

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

FORM 8-K  
CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(D) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): November 8, 2023



**Ascent Industries Co.**

(Exact name of registrant as specified in its charter)

|  |  |  |
|--|--|--|
| <b>Delaware</b><br><i>(State or other jurisdiction of incorporation or organization)</i>                       | <b>0-19687</b><br><i>(Commission File Number)</i>                                    | <b>57-0426694</b><br><i>(I.R.S. Employer Identification No.)</i> |
| <b>1400 16th Street, Suite 270,<br/>Oak Brook, Illinois</b><br><i>(Address of principal executive offices)</i> | <b>(630) 884-9181</b><br><i>(Registrant's telephone number, including area code)</i> | <b>60523</b><br><i>(Zip Code)</i>                                |
| <b>Inapplicable</b><br><i>(Former name or former address if changed since last report)</i>                     |  |  |

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

| <u>Title of each class</u>               | <u>Trading Symbol</u> | <u>Name of exchange on which registered</u> |
|--|-----------------------|---|
| Common Stock, par value \$1.00 per share | ACNT                  | NASDAQ Global Market                        |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

On November 8, 2023, Ascent Industries Co ("the Company") issued a press release announcing financial information for its third quarter ended September 30, 2023. The press release is attached as Exhibit 99.1 to this Form 8-K and is furnished to, but not filed with, the Commission.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

Exhibit Number

Description of Exhibit

[99.1](#)

[Ascent Industries Co. Press Release dated November 8, 2023](#)

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Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURE**

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

Dated: November 8, 2023

**Ascent Industries Co**

By: /s/ William S. Steckel

William S. Steckel

Chief Financial Officer



## Ascent Industries Reports Third Quarter 2023 Results

**Oak Brook, Illinois, November 8, 2023** – Ascent Industries Co. (Nasdaq: ACNT) (“Ascent” or the “Company”), an industrials company focused on the production and distribution of industrial tubular products and specialty chemicals, is reporting its results for the third quarter ended September 30, 2023.

### **Third Quarter 2023 Summary - Continuing Operations<sup>1</sup>**

| <i>(in millions, except per share and margin)</i> | <b>Q3 2023</b> | <b>Q3 2022</b> | <b>Change</b> |
|---|----------------|----------------|---------------|
| Net Sales   | \$56.1         | \$78.2         | -28.3%        |
| Gross Profit                                      | \$6.0          | \$14.1         | -57.3%        |
| Gross Profit Margin                               | 10.7%          | 18.0%          | -730bps       |
| Net Income (Loss)                                 | \$(12.8)       | \$3.1          | -511.2%       |
| Diluted Earnings (Loss) per Share                 | \$(1.26)       | \$0.30         | -520.0%       |
| Adjusted EBITDA                                   | \$0.9          | \$8.2          | -88.5%        |
| Adjusted EBITDA Margin                            | 1.7%           | 10.5%          | -880bps       |

<sup>1</sup>On June 2, 2023, the Board of Directors of Ascent made the decision to permanently cease operations at the Company’s welded pipe and tube facility located in Munhall, PA (“Munhall”) effective on August 31, 2023. As a result, financial results from Munhall have been categorized into discontinued operations.

### **Management Commentary**

“After a challenging first half of the year, we were pleased to begin seeing signs of improvement within our operations during the third quarter,” said Chris Hutter, president and CEO of Ascent. “Challenging macro-economic volatility continues to play a factor in overall end market demand, which impacted sales volumes in both our segments during the quarter. Despite this, our sales teams remained diligent in their efforts to uncover demand, and we believe we are building a healthier backlog across the board. We were also proud to appoint Bryan Kitchen as the new president of Ascent Chemicals. In the few weeks that Bryan has been onboard, he has already made significant contributions to our chemicals segment, and we look forward to the success we believe he will bring.

