |
| Former CEO stock appreciation right credit                        | —                                  | —                               | (701)              | —                         | (701)             |
| Transaction, restructuring and other (income) expenses            | (26)                               | 349                             | 1,026              | —                         | 1,349             |
| Loss on debt extinguishment                                       | —                                  | —                               | —                  | 5,535                     | 5,535             |
| Unusual foreign exchange loss                                     | —                                  | 1,387                           | —                  | —                         | 1,387             |
| Interest (income) expense, net                                    | (713)                              | 64                              | —                  | 23,114                    | 22,465            |
| Depreciation, amortization, and accretion                         | 9,733                              | 25,631                          | —                  | 357                       | 35,721            |
| Equity-based compensation expense                                 | —                                  | —                               | 6,572              | —                         | 6,572             |
| <b>Adjusted EBITDA</b>  | <b>\$ 90,113</b>                   | <b>\$ 38,131</b>                | <b>\$ (38,202)</b> | <b>\$ 9,361</b>           | <b>\$ 99,403</b>  |
| <b>Adjusted EBITDA as % of revenue</b>                            | <b>28.9 %</b>                      | <b>13.2 %</b>                   |                    |                           | <b>16.6 %</b>     |

|  | Year Ended<br>December 31, 2023    |                                 |                    |                           |                   |
|--|------------------------------------|---------------------------------|--------------------|---------------------------|-------------------|
|  | Completion<br>Fluids &<br>Products | Water &<br>Flowback<br>Services | Corporate<br>SG&A  | Other and<br>Eliminations | Total             |
|  | (In Thousands, Except Percents)    |                                 |                    |                           |                   |
| <b>Revenue</b>   | <b>\$ 313,030</b>                  | <b>\$ 313,232</b>               | <b>\$ —</b>        | <b>\$ —</b>               | <b>\$ 626,262</b> |
| <b>Net income (loss) before taxes and discontinued operations</b>  | <b>78,314</b>                      | <b>25,724</b>                   | <b>(49,135)</b>    | <b>(23,204)</b>           | <b>\$ 31,699</b>  |
| Insurance recoveries   | (2,678)                            | —                               | —                  | —                         | (2,678)           |
| Impairments and other charges                                      | 2,189                              | —                               | 777                | —                         | 2,966             |
| Exploration, pre-development costs, and collaborative arrangements | 2,838                              | —                               | —                  | —                         | 2,838             |
| Adjustment to long-term incentives                                 | —                                  | —                               | 1,526              | —                         | 1,526             |
| Former CEO stock appreciation right expense                        | —                                  | —                               | 237                | —                         | 237               |
| Transaction, restructuring, and other expenses                     | —                                  | —                               | 502                | —                         | 502               |
| Unusual foreign exchange loss                                      | —                                  | 2,444                           | —                  | —                         | 2,444             |
| Interest (income) expense, net                                     | (647)                              | 205                             | —                  | 22,791                    | 22,349            |
| Depreciation, amortization, and accretion                          | 9,053                              | 24,876                          | —                  | 400                       | 34,329            |
| Equity-based compensation expense                                  | —                                  | —                               | 10,622             | —                         | 10,622            |
| <b>Adjusted EBITDA</b>   | <b>\$ 89,069</b>                   | <b>\$ 53,249</b>                | <b>\$ (35,471)</b> | <b>\$ (13)</b>            | <b>\$ 106,834</b> |
| <b>Adjusted EBITDA as % of revenue</b>                             | <b>28.5 %</b>                      | <b>17.0 %</b>                   |                    |                           | <b>17.1 %</b>     |

### Liquidity and Capital Resources

We believe that our capital structure allows us to meet our financial obligations and fund future growth as needed, despite uncertain operating conditions and financial markets. Our liquidity at the end of the fourth quarter of 2024 was \$182.2 million consisting of \$37.0 million of unrestricted cash, \$75.0 million of availability under our delayed draw term loan and \$70.2 million of availability under our credit agreements. Liquidity is defined as unrestricted cash plus availability under the delayed draw from our Term Credit Agreement and availability under our revolving credit facilities.

Our consolidated sources and uses of cash for the years ended December 31, 2024 and 2023 are as follows:

|                      | Year Ended December 31, |             |
|----------------------|-------------------------|-------------|
|                      | 2024                    | 2023        |
|                      | (In Thousands)          |             |
| Operating activities | \$ 36,520               | \$ 70,206   |
| Investing activities | \$ (59,059)             | \$ (27,027) |
| Financing activities | \$ 8,869                | \$ (4,663)  |

### Operating Activities

Consolidated cash flows provided by operating activities totaled \$36.5 million during 2024 compared to \$70.2 million during the prior year, a decrease of \$33.7 million. Operating cash flows decreased compared to the prior year primarily due to decreased activity levels from changes in market conditions and product mix, as well as the effect of working capital movements. We continue to monitor customer credit risk in the current environment and focus on serving larger capitalized oil and gas operators and national oil companies.

### Investing Activities

Total cash capital expenditures during 2024 were \$60.7 million. Our Water & Flowback Services Division spent \$23.4 million on capital expenditures, primarily to deploy additional SandStorm units to meet increased demands and maintain, automate and upgrade its water management and flowback equipment fleet. Water and Flowback Services Division capital expenditures also included expenditures for expansion of an early production facility in Argentina. Our Completion Fluids & Products Division spent \$37.0 million on capital expenditures during 2024, including \$22.4 million on our strategic initiatives in Arkansas, net of reimbursement from our Evergreen Unit partner, to advance engineering and reservoir studies and began laying the groundwork for plant site preparation and power infrastructure for our bromine project. We also made additional investments to support higher activity levels in the United States and Europe.

We have rights to the brine underlying our approximately 40,000 gross acres of brine leases in the Smackover Formation in Southwest Arkansas, including rights to the bromine and lithium contained in the brine. Additional information on these resources is described in Part I, "Item 2. Properties" in this Annual Report. The extraction of lithium and bromine from these brine leases will likely require a significant amount of time and capital, which are subject to further analysis and consideration. In August 2024, we published a definitive feasibility study and updated technical resources report with respect to bromine from our Evergreen Brine Unit. We have ongoing negotiations with various bromine providers for bridging supply agreements that, if and when finalized, will give us flexibility on the timing of a plant start-up, allowing us to accumulate additional cash from our base business. These initiatives are expected to provide us the volumes necessary for the growing deepwater market plus the growing long-duration battery requirements, while deferring investments in Arkansas or scaling up our bromine production at lower levels than previously anticipated. If and when the bridging supply agreement is finalized, we will announce our revised Arkansas investment and timing plans.

Historically, a significant majority of our planned capital expenditures have been related to identified opportunities to grow and expand our existing businesses. We are also focused on enhancing shareholder value by capitalizing on our key mineral assets, brine mineral extraction expertise, and deep chemistry competency to expand our offerings into the low carbon energy markets. However, we continue to review all capital expenditure plans carefully in an effort to conserve cash. If the forecasted demand for our products and services increases or decreases, or we proceed with development of brine resources in Arkansas, the amount of planned expenditures on growth and expansion may be adjusted.

### Financing Activities

During the year ended December 31, 2024, consolidated net cash used in financing activities was \$8.9 million, consisting of \$184.8 million borrowings under our new Term Credit Agreement and revolving credit facilities and \$163.6 million repayments of our Term Credit Agreement and revolving credit facilities, \$6.6 million debt issuance costs associated with our new term loan in January 2024 and the ABL Amendment in May 2024, as well as \$1.4 million of payments of finance lease obligations. We may supplement our existing cash balances and



cash flow from operating activities with short-term borrowings, long-term borrowings, issuances of equity and debt securities, and other sources of capital.

*Term Credit Agreement.* On January 12, 2024, the Company entered into a definitive agreement for a \$265.0 million credit facility consisting of a \$190.0 million funded term loan and a \$75.0 million delayed-draw term loan (collectively the “Term Credit Agreement”) that refinanced the Company’s prior Term Credit Agreement and provided capital to advance the Company’s Arkansas bromine processing project. The maturity date of the New Term Credit Agreement is January 1, 2030.

*Asset-Based Credit Agreement.* On May 13, 2024, we entered into an amendment (the ABL Amendment”) to the Asset-Based Lending agreement dated September 10, 2018 (as amended, the “ABL Credit Agreement”). In connection with the ABL Amendment, Bank of America, N.A. became successor administrative agent to JPMorgan Chase Bank, N.A. approximately \$0.9 million of fees were incurred in connection with the ABL Amendment, which were deferred and will be amortized over the term of the ABL Credit Agreement.

The amended ABL Credit Agreement provides, with certain restrictions, for a senior secured revolving credit facility of up to \$100.0 million with a \$25.0 million accordion. The credit facility is subject to a borrowing base determined monthly by reference to the value of inventory and accounts receivable, and includes a sublimit of \$20.0 million for letters of credit, and a swingline loan sublimit of \$11.5 million.

The ABL Credit Agreement may be used for working capital needs, capital expenditures and other general corporate purposes. The amounts we may borrow under the ABL Credit Agreement are derived from our accounts receivable, certain accrued receivables and certain inventory. Changes in demand for our products and services have an impact on our eligible accounts receivable, accrued receivables and the value of our inventory, which could result in significant changes to our borrowing base and therefore our availability under our ABL Credit Agreement. The ABL Credit Agreement is scheduled to mature on May 13, 2029. As of December 31, 2024, we had no balance outstanding under the ABL Credit Agreement and, subject to compliance with the covenants, borrowing base, and other provisions of the agreement that may limit borrowings, we had availability of \$65.7 million under the ABL Credit Agreement. As of February 25, 2025, we have no outstanding borrowings under our ABL Credit Agreement and \$0.2 million letters of credit, resulting in \$79.8 million of availability.

*Swedish Credit Facility.* In January 2022, the Company entered into a revolving credit facility for seasonal working capital needs of subsidiaries in Sweden and Finland (“Swedish Credit Facility”). As of December 31, 2024, we had no balance outstanding and availability of approximately \$4.5 million under the Swedish Credit Facility. During each year, all outstanding loans under the Swedish Credit Facility must be repaid for at least 30 consecutive days. Borrowings bear interest at a rate of 2.95% per annum. The Swedish Credit Facility expires on December 31, 2025 and the Company intends to renew it annually.

*Finland Credit Agreement.* In January 2022, the Company entered into an agreement guaranteed by certain accounts receivable and inventory in Finland (“Finland Credit Agreement”). As of December 31, 2024, we had \$1.4 million of letters of credit outstanding against the Finland Credit Agreement. The Finland Credit Agreement has been renewed by the Company through January 31, 2026.

As of December 31, 2024, we are in compliance with all covenants of our debt agreements. See Note 10 - “Long-Term Debt and Other Borrowings” and Note 18 - “Subsequent Events” in the Notes to Consolidated Financial Statements for further information.

#### *Other Sources and Uses of Cash*

In addition to the aforementioned credit facilities and senior notes, we fund our short-term liquidity requirements from cash generated by our operations and from short-term vendor financing. In addition, as of December 31, 2024, the market value of our equity holdings of Kodiak and Standard Lithium were \$18.4 million and \$1.2 million, respectively, with no holding restrictions on our ability to monetize our investments. In January 2025, we sold our Kodiak shares for proceeds of \$19.0 million, net of transaction and broker fees. Should additional capital be required, the ability to raise such capital through the issuance of additional debt or equity securities may currently be limited. Instability or volatility in the capital markets at the times we need to access capital may affect the cost of capital and the ability to raise capital for an indeterminable length of time. If it is necessary to issue additional equity to fund our capital needs, additional dilution of our common stockholders will occur. We periodically evaluate engaging in strategic transactions and may consider divesting non-core assets where our evaluation

suggests such transaction is in the best interest of our business. In challenging economic environments, we may experience increased delays and failures by customers to pay our invoices. We could experience delayed customer payments and payment defaults associated with customer liquidity issues and bankruptcies. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have an adverse effect on our liquidity. An increase of unpaid receivables would also negatively affect our borrowing availability under the ABL Credit Agreement and Swedish Credit Facility.

### Leases

We have operating leases for some of our transportation equipment, office space, warehouse space, operating locations, and machinery and equipment, as well as a sales-type lease and subleases for certain facilities. See Note 2 - "Basis of Presentation and Significant Accounting Policies" and Note 8 - "Leases" in the Notes to Consolidated Financial Statements for further information on our lease obligations.

### Asset Retirement Obligations

We operate facilities in various U.S. and foreign locations that are used in the manufacture, storage, and sale of our products, inventories, and equipment. We are required to take certain actions in connection with the retirement of these assets.

### Product Purchase Obligations

In the normal course of our Completion Fluids & Products Division operations, we enter into supply agreements with certain manufacturers of various raw materials and finished products. For information on product purchase obligations, see - Note 11 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements.

### Off Balance Sheet Arrangements

As of December 31, 2024, we do not have any off balance sheet arrangements that may have a current or future material effect on our consolidated financial condition or results of operations.

### Litigation

For information regarding litigation, including contingencies of discontinued operations, see Note 11 - "Commitments and Contingencies" in the Notes to Consolidated Financial Statements.

## **Critical Accounting Policies and Estimates**

This discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements. We prepared these financial statements in conformity with U.S. GAAP. In preparing our consolidated financial statements, we make assumptions, estimates, and judgments that affect the amounts reported. We base these on historical experience, available information, and various other assumptions that we believe are reasonable. Our assumptions, estimates, and judgments may change as new events occur, as new information is acquired, and as changes in our operating environments are encountered. Actual results are likely to differ from our current estimates, and those differences may be material.

An accounting policy is considered critical if it is both material to the presentation of the financial statements and requires management to make difficult, subjective or complex judgments that could have a material effect on the financial condition or results of operations. Accounting estimates and assumptions may become critical when they are material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change, and that have a material impact on financial condition or operating performance.

Critical accounting estimates are estimates that require us to make assumptions about matters that were highly uncertain at the time the accounting estimate was made and if different estimates that we reasonably could have used in the current period, or changes in the accounting estimate that are reasonably likely occur from period to period, have a material impact on the presentation of our financial condition, changes in financial condition or results of operations. We believe that of our significant accounting policies described in Note 2 - Basis of

Presentation and Significant Accounting Policies in Part II, Item 8 of this Annual Report on Form 10-K, the critical accounting estimates, assumptions, and judgments that have the most significant impact on our consolidated financial statements are described below.

### Income Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis amounts. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates is recognized as income or expense in the period that includes the enactment date.

We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes. A portion of the carrying value of certain deferred tax assets are subject to a valuation allowance.

## **Item 7A. Quantitative and Qualitative Disclosures about Market Risk.**

### Interest Rate Risk

The interest on our borrowings is subject to market risk exposure related to changes in applicable interest rates. On January 12, 2024, the Company entered into a New Term Credit Agreement consisting of a \$190.0 million funded term loan and a \$75.0 million delayed-draw term loan that refinanced the Company's Term Credit Agreement outstanding as of December 31, 2023. Borrowings under the New Term Credit Agreement bear interest at a rate per annum equal to SOFR plus 5.75%. The Company is required to pay a commitment fee on the unutilized commitments with respect to the delayed-draw term loan at the rate of 1.5% per annum. Borrowings under our Asset-Based Credit Agreement bear interest at an agreed-upon percentage rate spread above SOFR. Borrowings under our Swedish Credit Facility, if any, bear interest at fixed rates of 2.95%. The following table sets forth as of December 31, 2024, the principal amount due under our long-term debt obligations and their respective weighted average interest rates. We are not a party to an interest rate swap contract or other derivative instrument designed to hedge our exposure to interest rate fluctuation risk.

|                       | <u>Scheduled Maturity</u> | <u>Interest<br/>Rate</u> | <u>December 31,<br/>2024</u> |
|-----------------------|---------------------------|--------------------------|------------------------------|
|                       |                           |                          | (In Thousands)               |
| Term credit agreement | January 1, 2030           | 10.23%                   | \$ 190,000                   |
| Total long-term debt  |                           |                          | <u>\$ 190,000</u>            |

### Exchange Rate Risk

We have currency exchange rate risk exposure related to revenues, expenses, operating receivables, and payables denominated in foreign currencies. We may enter into short-term foreign-currency forward derivative contracts as part of a program designed to mitigate the currency exchange rate risk exposure on selected transactions of certain foreign subsidiaries. Although contracts pursuant to this program will serve as an economic hedge of the cash flow of our currency exchange risk exposure, they are not expected to be formally designated as hedge contracts or qualify for hedge accounting treatment. Accordingly, any change in the fair value of these derivative instruments during a period will be included in the determination of earnings for that period. As of December 31, 2024, we did not have any foreign currency exchange contracts outstanding.

## **Item 8. Financial Statements and Supplementary Data.**

The financial statements and supplementary data required to be included in this Item 8 are set forth in Item 15 of this Annual Report.

## **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.**

None.

## **Item 9A. Controls and Procedures.**

### ***Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures***

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) promulgated under the Exchange Act as of the end of the period covered by this report. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2024.

### ***Management's Report on Internal Control over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Our Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America.

Our internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer, an evaluation of the effectiveness of our internal control over financial reporting as of December 31, 2024 was conducted based on the framework in Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) ("COSO"). Based on this assessment, management has determined that our internal control over financial reporting was effective as of December 31, 2024.

Grant Thornton LLP, our independent registered public accounting firm, has issued an attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2024. Grant Thornton LLP's report on our internal control over financial reporting is included herein.

### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting that occurred during the fourth quarter of the fiscal year ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **Item 9B. Other Information.**

### **Rule 10b5-1 Trading Arrangements**

During the three months ended December 31, 2024, no director or officer of TETRA adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.**

None.

**PART III****Item 10. Directors, Executive Officers, and Corporate Governance.**

The information required by this Item is hereby incorporated by reference from the information appearing under the captions “Proposal No. 1: Election of Directors,” “Executive Officers,” “Corporate Governance,” “Board Meetings and Committees,” in our definitive proxy statement (the “Proxy Statement”) for the annual meeting of stockholders to be held on May 23, 2025, which involves the election of directors and is to be filed with the SEC pursuant to the Exchange Act within 120 days of the end of our fiscal year on December 31, 2024.

**Item 11. Executive Compensation.**

The information required by this Item is hereby incorporated by reference from the information appearing under the captions “Management and Compensation Committee Report,” “Management and Compensation Committee Interlocks and Insider Participation,” “Compensation Discussion and Analysis,” “Compensation of Executive Officers,” and “Director Compensation” in our Proxy Statement. Notwithstanding the foregoing, in accordance with the instructions to Item 407 of Regulation S-K, the information contained in our Proxy Statement under the subheading “Compensation Committee Report” shall be deemed furnished, and not filed, in this Form 10-K, and shall not be deemed incorporated by reference into any filing under the Securities Act, or the Exchange Act, as a result of this furnishing, except to the extent we specifically incorporate it by reference.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**

The information required by this Item is hereby incorporated by reference from the information appearing under the captions “Beneficial Stock Ownership of Certain Stockholders and Management” and “Equity Compensation Plan Information” in our Proxy Statement.

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

The information required by this Item is hereby incorporated by reference from the information appearing under the captions “Certain Transactions” and “Director Independence” in our Proxy Statement.

**Item 14. Principal Accounting Fees and Services.**

The information required by this Item is hereby incorporated by reference from the information appearing under the caption “Fees Paid to Principal Accounting Firm” in our Proxy Statement.



