

REFINITIV

## DELTA REPORT

### 10-Q

NCSM - NCS MULTISTAGE HOLDINGS,

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 2317

█ CHANGES 207

█ DELETIONS 1800

█ ADDITIONS 310

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

**FORM 10-Q**

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934

For the quarterly period ended **June 30, 2024** **September 30, 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: 001-38071

NCS Multistage Holdings, Inc.  
(Exact name of registrant as specified in its charter)

Delaware	46-1527455
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification number)
19350 State Highway 249, Suite 600	
Houston, Texas	77070
(Address of principal executive offices)	(Zip Code)

**Registrant's telephone number, including area code: (281) 453-2222**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	NCSM	Nasdaq Capital Market

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 type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" 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 is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

As of **July 30, 2024** **October 30, 2024**, there were **2,502,680** **2,502,812** shares of common stock outstanding.

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## PART I. FINANCIAL INFORMATION

### ITEM 1. Financial Statements

#### NCS MULTISTAGE HOLDINGS, INC.

#### CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

(Unaudited)

	June 30,		December 31,		September	December
	2024		2023		30,	31,
	2024	2023	2024	2023		
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	\$ 18,614	\$ 16,720	\$ 15,330	\$ 16,720		
Accounts receivable—trade, net	24,505	23,981	36,652	23,981		
Inventories, net	41,563	41,612	41,199	41,612		
Prepaid expenses and other current assets	3,206	1,862	1,996	1,862		
Other current receivables	3,958	4,042	4,276	4,042		
Insurance receivable	—	15,000	—	15,000		
Total current assets	<u>91,846</u>	<u>103,217</u>	<u>99,453</u>	<u>103,217</u>		
<b>Noncurrent assets</b>						
Property and equipment, net	23,147	23,336	22,656	23,336		
Goodwill	15,222	15,222	15,222	15,222		
Identifiable intangibles, net	4,073	4,407	3,905	4,407		
Operating lease assets	4,056	4,847	3,644	4,847		
Deposits and other assets	823	937	777	937		
Deferred income taxes, net	198	66	186	66		
Total noncurrent assets	<u>47,519</u>	<u>48,815</u>	<u>46,390</u>	<u>48,815</u>		
Total assets	<u>\$ 139,365</u>	<u>\$ 152,032</u>	<u>\$ 145,843</u>	<u>\$ 152,032</u>		
<b>Liabilities and Stockholders' Equity</b>						
<b>Current liabilities</b>						
Accounts payable—trade	\$ 7,567	\$ 6,227	\$ 7,512	\$ 6,227		
Accrued expenses	5,406	3,702	6,874	3,702		
Income taxes payable	736	364	713	364		
Operating lease liabilities	1,471	1,583	1,388	1,583		
Accrual for legal contingencies	—	15,000	—	15,000		
Current maturities of long-term debt	2,074	1,812	2,111	1,812		
Other current liabilities	2,679	3,370	3,511	3,370		
Total current liabilities	<u>19,933</u>	<u>32,058</u>	<u>22,109</u>	<u>32,058</u>		
<b>Noncurrent liabilities</b>						
Long-term debt, less current maturities	6,828	6,344	6,525	6,344		
Operating lease liabilities, long-term	2,994	3,775	2,588	3,775		
Other long-term liabilities	199	213	200	213		
Deferred income taxes, net	372	249	311	249		
Total noncurrent liabilities	<u>10,393</u>	<u>10,581</u>	<u>9,624</u>	<u>10,581</u>		
Total liabilities	<u>30,326</u>	<u>42,639</u>	<u>31,733</u>	<u>42,639</u>		
<b>Commitments and contingencies (Note 10)</b>						
<b>Stockholders' equity</b>						
Preferred stock, \$0.01 par value, 10,000,000 shares authorized, no shares issued and outstanding at June 30, 2024 and December 31, 2023	—	—	—	—		
Common stock, \$0.01 par value, 11,250,000 shares authorized, 2,557,482 shares issued and 2,502,564 shares outstanding at June 30, 2024 and 2,482,796 shares issued and 2,443,744 shares outstanding at December 31, 2023	26	25	26	25		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized, no shares issued and outstanding at September 30, 2024 and December 31, 2023	—	—	—	—		
Common stock, \$0.01 par value, 11,250,000 shares authorized, 2,557,648 shares issued and 2,502,680 shares outstanding at September 30, 2024 and 2,482,796 shares issued and 2,443,744 shares outstanding at December 31, 2023	26	25	26	25		
Additional paid-in capital	446,070	444,638	446,721	444,638		
Accumulated other comprehensive loss	(86,516)	(85,752)	(86,300)	(85,752)		

Retained deficit	(266,642)	(265,617)	(262,495)	(265,617)
Treasury stock, at cost, 54,918 shares at June 30, 2024 and 39,052 shares at December 31, 2023	(1,913)	(1,676)		
Treasury stock, at cost, 54,968 shares at September 30, 2024 and 39,052 shares at December 31, 2023			(1,913)	(1,676)
Total stockholders' equity	91,025	91,618	96,039	91,618
Non-controlling interest	18,014	17,775	18,071	17,775
Total equity	109,039	109,393	114,110	109,393
Total liabilities and stockholders' equity	\$ 139,365	\$ 152,032	\$ 145,843	\$ 152,032