“While there is still much work to be done to return to acceptable levels of profitability, we do believe that we have turned the corner operationally and are continuing to make progress stabilizing the business. We remain determined to hit our long-term strategic goals and believe the operational moves we made in 2023 were necessary to achieve those goals. Although broader economic uncertainty continues to hamper sales volumes in both our segments, we believe that we have the right leadership in place to capitalize on our market position heading into 2024.”

### **Third Quarter 2023 Financial Results**

Net sales from continuing operations were \$56.1 million compared to \$78.2 million in the prior year period. The decrease is primarily due to continued lower overall sales volumes and lower average selling prices within both the tubular products and specialty chemicals segments.

Gross profit from continuing operations was \$6.0 million, or 10.7% of net sales, compared to \$14.1 million, or 18.0% of net sales, in the third quarter of 2022. The decrease is primarily attributable to the decline in net sales in addition to lower product margin.

Net loss from continuing operations was \$12.8 million, or \$(1.26) diluted loss per share, compared to net income from continuing operations of \$3.1 million, or \$0.30 diluted earnings per share, in the third quarter of 2022. The decrease is primarily attributable to the \$11.4 million goodwill impairment within the specialty chemicals segment, along with the aforementioned decline in gross profit.

Adjusted EBITDA was \$0.9 million compared to \$8.2 million in the third quarter of 2022. Adjusted EBITDA margin was 1.7% compared to 10.5% in the prior year period. The decrease is primarily attributable to the Company's aforementioned decline in net sales.

### **Segment Results**

*Ascent Tubular* – net sales from continuing operations in the third quarter of 2023 were \$36.1 million compared to \$50.6 million in the third quarter of 2022. Operating income from continuing operations in the third quarter was \$1.7 million compared to operating income from continuing operations of \$7.6 million in the prior year period. Adjusted EBITDA from continuing operations in the third quarter was \$2.6 million compared to \$8.9 million in the prior year period. As a percentage of segment net sales, adjusted EBITDA was 7.3% compared to 17.6% in the third quarter of 2022.

*Ascent Chemicals* – net sales in the third quarter of 2023 were \$20.1 million compared to \$27.3 million in the third quarter of 2022. Operating loss in the third quarter was \$(11.5) million compared to operating income of \$1.1 million in the prior year period. Adjusted EBITDA in the third quarter was \$1.0 million compared to \$2.7 million in the prior year period. As a percentage of segment net sales, adjusted EBITDA was 5.2% compared to 10.0% in the third quarter of 2022.

### **Liquidity**

As of September 30, 2023, total debt was \$53.0 million under the Company's revolving credit facility, compared to \$71.5 million in debt at December 31, 2022. As of September 30, 2023, the Company had \$41.8 million of remaining available borrowing capacity under its revolving credit facility, compared to \$37.6 million at December 31, 2022.

During the third quarter of 2023, the Company repurchased 44,799 shares at an average cost of \$8.87 per share for approximately \$0.4 million, bringing total year-to-date repurchases for 2023 to 95,955 shares. The Company currently has 584,024 shares remaining under its share repurchase authorization.

### **Conference Call**

Ascent will conduct a conference call today at 5:00 p.m. Eastern time to discuss its results for the third quarter ended September 30, 2023.

Ascent management will host the conference call, followed by a question-and-answer period.

Date: Wednesday, November 8, 2023

Time: 5:00 p.m. Eastern time

Live Call Registration Link: [Here](#)

Webcast Registration Link: [Here](#)

Please call the conference telephone number five minutes prior to the start time. An operator will register your name and organization. If you have any difficulty connecting with the conference call, please contact Gateway Group at 1-949-574-3860.

The conference call will also be broadcast live and available for replay [here](#). The webcast will be archived for one year in the investor relations section of the Company's website at [www.ascentco.com](http://www.ascentco.com).