## PART IV

### Item 15. Exhibits and Financial Statement Schedules.

(a) List of documents filed as part of this Report

1. Financial Statements of the Company

|  | Page |
|--|------|
| Reports of Independent Registered Public Accounting Firm (PCAOB ID Number Grant Thornton LLP: 248)           | F-1  |
| Consolidated Balance Sheets at December 31, 2024 and 2023  | F-4  |
| Consolidated Statements of Operations for the years ended December 31, 2024, 2023, and 2022                  | F-6  |
| Consolidated Statements of Comprehensive Income (Loss) for the years ended December 31, 2024, 2023, and 2022 | F-7  |
| Consolidated Statements of Equity for the years ended December 31, 2024, 2023, and 2022                      | F-8  |
| Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023, and 2022                  | F-9  |
| Notes to Consolidated Financial Statements   | F-10 |

2. Financial statement schedules

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and therefore have been omitted.

3. List of Exhibits

|         |  |
|---------|--|
| 2.1+++  | <a href="#"><u>Asset Purchase and Sale Agreement, dated February 28, 2018, by and between Maritech Resources, LLC, TETRA Technologies, Inc., and Orinoco Natural Resources, LLC (incorporated by reference to Exhibit 2.1 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2018 (SEC File No. 001-13455)).</u></a>  |
| 2.2+++  | <a href="#"><u>Equity Interest Purchase and Sale Agreement, dated February 28, 2018, by and among TETRA Technologies, Inc., TETRA Production Testing Holding LLC, and Epic Offshore Specialty, LLC (incorporated by reference to Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2018 (SEC File No. 001-13455)).</u></a>                                 |
| 2.3+++  | <a href="#"><u>Equity Interest Purchase Agreement, dated February 13, 2018, by and among the sellers listed therein, the sellers representative and TETRA Technologies, Inc (incorporated by reference to Exhibit 2.3 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2018 (SEC File No. 001-13455)).</u></a>  |
| 2.4+++  | <a href="#"><u>Membership Interest Purchase And Sale Agreement, dated as of February 28, 2018, by and among TETRA Applied Technologies, LLC, Maritech Resources, LLC, TETRA Technologies, Inc., and Orinoco Natural Resources, LLC (incorporated by reference to Exhibit 2.4 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2018 (SEC File No. 001-13455)).</u></a> |
| 3.1     | <a href="#"><u>Amended and Restated Certificate of Incorporation of TETRA Technologies, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 25, 2023 (SEC File No. 001-13455)).</u></a>  |
| 3.2     | <a href="#"><u>Second Amended and Restated Bylaws of TETRA Technologies, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on May 25, 2023 (SEC File No. 001-13455)).</u></a>   |
| 4.1     | <a href="#"><u>Form of Senior Indenture (including form of senior debt security) (incorporated by reference to Exhibit 4.11 to the Company's Registration Statement on Form S-3 filed on May 5, 2022 (SEC File No. 333-264709)).</u></a>   |
| 4.2     | <a href="#"><u>Credit Agreement dated as of January 12, 2024 among TETRA Technologies, Inc., Silver Point Finance, LLC, as administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on January 18, 2024 (SEC File No. 001-13455)).</u></a>   |
| 4.3     | <a href="#"><u>Sixth Amendment to Credit Agreement and Second Amendment to Pledge and Security Agreement dated May 13, 2024 between TETRA Technologies, Inc., certain subsidiaries of the company, and Bank of America, N.A (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K/A filed on May 20, 2024 (SEC File No. 001-13455)).</u></a>        |
| 4.4     | <a href="#"><u>Tax Benefits Preservation Plan, dated February 28, 2023, between TETRA Technologies, Inc. and Computershare Trust Company N.A., as Rights Agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 1, 2023 (SEC File No. 001-13455)).</u></a>   |
| 4.5     | <a href="#"><u>Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.11 to the Company's Annual Report on Form 10-Q filed on February 27, 2024 (SEC File No. 001-13455)).</u></a>  |
| 10.1*** | <a href="#"><u>TETRA Technologies, Inc. Nonqualified Deferred Compensation Plan (incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q filed on August 13, 2002 (SEC File No. 001-13455)).</u></a>  |

- 10.2\*\*\* [TETRA Technologies, Inc. Nonqualified Deferred Compensation Plan and The Executive Excess Plan Adoption Agreement effective on June 30, 2005 \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q/A filed on March 16, 2006 \(SEC File No. 001-13455\)\).](#)
- 10.3\*\*\* [TETRA Technologies, Inc. Non-Employee Director Deferred Compensation Plan effective on December 13, 2023 incorporated by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K filed on February 27, 2024 \(SEC File No. 001-13455\)\).](#)
- 10.4\*\*\* [TETRA Technologies, Inc. Amended and Restated 2007 Long Term Incentive Compensation Plan, as amended through February 20, 2015 \(incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on August 10, 2015 \(SEC File No. 001-13455\)\).](#)
- 10.5\*\*\* [Form of Employee Incentive Stock Option Agreement under the TETRA Technologies, Inc. 2007 Long Term Incentive Compensation Plan \(incorporated by reference to Exhibit 4.12 to the Company's Registration Statement on Form S-8 filed on May 5, 2010 \(SEC File No. 333-166537\)\).](#)
- 10.6\*\*\* [Third Amended and Restated 2011 Long Term Incentive Compensation Plan \(incorporated by reference to Exhibit 10.1 to the Company's Current Report Form 8-K filed on May 6, 2016 \(SEC File No. 001-13455\)\).](#)
- 10.7 [Lease Agreement dated December 31, 2012 by and between Tetris Property LP and TETRA Technologies, Inc. \(incorporated by reference to Exhibit 10.36 to the Company's Annual Report on Form 10-K filed on March 4, 2013 \(SEC File No. 001-13455\)\).](#)
- 10.8 [Bonding Agreement, dated February 28, 2018, between TETRA Technologies, Inc., Orinoco Natural Resources, LLC, and Epic Offshore Specialty, LLC \(incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed May 10, 2018 \(SEC File No. 001-13455\)\).](#)
- 10.9\*\*\* [Form of Change in Control Agreement \(incorporated by reference to Exhibit 10.21 to the Company's Annual Report on Form 10-K filed on March 16, 2020 \(SEC File No. 001-13455\)\).](#)
- 10.10\*\*\* [TETRA Technologies, Inc. Cash Incentive Compensation Plan \(incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q filed on May 10, 2010 \(SEC File No. 001-13455\)\).](#)
- 10.11+\*\*\* [Amendment to the TETRA Technologies, Inc. Cash Incentive Compensation Plan dated February 19, 2015.](#)
- 10.12\*\*\* [Amendment No. 2 to the TETRA Technologies, Inc. Cash Incentive Compensation Plan \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on February 26, 2016 \(SEC File No. 001-13455\)\).](#)
- 10.13\*\*\* [Stand-Alone Cash-Settled Stock Appreciation Rights Award Agreement, dated February 22, 2018, between TETRA Technologies, Inc. and Stuart M. Brightman \(incorporated by reference to Exhibit 10.44 to the Company's Annual Report on Form 10-K filed on March 4, 2019 \(SEC File No. 001-13455\)\).](#)
- 10.14\*\*\* [TETRA Technologies, Inc. 2018 Inducement Restricted Stock Plan \(incorporated by reference to Exhibit 4.5 to the Company's Registration Statement on Form S-8 filed on February 12, 2018 \(\(SEC File No. 333-222976\)\).](#)
- 10.15\*\*\* [Form of TETRA Technologies, Inc. 2018 Inducement Restricted Stock Plan Restricted Stock Award Agreement \(incorporated by reference to Exhibit 4.6 to the Company's Registration Statement on Form S-8 filed on February 12, 2018 \(SEC File No. 333-222976\)\).](#)
- 10.16\*\*\* [TETRA Technologies, Inc. Second Amended and Restated 2018 Equity Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 25, 2023 \(SEC File No. 001-13455\)\).](#)
- 10.17\*\*\* [Form of TETRA Technologies, Inc. Second Amended and Restated 2018 Equity Incentive Plan Restricted Stock Unit Award \(incorporated by reference to Exhibit 10.33 to the Company's Annual Report on Form 10-K filed on February 27, 2024 \(SEC File No. 001-13455\)\).](#)
- 10.18\*\*\* [Form of TETRA Technologies, Inc. Second Amended and Restated 2018 Equity Incentive Plan Restricted Stock Unit Award for outside directors \(incorporated by reference to Exhibit 10.34 to the Company's Annual Report on Form 10-K filed on February 27, 2024 \(SEC File No. 001-13455\)\).](#)
- 10.19\*\*\* [Form of TETRA Technologies, Inc. Second Amended and Restated 2018 Equity Incentive Plan Cash Award \(incorporated by reference to Exhibit 10.35 to the Company's Annual Report on Form 10-K filed on February 27, 2024 \(SEC File No. 001-13455\)\).](#)
- 10.20\*\*\* [Form of TETRA Technologies, Inc. 2018 Equity Incentive Plan Incentive Stock Option Award Agreement \(incorporated by reference to Exhibit 4.7 to the Company's registration statement on Form S-8 filed on May 4, 2018 \(SEC File No. 333-224679\)\).](#)
- 10.21 [Form of Indemnification Agreement for directors and executive officers of TETRA Technologies, Inc. \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 12, 2008 \(SEC File No. 001-13455\)\).](#)

|           |   |
|-----------|---|
| 10.22     | <a href="#"><u>Memorandum of Understanding between TETRA Technologies, Inc. and Saltwerx LLC dated June 19, 2023 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on July 31, 2023 (SEC File No. 001-13455)).</u></a>                      |
| 10.23     | <a href="#"><u>Memorandum of Understanding Amendment No. 1 between TETRA Technologies, Inc. and Saltwerx LLC dated November 29, 2023 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on April 30, 2024 (SEC File No. 001-13455)).</u></a> |
| 10.24     | <a href="#"><u>Memorandum of Understanding Amendment No. 2 between TETRA Technologies, Inc. and Saltwerx LLC dated January 16, 2024 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on April 30, 2024 (SEC File No. 001-13455)).</u></a>  |
| 10.25     | <a href="#"><u>Memorandum of Understanding Amendment No. 3 between TETRA Technologies, Inc. and Saltwerx LLC dated March 20, 2024 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on April 30, 2024 (SEC File No. 001-13455)).</u></a>    |
| 10.26     | <a href="#"><u>Memorandum of Understanding Amendment No. 4 between TETRA Technologies, Inc. and Saltwerx LLC dated April 15, 2024 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed on April 30, 2024 (SEC File No. 001-13455)).</u></a>    |
| 10.27     | <a href="#"><u>Memorandum of Understanding Amendment No. 5 between TETRA Technologies, Inc. and Saltwerx LLC dated August 19, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on October 29, 2024 (SEC File No. 001-13455)).</u></a> |
| 19+       | <a href="#"><u>TETRA Technologies, Inc. Policy on Trading in Company Securities.</u></a>  |
| 21+       | <a href="#"><u>Subsidiaries of the Company.</u></a>   |
| 23.1+     | <a href="#"><u>Consent of Grant Thornton LLP</u></a>  |
| 31.1+     | <a href="#"><u>Certification Pursuant to Rule 13(a)-14(a) or 15(d)-14(a) of the Exchange Act, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>   |
| 31.2+     | <a href="#"><u>Certification Pursuant to Rule 13(a)-14(a) or 15(d)-14(a) of the Exchange Act, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>   |
| 32.1**    | <a href="#"><u>Certification Furnished Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Executive Officer).</u></a>  |
| 32.2**    | <a href="#"><u>Certification Furnished Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Chief Financial Officer).</u></a>  |
| 97.1      | <a href="#"><u>TETRA Technologies, Inc. Incentive-Based Compensation Recoupment Policy effective on October 25, 2023 (incorporated by reference to Exhibit 97.1 to the Company's Annual Report on Form 10-K filed on February 27, 2024 (SEC file No. 001-13455)).</u></a>                 |
| 101.INS++ | XBRL Instance Document.   |
| 101.SCH++ | XBRL Taxonomy Extension Schema Document.  |
| 101.CAL++ | XBRL Taxonomy Extension Calculation Linkbase Document.  |
| 101.LAB++ | XBRL Taxonomy Extension Label Linkbase Document.  |
| 101.PRE++ | XBRL Taxonomy Extension Presentation Linkbase Document.   |
| 101.DEF++ | XBRL Taxonomy Extension Definition Linkbase Document.   |
| 104++     | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).   |

+ Filed with this report

\*\* Furnished with this report.

\*\*\* Management contract or compensatory plan or arrangement.

++ Attached as Exhibit 101 to this report are the following documents formatted in XBRL (Extensible Business Reporting Language): (i) Consolidated Statements of Operations for the years ended December 31, 2024, 2023 and 2022; (ii) Consolidated Balance Sheets as of December 31, 2024 and December 31, 2023; (iii) Consolidated Statements of Comprehensive Income for the years ended December 31, 2024, 2023 and 2022; (iv) Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023 and 2022; (v) Consolidated Statements of Stockholders' Equity for the years ended December 31, 2024, 2023 and 2022; and (vi) Notes to Consolidated Financial Statements for the year ended December 31, 2024.

+++ Certain schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant agrees to furnish supplementally a copy of any such omitted schedule to the SEC upon request.

**Item 16. Form 10-K Summary.**

None.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, TETRA Technologies, Inc. has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**TETRA Technologies, Inc.**

Date: February 25, 2025

By: /s/Brady M. Murphy

Brady M. Murphy, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

| <b><u>Signature</u></b>                                | <b><u>Title</u></b>   | <b><u>Date</u></b> |
|--|---|--------------------|
| <u>/s/John F. Glick</u><br>John F. Glick               | Chairman of<br>the Board of Directors   | February 25, 2025  |
| <u>/s/Brady M. Murphy</u><br>Brady M. Murphy           | President, Chief Executive Officer,<br>and Director<br>(Principal Executive Officer)                                      | February 25, 2025  |
| <u>/s/Elijio V. Serrano</u><br>Elijio V. Serrano       | Senior Vice President<br>and Chief Financial Officer<br>(Principal Financial Officer and<br>Principal Accounting Officer) | February 25, 2025  |
| <u>/s/Mark E. Baldwin</u><br>Mark E. Baldwin           | Director  | February 25, 2025  |
| <u>/s/Thomas R. Bates, Jr.</u><br>Thomas R. Bates, Jr. | Director  | February 25, 2025  |
| <u>/s/Christian A. Garcia</u><br>Christian A. Garcia   | Director  | February 25, 2025  |
| <u>/s/Angela D. John</u><br>Angela D. John             | Director  | February 25, 2025  |
| <u>/s/Sharon B. McGee</u><br>Sharon B. McGee           | Director  | February 25, 2025  |
| <u>/s/Shawn D. Williams</u><br>Shawn D. Williams       | Director  | February 25, 2025  |

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Shareholders  
TETRA Technologies, Inc.

### Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of TETRA Technologies, Inc. (a Delaware corporation) and subsidiaries (the “Company”) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), shareholders’ equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 25, 2025 expressed an unqualified opinion.

### Change in accounting principle

As discussed in Note 2 to the consolidated financial statements, the Company has adopted new accounting guidance related to the disclosure of segment information in accordance with ASU 2023-07, *Segment Reporting (Topic 280)*. The adoption was retrospectively applied to 2023.

### Basis for opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical audit matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

#### *U.S. Income Tax Valuation Allowance*

As described further in Note 15 to the consolidated financial statements, as of December 31, 2024, the Company had domestic federal and state deferred tax assets related to net operating loss carryforwards, tax credit carryforward and other domestic deferred tax assets of \$106.1 million reduced by a previous valuation allowance of \$97.5. Deferred tax assets are reduced by a valuation allowance, if based on the weight of all available evidence, in management’s judgment it is more likely than not that some portion, or all, of the deferred tax assets will not be



realized. During the year ended December 31, 2024, the Company released \$97.5 million of its previously recorded valuation allowance. The Company considered the achievement of sustained profitability and cumulative income in the U.S. as well as forecasted income to be significant forms of positive evidence. The Company determined that the positive evidence outweighed the negative evidence and supported a release of the valuation allowance. We identified the release of the valuation allowance to be a critical audit matter.

The principal consideration for our determination that the release of the valuation allowance is a critical audit matter is that auditing management's assessment of the realizability of the Company's deferred tax assets involved complex judgments due to the significant estimation required in measuring the future utilization of deferred tax assets. The future utilization of deferred tax assets is affected by significant assumptions, including forecasted revenue and forecasted domestic sourced income. Fluctuations in actual results from those forecasted can have a material impact on the recoverability of these deferred tax assets. Auditing the release of the valuation allowance also required professionals with specialized skills and knowledge.

Our audit procedures related to the release of the valuation allowance included the following, among others:

- We tested the design and operating effectiveness of relevant controls over management's process for evaluating the realization of the Company's deferred tax assets, including controls over management's review of its forecasted income including the significant assumptions described above.
- We compared the significant assumptions used by management, including forecasted revenue and forecasted domestic sourced income to (1) historical results, (2) the Company's business plans, (3) significant contracts and (4) current industry trends and evaluated whether the Company's business plans, economic trends and other factors support the significant assumptions.
- We also evaluated management's historical ability to forecast domestic sourced income.
- We reperformed management's sensitivity analysis on the forecast to evaluate the impact that changes in the significant assumptions have on management's conclusion.

With the assistance of professionals with specialized skills and knowledge, we evaluated the application of tax laws in the Company's scheduling of the release of existing taxable temporary differences and carryforward amounts, and the evaluation of the utilization of the deferred tax assets.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2020.

Houston, Texas  
February 25, 2025

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Directors and Stockholders  
TETRA Technologies, Inc.

### Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of TETRA Technologies, Inc. (a Delaware corporation) and subsidiaries (the "Company") as of December 31, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended December 31, 2024, and our report dated February 25, 2025 expressed an unqualified opinion on those consolidated financial statements.