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

**NCS MULTISTAGE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)  
(Uaudited)

	Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended	
	June 30,		June 30,		2024	2023	2024	2023
	2024	2023	2024	2023	2024	2023	2024	2023
Revenues								
Product sales	\$ 19,022	\$ 17,433	\$ 50,780	\$ 48,863	\$ 31,675	\$ 27,286	\$ 82,455	\$ 76,149
Services	10,668	7,958	22,768	20,082	12,331	10,993	35,099	31,075
Total revenues	29,690	25,391	73,548	68,945	44,006	38,279	117,554	107,224
Cost of sales								
Cost of product sales, exclusive of depreciation and amortization expense shown below	12,209	11,994	31,901	30,827	19,408	17,118	51,309	47,945
Cost of services, exclusive of depreciation and amortization expense shown below	5,510	4,935	12,105	11,115	6,066	5,449	18,171	16,564
Total cost of sales, exclusive of depreciation and amortization expense shown below	17,719	16,929	44,006	41,942	25,474	22,567	69,480	64,509
Selling, general and administrative expenses	14,820	14,477	28,650	30,628	14,139	12,669	42,789	43,297
Depreciation	1,134	948	2,207	1,891	1,188	1,001	3,395	2,892
Amortization	167	167	334	334	168	168	502	502
Loss from operations	(4,150)	(7,130)	(1,649)	(5,850)				
Income (loss) from operations					3,037	1,874	1,388	(3,976)
Other income (expense)								
Interest expense, net	(115)	(211)	(215)	(420)	(108)	(27)	(323)	(447)
Provision for litigation, net of recoveries	—	(24,886)	—	(42,400)	—	(98)	—	(42,498)
Other income, net	2,203	1,478	3,340	1,770	1,523	1,983	4,863	3,753
Foreign currency exchange (loss) gain	(507)	23	(1,005)	78				
Foreign currency exchange gain (loss), net					217	(157)	(788)	(79)
Total other income (expense)	1,581	(23,596)	2,120	(40,972)	1,632	1,701	3,752	(39,271)
(Loss) income before income tax	(2,569)	(30,726)	471	(46,822)				
Income tax expense	270	1,350	757	250				
Net loss	(2,839)	(32,076)	(286)	(47,072)				
Net income attributable to non-controlling interest	256	155	739	128				
Net loss attributable to NCS Multistage Holdings, Inc.	\$ (3,095)	\$ (32,231)	\$ (1,025)	\$ (47,200)				
Loss per common share								

Basic loss per common share attributable to NCS Multistage Holdings, Inc.	\$ (1.21)	\$ (13.02)	\$ (0.41)	\$ (19.16)				
Diluted loss per common share attributable to NCS Multistage Holdings, Inc.	\$ (1.21)	\$ (13.02)	\$ (0.41)	\$ (19.16)				
Income (loss) before income tax					4,669	3,575	5,140	(43,247)
Income tax (benefit) expense					(35)	(537)	722	(287)
Net income (loss)					4,704	4,112	4,418	(42,960)
Net income (loss) attributable to non-controlling interest					557	(296)	1,296	(168)
Net income (loss) attributable to NCS Multistage Holdings, Inc.					\$ 4,147	\$ 4,408	\$ 3,122	\$ (42,792)
Earnings (loss) per common share								
Basic earnings (loss) per common share attributable to NCS Multistage Holdings, Inc.					\$ 1.63	\$ 1.78	\$ 1.23	\$ (17.33)
Diluted earnings (loss) per common share attributable to NCS Multistage Holdings, Inc.					\$ 1.60	\$ 1.77	\$ 1.21	\$ (17.33)
Weighted average common shares outstanding								
Basic	2,548	2,476	2,528	2,464	2,548	2,479	2,535	2,469
Diluted	2,548	2,476	2,528	2,464	2,588	2,489	2,571	2,469

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

**NCS MULTISTAGE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS INCOME (LOSS)**  
 (In thousands)  
 (Unaudited)

	Three Months Ended				Six Months Ended	
	June 30,		June 30,			
	2024	2023	2024	2023		
Net loss	\$ (2,839 )	\$ (32,076 )	\$ (286 )	\$ (47,072 )		
Foreign currency translation adjustments, net of tax of \$0	(268 )	442	(764 )	343		
Comprehensive loss	(3,107 )	(31,634 )	(1,050 )	(46,729 )		
Less: Comprehensive income attributable to non-controlling interest	256	155	739	128		
Comprehensive loss attributable to NCS Multistage Holdings, Inc.	\$ (3,363 )	\$ (31,789 )	\$ (1,789 )	\$ (46,857 )		

	Three Months Ended				Nine Months Ended	
	September 30,		September 30,			
	2024	2023	2024	2023		
Net income (loss)	\$ 4,704	\$ 4,112	\$ 4,418	\$ (42,960 )		
Foreign currency translation adjustments, net of tax of \$0	216	(979 )	(548 )	(636 )		
Comprehensive income (loss)	4,920	3,133	3,870	(43,596 )		
Less: Comprehensive income (loss) attributable to non-controlling interest	557	(296 )	1,296	(168 )		
Comprehensive income (loss) attributable to NCS Multistage Holdings, Inc.	\$ 4,363	\$ 3,429	\$ 2,574	\$ (43,428 )		