### **About Ascent Industries Co.**

Ascent Industries Co. (Nasdaq: ACNT) is a company that engages in a number of diverse business activities including the production of stainless steel, the master distribution of seamless carbon pipe and tube, and the production of specialty chemicals. For more information about Ascent, please visit its web site at [www.ascentco.com](http://www.ascentco.com).

### **Forward-Looking Statements**

This press release may include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 and other applicable federal securities laws. All statements that are not historical facts are forward-looking statements. Forward looking statements can be identified through the use of words such as "estimate," "project," "intend," "expect," "believe," "should," "anticipate," "hope," "optimistic," "plan," "outlook," "should," "could," "may" and similar expressions. The forward-looking statements are subject to certain risks and uncertainties which could cause actual results to differ materially from historical results or those anticipated. Readers are cautioned not to place undue reliance on these forward-looking statements and to review the risks as set forth in more detail in Ascent Industries Co.'s Securities and Exchange Commission filings, including our Annual Report on Form 10-K, which filings are available from the SEC or on our website. Ascent Industries Co. assumes no obligation to update any forward-looking information included in this release.

### **Non-GAAP Financial Information**

Financial statement information included in this earnings release includes non-GAAP (Generally Accepted Accounting Principles) measures and should be read along with the accompanying tables which provide a reconciliation of non-GAAP measures to GAAP measures.

Adjusted EBITDA is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results to determine the value of a company. An item is excluded in the measure if its periodic value is inconsistent and sufficiently material that not identifying the item would render period comparability less meaningful to the reader or if including the item provides a clearer representation of normalized periodic earnings. The Company excludes in Adjusted EBITDA two categories of items: 1) Base EBITDA components, including: interest expense (including change in fair value of interest rate swap), income taxes, depreciation and amortization, and 2) Material transaction costs including: goodwill impairment, asset impairment, gain on lease modification, stock-based compensation, non-cash lease cost, acquisition costs and other fees, proxy contest costs and recoveries, loss on extinguishment of debt, earn-out adjustments, realized and unrealized (gains) and losses on investments in equity securities and other investments, retention costs and restructuring & severance costs from net income.

Management believes that these non-GAAP measures are useful because they are key measures used by our management team to evaluate our operating performance, generate future operating plans and make strategic decisions as well as allow readers to compare the financial results between periods. Non-GAAP measures should not be considered as an alternative to any measure of performance or financial condition as promulgated under GAAP, and investors should consider the Company's performance and financial condition as reported under GAAP and all other relevant information when assessing the performance or financial condition of the Company. Non-GAAP measures have limitations as analytical tools, and investors should not consider them in isolation or as a substitute for analysis of the Company's results or financial condition as reported under GAAP.

### **Company Contact**

Bill Steckel  
Chief Financial Officer  
1-630-884-9181

### **Investor Relations**

Cody Slach and Cody Cree  
Gateway Group, Inc.  
1-949-574-3860  
[ACNT@gateway-grp.com](mailto:ACNT@gateway-grp.com)