### Basis for opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Houston, Texas  
February 25, 2025

**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
(In Thousands)

|  | December 31,<br>2024 | December 31,<br>2023 |
|--|----------------------|----------------------|
| ASSETS   |                      |                      |
| Current assets:  |                      |                      |
| Cash and cash equivalents  | \$ 36,987            | \$ 52,485            |
| Restricted cash  | 221                  | —                    |
| Trade accounts receivable, net of allowance for credit losses of \$626 in 2024 and \$614 in 2023 | 104,813              | 111,798              |
| Inventories  | 101,697              | 96,536               |
| Prepaid expenses and other current assets  | 25,910               | 21,196               |
| Total current assets   | 269,628              | 282,015              |
| Property, plant, and equipment:  |                      |                      |
| Land and building  | 24,475               | 23,173               |
| Machinery and equipment  | 323,044              | 304,884              |
| Automobiles and trucks   | 10,325               | 10,148               |
| Chemical plants  | 69,815               | 67,114               |
| Construction in progress   | 34,910               | 10,323               |
| Total property, plant, and equipment   | 462,569              | 415,642              |
| Less accumulated depreciation  | (320,409)            | (307,926)            |
| Net property, plant, and equipment   | 142,160              | 107,716              |
| Other assets:  |                      |                      |
| Deferred tax assets  | 98,149               | 910                  |
| Operating lease right-of-use assets  | 29,797               | 31,915               |
| Investments  | 28,159               | 17,354               |
| Patents, trademarks and other intangible assets, net   | 24,923               | 29,132               |
| Other assets   | 12,379               | 9,919                |
| Total other assets   | 193,407              | 89,230               |
| Total assets   | \$ 605,195           | \$ 478,961           |

See Notes to Consolidated Financial Statements

**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Balance Sheets**  
(In Thousands, Except Share Amounts)

|   | December 31,<br>2024 | December 31,<br>2023 |
|---|----------------------|----------------------|
| <b>LIABILITIES AND EQUITY</b>   |                      |                      |
| Current liabilities:  |                      |                      |
| Trade accounts payable  | \$ 43,103            | \$ 52,290            |
| Compensation and employee benefits  | 23,022               | 26,918               |
| Operating lease liabilities, current portion  | 8,861                | 9,101                |
| Accrued taxes   | 12,493               | 10,350               |
| Accrued liabilities and other   | 30,040               | 27,303               |
| Current liabilities associated with discontinued operations   | 5,830                | —                    |
| Total current liabilities   | 123,349              | 125,962              |
| Long-term debt, net   | 179,696              | 157,505              |
| Operating lease liabilities   | 25,041               | 27,538               |
| Asset retirement obligations  | 14,786               | 14,199               |
| Deferred income taxes   | 4,912                | 2,279                |
| Other liabilities   | 4,104                | 4,144                |
| Total long-term liabilities   | 228,539              | 205,665              |
| Commitments and contingencies (Note 11 - "Commitments and Contingencies")   |                      |                      |
| Equity:   |                      |                      |
| TETRA stockholders' equity:   |                      |                      |
| Common stock, par value \$0.01 per share; 250,000,000 shares authorized at December 31, 2024 and December 31, 2023; 134,951,081 shares issued at December 31, 2024 and 133,217,848 shares issued at December 31, 2023 | 1,350                | 1,332                |
| Additional paid-in capital  | 492,722              | 489,156              |
| Treasury stock, at cost; 3,138,675 shares held at December 31, 2024 and December 31, 2023   | (19,957)             | (19,957)             |
| Accumulated other comprehensive loss  | (51,122)             | (45,231)             |
| Retained deficit  | (168,425)            | (276,709)            |
| Total TETRA stockholders' equity  | 254,568              | 148,591              |
| Noncontrolling interests  | (1,261)              | (1,257)              |
| Total equity  | 253,307              | 147,334              |
| Total liabilities and equity  | \$ 605,195           | \$ 478,961           |

See Notes to Consolidated Financial Statements

**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Statements of Operations**  
(In Thousands, Except Per Share Amounts)

|  | Year Ended December 31, |            |            |
|--|-------------------------|------------|------------|
|  | 2024                    | 2023       | 2022       |
| Revenues:  |                         |            |            |
| Product sales  | \$ 308,410              | \$ 306,056 | \$ 259,998 |
| Services   | 290,701                 | 320,206    | 293,215    |
| Total revenues   | 599,111                 | 626,262    | 553,213    |
| Cost of revenues:  |                         |            |            |
| Cost of product sales                                    | 182,986                 | 191,227    | 173,385    |
| Cost of services   | 240,442                 | 246,945    | 226,844    |
| Depreciation, amortization, and accretion                | 35,721                  | 34,329     | 32,819     |
| Impairments and other charges                            | 109                     | 2,966      | 2,804      |
| Insurance recoveries                                     | —                       | (2,850)    | (3,750)    |
| Total cost of revenues                                   | 459,258                 | 472,617    | 432,102    |
| Gross profit   | 139,853                 | 153,645    | 121,111    |
| Exploration and pre-development costs                    | —                       | 12,119     | 6,635      |
| General and administrative expense                       | 89,969                  | 96,590     | 91,942     |
| Interest expense, net                                    | 22,465                  | 22,349     | 15,833     |
| Loss on debt extinguishment                              | 5,535                   | —          | —          |
| Other income, net  | (6,858)                 | (9,112)    | (4,465)    |
| Income before taxes and discontinued operations          | 28,742                  | 31,699     | 11,166     |
| Provision (benefit) for income taxes                     | (84,878)                | 6,220      | 3,565      |
| Income from continuing operations                        | 113,620                 | 25,479     | 7,601      |
| Discontinued operations:                                 |                         |            |            |
| Income (loss) from discontinued operations, net of taxes | (5,340)                 | 278        | 195        |
| Net income   | 108,280                 | 25,757     | 7,796      |
| Less loss attributable to noncontrolling interest        | 4                       | 27         | 43         |
| Net income attributable to TETRA stockholders            | \$ 108,284              | \$ 25,784  | \$ 7,839   |
| Basic net income per common share:                       |                         |            |            |
| Income from continuing operations                        | \$ 0.87                 | \$ 0.20    | \$ 0.06    |
| Loss from discontinued operations                        | (0.04)                  | —          | —          |
| Net income attributable to TETRA stockholders            | \$ 0.83                 | \$ 0.20    | \$ 0.06    |
| Weighted average basic shares outstanding                | 131,279                 | 129,568    | 128,082    |
| Diluted net income per common share:                     |                         |            |            |
| Income from continuing operations                        | \$ 0.86                 | \$ 0.20    | \$ 0.06    |
| Loss from discontinued operations                        | (0.04)                  | —          | —          |
| Net income attributable to TETRA stockholders            | \$ 0.82                 | \$ 0.20    | \$ 0.06    |
| Weighted average diluted shares outstanding              | 132,231                 | 131,243    | 129,778    |

See Notes to Consolidated Financial Statements



**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Statements of Comprehensive Income (Loss)**  
(In Thousands)

|   | Year Ended December 31, |                  |                 |
|---|-------------------------|------------------|-----------------|
|   | 2024                    | 2023             | 2022            |
| Net income  | \$ 108,280              | \$ 25,757        | \$ 7,796        |
| Foreign currency translation adjustment from continuing operations, net of taxes of \$0 in 2024, \$0 in 2023, and \$0 in 2022 | (7,071)                 | 3,105            | (2,059)         |
| Unrealized gain (loss) on convertible note investment   | 1,180                   | 727              | (72)            |
| Comprehensive income  | 102,389                 | 29,589           | 5,665           |
| Less comprehensive loss attributable to noncontrolling interest   | 4                       | 27               | 43              |
| Comprehensive income attributable to TETRA stockholders   | <u>\$ 102,393</u>       | <u>\$ 29,616</u> | <u>\$ 5,708</u> |

See Notes to Consolidated Financial Statements

**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Statements of Equity**  
(In Thousands)

|   |                              |                                  |                    |                         | Accumulated Other<br>Comprehensive Income<br>(Loss) |                      |                                 |                   |  |
|---|------------------------------|----------------------------------|--------------------|-------------------------|---|----------------------|---------------------------------|-------------------|--|
|   | Common<br>Stock<br>Par Value | Additional<br>Paid-In<br>Capital | Treasury<br>Stock  | Currency<br>Translation | Unrealized<br>Gain<br>(Loss) on<br>Investment       | Retained<br>Earnings | Non-<br>controlling<br>Interest | Total<br>Equity   |  |
| Balance at December 31, 2021                | \$ 1,301                     | \$ 475,624                       | \$ (19,957)        | \$ (46,932)             | \$ —  | \$ (310,332)         | \$ (1,141)                      | \$ 98,563         |  |
| Net income (loss) for 2022                  | —                            | —                                | —                  | —                       | —   | 7,839                | (43)                            | 7,796             |  |
| Translation adjustment, net of taxes of \$0 | —                            | —                                | —                  | (2,059)                 | —   | —                    | —                               | (2,059)           |  |
| Other comprehensive loss                    | —                            | —                                | —                  | —                       | (72)  | —                    | —                               | (72)              |  |
| Comprehensive income                        |                              |                                  |                    |                         |   |                      |                                 | 5,665             |  |
| Equity compensation expense                 | —                            | 4,482                            | —                  | —                       | —   | —                    | —                               | 4,482             |  |
| Other                                       | 17                           | (2,286)                          | —                  | —                       | —   | —                    | (44)                            | (2,313)           |  |
| Balance at December 31, 2022                | <u>\$ 1,318</u>              | <u>\$ 477,820</u>                | <u>\$ (19,957)</u> | <u>\$ (48,991)</u>      | <u>\$ (72)</u>                                      | <u>\$ (302,493)</u>  | <u>\$ (1,228)</u>               | <u>\$ 106,397</u> |  |
| Net income (loss) for 2023                  | —                            | —                                | —                  | —                       | —   | 25,784               | (27)                            | 25,757            |  |
| Translation adjustment, net of taxes of \$0 | —                            | —                                | —                  | 3,105                   | —   | —                    | —                               | 3,105             |  |
| Other comprehensive income                  | —                            | —                                | —                  | —                       | 727   | —                    | —                               | 727               |  |
| Comprehensive income                        |                              |                                  |                    |                         |   |                      |                                 | 29,589            |  |
| Equity compensation expense                 | —                            | 12,881                           | —                  | —                       | —   | —                    | —                               | 12,881            |  |
| Other                                       | 14                           | (1,545)                          | —                  | —                       | —   | —                    | (2)                             | (1,533)           |  |
| Balance at December 31, 2023                | <u>\$ 1,332</u>              | <u>\$ 489,156</u>                | <u>\$ (19,957)</u> | <u>\$ (45,886)</u>      | <u>\$ 655</u>                                       | <u>\$ (276,709)</u>  | <u>\$ (1,257)</u>               | <u>\$ 147,334</u> |  |
| Net income (loss) for 2024                  | —                            | —                                | —                  | —                       | —   | 108,284              | (4)                             | 108,280           |  |
| Translation adjustment, net of taxes of \$0 | —                            | —                                | —                  | (7,071)                 | —   | —                    | —                               | (7,071)           |  |
| Other comprehensive income                  | —                            | —                                | —                  | —                       | 1,180   | —                    | —                               | 1,180             |  |
| Comprehensive income                        |                              |                                  |                    |                         |   |                      |                                 | 102,389           |  |
| Equity compensation expense                 | —                            | 6,572                            | —                  | —                       | —   | —                    | —                               | 6,572             |  |
| Other                                       | 18                           | (3,006)                          | —                  | —                       | —   | —                    | —                               | (2,988)           |  |
| Balance at December 31, 2024                | <u>\$ 1,350</u>              | <u>\$ 492,722</u>                | <u>\$ (19,957)</u> | <u>\$ (52,957)</u>      | <u>\$ 1,835</u>                                     | <u>\$ (168,425)</u>  | <u>\$ (1,261)</u>               | <u>\$ 253,307</u> |  |

See Notes to Consolidated Financial Statements

**TETRA Technologies, Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows**  
(In Thousands)

|   | Year Ended December 31, |                  |                  |
|---|-------------------------|------------------|------------------|
|   | 2024                    | 2023             | 2022             |
| <b>Operating activities:</b>  |                         |                  |                  |
| Net income  | \$ 108,280              | \$ 25,757        | \$ 7,796         |
| Adjustments to reconcile net income to net cash provided by operating activities:                                     |                         |                  |                  |
| Depreciation, amortization, and accretion   | 35,721                  | 34,329           | 32,819           |
| Impairments and other charges   | 109                     | 2,966            | 2,804            |
| Gain on investments   | (8,604)                 | (539)            | (180)            |
| Provision (benefit) for deferred income taxes   | (94,455)                | (734)            | 537              |
| Equity-based compensation expense   | 6,572                   | 10,622           | 6,880            |
| Provision for credit losses   | 217                     | 285              | 42               |
| Loss on debt extinguishment   | 5,535                   | —                | —                |
| Amortization and expense of financing costs   | 1,389                   | 3,433            | 3,376            |
| Insurance recoveries associated with damaged equipment  | —                       | (2,850)          | (3,750)          |
| Gain on sale of assets  | (338)                   | (562)            | (1,170)          |
| Other non-cash credits  | (1,076)                 | (1,231)          | (482)            |
| Changes in operating assets and liabilities, net of assets acquired:  |                         |                  |                  |
| Accounts receivable   | 5,702                   | 20,165           | (39,848)         |
| Inventories   | (8,784)                 | (23,205)         | (4,471)          |
| Prepaid expenses and other current assets   | (6,574)                 | 2,176            | (4,546)          |
| Trade accounts payable and accrued expenses   | (4,140)                 | (128)            | 22,705           |
| Other   | (3,034)                 | (278)            | (3,555)          |
| Net cash provided by operating activities   | 36,520                  | 70,206           | 18,957           |
| <b>Investing activities:</b>  |                         |                  |                  |
| Purchases of property, plant, and equipment, net  | (60,680)                | (38,152)         | (40,056)         |
| Acquisition of businesses, net  | —                       | —                | (917)            |
| Purchases of investments  | (1,021)                 | (350)            | —                |
| Proceeds from sale of investments   | —                       | 3,900            | —                |
| Proceeds from sale of property, plant, and equipment  | 2,917                   | 6,661            | 1,706            |
| Proceeds from insurance recoveries associated with damaged equipment  | —                       | 2,850            | 3,750            |
| Other investing activities  | (275)                   | (1,936)          | (987)            |
| Net cash used in investing activities   | (59,059)                | (27,027)         | (36,504)         |
| <b>Financing activities:</b>  |                         |                  |                  |
| Proceeds from credit agreements and long-term debt  | 184,820                 | 97,529           | 13,825           |
| Principal payments on credit agreements and long-term debt  | (163,579)               | (100,497)        | (12,483)         |
| Payments on finance lease obligations   | (1,438)                 | (1,695)          | (1,302)          |
| Debt issuance costs   | (6,648)                 | —                | —                |
| Shares withheld for taxes on equity-based compensation  | (3,006)                 | —                | —                |
| Other financing activities  | (1,280)                 | —                | —                |
| Net cash provided by (used in) financing activities   | 8,869                   | (4,663)          | 40               |
| Effect of exchange rate changes on cash   | (1,607)                 | 377              | (452)            |
| Increase (decrease) in cash and cash equivalents  | (15,277)                | 38,893           | (17,959)         |
| Cash and cash equivalents at beginning of period  | 52,485                  | 13,592           | 31,551           |
| Cash, cash equivalents, and restricted cash at end of period  | <u>\$ 37,208</u>        | <u>\$ 52,485</u> | <u>\$ 13,592</u> |
| <b>Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheets</b>               |                         |                  |                  |
| Cash and cash equivalents at end of period  | \$ 36,987               | \$ 52,485        | \$ 13,592        |
| Restricted cash at end of period  | 221                     | —                | —                |
| Total cash, cash equivalents, and restricted cash at end of period shown in the consolidated statements of cash flows | <u>\$ 37,208</u>        | <u>\$ 52,485</u> | <u>\$ 13,592</u> |

See Notes to Consolidated Financial Statements

**TETRA Technologies, Inc. and Subsidiaries**  
**Notes to Consolidated Financial Statements**  
**December 31, 2024**

**NOTE 1 — ORGANIZATION AND OPERATIONS**

We are an energy services and solutions company with operations on six continents focused on developing environmentally conscious services and solutions that help make people's lives better. We were incorporated in Delaware in 1981. Our products and services are delivered through two reporting segments – Completion Fluids & Products Division and Water & Flowback Services Division. Unless the context requires otherwise, when we refer to “we,” “us,” and “our,” we are describing TETRA Technologies, Inc. and its consolidated subsidiaries on a consolidated basis.

Our *Completion Fluids & Products Division* manufactures and markets clear brine fluids (“CBFs”), additives, and associated products and services to the oil and gas industry for use in well drilling, completion, and workover operations in the United States and in certain countries in Latin America, Europe, Asia, the Middle East, and Africa. The Division also markets liquid and dry calcium chloride products manufactured at its production facilities or purchased from third-party suppliers to a variety of markets outside the energy industry, and markets TETRA PureFlow, an ultra-pure zinc bromide as well as TETRA PureFlow Plus, an ultra-pure zinc bromide/zinc chloride blend, to several battery technology companies.

Our *Water & Flowback Services Division* provides onshore oil and gas operators with comprehensive water management services. The Division also provides frac flowback, production well testing, and other associated services in many of the major oil and gas producing regions in the United States, as well as in oil and gas basins in certain countries in Latin America, Europe, and the Middle East.

**NOTE 2 — BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

***Principles of Consolidation***

Our consolidated financial statements include the accounts of our wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

***Out-of-Period Correction***

During the three months ended June 30, 2024, we discovered that we had not previously remeasured a prepaid tax balance denominated in a foreign currency at current rates, resulting in an overstatement of prepaid expenses and understatement of foreign exchange losses from 2018 through the current period. We corrected this by making an out-of-period adjustment during the three months ended June 30, 2024, which reduced other income, net by \$1.4 million and reduced net income per share attributable to TETRA stockholders by \$0.01 in the consolidated statement of operations for the year ended December 31, 2024. The Company assessed the impact of this out-of-period adjustment and concluded that it was not material to the financial statements previously issued for any interim or annual period, and the cumulative adjustment during the quarter ended June 30, 2024 is not material to the annual financial statements for 2024. The out-of-period adjustment is included in the Water & Flowback Services Division results.

***Restricted Cash***

Restricted cash is classified as a current asset when it is expected to be repaid or settled in the next twelve-month period. In connection with the May 2024 amendment to our ABL Credit Agreement, our former administrative agent required us to collateralize our outstanding letters of credit. See Note 10 - “Long-Term Debt and Other Borrowings” for additional discussion of the ABL Amendment. Restricted cash as of December 31, 2024 consists of \$0.2 million to secure our outstanding letters of credit with our former administrative agent and is expected to terminate as the letters of credit expire by March 2025.

## ***Use of Estimates***

The preparation of financial statements in conformity with U.S. generally accepted accounting principles ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclose contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, and impairments during the reporting period. Actual results could differ from those estimates, and such differences could be material.

## ***Reclassifications***

Certain previously reported financial information has been reclassified to conform to the current year's presentation. Unless otherwise noted, amounts and disclosures throughout these Notes to Consolidated Financial Statements relate solely to continuing operations and exclude all discontinued operations.

## ***Discontinued Operations***

In early 2018, we closed a series of related transactions that resulted in the disposition of our former Offshore segment. We may be required to satisfy certain decommissioning liabilities under third-party indemnity agreements and corporate guarantees for which costs may be significant. During the year ended December 31, 2024, we accrued \$5.8 million of decommissioning expense and liability associated with our former Offshore segment for which costs might be above the value of surety bonds on properties previously disposed. See Note 3 - "Discontinued Operations" and Note 11 - "Commitments and Contingencies" for additional discussion.

## ***Cash Equivalents***

We consider all highly liquid cash investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents include deposits in excess of federally insured amounts.

## ***Financial Instruments***

Financial instruments that subject us to concentrations of credit risk consist principally of trade receivables. Our policy is to evaluate, prior to providing goods or services, each customer's financial condition and to determine the amount of open credit to be extended. We generally require appropriate, additional collateral as security for credit amounts in excess of approved limits. Our customers consist primarily of major, well-established oil and gas producers and independent oil and gas companies, as well as industrial, agricultural, road, and food and beverage purchasers for the chemicals we manufacture. Payment terms are on a short-term basis.

We have currency exchange rate risk exposure related to transactions denominated in a foreign currency as well as to investments in certain of our international operations. Our risk management activities include the use of foreign currency forward purchase and sale derivative contracts as part of a program designed to mitigate the currency exchange rate risk exposure on selected international operations.