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

**NCS MULTISTAGE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(In thousands, except share data)  
(Unaudited)

Three and Six Months Ended June 30, 2024																	
	Preferred Stock		Common Stock		Additional Paid-In	Accumulated Other Comprehensive		Retained	Treasury Stock		Non-controlling	Total Stockholders'	Preferred Stock		Common Stock		
	Shares	Amount	Shares	Amount		Capital	Loss		Shares	Amount			Shares	Amount	Shares	Amount	
Balances as of December 31, 2023	—	\$ —	2,482,796	\$ 25	\$ 444,638	\$ (85,752)	\$ (265,617)	(39,052)	\$ (1,676)	\$ 17,775	\$ 109,393	—	\$ —	2,482,796	\$ 25		
Share-based compensation	—	—	—	—	766	—	—	—	—	—	—	766	—	—	—	—	
Net income	—	—	—	—	—	—	—	2,070	—	—	483	2,553	—	—	—	—	
Distribution to noncontrolling interest	—	—	—	—	—	—	—	—	—	—	(500)	(500)	—	—	—	—	
Vesting of restricted stock	—	—	57,830	—	—	—	—	—	—	—	—	—	—	—	57,830	—	
Shares withheld	—	—	—	—	—	—	—	—	(15,866)	(237)	—	(237)	—	—	—	—	
Currency translation adjustment	—	—	—	—	—	(496)	—	—	—	—	—	(496)	—	—	—	—	
Balances as of March 31, 2024	—	\$ —	2,540,626	\$ 25	\$ 445,404	\$ (86,248)	\$ (263,547)	(54,918)	\$ (1,913)	\$ 17,758	\$ 111,479	—	\$ —	2,540,626	\$ 25		
Share-based compensation	—	—	—	—	667	—	—	—	—	—	—	667	—	—	—	—	
Net (loss) income	—	—	—	—	—	—	(3,095)	—	—	256	(2,839)	—	—	—	—	—	
Release of restricted stock	—	—	16,856	1	(1)	—	—	—	—	—	—	—	—	—	16,856	1	
Currency translation adjustment	—	—	—	—	—	(268)	—	—	—	—	—	(268)	—	—	—	—	
Balances as of June 30, 2024	—	\$ —	2,557,482	\$ 26	\$ 446,070	\$ (86,516)	\$ (266,642)	(54,918)	\$ (1,913)	\$ 18,014	\$ 109,039	—	\$ —	2,557,482	\$ 26		
Share-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Net income	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Distribution to noncontrolling interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	
Vesting of restricted stock	—	—	—	—	—	—	—	—	—	—	—	—	—	—	166	—	
Shares withheld	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	

Currency translation adjustment	—	—	—	—
Balances as of				
September 30, 2024	—	\$ —	2,557,648	\$ 26
	—	—	—	—

Three and Six Months Ended June 30, 2023												The					
	Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive		Retained Deficit	Treasury Stock		Non- controlling Interest	Total Stockholders'	Preferred Stock		Common Stock		Ad P
	Shares	Amount	Shares	Amount		Loss	Deficit		Shares	Amount			Shares	Amount	Shares	Amount	
Balances as of December 31, 2022	—	\$ —	2,434,809	\$ 24	\$ 440,475	\$ (85,617)	\$ (262,464)	(26,335)	\$ (1,389)	\$ 18,233	\$ 109,262	—	\$ —	2,434,809	\$ 24	\$ —	
Share-based compensation	—	—	—	—	913	—	—	—	—	—	913	—	—	—	—	—	—
Net loss	—	—	—	—	—	—	(14,969)	—	—	(27)	(14,996)	—	—	—	—	—	—
Vesting of restricted stock	—	—	41,489	1	(1)	—	—	—	—	—	—	—	—	—	41,489	1	—
Shares withheld	—	—	—	—	—	—	—	(11,086)	(264)	—	(264)	—	—	—	—	—	—
Currency translation adjustment	—	—	—	—	—	(99)	—	—	—	—	(99)	—	—	—	—	—	—
Balances as of March 31, 2023	—	\$ —	2,476,298	\$ 25	\$ 441,387	\$ (85,716)	\$ (277,433)	(37,421)	\$ (1,653)	\$ 18,206	\$ 94,816	—	\$ —	2,476,298	\$ 25	\$ —	
Share-based compensation	—	—	—	—	1,044	—	—	—	—	—	1,044	—	—	—	—	—	—
Net (loss) income	—	—	—	—	—	—	(32,231)	—	—	155	(32,076)	—	—	—	—	—	—
Currency translation adjustment	—	—	—	—	—	442	—	—	—	—	442	—	—	—	—	—	—
Balances as of June 30, 2023	—	\$ —	2,476,298	\$ 25	\$ 442,431	\$ (85,274)	\$ (309,664)	(37,421)	\$ (1,653)	\$ 18,361	\$ 64,226	—	\$ —	2,476,298	\$ 25	\$ —	
Share-based compensation	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net income (loss)	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Vesting of restricted stock	—	—	—	—	—	—	—	—	—	—	—	—	—	167	—	—	—
Shares withheld	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Currency translation adjustment	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Balances as of September 30, 2023	—	\$ —	2,476,465	\$ 25	\$ —	—	—	—	—	—	—	—	—	—	—	—	—