**Ascent Industries Co.**  
**Condensed Consolidated Balance Sheets**  
(in thousands, except par value and share data)

|  | (Unaudited)        |                   |
|--|--------------------|-------------------|
|  | September 30, 2023 | December 31, 2022 |
| <b>Assets</b>  |                    |                   |
| Current assets:  |                    |                   |
| Cash and cash equivalents  | \$ 730             | \$ 1,440          |
| Accounts receivable, net of allowance for credit losses of \$1,105 and \$762, respectively   | 32,910             | 37,062            |
| Inventories  | 83,044             | 85,572            |
| Prepaid expenses and other current assets  | 8,775              | 7,802             |
| Assets held for sale   | 8,956              | 380               |
| Current assets of discontinued operations  | 620                | 38,120            |
| Total current assets   | 135,035            | 170,376           |
| Property, plant and equipment, net   | 31,981             | 37,045            |
| Right-of-use assets, operating leases, net   | 28,170             | 29,198            |
| Goodwill   | —                  | 11,389            |
| Intangible assets, net   | 8,872              | 10,001            |
| Deferred income taxes  | 9,217              | 1,353             |
| Deferred charges, net  | 128                | 203               |
| Other non-current assets, net  | 1,782              | 1,861             |
| Long-term assets of discontinued operations  | 6                  | 7,617             |
| <b>Total assets</b>  | <b>\$ 215,191</b>  | <b>\$ 269,043</b> |
| <b>Liabilities and Shareholders' Equity</b>  |                    |                   |
| Current liabilities:   |                    |                   |
| Accounts payable   | \$ 25,758          | \$ 19,623         |
| Accrued expenses and other current liabilities   | 5,608              | 6,039             |
| Current portion of note payable  | 630                | 387               |
| Current portion of long-term debt  | 2,464              | 2,464             |
| Current portion of operating lease liabilities   | 1,132              | 1,029             |
| Current portion of finance lease liabilities   | 296                | 280               |
| Current liabilities of discontinued operations   | 970                | 3,656             |
| Total current liabilities  | 36,858             | 33,478            |
| Long-term debt   | 50,543             | 69,085            |
| Long-term portion of operating lease liabilities   | 30,051             | 30,911            |
| Long-term portion of finance lease liabilities   | 1,378              | 1,242             |
| Other long-term liabilities  | 59                 | 68                |
| Total non-current liabilities  | 82,031             | 101,306           |
| <b>Total liabilities</b>   | <b>\$ 118,889</b>  | <b>\$ 134,784</b> |
| Commitments and contingencies  |                    |                   |
| Shareholders' equity:  |                    |                   |
| Common stock, par value \$1 per share; 24,000,000 shares authorized; 11,085,103 and 10,120,281 shares issued and outstanding, respectively | \$ 11,085          | \$ 11,085         |
| Capital in excess of par value   | 47,189             | 47,021            |
| Retained earnings  | 47,379             | 85,146            |
| Total shareholders' equity   | 105,653            | 143,252           |
| Less: cost of common stock in treasury - 964,822 and 924,504 shares, respectively  | (9,351)            | (8,993)           |
| Total shareholders' equity   | 96,302             | 134,259           |
| <b>Total liabilities and shareholders' equity</b>  | <b>\$ 215,191</b>  | <b>\$ 269,043</b> |

Note: The condensed consolidated balance sheets at December 31, 2022 have been derived from the audited consolidated financial statements at that date.

**Ascent Industries Co.**  
**Condensed Consolidated Statements of Income (Loss) - Comparative Analysis (Unaudited)**  
(\$ in thousands, except per share data)