We have no outstanding balance under our variable rate revolving credit facilities as of December 31, 2024. Outstanding balances on variable-rate bank credit facilities create market risk exposure related to changes in applicable interest rates.



## Allowance for Credit Losses

The allowance for credit losses is determined on a specific identification basis when we believe that the collection of specific amounts owed to us is not probable, as well as a percentage of aged receivables based on historic losses. Changes in the allowance are as follows:

|  | Year Ended December 31, |               |               |
|--|-------------------------|---------------|---------------|
|  | 2024                    | 2023          | 2022          |
|  | (In Thousands)          |               |               |
| At beginning of period                 | \$ 614                  | \$ 538        | \$ 289        |
| Activity in the period:                |                         |               |               |
| Provision for credit losses            | 217                     | 285           | 257           |
| Account charge offs, net of recoveries | (205)                   | (209)         | (8)           |
| At end of period                       | <u>\$ 626</u>           | <u>\$ 614</u> | <u>\$ 538</u> |

## Inventories

Inventories are stated at the lower of cost or net realizable value. Except for work in progress inventory, cost is determined using the weighted average method. The cost of work in progress is determined using the specific identification method.

## Property, Plant, and Equipment

Property, plant, and equipment are stated at cost. Expenditures that increase the useful lives of assets are capitalized. The cost of repairs and maintenance is charged to operations as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which are generally as follows:

|                         |              |
|-------------------------|--------------|
| Buildings               | 25 years     |
| Machinery and equipment | 3 – 10 years |
| Automobiles and trucks  | 4 years      |
| Chemical plants         | 15 years     |

Leasehold improvements are depreciated over the shorter of the remaining term of the associated lease or its useful life. Depreciation expense, excluding impairments and other charges, for the years ended December 31, 2024, 2023, and 2022 was \$28.4 million, \$29.2 million, and \$27.3 million, respectively.

Construction in progress as of December 31, 2024 and 2023 consisted primarily of equipment fabrication projects and early production facilities. During the year ended December 31, 2024, we capitalized \$1.2 million of interest expense.

## Intangible Assets other than Goodwill

Customer relationships, trademarks, tradenames, marketing rights and other intangible assets are amortized on a straight-line basis over their estimated useful lives, with remaining useful lives up to 9 years. Amortization of intangible assets was \$4.2 million, \$4.5 million, and \$4.9 million for the years ended December 31, 2024, 2023, and 2022, respectively, and is included in depreciation, amortization, and accretion. The estimated future annual amortization expense of intangible assets is \$3.5 million for 2025, \$3.4 million for 2026, \$3.2 million for 2027, \$2.7 million for 2028, \$2.4 million for 2029, and \$9.7 million thereafter. See Note 5 - "Intangibles" for additional discussion.

Intangible assets other than goodwill are tested for recoverability whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. In such an event, we will determine the fair value of the asset using an undiscounted cash flow analysis of the asset at the lowest level for which identifiable cash flows exist. If an impairment has occurred, we will recognize a loss for the difference between the carrying value and the estimated fair value of the intangible asset.

## **Leases**

As a lessee, unless the lease meets the criteria of short-term and is excluded per our policy election described below, we initially recognize a lease liability and related right-of-use asset on the commencement date. The right-of-use asset represents our right to use an underlying asset and the lease liability represents our obligation to make lease payments to the lessor over the lease term.

Long-term operating leases are included in operating lease right-of-use assets, operating lease liabilities - current portion, and operating lease liabilities in our consolidated balance sheets. Long-term finance leases are included in machinery and equipment, accrued liabilities and other and other liabilities in our consolidated balance sheets. We determine whether a contract is or contains a lease at inception of the contract. Where we are a lessee in a contract that includes an option to extend or terminate the lease, we include the extension period or exclude the period covered by the termination option in our lease term in determining the right-of-use asset and lease liability, if it is reasonably certain that we would exercise the option.

As an accounting policy election, we do not include short-term leases on our balance sheets. Short-term leases include leases with a term of 12 months or less, inclusive of renewal options we are reasonably certain to exercise. The lease payments for short-term leases are included as operating lease costs on a straight-line basis over the lease term in cost of revenues or general and administrative expense based on the use of the underlying asset. We recognize lease costs for variable lease payments not included in the determination of a lease liability in the period in which an obligation is incurred.

Our operating and finance leases are recognized at the present value of lease payments over the lease term. When the implicit discount rate is not readily determinable, we use our incremental borrowing rate to calculate the discount rate used to determine the present value of lease payments. Consistent with other long-lived assets or asset groups that are held and used, we test for impairment of our right-of-use assets when impairment indicators are present.

## ***Impairments of Inventory and Long-Lived Assets***

Impairments of inventory and long-lived assets, including identified intangible assets, are determined periodically when indicators of impairment are present. If such indicators are present, the determination of the amount of impairment is based on our judgments as to the future undiscounted operating cash flows to be generated from these assets throughout their remaining estimated useful lives. If these undiscounted cash flows are less than the carrying amount of the related asset, an impairment is recognized for the excess of the carrying value over its fair value. Assets held for disposal are recorded at the lower of carrying value or estimated fair value less estimated selling costs. See Note 6 - "Impairments and Other Charges" for additional discussion of recorded impairments.

## ***Revenue Recognition***

*Performance Obligations.* Revenue is generally recognized when we transfer control of our products or services to our customers. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring products or providing services to our customers. We receive cash equal to the invoice price for most sales of product and services and payment terms typically range from 30 to 60 days from the date we invoice our customer. Since the period between when we deliver products or services and when the customer pays for such products or services is not expected to exceed one year, we have elected not to calculate or disclose a financing component for our customer contracts.

Depending on the terms of the arrangement, we may also defer the recognition of revenue for a portion of the consideration received because we have to satisfy a future performance obligation.

For any arrangements with multiple performance obligations, we use management's estimated selling price to determine the stand-alone selling price for separate performance obligations. For revenue associated with mobilization of service equipment as part of a service contract arrangement, such revenue, if significant, is deferred and amortized over the estimated service period.

*Product Sales.* Product sales revenues are recognized at a point in time when we transfer control of our product offerings to our customers, generally when we ship products from our facility to our customer. The product sales for our Completion Fluids & Products Division consist primarily of CBFs, additives, and associated manufactured products. Certain customers have bill-and-hold arrangements. Revenue for bill-and-hold arrangements is recognized when control transfers to the customer, even though the customer may not have physical possession of the product. Control transfers when there is a substantive reason for the arrangement, the product is identified as belonging to the customer, is ready for physical transfer, and cannot be directed for use by anyone but the customer. Product sales for our Water & Flowback Services Division are typically attributed to specific performance obligations within certain production testing service arrangements.

*Services.* Service revenues represent revenue recognized over time, as our customer arrangements typically provide agreed upon day rates and we recognize service revenue based upon the number of days services have been performed. Service revenue recognized over time is associated with a majority of our Water & Flowback Services Division arrangements, and a small portion of Completion Fluids & Products Division revenue that is associated with completion fluid service arrangements. Our customer contracts are generally for terms of one year or less. The majority of the service arrangements in the Water & Flowback Services Division are for a period of 90 days or less.

Sales taxes, value added taxes, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. We have elected to recognize the cost for freight and shipping costs as part of cost of product sales when control over our products (i.e., delivery) has transferred to the customer.

*Use of Estimates.* In recognizing revenue for variable consideration arrangements, the amount of variable consideration recognized is limited so that it is probable that significant amounts of revenues will not be reversed in future periods when the uncertainty is resolved. For products returned by the customer, we estimate the expected returns based on an analysis of historical experience. For volume discounts earned by the customer, we estimate the discount (if any) based on our estimate of the total expected volume of products sold or services to be provided to the customer during the discount period. In certain contracts for the sale of CBFs, we may agree to issue credits for the repurchase of reclaimable used fluids from certain customers at an agreed price that is based on the condition of the fluids and, in some cases, the volume of fluids sold.

*Contract Assets and Liabilities.* We consider contract assets to be trade accounts receivable when we have an unconditional right to consideration and only the passage of time is required before payment is due. In certain instances, particularly those requiring customer specific documentation prior to invoicing, our invoicing of the customer is delayed until certain documentation requirements are met. In those cases, we recognize a contract asset rather than a billed trade accounts receivable until we are able to invoice the customer. Contract assets, along with billed trade accounts receivable, are included in trade accounts receivable in our consolidated balance sheets.

We classify contract liabilities as unearned income in our consolidated balance sheets. Unearned income includes amounts in which the Company was contractually allowed to invoice prior to satisfying the associated performance obligations.

## ***Operating Costs***

Cost of product sales includes direct and indirect costs of manufacturing and producing our products, including raw materials, fuel, utilities, labor, overhead, repairs and maintenance, materials, services, transportation, warehousing, equipment rentals, insurance, and certain taxes. Cost of services includes operating expenses we incur in delivering our services, including labor, equipment rental, fuel, repair and maintenance, transportation, overhead, insurance, and certain taxes. We include in product sales revenues the reimbursements we receive from customers for shipping and handling costs. Shipping and handling costs are included in cost of product sales. Amounts we incur for “out-of-pocket” expenses in the delivery of our services are recorded as cost of services. Reimbursements for “out-of-pocket” expenses we incur in the delivery of our services are recorded as service revenues. Depreciation, amortization, and accretion includes depreciation expense for all of our facilities, equipment and vehicles, amortization expense on our intangible assets, and accretion expense related to our decommissioning and other asset retirement obligations.

We include in general and administrative expense all costs not identifiable to our specific product or service operations, including divisional and general corporate overhead, professional services, corporate office costs, sales and marketing expenses, insurance, and certain taxes.

## ***Exploration, Pre-Development Costs, and Collaborative Arrangement***

We are pursuing low-carbon energy initiatives that leverage our fluids and aqueous chemistry core competencies and our significant bromine and lithium resources, including our brine leases in Southwest Arkansas. In June 2023, we entered into a memorandum of understanding with Saltwerx, LLC ("Saltwerx"), an indirect wholly owned subsidiary of ExxonMobil Corporation, relating to a newly-proposed brine unit in the Smackover Formation in Southwest Arkansas and potential bromine and lithium production from brine produced from the unit. The memorandum of understanding includes an allocation of certain costs for the drilling of a brine production test well and other development operations, including front-end engineering and design studies for bromine and lithium production facilities. On January 8, 2024, we announced the completion of a technical resources report for the Evergreen Unit in Arkansas.

During the year ended December 31, 2024, we capitalized approximately \$22.4 million of costs, net of reimbursements from our partner, associated with the development of our properties in Arkansas. During the years ended December 31, 2023 and 2022, we incurred \$12.1 million and \$6.6 million, respectively, of exploration and pre-development costs. During the year ended December 31, 2023 we recorded \$9.3 million in reimbursements associated with this arrangement. This income is included in other income, net in our consolidated statements of operations.

## ***Equity-Based Compensation***

We have various equity incentive compensation plans which provide for the granting of restricted common stock, options for the purchase of our common stock, and other performance-based, equity-based compensation awards to our executive officers, key employees, nonexecutive officers, and directors. Total equity-based compensation expense, net of taxes, for the years ended December 31, 2024, 2023, and 2022, was \$6.3 million, \$10.4 million, and \$6.8 million, respectively. For further discussion of equity-based compensation, see Note 13 – "Equity-Based Compensation and Other".

## ***Mineral Resources Arrangements***

We are party to agreements in which Standard Lithium Ltd. ("Standard Lithium") has the right to explore, produce and extract lithium in our Arkansas leases as well as additional potential resources in the Mojave region of California. The Company received cash and stock of Standard Lithium (NYSE:SLI) under the terms of the arrangements. The cash and stock component of consideration received is initially recorded as unearned income based on the quoted market price at the time the stock is received, then recognized in income over the contract term. Deferred income balances were \$1.0 million and \$1.6 million as of December 31, 2024 and 2023, respectively, associated with the consideration received from Standard Lithium and are included in accrued liabilities and other in our consolidated balance sheets. During the years ended December 31, 2024, 2023, and 2022, income from this arrangement was \$1.6 million, \$3.0 million, and \$3.3 million, respectively, from the value of cash and stock received, and \$0.4 million, \$(1.0) million and \$(1.4) million, respectively, for unrealized gains (losses) on changes in the value of Standard Lithium stock held. We also recognized \$15.5 million of income during 2022 from the sale of our shares in Standard Lithium. This income is included in other (income) expense, net in our consolidated statements of operations. See Note 14 - "Fair Value Measurements" for further discussion.

## ***Income Taxes***

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis amounts. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of a change in tax rates is recognized as income or expense in the period that includes the enactment date.

We recognize deferred tax assets to the extent that we believe that these assets are more likely than not to be realized. In making such a determination, we consider available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance,

which would reduce the provision for income taxes. A portion of the carrying value of certain deferred tax assets are subject to a valuation allowance. See Note 15 – “Income Taxes” for further discussion.

The global intangible low-taxed income (“GILTI”) provisions impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. We elected to account for GILTI as a period cost in the year the tax is incurred.

We record uncertain tax positions on the basis of a two-step process in which (1) we determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, we recognize the largest amount of tax benefit that is more than fifty percent likely to be realized upon ultimate settlement with the related tax authority.

### ***Tax Benefits Preservation Plan***

On February 28, 2023, the Board of Directors adopted a Tax Benefits Preservation Plan (the “Tax Plan”) designed to protect the availability of the Company’s net operating loss carryforwards (“NOLs”) and other tax attributes (collectively, the “Tax Attributes”), which may be utilized in certain circumstances to reduce the Company’s future income tax obligations. The Tax Plan is intended to reduce the likelihood that any changes in the Company’s investor base would limit the Company’s future use of its Tax Attributes as a result of the Company experiencing an “ownership change” under Section 382 (“Section 382”) of the Internal Revenue Code of 1986, as amended (the “Code”). If a corporation experiences an “ownership change,” any NOLs, losses or deductions attributable to a “net unrealized built-in loss” and other Tax Attributes could be substantially limited, and timing of the usage of such Tax Attributes could be substantially delayed. A corporation generally will experience an ownership change if one or more stockholders (or group of stockholders) who are each deemed to own at least 5% of the corporation’s stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a testing period (generally, a rolling three-year period).

In adopting the Tax Plan, the Board of Directors declared a dividend of one Series A Junior Participating Preferred Stock purchase right (the “Rights”) for each outstanding share of Common Stock pursuant to the terms of the Tax Plan. Initially, each Right entitles the registered holder to purchase from the Company one one-thousandth of a share of Series A Junior Participating Preferred Stock, par value \$0.01 per share, of the Company (the “Preferred Stock”) at a price of \$20.00 per one one-thousandth of a share of Preferred Stock (the “Purchase Price”), subject to adjustment. The Rights will cause substantial dilution to a person or group that acquires 4.99% or more of the Common Stock (or to a person or group that already owns 4.99% or more of the Company’s Common Stock if such person or group acquires additional shares representing 2% of the Company’s then outstanding shares of Common Stock) without prior approval from the Board of Directors.

The Rights will expire at the earliest of: (i) the close of business on February 28, 2026 (the “Final Expiration Date”); (ii) the time at which the Rights are redeemed pursuant to the Tax Plan, (iii) the time at which the Rights are exchanged pursuant to the Tax Plan; (iv) the closing of any merger or other acquisition transaction involving the Company pursuant to an agreement as described in the penultimate paragraph of Section 1.3 of the Tax Plan; (v) the close of business on the effective date of the repeal of Section 382 of the Code if the Board determines that the Tax Plan is no longer necessary or desirable for the preservation of the Tax Attributes; or (vi) the close of business on the first day of a taxable year of the Company following a Board determination that no Tax Attributes may be carried forward or otherwise utilized.

The Tax Plan adopted by the Board of Directors is similar to plans adopted by other publicly held companies with significant NOLs or other substantial tax benefits and is not designed to prevent any action that the Board of Directors determines to be in the best interest of the Company and its stockholders. At the Company’s 2023 annual meeting of stockholders held on May 24, 2023, the Company’s stockholders ratified the adoption of the Tax Plan.

The Rights are in all respects subject to and governed by the provisions of the Tax Plan. The foregoing summary provides only a general description of the Tax Plan and does not purport to be complete. The Tax Plan, which specifies the terms of the Rights and includes as Exhibit A the Form of Certificate of Designation of Series A Junior Participating Preferred Stock of the Company and as Exhibit B the Form of Right Certificate, is attached to the Company’s Current Report on Form 8-K, which was filed with the SEC on March 1, 2023, as Exhibit 4.1 and is incorporated herein by reference. The foregoing summary should be read together with the entire Tax Plan and is qualified in its entirety by reference to the Tax Plan.



## ***Noncontrolling Interests***

Noncontrolling interests represent third-party ownership in the net assets of the Company's consolidated subsidiaries and are presented as a component of equity. The Company's noncontrolling interests as of December 31, 2024 and 2023 consists primarily of the outside ownership of subsidiaries in Africa.

## ***Accumulated Other Comprehensive Income (Loss)***

Certain of our international operations maintain their accounting records in the local currencies that are their functional currencies. For these operations, the functional currency financial statements are converted to United States dollar equivalents, with the effect of the foreign currency translation adjustment reflected as a component of accumulated other comprehensive income (loss). Accumulated other comprehensive income (loss) is included in equity in the accompanying consolidated balance sheets and consists of the cumulative currency translation adjustments associated with such international operations.

In addition, the change in the fair value of the convertible note, excluding the embedded option, is included in other comprehensive income (loss) in our consolidated statements of comprehensive income. The portion of our accumulated other comprehensive income (loss) attributable to the convertible note is subject to reclassifications to net income if or when we settle the convertible note. See Note 9 – "Investments" for further discussion of the convertible note.

## ***Income (Loss) per Common Share***

The calculation of basic and diluted earnings per share excludes losses attributable to noncontrolling interests. The calculation of basic earnings per share excludes any dilutive effects of equity awards. The calculation of diluted earnings per share includes the effect of equity awards, if dilutive, which is computed using the treasury stock method during the periods such equity awards were outstanding. See Note 16 – "Net Income Per Share" for further discussion of shares outstanding.

## ***Foreign Currency Translation***

We have designated the Euro, the British pound, the Canadian dollar, and the Brazilian real as the functional currencies for our operations in Finland and Sweden, the United Kingdom, Canada, and Brazil, respectively. The United States dollar is the designated functional currency for all of our other significant non-U.S. operations. The cumulative translation effects of translating the applicable accounts from the functional currencies into the U.S. dollar at current exchange rates are included as a separate component of equity. Foreign currency exchange (gains) and losses are included in other (income) expense, net, and totaled \$3.8 million, \$3.5 million, and \$(1.1) million for the years ended December 31, 2024, 2023, and 2022, respectively.

## ***Fair Value Measurements***

We utilize fair value measurements to account for certain items and account balances within our consolidated financial statements. Fair value measurements are utilized on a recurring basis in the determination of the carrying values of certain investments. See Note 9 – "Investments" and Note 14 - "Fair Value Measurements" for further discussion.

Fair value measurements are also utilized on a nonrecurring basis in certain circumstances, such as in the allocation of purchase consideration for acquisition transactions to the assets and liabilities acquired, including intangible assets and goodwill (a Level 3 fair value measurement), the initial recording of our asset retirement obligations, and for the impairment of long-lived assets, including goodwill (a Level 3 fair value measurement).