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

**NCS MULTISTAGE HOLDINGS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Uaudited)

	Six Months Ended		Nine Months Ended	
	June 30,		September 30,	
	2024	2023	2024	2023
Cash flows from operating activities				
Net loss	\$ (286)	\$ (47,072)	\$ 4,418	\$ (42,960)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Net income (loss)				
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	2,541	2,225	3,897	3,394
Amortization of deferred loan costs	103	102	155	153
Share-based compensation	2,062	2,542	3,403	4,198
Provision for inventory obsolescence	679	245	945	256
Deferred income tax expense	21	57	3	147
Gain on sale of property and equipment	(340)	(333)	(363)	(423)
(Recovery of) provision for credit losses	(5)	58		
Provision for credit losses			44	112
Provision for litigation, net of recoveries	—	42,400	—	42,498
Net foreign currency unrealized loss (gain)	956	(279)	855	(127)
Proceeds from note receivable	61	271	61	338
Changes in operating assets and liabilities:				
Accounts receivable—trade	(1,024)	5,759	(13,050)	(2,847)
Inventories, net	(1,501)	(5,907)	(1,210)	(6,356)
Prepaid expenses and other assets	(619)	552	821	544
Accounts payable—trade	1,353	545	1,124	2,894
Accrued expenses	1,761	(4)	3,224	(1,025)
Other liabilities	(2,092)	(2,078)	(2,433)	(2,023)
Income taxes receivable/payable	429	(125)	188	(219)
Net cash provided by (used in) operating activities	4,099	(1,042)	2,082	(1,446)
Cash flows from investing activities				
Purchases of property and equipment	(633)	(1,151)	(1,083)	(1,704)
Purchase and development of software and technology	(53)	(167)	(70)	(263)
Proceeds from sales of property and equipment	293	340	421	454
Net cash used in investing activities	(393)	(978)	(732)	(1,513)
Cash flows from financing activities				
Payments on finance leases	(932)	(743)	(1,442)	(1,159)
Line of credit borrowings	2,974	8,397	3,062	11,702
Payments of line of credit borrowings	(2,974)	(7,663)	(3,062)	(11,758)
Treasury shares withheld	(237)	(264)	(237)	(265)
Distribution to noncontrolling interest	(500)	—	(1,000)	—
Net cash used in financing activities	(1,669)	(273)	(2,679)	(1,480)
Effect of exchange rate changes on cash and cash equivalents	(143)	(195)	(61)	(397)
Net change in cash and cash equivalents	1,894	(2,488)	(1,390)	(4,836)
Cash and cash equivalents beginning of period	16,720	16,234	16,720	16,234

Cash and cash equivalents end of period	\$ 18,614	\$ 13,746	\$ 15,330	\$ 11,398
Noncash investing and financing activities				
Assets obtained in exchange for new finance lease liabilities	\$ 1,821	\$ 845	\$ 2,145	\$ 1,665
Assets obtained in exchange for new operating lease liabilities	\$ —	\$ 1,789	\$ —	\$ 1,791

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

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1. Basis of Presentation**

**Nature of Business**

NCS Multistage Holdings, Inc., a Delaware corporation, through its wholly owned subsidiaries and subsidiaries for which it has a controlling voting interest (collectively referred to as the "Company," "NCS," "we," "our" and "us"), is primarily engaged in providing engineered products and support services for oil and natural gas well construction, well completions and field development strategies. We offer our products and services primarily to exploration and production companies for use both in onshore and offshore wells. We operate through service facilities principally located in Houston and Odessa, Texas; Tulsa, Oklahoma; Calgary, Red Deer, Grande Prairie and Estevan, Canada; Neuquén, Argentina and Stavanger, Norway.

**Basis of Presentation**

Our accompanying condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 8 of Regulation S-X of the Securities Exchange Act of 1934, as amended, issued by the Securities Exchange Commission ("SEC") and have not been audited by our independent registered public accounting firm. Certain information and footnote disclosures normally included in financial statements prepared in accordance with GAAP have been condensed or omitted. These condensed consolidated financial statements should be read in conjunction with our financial statements and related notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2023 ("Annual Report"). We consolidate Repeat Precision, LLC and its subsidiary ("Repeat Precision"), a 50% owned entity, with operations in the United States and Mexico, because NCS has a controlling voting interest. The other party's ownership is presented separately as a non-controlling interest. In the opinion of management, these condensed consolidated financial statements reflect all normal, recurring adjustments necessary for a fair statement of the interim periods presented. The results of operations for interim periods are not necessarily indicative of those for a full year. All intercompany accounts and transactions have been eliminated for purposes of preparing these condensed consolidated financial statements. In addition, certain reclassifications of prior period balances have been made to conform to the current period presentation. The reclassifications had no effect on the previously reported net loss.

**Significant Accounting Policies**

Our significant accounting policies are described in "Note 2. Summary of Significant Accounting Policies" in our Annual Report.

**Recent Accounting Pronouncements**

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This ASU improves income tax disclosures including a requirement for specific categories in the effective tax rate reconciliation, additional information for reconciling items that meet a quantitative threshold, certain disclosures pertaining to income taxes paid (net of refunds received) and amendments to other disclosure requirements. The new standard is effective for fiscal years beginning after December 15, 2024 and should be applied prospectively although retrospective application is permitted. Early adoption is also permitted for financial statements that have not yet been issued. We are currently evaluating the impact of the adoption of this guidance.

In November 2023, the FASB issued ASU No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*. This ASU improves reportable segment disclosure requirements on an annual and interim basis and includes requirements for entities with a single reportable segment. The improvements include disclosure of significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), the title and position of the CODM and an explanation of how the CODM uses the reported measure of segment profit or loss in assessing performance and allocating resources, as well as other disclosure requirements. The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and should be applied retrospectively. Early adoption is permitted. We are currently evaluating the impact of the adoption of this guidance.