|  | Three Months Ended<br>September 30, |           | Nine Months Ended<br>September 30, |            |
|--|-------------------------------------|-----------|------------------------------------|------------|
|  | 2023                                | 2022      | 2023                               | 2022       |
| <b>Net sales</b>   |                                     |           |                                    |            |
| Tubular Products   | \$ 36,061                           | \$ 50,606 | \$ 118,983                         | \$ 162,059 |
| Specialty Chemicals  | 20,052                              | 27,328    | 65,164                             | 84,070     |
| All Other  | —                                   | 287       | 50                                 | 401        |
|  | 56,113                              | 78,221    | 184,197                            | 246,530    |
| <b>Operating income (loss) from continuing operations</b>            |                                     |           |                                    |            |
| Tubular Products   | 1,705                               | 7,640     | 3,264                              | 34,761     |
| Specialty Chemicals  | (11,481)                            | 1,097     | (10,935)                           | 6,111      |
| All Other  | (132)                               | (13)      | (684)                              | (330)      |
| <b>Corporate</b>   |                                     |           |                                    |            |
| Unallocated corporate expenses                                       | (2,859)                             | (3,890)   | (9,314)                            | (10,241)   |
| Acquisition costs and other  | —                                   | (149)     | (274)                              | (837)      |
| Total Corporate  | (2,859)                             | (4,039)   | (9,588)                            | (11,078)   |
| Operating income (loss)  | (12,767)                            | 4,685     | (17,943)                           | 29,464     |
| Interest expense   | 1,063                               | 827       | 3,217                              | 1,637      |
| Other, net   | (97)                                | (118)     | (344)                              | (176)      |
| Income (loss) from continuing operations before income taxes         | (13,733)                            | 3,976     | (20,816)                           | 28,003     |
| Income tax provision (benefit)                                       | (964)                               | 871       | (2,350)                            | 4,069      |
| Income (loss) from continuing operations                             | (12,769)                            | 3,105     | (18,466)                           | 23,934     |
| Loss from discontinued operations, net of tax                        | (5,163)                             | (2,481)   | (19,301)                           | (1,993)    |
| <b>Net income (loss)</b>   | \$ (17,932)                         | \$ 624    | \$ (37,767)                        | \$ 21,941  |
| <b>Net income (loss) per common share from continuing operations</b> |                                     |           |                                    |            |
| Basic  | \$ (1.26)                           | \$ 0.30   | \$ (1.82)                          | \$ 2.34    |
| Diluted  | \$ (1.26)                           | \$ 0.30   | \$ (1.82)                          | \$ 2.30    |
| <b>Net loss per common share from discontinued operations</b>        |                                     |           |                                    |            |
| Basic  | \$ (0.51)                           | \$ (0.24) | \$ (1.90)                          | \$ (0.19)  |
| Diluted  | \$ (0.51)                           | \$ (0.24) | \$ (1.90)                          | \$ (0.19)  |
| <b>Net income (loss) per common share</b>                            |                                     |           |                                    |            |
| Basic  | \$ (1.77)                           | \$ 0.06   | \$ (3.72)                          | \$ 2.14    |
| Diluted  | \$ (1.77)                           | \$ 0.06   | \$ (3.72)                          | \$ 2.11    |
| <b>Average shares outstanding</b>                                    |                                     |           |                                    |            |
| Basic  | 10,135                              | 10,253    | 10,151                             | 10,235     |
| Diluted  | 10,135                              | 10,465    | 10,151                             | 10,407     |
| <b>Other data:</b>   |                                     |           |                                    |            |
| Adjusted EBITDA <sup>1</sup>   | \$ 944                              | \$ 8,214  | \$ 778                             | \$ 38,894  |

<sup>1</sup>The term Adjusted EBITDA is a non-GAAP financial measure that the Company believes is useful to investors in evaluating its results to determine the value of a company. An item is excluded in the measure if its periodic value is inconsistent and sufficiently material that not identifying the item would render period comparability less meaningful to the reader or if including the item provides a clearer representation of normalized periodic earnings. The Company excludes in Adjusted EBITDA two categories of items: 1) Base EBITDA components, including: interest expense (including change in fair value of interest rate swap), income taxes, depreciation and amortization, and 2) Material transaction costs including: goodwill impairment, asset impairment, gain on lease modification, stock-based compensation, non-cash lease cost, acquisition costs and other fees, proxy contest costs and recoveries, loss on extinguishment of debt, earn-out adjustments, realized and unrealized (gains) and losses on investments in equity securities and other investments, retention costs and restructuring & severance costs from net income. For a reconciliation of this non-GAAP measure to the most comparable GAAP equivalent, refer to the Reconciliation of Net Income (Loss) to Adjusted EBITDA.