## Supplemental Cash Flow Information

Supplemental cash flow information from continuing and discontinued operations is as follows:

|                                     | Year Ended December 31, |           |           |
|-------------------------------------|-------------------------|-----------|-----------|
|                                     | 2024                    | 2023      | 2022      |
|                                     | (in thousands)          |           |           |
| Supplemental cash flow information: |                         |           |           |
| Interest paid                       | \$ 21,680               | \$ 19,171 | \$ 15,669 |
| Income taxes paid                   | \$ 5,956                | \$ 4,782  | \$ 3,270  |
|                                     |                         |           |           |
|                                     | December 31,            |           |           |
|                                     | 2023                    | 2022      | 2021      |
|                                     | (in thousands)          |           |           |
| Accrued capital expenditures        | \$ 7,131                | \$ 5,171  | \$ 4,901  |

## New Accounting Pronouncements

### Recently Adopted Accounting Pronouncement

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures” (“ASU 2023-07”), which is intended to improve reportable segments disclosures in annual and interim financial statements, primarily through expanded disclosures of significant segment expenses. ASU 2023-07 is effective for annual reporting periods beginning after December 15, 2023 and interim reporting periods beginning after December 15, 2024, with early adoption permitted. This ASU impacts financial statement disclosure only and its adoption in the fourth quarter of 2024 is reflected in Note 17 - “Industry Segments and Geographic Information.”

### Standards not yet adopted

In November 2024, the FASB issued Accounting Standards Update (“ASU”) 2024-03, “Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)” (“ASU 2024-03”). ASU 2024-03 requires additional disclosures about certain expenses included in the income statement, including purchases of inventory, employee compensation, intangible asset amortization and depreciation. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact of ASU 2024-03 on its financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures.” The new standard requires companies to disclose specific categories in the income tax rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted.

The Company is currently evaluating the expected impact of these standards, but does not expect them to have a significant impact on its consolidated financial statements upon adoption as the standards expand disclosure requirements.

### NOTE 3 – DISCONTINUED OPERATIONS

In early 2018, we closed the Maritech APA and Maritech MIPA with Orinoco that together provided for the purchase by Orinoco of all of Maritech's remaining oil and gas properties and related assets and all outstanding membership interests of Maritech. Under the Maritech APA, Orinoco assumed responsibility for all of Maritech's decommissioning liabilities related to the leases sold to Orinoco and, under the Maritech MIPA, Orinoco assumed all other liabilities of Maritech, including the decommissioning liabilities associated with Maritech's interests in oil and gas properties previously sold by Maritech and select infrastructure still operated by Maritech, subject to certain limited exceptions unrelated to the decommissioning liabilities. To the extent that Maritech or Orinoco fails to satisfy decommissioning liabilities associated with any of the Orinoco Lease Liabilities or the Legacy Liabilities, we may be required to satisfy such liabilities under third party indemnity agreements and corporate guarantees that we previously provided to BSEE and other parties, respectively, for which costs may be significant. Pursuant to a Bonding Agreement entered into as part of these Orinoco transactions (the "Bonding Agreement"), Orinoco provided non-revocable performance bonds from a surety company in an aggregate amount of \$46.8 million to cover the performance by Orinoco and Maritech of certain specific asset retirement obligations of Maritech (the "Initial Bonds") and agreed to replace the Initial Bonds with other non-revocable performance bonds in the aggregate sum of \$47.0 million (collectively, the "Replacement Bonds"). In the event Orinoco does not provide the Replacement Bonds, Orinoco is required to make certain cash escrow payments to us. To date, no cash escrow payments have been made. On August 16, 2024, we issued a letter to Orinoco and the bond company demanding realignment of the existing bonds and/or issuance of Replacement Bonds pursuant to the terms of the Bonding Agreement to better align bond coverage with the more likely liability risks. To date, no written response has been received.

In addition, Maritech and certain other interest owners have received decommissioning orders from BSEE and could receive additional decommissioning orders in the future. Such decommissioning orders received by Maritech and other interest owners relate to asset retirement obligations for certain properties in the Gulf of America. From time to time, we also receive demand notices from third parties related to certain corporate guarantees or other arrangements covering such decommissioning liabilities. While the ultimate outcome of such matters cannot be predicted at this time, if Maritech or other interest owners default, BSEE or third parties may seek to enforce certain corporate guarantees or third party indemnity agreements against us for a portion of such decommissioning obligations, which may be significant.

With respect to certain properties in the Gulf of America, we have been advised that the cost of the decommissioning work to plug and abandon certain wells is projected to be significantly higher than the approximately \$10.7 million bond supporting the liability, which was put in place by Maritech and other interest owners based on earlier cost estimates. We have also been advised more recently that Maritech's prior working interest with respect to those plugging and abandonment ("P&A") costs are expected to exceed its share of the bond. In September 2024, P&A operations commenced pursuant to a cost sharing agreement among certain parties for decommissioning certain properties in the Gulf of America. While Maritech is not a party to this cost sharing agreement, a predecessor of Maritech has advised us that it expects to seek reimbursement from us for the portion of decommissioning costs it has contractually agreed to pay pursuant to the terms of the cost sharing agreement. While the ultimate outcome of this matter cannot be predicted, we could potentially be liable for an estimated amount in the range of \$5.8 million to \$19.4 million, depending on the outcome of negotiations and whether other partners or property owners in the chain of title fulfill their respective obligations under their agreements. Additionally, we understand that in connection with the P&A operations being performed, Maritech and the other named obligees have made a demand on the related bond. We have made efforts to protect Maritech's proportionate share of the bond proceeds (approximately \$3.9 million), including demanding that the surety segregate or ensure that Maritech's share is applied solely to satisfy its proportionate share of the decommissioning costs. We accrued a liability of \$5.8 million related to this obligation during the year ended December 31, 2024.

A summary of financial information related to our discontinued operations is as follows:

**Reconciliation of the Line Items Constituting Pretax Loss from Discontinued Operations to the  
After-Tax Loss from Discontinued Operations  
(In Thousands)**

**Year Ended  
December 31, 2024**

Maritech

|  |                   |
|--|-------------------|
| Cost of revenues   | \$ 5,855          |
| Other income, net  | (515)             |
| Loss from discontinued operations attributable to TETRA stockholders | <u>\$ (5,340)</u> |

**Year Ended  
December 31, 2023**

Offshore Services

|  |               |
|--|---------------|
| Cost of revenues   | \$ 5          |
| General and administrative expense                                     | 41            |
| Other income, net  | (324)         |
| Income from discontinued operations attributable to TETRA stockholders | <u>\$ 278</u> |

**Year Ended  
December 31, 2022**

|  | Offshore<br>Services | Maritech      | Total         |
|--|----------------------|---------------|---------------|
| General and administrative expense                                     | \$ 31                | \$ —          | \$ 31         |
| Other income, net  | —                    | (226)         | (226)         |
| Pretax income (loss) from discontinued operations                      | <u>\$ (31)</u>       | <u>\$ 226</u> | <u>195</u>    |
| Income from discontinued operations attributable to TETRA stockholders |                      |               | <u>\$ 195</u> |

**Reconciliation of Major Classes of Assets and Liabilities of the Discontinued Operations to Amounts  
Presented Separately in the Statement of Financial Position  
(In Thousands)**

**December 31, 2024**

Maritech

|  |                 |
|--|-----------------|
| Carrying amounts of major classes of liabilities included as part of discontinued operations |                 |
| Decommissioning liability  | \$ 5,830        |
| Total liabilities associated with discontinued operations                                    | <u>\$ 5,830</u> |

See Note 11 - "Commitments and Contingencies" for further discussion of contingencies of discontinued operations.

**NOTE 4 — REVENUE FROM CONTRACTS WITH CUSTOMERS**

Our contract asset balances, primarily associated with customer documentation requirements, were \$30.4 million, \$30.6 million, and \$33.1 million as of December 31, 2024, 2023, and 2022, respectively. Contract assets, along with billed trade accounts receivable, are included in trade accounts receivable in our consolidated balance sheets.

Unearned income includes amounts in which the Company was contractually allowed to invoice prior to satisfying the associated performance obligations. Unearned income balances were \$0.4 million, \$3.1 million, and \$1.8 million as of December 31, 2024, 2023, and 2022, respectively, and vary based on the timing of invoicing and performance obligations being met. Unearned income is included in accrued liabilities and other in our consolidated balance sheets. During the years ended December 31, 2024, 2023 and 2022, we recognized approximately \$2.8

million, \$1.8 million, and \$0.6 million, respectively, of revenue deferred in unearned income as of the beginning of each period. This amount is included in products sales and services revenues in our consolidated statements of operations. During the years ended December 31, 2024, 2023, and 2022, contract costs were not significant.

We disaggregate revenue from contracts with customers into Product Sales and Services within each segment, as noted in our two reportable segments in Note 17 - "Industry Segments and Geographic Information". In addition, we disaggregate revenue from contracts with customers by geography based on the following table below:

|                              | Year Ended December 31, |                   |                   |
|------------------------------|-------------------------|-------------------|-------------------|
|                              | 2024                    | 2023              | 2022              |
|                              | (In Thousands)          |                   |                   |
| Completion Fluids & Products |                         |                   |                   |
| United States                | \$ 156,825              | \$ 147,843        | \$ 137,851        |
| International                | 154,476                 | 165,187           | 135,522           |
|                              | <u>\$ 311,301</u>       | <u>\$ 313,030</u> | <u>\$ 273,373</u> |
| Water & Flowback Services    |                         |                   |                   |
| United States                | \$ 242,316              | \$ 269,819        | \$ 254,113        |
| International                | 45,494                  | 43,413            | 25,727            |
|                              | <u>\$ 287,810</u>       | <u>\$ 313,232</u> | <u>\$ 279,840</u> |
| Total Revenue                |                         |                   |                   |
| United States                | \$ 399,141              | \$ 417,662        | \$ 391,964        |
| International                | 199,970                 | 208,600           | 161,249           |
|                              | <u>\$ 599,111</u>       | <u>\$ 626,262</u> | <u>\$ 553,213</u> |

## NOTE 5 — INTANGIBLES

The components of intangible assets and their related accumulated amortization are as follows:

|                           | December 31, 2024 |                          |                  |
|---------------------------|-------------------|--------------------------|------------------|
|                           | Gross Intangibles | Accumulated Amortization | Net Intangibles  |
|                           | (In Thousands)    |                          |                  |
| Customer relationships    | \$ 56,122         | \$ (33,052)              | \$ 23,070        |
| Trademarks and tradenames | 4,561             | (3,202)                  | 1,359            |
| Marketing rights          | 14,122            | (14,010)                 | 112              |
| Other intangibles         | 5,539             | (5,157)                  | 382              |
| Total intangibles         | <u>\$ 80,344</u>  | <u>\$ (55,421)</u>       | <u>\$ 24,923</u> |

|                           | December 31, 2023 |                          |                  |
|---------------------------|-------------------|--------------------------|------------------|
|                           | Gross Intangibles | Accumulated Amortization | Net Intangibles  |
|                           | (In Thousands)    |                          |                  |
| Customer relationships    | \$ 56,122         | \$ (30,191)              | \$ 25,931        |
| Trademarks and tradenames | 4,581             | (2,826)                  | 1,755            |
| Marketing rights          | 14,265            | (13,421)                 | 844              |
| Other intangibles         | 5,673             | (5,071)                  | 602              |
| Total intangibles         | <u>\$ 80,641</u>  | <u>\$ (51,509)</u>       | <u>\$ 29,132</u> |



## NOTE 6 — IMPAIRMENTS AND OTHER CHARGES

### *Impairments of Inventory and Long-Lived Assets*

During 2024, we recorded a \$0.1 million impairment of our corporate office lease. During 2023, we recorded a \$2.1 million impairment of a facility lease in Scotland within our Completion Fluids & Products Division and we recorded a \$0.8 million impairment of our corporate office lease. The fair values were estimated based on the discounted cash flows from our lease and sublease agreements (a Level 3 fair value measurement) in accordance with the fair value hierarchy.

During the second quarter of 2022, our Completion Fluids & Products and Water & Flowback Services Divisions each recorded certain inventory and long-lived tangible asset impairments. Our Water & Flowback Services Division recorded impairments, including \$1.3 million of equipment, \$0.2 million of inventory, and \$0.5 million for land and buildings. The Completion Fluids & Products Division also recorded a \$0.2 million impairment related to obsolete inventory. The inventory and equipment for both divisions are no longer expected to be used and were written down to zero or scrap value. The fair value of land and buildings of \$0.4 million was estimated based on recent sales price per square acre or square foot of comparable properties (a Level 3 fair value measurement in accordance with the fair value hierarchy).

During the fourth quarter of 2022, our Completion Fluids & Products and Water & Flowback Services Divisions recorded additional long-lived tangible asset impairments totaling \$0.3 million and \$0.1 million, respectively. The Completion Fluids & Products Division impairment relates to equipment that is no longer expected to be used and was written down to estimated scrap value. The long-lived tangible asset impairment recorded by the Water & Flowback Services Division in the fourth quarter of 2022 was a result of storm damage sustained to buildings in December 2022 and remediation work identified during the quarter. The fair value of land and buildings was adjusted to \$0.2 million based on recent sales offers (a Level 3 fair value measurement in accordance with the fair value hierarchy).

## NOTE 7 – INVENTORIES

Components of inventories are as follows:

|                    | December 31,      |                  |
|--------------------|-------------------|------------------|
|                    | 2024              | 2023             |
|                    | (In Thousands)    |                  |
| Finished goods     | \$ 90,919         | \$ 79,769        |
| Raw materials      | 1,599             | 8,329            |
| Parts and supplies | 7,297             | 6,868            |
| Work in progress   | 1,882             | 1,570            |
| Total inventories  | <u>\$ 101,697</u> | <u>\$ 96,536</u> |

Finished goods inventories include newly manufactured CBFs as well as used brines that are repurchased from certain customers for recycling.

## NOTE 8 — LEASES

### *Operating and Finance Leases*

We have operating leases for some of our transportation equipment, office space, warehouse space, operating locations, and machinery and equipment. We have finance leases for certain facility storage tanks and equipment rentals. Our leases have remaining lease terms ranging from 1 to 10 years. Some of our leases have options to extend for various periods, while some have termination options with prior notice of generally 30 days or six months. The office space, warehouse space, operating location leases, and machinery and equipment leases generally require us to pay all maintenance and insurance costs.

Our corporate headquarters facility located in The Woodlands, Texas, was sold on December 31, 2012, pursuant to a sale and leaseback transaction. As a condition to the completion of the purchase and sale of the

facility, the parties entered into a lease agreement for the facility having an initial lease term of 15 years, which is classified as an operating lease. Under the terms of the lease agreement, we have the ability to extend the lease for five successive five-year periods at base rental rates to be determined at the time of each extension.

Components of lease expense, included in either cost of revenues or general and administrative expense based on the use of the underlying asset, are as follows (inclusive of lease expense for leases not included on our consolidated balance sheet based on our accounting policy election to exclude leases with a term of 12 months or less):

|                                     | Year Ended December 31, |                  |                  |
|-------------------------------------|-------------------------|------------------|------------------|
|                                     | 2024                    | 2023             | 2022             |
|                                     | (In Thousands)          |                  |                  |
| Operating lease expense             | \$ 13,030               | \$ 13,053        | \$ 12,603        |
| Short-term lease expense            | 50,521                  | 46,566           | 39,890           |
| Finance lease cost:                 |                         |                  |                  |
| Amortization of right-of-use assets | 2,062                   | 232              | 177              |
| Interest on finance leases          | 385                     | 112              | 135              |
| Total lease expense                 | <u>\$ 65,998</u>        | <u>\$ 59,963</u> | <u>\$ 52,805</u> |

Supplemental cash flow information:

|   | Year Ended December 31, |           |           |
|---|-------------------------|-----------|-----------|
|   | 2024                    | 2023      | 2022      |
|   | (In Thousands)          |           |           |
| Cash paid for amounts included in the measurement of lease liabilities: |                         |           |           |
| Operating cash flows - operating leases                                 | \$ 13,292               | \$ 13,293 | \$ 12,889 |
| Operating cash flows - finance leases                                   | \$ 373                  | \$ 112    | \$ 135    |
| Financing cash flows - finance leases                                   | \$ 1,438                | \$ 1,695  | \$ 1,302  |
| Right-of-use assets obtained in exchange for lease obligations:         |                         |           |           |
| Operating leases  | \$ 7,422                | \$ 10,058 | \$ 5,524  |
| Finance leases  | \$ 6,575                | \$ 2,555  | \$ 3,261  |

Supplemental balance sheet information:

|  | <u>December 31, 2024</u> | <u>December 31, 2023</u> |
|--|--------------------------|--------------------------|
|  | (In Thousands)           |                          |
| Operating leases:                            |                          |                          |
| Operating lease right-of-use assets          | \$ 29,797                | \$ 31,915                |
| Operating lease liabilities, current portion | 8,861                    | 9,101                    |
| Operating lease liabilities                  | 25,041                   | 27,538                   |
| Total operating lease liabilities            | <u>\$ 33,902</u>         | <u>\$ 36,639</u>         |
| Finance leases:                              |                          |                          |
| Finance lease right-of-use assets            | \$ 6,495                 | \$ 2,494                 |
| Finance lease liabilities, current portion   | 4,582                    | 828                      |
| Finance lease liabilities                    | 3,211                    | 1,828                    |
| Total finance lease liabilities              | <u>\$ 7,793</u>          | <u>\$ 2,656</u>          |

Additional operating lease information:

|  | <u>December 31, 2024</u> | <u>December 31, 2023</u> |
|--|--------------------------|--------------------------|
| Weighted average remaining lease term: |                          |                          |
| Operating leases                       | 4.6 years                | 5.0 years                |
| Finance leases                         | 1.9 years                | 2.5 years                |
| Weighted average discount rate:        |                          |                          |
| Operating leases                       | 9.8 %                    | 9.7 %                    |
| Finance leases                         | 6.4 %                    | 9.3 %                    |

Future minimum lease payments by year and in the aggregate, under non-cancelable operating and finance leases with terms in excess of one year consist of the following at December 31, 2024:

|                         | <u>Operating Leases</u> | <u>Finance Leases</u> |
|-------------------------|-------------------------|-----------------------|
|                         | (In Thousands)          |                       |
| 2025                    | \$ 11,633               | \$ 4,941              |
| 2026                    | 10,353                  | 2,857                 |
| 2027                    | 8,987                   | 357                   |
| 2028                    | 3,212                   | 105                   |
| 2029                    | 2,204                   | 15                    |
| Thereafter              | 5,779                   | —                     |
| Total lease payments    | 42,168                  | 8,275                 |
| Less imputed interest   | (8,266)                 | (482)                 |
| Total lease liabilities | <u>\$ 33,902</u>        | <u>\$ 7,793</u>       |

## Sales Lease and Sublease Agreements

During the year ended December 31, 2024, in connection with the settlement of a revenue contract by our Water & Flowback Services Division, we entered into an arrangement with a customer including an embedded sales-type lease. Pursuant to this contract settlement, we recognized \$7.4 million of revenues included in product sales revenues and including \$4.1 million of revenues from the embedded lease. We also recognized \$3.0 million of cost, included cost of product sales in our consolidated statements of operations during the year ended December 31, 2024. As of December 31, 2024, current lease receivables of \$1.4 million and long-term lease receivables of \$2.2 million are included in trade accounts receivable and other assets, respectively, in our consolidated balance sheets.