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2. Segment and Geographic Information**

We have determined that we operate in one reportable segment that has been identified based on how our chief operating decision maker manages our business.

We aggregate revenue for presentation based on qualitative factors including the nature of the products and services, the nature and commonality of production processes, a shared customer base primarily in North America, the scope of geographic operations and a common industry and regulatory environment. However, we present revenue on a geographic basis, segregated between product sale and service revenues.

The following table summarizes revenue by geographic area attributed based on the current billing address of the customer (in thousands):

	Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended	
	June 30,		June 30,		September 30,		September 30,	
	2024	2023	2024	2023	2024	2023	2024	2023
United States								
Product sales	\$ 8,550	\$ 6,942	\$ 16,317	\$ 15,002	\$ 9,489	\$ 5,200	\$ 25,806	\$ 20,202
Services	3,241	2,440	5,485	5,699	1,645	2,812	7,130	8,511
Total United States	11,791	9,382	21,802	20,701	11,134	8,012	32,936	28,713
Canada								
Product sales	8,263	9,970	30,938	32,531	22,140	21,531	53,078	54,062
Services	3,795	4,351	12,789	12,461	6,725	6,613	19,514	19,074
Total Canada	12,058	14,321	43,727	44,992	28,865	28,144	72,592	73,136
Other Countries								
Product sales	2,209	521	3,525	1,330	46	555	3,571	1,885
Services	3,632	1,167	4,494	1,922	3,961	1,568	8,455	3,490
Total other countries	5,841	1,688	8,019	3,252	4,007	2,123	12,026	5,375
Total								
Product sales	19,022	17,433	50,780	48,863	31,675	27,286	82,455	76,149
Services	10,668	7,958	22,768	20,082	12,331	10,993	35,099	31,075
Total revenues	\$ 29,690	\$ 25,391	\$ 73,548	\$ 68,945	\$ 44,006	\$ 38,279	\$ 117,554	\$ 107,224

**Note 3. Revenues**

**Disaggregation of Revenue**

We sell our products and services primarily in North America and in selected international markets. See above "Note 2. Segment and Geographic Information" for our disaggregated revenue by geographic area.

**Contract Balances**

If the timing of the delivery of products and provision of services is different from the timing of the customer payments, we recognize either a contract asset (performance precedes contractual due date in connection with estimates of variable consideration) or a contract liability (customer payment precedes performance) on our condensed consolidated balance sheet.

The following table presents the current contract liabilities as of **June September** 30, 2024 and December 31, 2023 (in thousands):

Balance at December 31, 2023	\$ 460	\$ 460
Additions	106	106

Revenue recognized		(515)	(515)
Balance at June 30, 2024		\$ 51	
Balance at September 30, 2024			\$ 51

We currently do not have any contract assets or non-current contract liabilities. Our contract liability as of June September 30, 2024 and December 31, 2023 is included in other current liabilities on the applicable condensed consolidated balance sheets. Our performance obligations for our product and services revenues are typically satisfied before the customer's payment; however, prepayments may occasionally be required. Revenue No revenue was recognized from the contract liability balance was \$0.2 million and \$0.5 million for the three months ended September 2024 and \$0.5 million of revenue was recognized for the six nine months ended June September 30, 2024, respectively. There was no less than \$0.1 million in revenue recognized from the contract liability balance for the three and six nine months ended June September 30, 2023.

#### Practical Expedient

We do not disclose the value of unsatisfied performance obligations when the related contract has a duration of one year or less. We recognize revenue equal to what we have the right to invoice when that amount corresponds directly with the value to the customer of our performance to date.

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

#### Note 4. Inventories, net

Inventories consist of the following as of June September 30, 2024 and December 31, 2023 (in thousands):

	June 30,		December 31,		September	December		
	2024		2023		30,	31,		
	\$	2,193	\$	2,395	\$	2,717	\$	2,395
Raw materials								
Work in process		293		559		70		559
Finished goods			39,077		38,658		38,412	38,658
Total inventories, net		\$ 41,563		\$ 41,612		\$ 41,199		\$ 41,612

#### Note 5. Other Current Receivables

Other current receivables consist of the following as of June September 30, 2024 and December 31, 2023 (in thousands):

	June 30,		December 31,		September	December		
	2024		2023		30,	31,		
	\$	1,353	\$	1,418	\$	1,557	\$	1,418
Current income tax receivables								
Employee receivables		195		249		207		249
Other receivables			2,410		2,375		2,512	2,375
Total other current receivables		\$ 3,958		\$ 4,042		\$ 4,276		\$ 4,042

Employee receivables primarily consist of amounts paid by us for foreign withholding tax paid on behalf of employees working on international assignments, which is expected to be reimbursed to us by the employees when refunded as foreign tax credits on their home-country tax returns. As of June September 30, 2024 and December 31, 2023, a component of the other receivables balance is \$1.1 million and \$1.2 million respectively, related to a company-owned life insurance policy associated with a non-qualified deferred compensation plan which was terminated in late 2023. We expect to utilize the proceeds from the liquidation of the insurance policy to fund the disbursements to settle liabilities under the terminated plan by during the endfourth quarter of 2024. The associated liability liabilities of \$1.1 million and \$1.2 million as of September 30, 2024 and December 31, 2023, respectively, are included in other current liabilities on the accompanying condensed consolidated balance sheets as of June 30, 2024 and December 31, 2023, sheets. In addition, the other receivables balance at June September 30, 2024 includes \$0.7 \$1.0 million associated with a technical services and assistance agreement with our partner in Oman, and a corresponding balance at December 31, 2023 of \$0.9 million, net of withholding tax, which was collected in the June second quarter of 2024.