**Ascent Industries Co.**  
**Consolidated Statements of Cash Flows (Unaudited)**  
(\$ in thousands)

|  | <b>Nine Months Ended September 30,</b> |                |
|--|--|----------------|
|  | <b>2023</b>                            | <b>2022</b>    |
| <b>Operating activities</b>  |  |                |
| Net income (loss)  | \$ (37,767)                            | \$ 21,941      |
| Loss from discontinued operations, net of tax  | (19,301)                               | (1,993)        |
| Net income (loss) from continuing operations   | (18,466)                               | 23,934         |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: |  |                |
| Depreciation expense   | 4,833                                  | 4,950          |
| Amortization expense   | 1,128                                  | 2,440          |
| Amortization of debt issuance costs  | 75                                     | 75             |
| Goodwill impairment  | 11,389                                 | —              |
| Deferred income taxes  | (7,864)                                | (1,227)        |
| Payments of earn-out liabilities in excess of acquisition date fair value                | —                                      | (372)          |
| Provision for losses on accounts receivable  | 2,199                                  | 608            |
| Provision for losses on inventories  | 343                                    | 1,372          |
| Loss on disposal of property, plant and equipment  | 182                                    | 31             |
| Non-cash lease expense   | 205                                    | 322            |
| Issuance of treasury stock for director fees   | —                                      | 364            |
| Stock-based compensation expense   | 718                                    | 951            |
| Changes in operating assets and liabilities:   |  |                |
| Accounts receivable  | 3,809                                  | (6,210)        |
| Inventories  | 526                                    | (30,252)       |
| Other assets and liabilities   | 323                                    | (515)          |
| Accounts payable   | 5,934                                  | 10,154         |
| Accrued expenses   | (430)                                  | (1,508)        |
| Accrued income taxes   | (772)                                  | 555            |
| Net cash provided by operating activities - continuing operations                        | 4,132                                  | 5,672          |
| Net cash provided by (used in) operating activities - discontinued operations            | 17,395                                 | (4,679)        |
| <b>Net cash provided by operating activities</b>   | <b>21,527</b>                          | <b>993</b>     |
| <b>Investing activities</b>  |  |                |
| Purchases of property, plant and equipment   | (2,660)                                | (2,875)        |
| Proceeds from disposal of property, plant and equipment                                  | —                                      | 5              |
| Net cash used in investing activities - continuing operations                            | (2,660)                                | (2,870)        |
| Net cash used in investing activities - discontinued operations                          | (145)                                  | (592)          |
| <b>Net cash used in investing activities</b>   | <b>(2,805)</b>                         | <b>(3,462)</b> |
| <b>Financing activities</b>  |  |                |
| Borrowings from long-term debt   | 201,588                                | 352,513        |
| Proceeds from note payable   | 900                                    | 967            |
| Proceeds from the exercise of stock options  | —                                      | 175            |
| Payments on long-term debt   | (220,130)                              | (350,311)      |
| Payments on note payable   | (657)                                  | (387)          |
| Principal payments on finance lease obligations  | (231)                                  | (193)          |
| Payments on earn-out liabilities   | —                                      | (484)          |
| Repurchase of common stock   | (903)                                  | (492)          |
| Net cash provided by (used in) financing activities - continuing operations              | (19,433)                               | 1,788          |
| Net cash used in financing activities - discontinued operations                          | —                                      | (808)          |
| <b>Net cash used in financing activities</b>   | <b>(19,433)</b>                        | <b>980</b>     |
| Decrease in cash and cash equivalents  | (711)                                  | (1,489)        |
| Less: Cash and cash equivalents of discontinued operations                               | 1                                      | 4              |
| <b>Cash and cash equivalents, beginning of period</b>                                    | <b>1,440</b>                           | <b>2,017</b>   |
| <b>Cash and cash equivalents, end of period</b>  | <b>\$ 730</b>                          | <b>\$ 532</b>  |