The Company has subleases for a portion of its corporate headquarters facility and a facility in Europe. The leases and subleases are considered operating leases. For the years ended December 31, 2024, 2023, and 2022, we recognized sublease income of \$1.2 million, \$1.2 million, and \$1.4 million, respectively.

Future minimum payments under the embedded sales lease and non-cancelable facility subleases were as follows at December 31, 2024:

|                | <u>Sales Lease</u> | <u>Sublease Payments</u> |
|----------------|--------------------|--------------------------|
|                | (In Thousands)     |                          |
| 2025           | \$ 1,378           | \$ 1,650                 |
| 2026           | 2,187              | 1,452                    |
| 2027           | —                  | 1,410                    |
| 2028           | —                  | 909                      |
| 2029           | —                  | 909                      |
| Thereafter     | —                  | 3,185                    |
| Total payments | \$ 3,565           | \$ 9,515                 |

## NOTE 9 — INVESTMENTS

Our investments as of December 31, 2024 and 2023, consist of the following:

|                                     | <u>December 31,</u> |                  |
|-------------------------------------|---------------------|------------------|
|                                     | <u>2024</u>         | <u>2023</u>      |
|                                     | (In Thousands)      |                  |
| Investment in Kodiak <sup>(1)</sup> | \$ 18,393           | \$ 8,538         |
| Investment in Standard Lithium      | 1,168               | 1,616            |
| Other investments                   | 8,598               | 7,200            |
| Total investments                   | <u>\$ 28,159</u>    | <u>\$ 17,354</u> |

<sup>(1)</sup> Kodiak acquired CSI Compressco on April 1, 2024.

We retained an interest in our former subsidiary, CSI Compressco LP (“CSI Compressco”), which was acquired by Kodiak Gas Services, Inc. (NYSE: KGS) (“Kodiak”) on April 1, 2024, and we received shares of Kodiak in exchange for our common units in CSI Compressco in connection with such acquisition. We sold our Kodiak shares in January 2025. See Note 18 - “Subsequent Event” for further information.

In addition, we are party to agreements whereby Standard Lithium has the right to explore for, and an option to acquire the rights to produce and extract, lithium in our Arkansas leases and other additional potential resources in the Mojave region of California. The Company receives stock of Standard Lithium under the terms of the arrangements.

We also hold investments in convertible notes, common units and preferred units issued by two privately-held companies. These convertible notes, common units and preferred units are not publicly traded and may not be offered, sold, transferred or pledged until such common units are registered pursuant to an effective registration statement or pursuant to an exemption from registration. Our exposure to potential losses is limited to our investments, including capitalized and accrued interest associated with the convertible notes.

See Note 14 - “Fair Value Measurements” for further information.

## NOTE 10 — LONG-TERM DEBT AND OTHER BORROWINGS

Consolidated long-term debt consists of the following:

|                                      | Scheduled Maturity | December 31, |            |
|--------------------------------------|--------------------|--------------|------------|
|                                      |                    | 2024         | 2023       |
| (In Thousands)                       |                    |              |            |
| Term credit agreement <sup>(1)</sup> | January 1, 2030    | \$ 179,696   | \$ 157,505 |
| Total long-term debt                 |                    | \$ 179,696   | \$ 157,505 |

<sup>(1)</sup> Net of unamortized discount of \$5.0 million and \$2.2 million as of December 31, 2024 and 2023, respectively, and net of unamortized deferred financing costs of \$5.3 million and \$3.3 million as of December 31, 2024 and 2023, respectively.

Scheduled maturities for the next five years and thereafter are as follows, not considering annual prepayment offers required by our Term Credit Agreement described below:

|                  | December 31, 2024 |
|------------------|-------------------|
|                  | (In Thousands)    |
| 2025             | \$ —              |
| 2026             | —                 |
| 2027             | —                 |
| 2028             | —                 |
| 2029             | —                 |
| Thereafter       | 190,000           |
| Total maturities | \$ 190,000        |

### Term Credit Agreement

On January 12, 2024, the Company entered into a definitive agreement for a \$265.0 million credit facility, consisting of a \$190.0 million funded term loan and a \$75.0 million delayed-draw term loan (collectively the “Term Credit Agreement”) that refinanced the Company’s prior credit facility outstanding as of December 31, 2023 and provided capital to advance the Company’s proposed Arkansas bromine processing project. Pricing on the Term Credit Agreement is the secured overnight financing rate (“SOFR”) plus 5.75%. The Company is required to pay a commitment fee on the unutilized commitments with respect to the delayed-draw term loan at the rate of 1.50% per annum. The interest rate per annum on borrowings under the Term Credit Agreement is 10.23% as of December 31, 2024 and the maturity date of the Term Credit Agreement is January 1, 2030. The Company used the net proceeds to repay in full the balance of its prior credit facility, with approximately \$15.2 million of additional cash, net of discounts and transaction expenses. In connection with the Term Credit Agreement, we incurred approximately \$5.7 million of fees which were deferred and will be amortized over the term of the Term Credit Agreement. As a result of termination of the prior credit facility, a loss of \$5.5 million was recognized during the three-month period ended March 31, 2024 primarily for unamortized deferred financing costs.

The Term Credit Agreement contains certain affirmative and negative covenants, including covenants that restrict the ability of the Company and certain of its subsidiaries to take certain actions including, among other things and subject to certain significant exceptions, the incurrence of debt, the granting of liens, engaging in mergers and other fundamental changes, the making of investments, entering into transactions with affiliates, the payment of dividends and other restricted payments, the prepayment of other indebtedness and the sale of assets. The Term Credit Agreement also requires the Company to maintain a Leverage Ratio (as defined in the new term



loan credit agreement) of not more than 4.0 to 1.0 as of the end of each fiscal quarter and Liquidity (as defined in the Term Credit Agreement) of not less than \$50.0 million at all times.

All obligations under the Term Credit Agreement and the guarantees of those obligations are secured, subject to certain exceptions, by a security interest on substantially all of the property of the Company and its domestic subsidiaries, subject to the lien priorities set forth in the intercreditor agreement with the agent under our ABL Credit Agreement.

Our Term Credit Agreement requires us to offer to prepay a percentage of Excess Cash Flow (as defined in the Term Credit Agreement) within five business days of filing our Annual Report beginning with the financial statements for the year ending December 31, 2024. We are not required to offer to prepay any of our Term Credit Agreement based on our Leverage Ratio as of December 31, 2024.

The Term Credit Agreement includes customary events of default including non-payment of principal, interest or fees, violation of covenants, inaccuracy of representations or warranties, cross-default to other material indebtedness, bankruptcy and insolvency events, invalidity or impairment of security interests or invalidity of loan documents, certain ERISA events, unsatisfied or unstayed judgments and change of control.

#### Asset-Based Credit Agreement

On May 13, 2024, we entered into an amendment (the “ABL Amendment”) to the Asset-Based Lending agreement dated as of September 10, 2018 (as amended, the “ABL Credit Agreement”). In connection with the ABL Amendment, Bank of America, N.A. became successor administrative agent to JPMorgan Chase Bank, N.A. Furthermore, approximately \$0.9 million of fees were incurred in connection with the ABL Amendment, which were deferred and will be amortized over the term of the ABL Credit Agreement.

As of December 31, 2024, our ABL Credit Agreement provides, with certain restrictions, for a senior secured revolving credit facility of up to \$100.0 million with a \$25.0 million accordion. The credit facility is subject to a borrowing base determined monthly by reference to the value of inventory and accounts receivable, and includes a sublimit of \$20.0 million for letters of credit, and a swingline loan sublimit of \$11.5 million. The ABL Credit Agreement matures on May 13, 2029.

As of December 31, 2024, we had no borrowings outstanding and \$0.2 million letters of credit or guarantees under our ABL Credit Agreement. Deferred financing costs of \$1.0 million and \$0.6 million as of December 31, 2024 and 2023, respectively, were classified as other long-term assets on the accompanying consolidated balance sheet as there was no outstanding balance on our ABL Credit Agreement. Subject to compliance with the covenants, borrowing base, and other provisions of the ABL Credit Agreement that may limit borrowings, we had availability of \$65.7 million under this agreement.

Borrowings under the ABL Credit Agreement bear interest at a rate per annum equal to, at the option of TETRA, either (i) the standard overnight financing rate plus 0.10%, (ii) a base rate plus a margin based on a fixed charge coverage ratio, or (iii) the Daily Simple Risk Free Rate plus 0.10%. The base rate is determined by reference to the highest of (a) the prime rate of interest as announced from time to time by Bank of America, N.A. (b) the Federal Funds Effective Rate (as defined in the ABL Credit Agreement) plus 0.5% per annum and (c) the standard overnight financing rate (adjusted to reflect any required bank reserves) for a one-month period on such day plus 1.0% per annum, provided that the base rate shall not be less than 1.0%. Borrowings outstanding have an applicable margin ranging from 2.00% to 2.50% per annum for SOFR-based loans and 1.00% to 1.50% per annum for base-rate loans, based upon the applicable fixed charge coverage ratio. In addition to paying interest on the outstanding principal under the ABL Credit Agreement, TETRA is required to pay a commitment fee in respect of the unutilized commitments at an applicable rate of 0.375% per annum. TETRA is also required to pay a customary letter of credit fee equal to the applicable margin on loans and fronting fees.

All obligations under the ABL Credit Agreement and the guarantees of those obligations are secured, subject to certain exceptions, by a security interest for the benefit of the ABL Lenders on substantially all of the personal property of TETRA and certain subsidiaries of TETRA, the equity interests in certain domestic subsidiaries, and a maximum of 65% of the equity interests in certain foreign subsidiaries.

### Swedish Credit Facility

In January 2022, the Company entered into a revolving credit facility for seasonal working capital needs of subsidiaries in Sweden and Finland ("Swedish Credit Facility"). As of December 31, 2024, we had no balance outstanding and availability of approximately \$4.5 million under the Swedish Credit Facility. During each year, all outstanding loans under the Swedish Credit Facility must be repaid for at least 30 consecutive days. Borrowings bear interest at a rate of 2.95% per annum. The Swedish Credit Facility expired on December 31, 2024 and has been renewed by the Company through December 31, 2025. Any balance outstanding under the Swedish Credit Facility is included in accrued liabilities and other in our consolidated balance sheet.

### Finland Credit Agreement

In January 2022, the Company entered into an agreement guaranteed by certain accounts receivable and inventory in Finland ("Finland Credit Agreement"). As of December 31, 2024, we had \$1.4 million of letters of credit outstanding against the Finland Credit Agreement. The Finland Credit Agreement has been renewed by the Company through December 31, 2025.

### Covenants

Our credit agreements contain certain affirmative and negative covenants, including covenants that restrict the ability to pay dividends or other restricted payments. As of December 31, 2024, we were in compliance with all covenants under the credit agreements.

## **NOTE 11 — COMMITMENTS AND CONTINGENCIES**

### ***Litigation***

We are named defendants in several lawsuits and respondents in certain governmental proceedings arising in the ordinary course of business. While the outcome of lawsuits or other proceedings against us cannot be predicted with certainty, management does not consider it reasonably possible that a loss resulting from such lawsuits or other proceedings in excess of any amounts accrued has been incurred that is expected to have a material adverse impact on our financial condition, results of operations, or liquidity.

We have a Bromine Requirements Sales Agreement ("Sales Agreement") to purchase a certain volume of elemental bromine from LANXESS Corporation (formerly Chemtura Corporation) ("LANXESS"), included in Product Purchase Obligations below. LANXESS notified us of a proposed non-ordinary course increase to the price of bromine. After lengthy discussions, we and LANXESS were unable to reach an agreement regarding the validity of the proposed price increase; therefore, we filed for arbitration in May 2022 seeking declaratory relief, among other relief, declaring that the proposed price increase is invalid. In September 2022, LANXESS filed a counterclaim with the American Arbitration Association seeking declaratory relief, among other relief. On May 25, 2023, TETRA entered into the Third Amendment to Bromine Requirements Sales Agreement (the "Amendment") with LANXESS. The Amendment has an effective date of April 1, 2023 and was entered into in connection with the entry into a settlement agreement in the Company's arbitration with LANXESS. The Amendment provides for, among other things, revised volume requirements, pricing and related terms. On June 14, 2023, in light of the settlement agreement, and in response to the parties' stipulated motion to dismiss, the arbitration panel issued an Order of Dismissal, which dismissed all claims in the arbitration with prejudice.

### ***Product Purchase Obligations***

In the normal course of our Completion Fluids & Products Division operations, we enter into supply agreements with certain manufacturers of various raw materials and finished products. Some of these agreements have terms and conditions that specify a minimum or maximum level of purchases over the term of the agreement. Other agreements require us to purchase the entire output of the raw material or finished product produced by the manufacturer. Our purchase obligations under these agreements apply only with regard to raw materials and finished products that meet specifications set forth in the agreements. We recognize a liability for the purchase of such products at the time we receive them. As of December 31, 2024, the aggregate amount of the fixed and determinable portion of the purchase obligation pursuant to our Completion Fluids & Products Division's supply agreements was approximately \$72.6 million, including \$33.0 million for the year ending December 31, 2025, \$22.1 million for the year ending December 31, 2026, \$15.3 million for the year ending December 31, 2027, and

\$2.2 million for the year ending December 31, 2028. Amounts purchased under these agreements for each of the years ended December 31, 2024, 2023, and 2022, was \$56.3 million, \$46.9 million, and \$29.7 million, respectively.

As of December 31, 2024, our Water & Flowback Services division had an obligation to purchase equipment for approximately \$3.8 million during the year ending December 31, 2025. The division purchased \$1.6 million of equipment under this agreement during the year ended December 31, 2024.

### ***Contingencies of Discontinued Operations***

In early 2018, we closed the Maritech Asset Purchase and Sale Agreement ("Maritech APA") and Maritech Membership Interest Purchase Agreement ("Maritech MIPA") with Orinoco Natural Resources, LLC ("Orinoco") that together provided for the purchase by Orinoco of all of Maritech's remaining oil and gas properties and related assets and all outstanding membership interests of Maritech. Under the Maritech APA, Orinoco assumed responsibility for all of Maritech's decommissioning liabilities related to the leases sold to Orinoco (the "Orinoco Lease Liabilities") and, under the Maritech MIPA, Orinoco assumed all other liabilities of Maritech, including the decommissioning liabilities associated with Maritech's interests in oil and gas properties previously sold by Maritech and select infrastructure still operated by Maritech (the "Legacy Liabilities"), subject to certain limited exceptions unrelated to the decommissioning liabilities. To the extent that Maritech or Orinoco fails to satisfy decommissioning liabilities associated with any of the Orinoco Lease Liabilities or the Legacy Liabilities, we may be required to satisfy such liabilities under third party indemnity agreements and corporate guarantees that we previously provided to the U.S. Department of the Interior ("BSEE") and other parties, respectively, for which costs may be significant. Pursuant to a Bonding Agreement entered into as part of these Orinoco transactions (the "Bonding Agreement"), Orinoco provided non-revocable performance bonds from a surety company in an aggregate amount of \$46.8 million to cover the performance by Orinoco and Maritech of certain specific asset retirement obligations of Maritech (the "Initial Bonds") and agreed to replace the Initial Bonds with other non-revocable performance bonds in the aggregate sum of \$47.0 million (collectively, the "Replacement Bonds"). In the event Orinoco does not provide the Replacement Bonds, Orinoco is required to make certain cash escrow payments to us. To date, no cash escrow payments have been made. On August 16, 2024, we issued a letter to Orinoco and the bond company demanding realignment of the existing bonds and/or issuance of Replacement Bonds pursuant to the terms of the Bonding Agreement to better align bond coverage with the more likely liability risks. To date, no written response has been received.

The payment obligations of Orinoco under the Bonding Agreement were guaranteed by Thomas M. Clarke and Ana M. Clarke pursuant to a separate guaranty agreement (the "Clarke Bonding Guaranty Agreement"). Orinoco has not delivered the Replacement Bonds and neither it nor the Clarkes has made any of the agreed upon cash escrow payments; therefore, we filed a lawsuit against Orinoco and the Clarkes to enforce the terms of the Bonding Agreement and the Clarke Bonding Guaranty Agreement. Summary judgment was initially granted in favor of Orinoco and the Clarkes, which dismissed our claims against Orinoco under the Bonding Agreement and against the Clarkes under the Clarke Bonding Guaranty Agreement. We filed an appeal with the trial court and requested a new trial on the summary judgment or modification of the judgment. On November 5, 2019, the trial court signed an order granting our motion for a new trial and vacating the prior summary judgment order. The parties are awaiting direction from the court on a new scheduling order and/or trial setting. The Initial Bonds, which are non-revocable, remain in effect.

In addition, Maritech and certain other interest owners have received decommissioning orders from BSEE and could receive additional decommissioning orders in the future. Such decommissioning orders received by Maritech and other interest owners relate to asset retirement obligations for certain properties in the Gulf of America. From time to time, we also receive demand notices from third parties related to certain corporate guarantees or other arrangements covering such decommissioning liabilities. While the ultimate outcome of such matters cannot be predicted at this time, if Maritech or other interest owners default, BSEE or third parties may seek to enforce certain corporate guarantees or third party indemnity agreements against us for a portion of such decommissioning obligations, which may be significant. On February 13, 2025, Arena Energy, LLC filed a complaint in U.S. District Court for the Southern District of Texas seeking indemnification from us and Maritech for decommissioning costs related to a Maritech oil and gas platform in the Gulf of America. We are evaluating the allegations included in the complaint and intend to vigorously defend against the claims brought by Arena Energy, LLC but are presently unable to predict the duration, scope or result of this proceeding.

If we become liable in the future for any decommissioning liability associated with any property covered by either an Initial Bond or Replacement Bond while such bonds are outstanding and the payment made to us under

such bond is not sufficient to satisfy such liability, the Bonding Agreement provides that Orinoco will pay us an amount equal to such deficiency and if Orinoco fails to pay any such amount, such amount must be paid by the Clarkes under the Clarke Bonding Guaranty Agreement. Our financial condition and results of operations may be negatively affected if Orinoco or the Clarkes are unable to cover any such deficiency or if we become liable for a significant portion of the decommissioning liabilities.

With respect to certain properties in the Gulf of America, we have been advised that the cost of the decommissioning work to plug and abandon certain wells is projected to be significantly higher than the approximately \$10.7 million bond supporting the liability, which was put in place by Maritech and other interest owners based on earlier cost estimates. We have also been advised more recently that Maritech's prior working interest with respect to those plugging and abandonment ("P&A") costs are expected to exceed its share of the bond. In September 2024, P&A operations commenced pursuant to a cost sharing agreement among certain parties for decommissioning certain properties in the Gulf of America. While Maritech is not a party to this cost sharing agreement, a predecessor of Maritech has advised us that it expects to seek reimbursement from us for the portion of decommissioning costs it has contractually agreed to pay pursuant to the terms of the cost sharing agreement. While the ultimate outcome of this matter cannot be predicted, we could potentially be liable for an estimated amount in the range of \$5.8 million to \$19.4 million, depending on the outcome of negotiations and whether other partners or property owners in the chain of title fulfill their respective obligations under their agreements. Additionally, we understand that in connection with the P&A operations being performed, Maritech and the other named obligees have made a demand on the related bond. We have made efforts to protect Maritech's proportionate share of the bond proceeds (approximately \$3.9 million), including demanding that the surety segregate or ensure that Maritech's share is applied solely to satisfy its proportionate share of the decommissioning costs. We accrued a liability of \$5.8 million related to this obligation during the year ended December 31, 2024.