## Note 6. Property and Equipment

Property and equipment by major asset class consist of the following as of **June** **September** 30, 2024 and December 31, 2023 (in thousands):

	June 30,		December 31,		September		December	
	2024		2023		30,		31,	
	\$	1,579	\$	1,630	\$	1,597	\$	1,630
Land								
Building and improvements		7,388		7,742		7,443		7,742
Machinery and equipment		19,607		19,378		19,819		19,435
Computers and software		2,627		2,408		2,140		2,408
Furniture and fixtures		641		722		474		722
Vehicles		253		265		136		265
Right of use assets - finance leases		13,951		12,709		13,994		12,709
Service equipment		57		57				
	46,103		44,911		45,603		44,911	
Less: Accumulated depreciation and amortization		(23,155)		(21,912)		(23,283)		(21,912)
	22,948		22,999		22,320		22,999	
Construction in progress		199		337		336		337
Property and equipment, net	\$	23,147	\$	23,336	\$	22,656	\$	23,336

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## NCS MULTISTAGE HOLDINGS, INC. NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following table presents the depreciation expense associated with the respective income statement line items for the three and **six** **nine** months ended **June** **September** 30, 2024 and 2023 (in thousands):

	Three Months Ended				Six Months Ended				Three Months		Nine Months	
	June 30,		June 30,		September 30,		September 30,		Ended	Ended	September 30,	September 30,
	2024	2023	2024	2023	2024	2023	2024	2023	September 30,	September 30,	2024	2023
Cost of sales												
Cost of product sales	\$	459	\$	382	\$	927	\$	744	\$	486	\$	414
Cost of services		194		145		342		299		213		144
Selling, general and administrative expenses		481		421		938		848		489		443
Total depreciation	\$	1,134	\$	948	\$	2,207	\$	1,891	\$	1,188	\$	1,001

We evaluate our property and equipment for impairment whenever changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. We determined there were no triggering events that indicated potential impairment of our property and equipment for the three and **six** **nine** months ended **June** **September** 30, 2024 and 2023, and accordingly no impairment loss has been recorded.

## Note 7. Goodwill and Identifiable Intangibles

The carrying amount of goodwill is summarized as follows (in thousands):

	June 30,		December 31,		September		December	
	2024		2023		30,		31,	
	\$	177,162	\$	177,162	\$	177,162	\$	177,162
Gross value								
Accumulated impairment		(161,940)		(161,940)		(161,940)		(161,940)
Net	\$	15,222	\$	15,222	\$	15,222	\$	15,222

We perform an annual impairment analysis of goodwill as of December 31, or whenever there is a triggering event that indicates an impairment loss may have been incurred. As of **June** **September** 30, 2024 and 2023, we did not identify any triggering events for Repeat Precision, our only reportable unit with goodwill, that would indicate potential impairment. Therefore, no goodwill impairment has been recorded for the three and **six** **nine** months ended **June** **September** 30, 2024 and 2023.

Identifiable intangibles by major asset class consist of the following (in thousands):

	June 30, 2024				September 30, 2024			
	Estimated Useful Lives (Years)	Gross		Net	Estimated Useful Lives (Years)	Gross		Net
		Carrying Amount	Accumulated Amortization	Balance		Carrying Amount	Accumulated Amortization	Balance
Technology	1 - 20	\$ 3,958	\$ (992)	\$ 2,966	1 - 20	\$ 3,958	\$ (1,057)	\$ 2,901
Customer relationships	10	4,100	(3,041)	1,059	10	4,100	(3,144)	956
Total amortizable intangible assets		8,058	(4,033)	4,025		8,058	(4,201)	3,857
Technology - not subject to amortization	Indefinite	48	—	48	Indefinite	48	—	48
Total identifiable intangibles	Total identifiable intangibles	\$ 8,106	\$ (4,033)	\$ 4,073	Total identifiable intangibles	\$ 8,106	\$ (4,201)	\$ 3,905

	December 31, 2023				
	Estimated Useful Lives (Years)	Gross		Net	
		Carrying Amount	Accumulated Amortization	Balance	
Technology	1 - 20	\$ 3,958	\$ (863)	\$ 3,095	
Customer relationships	10	4,100	(2,836)	1,264	
Total amortizable intangible assets		8,058	(3,699)	4,359	
Technology - not subject to amortization	Indefinite	48	—	48	
Total identifiable intangibles		\$ 8,106	\$ (3,699)	\$ 4,407	

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Total amortization expense, which is associated with selling, general and administrative expenses on the condensed consolidated statements of operations, was \$0.2 million for each of the three months ended **June** **September** 30, 2024 and 2023 and \$0.3 \$0.5 million for each of the **six** **nine** months ended **June** **September** 30, 2024 and 2023, respectively.

Identifiable intangibles are tested for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. As of **June** **September** 30, 2024 and 2023, we evaluated potential triggering events and determined that there were no triggering events which indicated potential impairment of our intangibles, which are substantially related to our Repeat Precision asset group. Therefore, we did not record any impairment charges related to our identifiable intangibles for the three and **six** **nine** months ended **June** **September** 30, 2024 and 2023.