**Ascent Industries Co.**  
**Non-GAAP Financial Measures Reconciliation**  
**Reconciliation of Net Income (Loss) to Adjusted EBITDA (Unaudited)**  
**(\$ in thousands)**

|  | Three Months Ended<br>September 30, |          | Nine Months Ended<br>September 30, |           |
|--|-------------------------------------|----------|------------------------------------|-----------|
|  | 2023                                | 2022     | 2023                               | 2022      |
| <i>(\$ in thousands)</i>                     |                                     |          |                                    |           |
| <b>Consolidated</b>                          |                                     |          |                                    |           |
| Net income (loss) from continuing operations | \$ (12,769)                         | \$ 3,105 | \$ (18,466)                        | \$ 23,934 |
| Adjustments:                                 |                                     |          |                                    |           |
| Interest expense                             | 1,063                               | 827      | 3,217                              | 1,637     |
| Income taxes                                 | (964)                               | 871      | (2,350)                            | 4,069     |
| Depreciation                                 | 1,590                               | 1,748    | 4,833                              | 4,950     |
| Amortization                                 | 376                                 | 1,098    | 1,129                              | 2,440     |
| EBITDA                                       | (10,704)                            | 7,649    | (11,637)                           | 37,030    |
| Acquisition costs and other                  | 42                                  | 149      | 323                                | 836       |
| Goodwill impairment                          | 11,389                              | —        | 11,389                             | —         |
| Gain on lease modification                   | —                                   | —        | —                                  | (2)       |
| Stock-based compensation                     | 142                                 | 307      | 389                                | 697       |
| Non-cash lease expense                       | 69                                  | 109      | 205                                | 323       |
| Retention expense                            | 6                                   | —        | 6                                  | —         |
| Restructuring and severance costs            | —                                   | —        | 103                                | 10        |
| Adjusted EBITDA                              | \$ 944                              | \$ 8,214 | \$ 778                             | \$ 38,894 |
| % sales                                      | 1.7 %                               | 10.5 %   | 0.4 %                              | 15.8 %    |
| <b>Tubular Products</b>                      |                                     |          |                                    |           |
| Net income from continuing operations        | \$ 1,705                            | \$ 7,640 | \$ 3,265                           | \$ 34,760 |
| Adjustments:                                 |                                     |          |                                    |           |
| Depreciation expense                         | 626                                 | 637      | 1,916                              | 2,000     |
| Amortization expense                         | 217                                 | 576      | 653                                | 1,728     |
| EBITDA                                       | 2,548                               | 8,853    | 5,834                              | 38,488    |
| Acquisition costs and other                  | 42                                  | —        | 46                                 | —         |
| Stock-based compensation                     | 11                                  | 34       | 2                                  | 53        |
| Non-cash lease expense                       | 36                                  | —        | 109                                | (1)       |
| Restructuring and severance costs            | —                                   | —        | 97                                 | —         |
| Tubular Products Adjusted EBITDA             | \$ 2,637                            | \$ 8,887 | \$ 6,088                           | \$ 38,540 |
| % segment sales                              | 7.3 %                               | 17.6 %   | 5.1 %                              | 23.8 %    |
| <b>Specialty Chemicals</b>                   |                                     |          |                                    |           |
| Net income (loss)                            | \$ (11,498)                         | \$ 1,088 | \$ (10,974)                        | \$ 6,083  |
| Adjustments:                                 |                                     |          |                                    |           |
| Interest expense                             | 21                                  | 9        | 52                                 | 28        |
| Depreciation expense                         | 942                                 | 1,097    | 2,850                              | 2,897     |
| Amortization expense                         | 159                                 | 520      | 475                                | 712       |
| EBITDA                                       | (10,376)                            | 2,714    | (7,597)                            | 9,720     |
| Acquisition costs and other                  | —                                   | —        | 2                                  | —         |
| Goodwill impairment                          | 11,389                              | —        | 11,389                             | —         |
| Stock-based compensation                     | 3                                   | 12       | (13)                               | 29        |
| Non-cash lease expense                       | 23                                  | —        | 69                                 | 1         |
| Specialty Chemicals Adjusted EBITDA          | \$ 1,039                            | \$ 2,726 | \$ 3,850                           | \$ 9,750  |
| % segment sales                              | 5.2 %                               | 10.0 %   | 5.9 %                              | 11.6 %    |