In early 2018, we also closed the sale of our Offshore Division to Epic Companies, LLC ("Epic Companies," formerly known as Epic Offshore Specialty, LLC). Part of the consideration we received was a promissory note of Epic Companies in the original principal amount of \$7.5 million (the "Epic Promissory Note"). At the end of August 2019, Epic Companies filed for bankruptcy and we recorded a reserve of \$7.5 million for the full amount of the promissory note, including accrued interest, and certain other receivables in the amount of \$1.5 million during the quarter ended September 30, 2019. The Epic Promissory Note became due on December 31, 2019 and neither Epic nor the Clarkes made payment. TETRA filed a lawsuit against the Clarkes on January 15, 2020 for breach of the promissory note guaranty agreement. In September 2020, the court granted TETRA's Motion for Summary Judgment and entered Final Judgment in our favor, dismissing counterclaims by the Clarkes and awarding TETRA \$7.9 million in damages. The Clarkes appealed the Final Judgment, and the court of appeals affirmed. Since obtaining the Final Judgment, TETRA has undertaken efforts to collect the judgment in Texas, Utah, Nevada, Massachusetts, and Georgia. TETRA continues to work on identifying potential Orinoco assets and/or engage with the Clarkes to resolve this dispute. During the year ended December 31, 2024, we received a \$0.5 million settlement, which is included in other (income), net in our consolidated statement of operations. We cannot provide any assurance the Clarkes will pay the judgment or that they will not file for bankruptcy protection. If the Clarkes do file for bankruptcy protection, we likely would be unable to collect all, or even a significant portion of, the judgment owed to us.

## **NOTE 12 — CAPITAL STOCK**

Our Restated Certificate of Incorporation, as amended during 2017, authorizes us to issue 250,000,000 shares of common stock, par value \$.01 per share, and 5,000,000 shares of preferred stock, par value \$.01 per share. As of December 31, 2024, we had 131,812,406 shares of common stock outstanding and no shares of preferred stock outstanding. We had 3,138,675 shares held in treasury as of December 31, 2024, 2023, and 2022. The voting, dividend, and liquidation rights of the holders of common stock are subject to the rights of the holders of preferred stock. The holders of common stock are entitled to one vote for each share held. There is no cumulative voting. Dividends may be declared and paid on common stock as determined by our Board of Directors, subject to any preferential dividend rights of any then outstanding preferred stock.



A summary of the activity of our common shares outstanding and treasury shares held for the three-year period ending December 31, 2024, is as follows:

| Common Shares Outstanding             | Year Ended December 31, |             |             |
|---------------------------------------|-------------------------|-------------|-------------|
|                                       | 2024                    | 2023        | 2022        |
| At beginning of period                | 130,079,173             | 128,662,300 | 126,937,163 |
| Grants of restricted stock, net       | 1,732,233               | 1,210,996   | 1,644,728   |
| Exercise of common stock options, net | 1,000                   | 205,877     | 80,409      |
| At end of period                      | 131,812,406             | 130,079,173 | 128,662,300 |

Our Board of Directors is empowered, without approval of the stockholders, to cause shares of preferred stock to be issued in one or more series and to establish the number of shares to be included in each such series and the rights, powers, preferences, and limitations of each series. Because the Board of Directors has the power to establish the preferences and rights of each series, it may afford the holders of any series of preferred stock preferences, powers and rights, voting or otherwise, senior to the rights of holders of common stock. The issuance of the preferred stock could have the effect of delaying or preventing a change in control of the Company.

Upon our dissolution or liquidation, whether voluntary or involuntary, holders of our common stock will be entitled to receive all of our assets available for distribution to our stockholders, subject to any preferential rights of any then outstanding preferred stock.

## NOTE 13 — EQUITY-BASED COMPENSATION AND OTHER

### Equity-Based Compensation

We have various equity incentive compensation plans that provide for the granting of restricted common stock, options for the purchase of our common stock, and other performance-based, equity-based compensation awards to our executive officers, key employees, nonexecutive officers, and directors. Stock options are exercisable for periods of up to ten years. Compensation cost for all share-based payments is based on the grant date fair value and is recognized in earnings over the requisite service period. Total equity-based compensation expense before tax attributed to equity incentive compensation plans for the three years ended December 31, 2024, 2023, and 2022, was \$6.6 million, \$10.6 million, and \$6.9 million, respectively, and is included in general and administrative expense.

### **Stock Incentive Plans**

In May 2007, our stockholders approved the adoption of the TETRA Technologies, Inc. 2007 Equity Incentive Compensation Plan. In May 2008, our stockholders approved the adoption of the TETRA Technologies, Inc. Amended and Restated 2007 Equity Incentive Compensation Plan, which among other changes, resulted in an increase in the maximum number of shares authorized for issuance. In May 2010, our stockholders approved further amendments to the TETRA Technologies, Inc. Amended and Restated 2007 Equity Incentive Compensation Plan (renamed as the 2007 Long Term Incentive Compensation Plan) which, among other changes, resulted in an additional increase in the maximum number of shares authorized for issuance. Pursuant to the 2007 Long Term Incentive Compensation Plan, we were authorized to grant up to 5,590,000 shares in the form of stock options (including incentive stock options and nonqualified stock options); restricted stock; bonus stock; stock appreciation rights; and performance awards to employees, and non-employee directors. As of February 2017, no further awards may be granted under the TETRA Technologies, Inc. Amended and Restated 2007 Equity Incentive Compensation Plan.

In May 2011, our stockholders approved the adoption of the TETRA Technologies, Inc. 2011 Long Term Incentive Compensation Plan. Pursuant to this plan, we were authorized to grant up to 2,200,000 shares in the form of stock options, restricted stock, bonus stock, stock appreciation rights, and performance awards to employees, and non-employee directors. On May 3, 2013, shareholders approved the TETRA Technologies, Inc. 2011 Long Term Incentive Compensation Plan that, among other things, increased the number of authorized shares to 5,600,000. On May 3, 2016, shareholders approved the TETRA Technologies, Inc. Third Amended and Restated 2011 Long Term Incentive Compensation Plan which, among other things, increased the number of authorized shares to 11,000,000. As of May 2018, no further awards may be granted under the TETRA Technologies, Inc. Third Amended and Restated 2011 Long Term Incentive Compensation Plan.



In February 2018, the board of directors adopted the 2018 Inducement Restricted Stock Plan (“2018 Inducement Plan”). The 2018 Inducement Plan provides for grants of restricted stock up to a plan maximum of 1,000,000 shares.

In May 2018, our stockholders approved the adoption of the TETRA Technologies, Inc. 2018 Equity Incentive Plan (“2018 Equity Plan”) and the TETRA Technologies, Inc. 2018 Non-Employee Director Equity Incentive Plan (“2018 Director Plan”). In May 2021, our stockholders approved the First Amended and Restated 2018 Equity Incentive Plan (the “Amended 2018 Equity Plan”), which amended the 2018 Equity Plan and terminated the 2018 Director Plan. Pursuant to the Amended 2018 Equity Plan, we are authorized to grant up to 16,365,000 shares in the form of stock options, restricted stock, restricted stock units, stock appreciation rights, performance units, performance shares, other stock-based awards and cash-based awards to employees and non-employee directors.

### Stock Options

We did not grant any stock options during the years ended December 31, 2024, 2023, and 2022. We have stock options outstanding for awards granted prior to 2022. The following is a summary of stock option activity for the year ended December 31, 2024:

|                                       | Shares Under<br>Option | Weighted<br>Average<br>Option Price<br>Per Share | Weighted-<br>Average<br>Remaining<br>Contractual<br>Life | Aggregate<br>Intrinsic Value |
|---------------------------------------|------------------------|--|--|------------------------------|
|                                       | (In Thousands)         |  |  | (In Thousands)               |
| Outstanding at January 1, 2024        | 2,116                  | \$ 6.26  |  |                              |
| Options canceled                      | (36)                   | \$ 5.80  |  |                              |
| Options exercised                     | (1)                    | \$ 3.87  |  |                              |
| Options expired                       | (250)                  | \$ 11.16   |  |                              |
| Outstanding at December 31, 2024      | 1,829                  | \$ 5.61  | 1.7 years  | \$ —                         |
| Expected to vest at December 31, 2024 | 1,829                  | \$ 5.61  | 1.7 years  | \$ —                         |
| Exercisable at December 31, 2024      | 1,829                  | \$ 5.61  | 1.7 years  | \$ —                         |

Intrinsic value is the difference between the market value of our stock option multiplied by the number of stock options outstanding for those stock options where the market value exceeds their exercise price. The total intrinsic value of stock options exercised during the year ended December 31, 2024, was nominal. There were approximately 1,000, 206,000, and 80,000 options exercised during the years ended December 31, 2024, 2023, and 2022, respectively. At December 31, 2024, total unrecognized compensation cost related to unvested stock options is not significant.

## Restricted Stock

Restricted stock awards and restricted stock units are periodically granted to key employees, including grants for employment inducements, as well as to members of our Board of Directors. These awards historically have provided for vesting periods of up to three years. Non-employee director grants vest in full before the first anniversary of the grant. Upon vesting of restricted stock awards, shares are issued to award recipients. Restricted stock units may be settled in cash or shares at vest, as determined by the Compensation Committee or the Non-Executive Award Committee, as applicable. The following is a summary of activity for our outstanding restricted stock for the year ended December 31, 2024:

|  | Shares         | Weighted Average<br>Grant Date Fair<br>Value Per Share |
|--|----------------|--|
|  | (In Thousands) |  |
| Non-vested restricted stock outstanding at December 31, 2023 | 3,790          | \$ 3.41  |
| Granted  | 2,536          | \$ 4.00  |
| Vested   | (2,542)        | \$ 3.31  |
| Canceled/Forfeited   | (185)          | \$ 3.78  |
| Non-vested restricted stock outstanding at December 31, 2024 | <u>3,599</u>   | <u>\$ 3.88</u>   |

Total compensation cost recognized for restricted stock was \$6.6 million, \$10.6 million, and \$4.5 million for the years ended December 31, 2024, 2023, and 2022, respectively. These amounts include a nominal amount, \$5.0 million and \$2.4 million for the years ended December 31, 2024, 2023, and 2022, respectively, for the portion of awards under short-term incentive plans and long-term incentive plans that were or are expected to be settled with restricted stock awards. Total unrecognized compensation cost at December 31, 2024, related to unvested restricted stock awards, is approximately \$8.1 million which is expected to be recognized over a weighted-average remaining amortization period of 1.6 years. During the years ended December 31, 2024, 2023, and 2022, the total fair value of shares vested was \$8.4 million, \$4.7 million, and \$5.5 million, respectively.

At December 31, 2024, net of options previously exercised pursuant to our various equity compensation plans, we have a maximum of 3,458,158 shares of common stock issuable pursuant to awards previously granted and outstanding and awards authorized to be granted in the future.

### 401(k) Plan

We have a 401(k) retirement plan (the “Plan”) that covers substantially all employees and entitles them to contribute up to 70% of their annual compensation, subject to maximum limitations imposed by the Internal Revenue Code. We match 50% of each employee’s contribution up to 8%. Participants will be 100% vested in employer match contributions after 3 years of service. In addition, we can make discretionary contributions which are allocable to participants in accordance with the Plan. Total expense related to our 401(k) plan was \$2.8 million, \$2.7 million, and \$2.3 million for the years ended December 31, 2024, 2023, and 2022, respectively.

### Deferred Compensation Plan

We provide our officers, directors, and certain key employees with the opportunity to participate in an unfunded, deferred compensation program. There were 6 participants in the program at December 31, 2024. Under the program, participants may defer up to 100% of their yearly total cash compensation. The amounts deferred remain our sole property, and we use a portion of the proceeds to purchase life insurance policies on the lives of certain of the participants. The insurance policies, which also remain our sole property, are payable to us upon the death of the insured. We separately contract with the participant to pay to the participant the amount of deferred compensation, as adjusted for gains or losses, invested in participant-selected investment funds. Participants may elect to receive deferrals and earnings at termination, death, or at a specified future date while still employed. Distributions while employed must be at least three years after the deferral election. The program is not qualified under Section 401 of the Internal Revenue Code. At December 31, 2024, the amounts payable under the plan approximated the value of the corresponding assets we owned.

## NOTE 14 — FAIR VALUE MEASUREMENTS

Fair value is defined as “the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date” within an entity’s principal market, if any. The principal market is the market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity, regardless of whether it is the market in which the entity will ultimately transact for a particular asset or liability or if a different market is potentially more advantageous. Accordingly, this exit price concept may result in a fair value that may differ from the transaction price or market price of the asset or liability.

Under U.S. GAAP, the fair value hierarchy prioritizes inputs to valuation techniques used to measure fair value. Fair value measurements should maximize the use of observable inputs and minimize the use of unobservable inputs, where possible. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs may be needed to measure fair value in situations where there is little or no market activity for the asset or liability at the measurement date and are developed based on the best information available in the circumstances, which could include the reporting entity’s own judgments about the assumptions market participants would utilize in pricing the asset or liability.

### ***Financial Instruments***

#### ***Investments***

We retained an interest in CSI Compressco, which was acquired by Kodiak on April 1, 2024, and we received shares of Kodiak in exchange for our common units in CSI Compressco in connection with such acquisition. We sold our Kodiak shares in January 2025. See Note 18 - “Subsequent Event” for further information. The Company received stock of Standard Lithium under the terms of its arrangements.

Our investments in Kodiak, Standard Lithium, and, formerly, CSI Compressco, are recorded in investments on our consolidated balance sheets based on the quoted market stock price (Level 1 fair value measurements). The stock component of consideration received from Standard Lithium is initially recorded as unearned income based on the quoted market price at the time the stock is received, then recognized in income over the contract term. Changes in the value of stock are recorded in other (income) expense, net in our consolidated statements of operations.

We also hold investments in convertible notes, common units and preferred units issued by two privately-held companies. Our investment in certain preferred units were recorded based on observable market-based inputs for preferred units issued to several investors during August through October 2024 (Level 2 fair value measurement). Our investment in convertible notes, common units and certain preferred units are recorded in our consolidated financial statements based on internal valuations with assistance from a third-party valuation specialist (Level 3 fair value measurement). The valuations are impacted by key assumptions, including the assumed probability and timing of potential debt or equity offerings. One of the convertible notes includes an option to convert the note into equity interests. The change in the fair value of the embedded option, as well as the preferred units and common units, are included in other (income) expense, net in our consolidated statements of operations. The change in the fair value of the convertible note, excluding the embedded option, is included in other comprehensive income (loss) in our consolidated statements of comprehensive income.

The change in our investments for the years ended December 31, 2024, 2023, and 2022 were as follows:

| Year Ended December 31, 2024                                      |  |   |  |                  |
|---|--|---|--|------------------|
| Fair Value Measurements Using                                     |  |   |  |                  |
|   | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>or Liabilities<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total            |
|   | (In Thousands)   |   |  |                  |
| Investment balance at beginning of period                         | \$ 10,154  | \$ —  | \$ 7,200   | \$ 17,354        |
| Purchase of investments   | —  | 1,000   | 21   | 1,021            |
| Reclassification between Level 2 and Level 3<br>fair value        | —  | 350   | (350)  | —                |
| Unrealized gain on equity securities                              | 9,407  | 38  | 1,130  | 10,575           |
| Unrealized loss on embedded option                                | —  | —   | (1,971)  | (1,971)          |
| Unrealized gain on convertible note, excluding<br>embedded option | —  | —   | 1,180  | 1,180            |
| Investment balance at end of period                               | <u>\$ 19,561</u>   | <u>\$ 1,388</u>   | <u>\$ 7,210</u>                                    | <u>\$ 28,159</u> |

|  | Year Ended December 31, 2023   |  |           |
|--|--|--|-----------|
|  | Fair Value Measurements Using  |  |           |
|  | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>or Liabilities<br>(Level 1) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total     |
|  | (In Thousands)   |  |           |
| Investment balance at beginning of period                      | \$ 8,147   | \$ 6,139   | \$ 14,286 |
| Purchase of investments  | —  | 350  | 350       |
| Unrealized gain on equity securities                           | 2,007  | —  | 2,007     |
| Unrealized loss on embedded option                             | —  | (16)   | (16)      |
| Unrealized gain on convertible note, excluding embedded option | —  | 727  | 727       |
| Investment balance at end of period                            | \$ 10,154  | \$ 7,200   | \$ 17,354 |

|  | Year Ended December 31, 2022   |  |           |
|--|--|--|-----------|
|  | Fair Value Measurements Using  |  |           |
|  | Quoted Prices<br>in Active<br>Markets for<br>Identical Assets<br>or Liabilities<br>(Level 1) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total     |
|  | (In Thousands)   |  |           |
| Investment balance at beginning of period                      | \$ 6,233   | \$ 5,000   | \$ 11,233 |
| Unrealized gain on equity securities                           | 1,914  | —  | 1,914     |
| Unrealized gain on embedded option                             | —  | 1,211  | 1,211     |
| Unrealized loss on convertible note, excluding embedded option | —  | (72)   | (72)      |
| Investment balance at end of period                            | \$ 8,147   | \$ 6,139   | \$ 14,286 |

## Derivative Contracts

We are exposed to financial and market risks that affect our businesses. We have concentrations of credit risk as a result of trade receivables owed to us primarily by companies in the energy industry. We have currency exchange rate risk exposure related to transactions denominated in foreign currencies as well as to investments in certain of our international operations. As a result of our variable rate debt facilities, we face market risk exposure related to changes in applicable interest rates. Our financial risk management activities may at times involve, among other measures, the use of derivative financial instruments, such as swap and collar agreements, to hedge the impact of market price risk exposures.

We entered into, and we may in the future enter into, short-term foreign currency forward derivative contracts with third parties as part of a program designed to mitigate the currency exchange rate risk exposure on selected transactions of certain foreign subsidiaries. Although contracts pursuant to this program will serve as an economic hedge of the cash flow of our currency exchange risk exposure, they are not formally designated as hedge contracts or qualify for hedge accounting treatment. Accordingly, any change in the fair value of these derivative instruments during a period will be included in the determination of earnings for that period. The fair values of foreign currency derivative instruments are based on quoted market values (a Level 2 fair value measurement). We did not have foreign currency derivative instruments outstanding as of December 31, 2024 or 2023. During the years ended December 31, 2024, 2023, and 2022, we recognized zero, zero, and \$0.4 million of net losses, respectively, reflected in other income, net, associated with our foreign currency derivative program.