**Note 8. Accrued Expenses**

Accrued expenses consist of the following as of **June** **September** 30, 2024 and December 31, 2023 (in thousands):

	June 30,		December 31,		September 30,		December 31,	
	2024		2023		2024		2023	
	\$	4,319	\$	2,255	\$	5,800	\$	2,255
Accrued payroll and bonus								
Property and franchise taxes accrual		199		251		294		251
Severance and other termination benefits		120		436		—		436

	768	760	780	760
Total accrued expenses	\$ 5,406	\$ 3,702	\$ 6,874	\$ 3,702

As previously disclosed in our Annual Report, we implemented certain restructuring efforts during 2023 to streamline our tracer diagnostics operations in the United States, consolidate Repeat Precision facilities in Mexico, and eliminate redundancies in the structure of certain U.S. and international operations management and support functions. In addition, in July 2023, an executive officer and NCS agreed that he would leave his position. In connection with these restructuring efforts, we incurred severance and other charges of \$1.9 million in 2023, a portion of which was associated with the acceleration of non-cash share-based compensation. Of this amount, we paid \$1.1 million in 2023 and \$0.4 million for the **six** **nine** months ended **June** **September** 30, 2024, with **and** remaining severance and other termination benefits accrual associated with these restructuring efforts of less than **\$0.1** million. Incremental severance expense of **\$0.1** million was incurred during the second quarter of 2024 associated with other terminations. The total liability for severance and other termination benefits of **\$0.1** million as of June 30, 2024, was fully paid in July 2024. **efforts.**

In June 2024, we entered into a sublease agreement as the lessor of for a portion of the space **associated with** vacated when a U.S. facility **was closed** **during** **through** our 2023 restructuring efforts. **This** **The** sublease covers the remaining 28-month **months** of the lease term. We will apply the sublease rental income to offset the operating lease expense associated with this facility.

#### Note 9. Debt

Our long-term debt consists of the following as of **June** **September** 30, 2024 and December 31, 2023 (in thousands):

	June 30,		December 31,		September	December
	2024		2023		30,	31,
	\$	—	\$	—	\$	—
ABL Facility						
Repeat Precision Promissory Note	—		—		—	
Finance leases	8,902		8,156		8,636	8,156
Total debt	8,902		8,156		8,636	8,156
Less: current portion	(2,074)		(1,812)		(2,111)	(1,812)
Long-term debt	\$ 6,828		\$ 6,344		\$ 6,525	\$ 6,344

The estimated fair value of total debt as of **June** **September** 30, 2024 and December 31, 2023 was **\$7.8** **\$7.7** million and \$7.1 million, respectively. The fair value of the finance leases was estimated using Level 2 inputs by calculating the sum of the discounted future interest and principal payments at our incremental borrowing rate through the date of maturity.

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

Below is a description of our financing arrangements.

#### ABL Facility

On May 3, 2022, we entered into a secured asset-based revolving credit facility (the "ABL Facility") **under which**, **where** credit availability is subject to a borrowing base calculation. The ABL Facility is governed by the Credit Agreement dated as of May 3, 2022, by and between NCS Multistage Holdings, Inc. ("NCSH"), Pioneer Investment, Inc. ("Pioneer"), NCS Multistage, LLC, NCS Multistage Inc. ("NCS Canada"), the other loan parties thereto, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent and as a lender under the facility provided therein (the "Credit Agreement"). Concurrent with the entry into our Credit Agreement on May 3, 2022, our prior ABL facility was terminated. On April 16, 2024, we amended the Credit Agreement to modify the benchmark that may be used for loans in Canadian dollars in connection with the cessation of the CDOR Rate and transition to the CORRA Rate.

The ABL Facility **consists of** **is** a revolving credit facility **in** **with** an aggregate principal amount of \$35.0 million **made available to borrowers**, **of** which up to \$10.0 million **may** **can** be made in Canadian dollars and \$7.5 million **may** **can** **be made** available for letters of credit. Total borrowings available to the borrowers under the ABL Facility may be limited subject to a borrowing base calculated on the sum of cash in a specified pledged account, eligible accounts receivables and eligible inventory, provided it does not include the assets of Repeat Precision. Our available borrowing base under the ABL Facility as of **June** **September** 30, 2024 was **\$14.4** **\$21.7** million. The ABL Facility will mature on May 3, 2027. As of **June** **September** 30, 2024 and December 31, 2023, we had no outstanding indebtedness under the ABL Facility.

Borrowings under the ABL Facility may be made in U.S. dollars with interest calculated using either the "ABR", the "Adjusted Daily Simple SOFR" or the "Adjusted Term SOFR Rate", and in Canadian dollars with interest calculated using the "Canadian Prime Rate" or the "Adjusted Term CORRA Rate" (each as defined in the amended and restated Credit Agreement). Borrowings bear interest plus a margin that varies depending on our leverage ratio as follows: (i) for ABR based loans, between 1.40% and 2.40%, and (ii) for Adjusted Daily Simple SOFR, Adjusted Term SOFR Rate, Canadian Prime Rate, and Adjusted Term CORRA Rate, between 2.40% and 3.40%. We must also pay a commitment fee calculated at 0.25% to 0.50% per annum, based on unused commitments. The applicable interest rate at **June** **September** 30, 2024 was **7.7%** **7.4%**. We incurred interest expense related to the ABL Facility, including commitment fees, of **\$0.1 million** less than **\$0.1 million** for each of the three months ended **September** 30, 2024 and **six** 2023, and **\$0.2 million** for each of the **nine** months ended **June** **September** 30, 2024 and 2023, respectively.