A summary of significant recurring fair value measurements by valuation hierarchy as of December 31, 2024 and 2023, is as follows:

| Description                          | Total as of<br>Dec 31, 2024 | Fair Value Measurements Using   |   |  |
|--------------------------------------|-----------------------------|---|---|--|
|                                      |                             | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>or Liabilities<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |
|                                      |                             |   |   |  |
| (In Thousands)                       |                             |   |   |  |
| Investments in Kodiak <sup>(1)</sup> | \$ 18,393                   | 18,393  | —   | —  |
| Investments in Standard Lithium      | 1,168                       | 1,168   | —   | —  |
| Other investments                    | 8,598                       | —   | 1,388   | 7,210  |
| Investments                          | \$ 28,159                   |   |   |  |

<sup>(1)</sup> Kodiak acquired CSI Compressco on April 1, 2024.

| Description                     | Total as of<br>Dec 31, 2023 | Fair Value Measurements Using  |  |                                       |
|---------------------------------|-----------------------------|--|--|---------------------------------------|
|                                 |                             | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>or Liabilities | Significant<br>Other<br>Observable<br>Inputs | Significant<br>Unobservable<br>Inputs |
|                                 |                             | (Level 1)  | (Level 2)                                    | (Level 3)                             |
|                                 |                             | (In Thousands)   |  |                                       |
| Investments in CSI Compressco   | \$ 8,538                    | 8,538  | —  | —                                     |
| Investments in Standard Lithium | 1,616                       | 1,616  | —  | —                                     |
| Other investments               | 7,200                       | —  | —  | 7,200                                 |
| Investments                     | \$ 17,354                   |  |  |                                       |



### Impairments of Inventory and Long-Lived Assets

During 2024, we recorded a \$0.1 million impairment of our corporate office lease. During 2023, we recorded a \$2.1 million impairment of a facility lease in Scotland within our Completion Fluids & Products Division and we recorded a \$0.8 million impairment of our corporate office lease. The fair values were estimated based on the discounted cash flows from our lease and sublease agreements (a Level 3 fair value measurement) in accordance with the fair value hierarchy.

During the second quarter of 2022, our Completion Fluids & Products and Water & Flowback Services Divisions each recorded certain inventory and long-lived tangible asset impairments. Our Water & Flowback Services Division recorded impairments, including \$1.3 million of equipment, \$0.2 million of inventory, and \$0.5 million for land and buildings. The Completion Fluids & Products Division also recorded a \$0.2 million impairment related to obsolete inventory. The inventory and equipment for both divisions are no longer expected to be used and were written down to zero or scrap value. The fair value of land and buildings of \$0.4 million was estimated based on recent sales price per square acre or square foot of comparable properties (a Level 3 fair value measurement in accordance with the fair value hierarchy).

During the fourth quarter of 2022, our Completion Fluids & Products and Water & Flowback Services Divisions recorded additional long-lived tangible asset impairments totaling \$0.3 million and \$0.1 million, respectively. The Completion Fluids & Products Division impairment relates to equipment that is no longer expected to be used and was written down to estimated scrap value. The long-lived tangible asset impairment recorded by the Water & Flowback Services Division in the fourth quarter of 2022 was a result of storm damage sustained to buildings in December 2022 and remediation work identified during the quarter. The fair value of land and buildings was adjusted to \$0.2 million based on recent sales offers (a Level 3 fair value measurement in accordance with the fair value hierarchy).

### Other

The fair values of cash, restricted cash, accounts receivable, accounts payable, accrued liabilities, short-term borrowings, and long-term debt pursuant to TETRA's Term Credit Agreement, ABL Credit Agreement and Swedish Credit Agreement approximate their carrying amounts.

## **NOTE 15 — INCOME TAXES**

The income tax provision attributable to continuing operations for the years ended December 31, 2024, 2023, and 2022, consists of the following:

|                     | Year Ended December 31, |                 |                 |
|---------------------|-------------------------|-----------------|-----------------|
|                     | 2024                    | 2023            | 2022            |
|                     | (In Thousands)          |                 |                 |
| <b>Current</b>      |                         |                 |                 |
| State               | \$ 348                  | \$ 535          | \$ 130          |
| Foreign             | 9,228                   | 6,419           | 2,898           |
|                     | 9,576                   | 6,954           | 3,028           |
| <b>Deferred</b>     |                         |                 |                 |
| Federal             | (94,799)                | —               | —               |
| State               | (2,751)                 | (41)            | 30              |
| Foreign             | 3,096                   | (693)           | 507             |
|                     | (94,454)                | (734)           | 537             |
| Total tax provision | <u>\$ (84,878)</u>      | <u>\$ 6,220</u> | <u>\$ 3,565</u> |

A reconciliation of the provision (benefit) for income taxes attributable to continuing operations, computed by applying the federal statutory rate to income (loss) before income taxes and the reported income taxes, is as follows:

|   | Year Ended December 31, |                 |                 |
|---|-------------------------|-----------------|-----------------|
|   | 2024                    | 2023            | 2022            |
|   | (In Thousands)          |                 |                 |
| Income tax provision computed at statutory federal income tax rates | \$ 6,036                | \$ 6,657        | \$ 2,345        |
| State income taxes, net of federal benefit                          | 1,225                   | 1,052           | 1,332           |
| Nondeductible expenses  | 1,622                   | 1,399           | 1,270           |
| Impact of international operations                                  | 4,877                   | 1,285           | 1,955           |
| Valuation allowance   | (97,871)                | (3,693)         | (2,980)         |
| Other   | (767)                   | (480)           | (357)           |
| Total tax provision (benefit)                                       | <u>\$ (84,878)</u>      | <u>\$ 6,220</u> | <u>\$ 3,565</u> |

Income (loss) before taxes and discontinued operations includes the following components:

|               | Year Ended December 31, |                  |                  |
|---------------|-------------------------|------------------|------------------|
|               | 2024                    | 2023             | 2022             |
|               | (In Thousands)          |                  |                  |
| Domestic      | \$ (9,130)              | \$ 8,315         | \$ (4,609)       |
| International | 37,872                  | 23,384           | 15,775           |
| Total         | <u>\$ 28,742</u>        | <u>\$ 31,699</u> | <u>\$ 11,166</u> |

As of December 31, 2024 and 2023, we had no unrecognized tax benefits. We do not expect a significant change to the unrecognized tax benefits during the next twelve months.

We file tax returns in the U.S. and in various state, local, and non-U.S. jurisdictions. The following table summarizes the earliest tax years that remain subject to examination by taxing authorities in any major jurisdiction in which we operate:

|                                 | Earliest Open Tax Period |
|---------------------------------|--------------------------|
| United States – Federal         | 2012                     |
| United States – State and Local | 2005                     |
| Non-United States Jurisdictions | 2013                     |

We use the liability method for reporting income taxes, under which current and deferred tax assets and liabilities are recorded in accordance with enacted tax laws and rates. Under this method, at the end of each period, the amounts of deferred tax assets and liabilities are determined using the tax rate expected to be in effect when the taxes are actually paid or recovered. We establish a valuation allowance to reduce the deferred tax assets when it is more likely than not that some portion or all of the deferred tax assets will not be realized. We considered all available evidence, both positive and negative, in determining whether, based on the weight of that evidence, a valuation allowance is needed for some portion or all of our deferred tax assets. In determining the need for a valuation allowance on our deferred tax assets we placed greater weight on recent and objectively verifiable current information, as compared to more forward-looking information that is used in valuating other assets on the balance sheet. While we have considered taxable income in prior carryback years, future reversals of existing taxable temporary differences, future taxable income, and tax planning strategies in assessing the need for the valuation

allowance, there can be no guarantee that we will be able to realize our net deferred tax assets. Significant components of our deferred tax assets and liabilities as of December 31, 2024 and 2023 are as follows:

|   | December 31,      |                   |
|---|-------------------|-------------------|
|   | 2024              | 2023              |
|   | (In Thousands)    |                   |
| Net operating losses  | \$ 89,088         | \$ 94,964         |
| Accruals  | 20,602            | 21,227            |
| Depreciation and amortization for book in excess of tax expense | 9,792             | 10,620            |
| All other   | 13,353            | 10,585            |
| Total deferred tax assets                                       | 132,835           | 137,396           |
| Valuation allowance   | (19,447)          | (116,834)         |
| Net deferred tax assets   | <u>\$ 113,388</u> | <u>\$ 20,562</u>  |
| Right of use assets   | \$ 9,092          | \$ 8,695          |
| Depreciation and amortization for tax in excess of book expense | 2,944             | 5,224             |
| Revenue deferred for tax  | 2,660             | —                 |
| Investments   | 1,570             | 2,886             |
| All other   | 3,885             | 5,126             |
| Total deferred tax liabilities                                  | 20,151            | 21,931            |
| Net deferred tax assets (liabilities)                           | <u>\$ 93,237</u>  | <u>\$ (1,369)</u> |

Deferred tax assets and liabilities are netted by jurisdiction in our consolidated balance sheets. Deferred tax assets and liabilities netted by jurisdiction as of December 31, 2024 and 2023 are as follows:

|                                       | December 31,     |                   |
|---------------------------------------|------------------|-------------------|
|                                       | 2024             | 2023              |
|                                       | (In Thousands)   |                   |
| Deferred tax assets                   | \$ 98,149        | \$ 910            |
| Deferred tax liabilities              | (4,912)          | (2,279)           |
| Net deferred tax assets (liabilities) | <u>\$ 93,237</u> | <u>\$ (1,369)</u> |

As of December 31, 2024, a significant portion of our deferred tax assets were United States (federal and state) assets, which include net operating loss carryforwards, tax credit carryforwards as well as temporary differences between GAAP and tax basis that will result in future tax deductions in excess of book. Significant management judgment is required in determining the period in which a reversal of a valuation allowance should occur. We are required to consider all available evidence, both positive and negative, such as historical levels of income and future forecasts of taxable income among other items, in determining whether a full or partial release of its valuation allowance is required. During the years ended December 31, 2024, 2023, and 2022, we expect to utilize or have utilized approximately \$19.3 million, \$40.2 million and \$37.3 million, respectively of federal net operating losses in the United States. During the year ended December 31, 2024, in part because we achieved three years of cumulative pretax income in the United States tax jurisdiction, after adjusting for permanent book and tax differences, which is a positive indication of our ability to generate sufficient future taxable income, we determined that there was sufficient positive evidence to conclude that it is more likely than not that additional deferred taxes are realizable and, therefore, released the valuation allowance accordingly. For the year ended December 31, 2024, we recorded a net United States federal and state valuation allowance release of \$97.5 million on the basis of our reassessment of the amount of its deferred tax assets that are more likely than not to be realized. Our accounting for deferred tax consequences represents the best estimate of those future events. The \$97.4 million decrease in the valuation allowance during the year ended December 31, 2024 is primarily due to the recorded net United States federal and state valuation allowance release.

At December 31, 2024, we had deferred tax assets associated with federal, state, and foreign net operating loss carryforwards/carrybacks equal to approximately \$72.4 million, \$9.0 million, and \$7.7 million, respectively. In those countries and states in which net operating losses are subject to an expiration period, our loss carryforwards,

if not utilized, will expire at various dates from 2025 through 2043. Utilization of the net operating loss and credit carryforwards may be subject to a significant annual limitation due to ownership changes that have occurred previously or could occur in the future provided by Section 382 of the Internal Revenue Code.

#### NOTE 16 — NET INCOME PER SHARE

The following is a reconciliation of the weighted average number of common shares outstanding with the number of shares used in the computations of net income per common and common equivalent share:

|  | Year Ended December 31, |         |         |
|--|-------------------------|---------|---------|
|  | 2024                    | 2023    | 2022    |
|  | (In Thousands)          |         |         |
| Number of weighted average common shares outstanding         | 131,279                 | 129,568 | 128,082 |
| Assumed exercise of restricted stock units and stock options | 952                     | 1,675   | 1,696   |
| Average diluted shares outstanding                           | 132,231                 | 131,243 | 129,778 |

#### NOTE 17 — INDUSTRY SEGMENTS AND GEOGRAPHIC INFORMATION

We manage our operations through two divisions: Completion Fluids & Products Division and Water & Flowback Services Division. Transfers between segments and geographic areas are priced at the estimated fair value of the products or services as negotiated between the operating units.

Summarized financial information concerning the business segments is as follows:

|   | Year Ended<br>December 31, 2024    |                                 |                    |                   |
|---|------------------------------------|---------------------------------|--------------------|-------------------|
|   | Completion<br>Fluids &<br>Products | Water &<br>Flowback<br>Services | Corporate          | Total             |
|   | (In Thousands)                     |                                 |                    |                   |
| <b>Revenue</b>  | <b>\$ 311,301</b>                  | <b>\$ 287,810</b>               | <b>\$ —</b>        | <b>\$ 599,111</b> |
| Cost of product sales and services                                | 192,263                            | 231,165                         | —                  | 423,428           |
| Depreciation, amortization, and accretion                         | 9,733                              | 25,631                          | 357                | 35,721            |
| Impairments and other charges                                     | —                                  | —                               | 109                | 109               |
| General and administrative expense                                | 25,754                             | 19,116                          | 45,099             | 89,969            |
| Interest (income) expense, net                                    | (713)                              | 64                              | 23,114             | 22,465            |
| Loss on debt extinguishment                                       | —                                  | —                               | 5,535              | 5,535             |
| Other (income) expense, net                                       | 1,369                              | 1,134                           | (9,361)            | (6,858)           |
| <b>Net income (loss) before taxes and discontinued operations</b> | <b>\$ 82,895</b>                   | <b>\$ 10,700</b>                | <b>\$ (64,853)</b> | <b>\$ 28,742</b>  |
| <b>Capital expenditures</b>                                       | <b>\$ 36,961</b>                   | <b>\$ 23,442</b>                | <b>\$ 277</b>      | <b>\$ 60,680</b>  |

|                     | December 31, 2024 |                   |                   |                   |
|---------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Total assets</b> | <b>\$ 290,788</b> | <b>\$ 158,475</b> | <b>\$ 155,932</b> | <b>\$ 605,195</b> |

|   | Year Ended<br>December 31, 2023    |                                 |                    |                   |
|---|------------------------------------|---------------------------------|--------------------|-------------------|
|   | Completion<br>Fluids &<br>Products | Water &<br>Flowback<br>Services | Corporate          | Total             |
|   | (In Thousands)                     |                                 |                    |                   |
| <b>Revenue</b>  | <b>\$ 313,030</b>                  | <b>\$ 313,232</b>               | <b>\$ —</b>        | <b>\$ 626,262</b> |
| Cost of product sales and services                                | 196,954                            | 241,218                         | —                  | 438,172           |
| Depreciation, amortization, and accretion                         | 9,053                              | 24,876                          | 400                | 34,329            |
| Impairments and other charges                                     | 2,189                              | —                               | 777                | 2,966             |
| Insurance recoveries  | (2,850)                            | —                               | —                  | (2,850)           |
| Exploration and pre-development costs                             | 12,119                             | —                               | —                  | 12,119            |
| General and administrative expense                                | 28,003                             | 19,452                          | 49,135             | 96,590            |
| Interest (income) expense, net                                    | (646)                              | 205                             | 22,790             | 22,349            |
| Other (income) expense, net                                       | (10,106)                           | 1,757                           | (763)              | (9,112)           |
| <b>Net income (loss) before taxes and discontinued operations</b> | <b>\$ 78,314</b>                   | <b>\$ 25,724</b>                | <b>\$ (72,339)</b> | <b>\$ 31,699</b>  |
| <b>Capital expenditures</b>                                       | <b>\$ 11,073</b>                   | <b>\$ 26,571</b>                | <b>\$ 508</b>      | <b>\$ 38,152</b>  |

|                     | December 31, 2023 |                   |                  |                   |
|---------------------|-------------------|-------------------|------------------|-------------------|
| <b>Total assets</b> | <b>\$ 249,911</b> | <b>\$ 166,325</b> | <b>\$ 62,725</b> | <b>\$ 478,961</b> |



|   | Year Ended<br>December 31, 2022    |                                 |                    |              |                   |
|---|------------------------------------|---------------------------------|--------------------|--------------|-------------------|
|   | Completion<br>Fluids &<br>Products | Water &<br>Flowback<br>Services | Corporate          | Eliminations | Total             |
|   | (In Thousands, Except Percents)    |                                 |                    |              |                   |
| <b>Revenue</b>  | <b>\$ 273,373</b>                  | <b>\$ 279,840</b>               | <b>\$ —</b>        | <b>\$ —</b>  | <b>\$ 553,213</b> |
| Cost of product sales and services                                | 182,388                            | 217,841                         | —                  | —            | 400,229           |
| Depreciation, amortization, and accretion                         | 7,455                              | 24,683                          | 692                | (11)         | 32,819            |
| Impairments and other charges                                     | 562                                | 2,242                           | —                  | —            | 2,804             |
| Insurance recoveries  | (3,750)                            | —                               | —                  | —            | (3,750)           |
| Exploration and pre-development costs                             | 6,635                              | —                               | —                  | —            | 6,635             |
| General and administrative expense                                | 25,246                             | 21,619                          | 45,077             | —            | 91,942            |
| Interest (income) expense, net                                    | (1,346)                            | 138                             | 17,041             | —            | 15,833            |
| Other income, net   | (1,183)                            | (2,415)                         | (867)              | —            | (4,465)           |
| <b>Net income (loss) before taxes and discontinued operations</b> | <b>\$ 57,366</b>                   | <b>\$ 15,732</b>                | <b>\$ (61,943)</b> | <b>\$ 11</b> | <b>\$ 11,166</b>  |
| <b>Capital expenditures</b>                                       | <b>\$ 9,426</b>                    | <b>\$ 30,431</b>                | <b>\$ 199</b>      | <b>\$ —</b>  | <b>\$ 40,056</b>  |

Summarized financial information concerning the geographic areas of our customers and in which we operate at December 31, 2024, 2023, and 2022, is presented below:

|   | Year Ended December 31, |                   |                   |
|---|-------------------------|-------------------|-------------------|
|   | 2024                    | 2023              | 2022              |
|   | (In Thousands)          |                   |                   |
| <b>Revenues from external customers</b> |                         |                   |                   |
| United States                           | \$ 399,141              | \$ 417,663        | \$ 391,964        |
| Europe                                  | 112,940                 | 116,838           | 89,077            |
| South America                           | 56,574                  | 57,700            | 30,560            |
| Canada and Mexico                       | 343                     | 1,863             | 2,213             |
| Africa                                  | 87                      | 300               | 2,826             |
| Middle East, Asia and other             | 30,026                  | 31,898            | 36,573            |
| <b>Total revenues</b>                   | <b>\$ 599,111</b>       | <b>\$ 626,262</b> | <b>\$ 553,213</b> |

Our chief executive officer is considered the chief operating decision maker. We generally evaluate the performance of and allocate resources to our segments based on net income (loss) before taxes, return on investment and other criteria. Resources for each segment, including employees and financial or capital resources, are allocated predominantly through the annual budget as well as the annual and monthly forecasting process.

As of December 31, 2024 and 2023, no single customer represented more than 10% of our consolidated trade accounts receivables, net of allowance for credit losses. During each of the years ended December 31, 2024, 2023, and 2022, no single customer accounted for more than 10% of our consolidated revenues.

|                             | December 31,      |                   |
|-----------------------------|-------------------|-------------------|
|                             | 2024              | 2023              |
|                             | (In Thousands)    |                   |
| <b>Identifiable assets</b>  |                   |                   |
| United States               | \$ 444,064        | \$ 318,501        |
| Europe                      | 79,312            | 85,948            |
| South America               | 66,912            | 57,440            |
| Canada and Mexico           | 679               | 800               |
| Africa                      | 3,175             | 3,386             |
| Middle East, Asia and other | 11,053            | 12,886            |
| Total identifiable assets   | <u>\$ 605,195</u> | <u>\$ 478,961</u> |

#### NOTE 18 — SUBSEQUENT EVENTS

In January 2025, we sold our Kodiak shares for proceeds of \$19.0 million, net of transaction and broker fees. We will record a net gain of \$0.6 million from the sale of our Kodiak shares during the first quarter of 2025.

The Company has evaluated subsequent events through the filing of this Annual Report on Form 10-K and determined that there have been no other events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.