The obligations of the borrowers under the ABL Facility are guaranteed by NCSH and each of our U.S. and Canadian subsidiaries (other than Repeat Precision), as well as each of our future direct and indirect subsidiaries organized under the laws of the United States or Canada (subject to certain exceptions), and are secured by substantially all of the assets of NCSH and its subsidiaries, in each case, subject to certain exceptions and permitted liens.

The Credit Agreement requires, as a condition to borrowing, that available cash on hand after borrowings does not exceed \$10.0 million. The Credit Agreement also requires us to (i) maintain, for quarters during which liquidity is less than 20% of the aggregate revolving commitments, a fixed charge coverage ratio of at least 1.0 to 1.0 and (ii) to prepay advances to the extent that the outstanding loans and letter of credit amounts exceed the most recently calculated borrowing base. As of **June** **September** 30, 2024, we were in compliance with these financial covenants. The Credit Agreement also contains customary affirmative and negative covenants, including, among other things, restrictions on the creation of liens, the incurrence of indebtedness, investments, dividends and other restricted payments, dispositions and transactions with affiliates.

The Credit Agreement includes customary events of default for facilities of this type (with customary materiality thresholds and grace periods, as applicable). If an event of default occurs, the lenders party to the Credit Agreement may elect (after the expiration of any applicable notice or grace periods) to declare all outstanding borrowings under such facility, together with accrued and unpaid interest and other amounts payable thereunder, to be immediately due and payable. The lenders party to the Credit Agreement also have the right upon an event of default thereunder to terminate any commitments to provide further borrowings, or to provide additional financing in excess of the borrowing base limit, or to proceed against the collateral securing the ABL Facility.

We capitalized direct costs of \$1.0 million in connection with the Credit Agreement, and less than \$0.1 million associated with the April 2024 amendment, each of which is being amortized over the remaining term of the ABL Facility using the straight-line method. Amortization of the deferred financing charges of \$0.1 million for each of the three and **six** months ended **June** **September** 30, 2024 and 2023, **respectively**, and **\$0.2 million** for each of the **nine** months ended **September** 30, 2024 and 2023, was included in interest expense, net.

#### Repeat Precision Promissory Note

On February 16, 2018, Repeat Precision entered into a promissory note with Security State Bank & Trust, Fredericksburg (the "Repeat Precision Promissory Note"). The Repeat Precision Promissory Note had been renewed several times. In May 2024, the Repeat Precision Promissory Note was again renewed with a reduced aggregate borrowing capacity of \$2.5 million. The Repeat Precision Promissory Note is scheduled to mature on May 10, 2025 and bears interest at a variable interest rate based on prime plus 1.00%. The applicable interest rate at **June** **September** 30, 2024 was **9.5%** **9.0%**. The Repeat Precision Promissory Note is collateralized by certain equipment, inventory and receivables of Repeat Precision. Total borrowings may be limited subject to a borrowing base calculation, which includes a portion of Repeat Precision's eligible receivables, inventory and equipment. As of **June** **September** 30, 2024 and December 31, 2023, there was no outstanding indebtedness under the promissory note. Repeat Precision's indebtedness is guaranteed by Repeat Precision and is not guaranteed by any other NCS entity.

#### Finance Leases

We lease assets under finance lease arrangements, including an office and laboratory in Tulsa, Oklahoma, as well as facilities in Odessa, Texas, and certain operating equipment and software. We also maintain a vehicle leasing arrangement with a fleet management company through which where we lease light vehicles and trucks that meet the finance lease criteria.

#### Note 10. Commitments and Contingencies

##### Litigation

In the ordinary course of our business, from time to time, we have various claims, lawsuits and administrative proceedings that are pending or threatened with respect to commercial, intellectual property and employee matters.

#### **Texas Matter**

NCS was a defendant in a lawsuit in the District Court of Winkler County, Texas (the "Texas Matter") that was settled in December 2023, where the insurance carrier agreed to pay the mutually-agreed settlement amounts to the plaintiff in settlement of all liabilities, resulting in no cash payments by NCS. The lawsuit was filed in September 2019 by plaintiffs Boyd & McWilliams Energy Group, Inc. et. al. claiming damage to their wells in 2018 resulting from an alleged product defect related to components provided by a third-party supplier. In May 2023, a jury awarded damages against us to the plaintiff, and a judgment was rendered, above our initial expectations from the jury verdict, awarding the plaintiff total damages of \$42.5 million. During 2023, we accrued \$40.8 million which included this judgment amount and estimated court costs, less \$2.0 million previously paid to the plaintiff by our insurance carrier. During the fourth quarter of 2023, in connection with entering into a settlement agreement, we reversed the accrual for this legal contingency of \$40.8 million. As of December 31, 2023, because we had entered into a settlement agreement where the insurance carrier agreed to pay all amounts due to the plaintiff in early 2024, we recorded an insurance receivable for expected but unpaid insurance recoveries and a remaining provision for legal contingencies of \$15.0 million. The settlement was fully paid by the insurance carrier in January 2024.

#### **Wyoming Matter**

NCS was a defendant in a lawsuit in a state district court in Wyoming, which settled in August 2023 (the "Wyoming Matter"). The claim related to an alleged service issue by our personnel during completions operations. The parties agreed to a settlement that included a payment to the plaintiff of \$2.0 million, which was paid on NCS's behalf under a policy of insurance and NCS received \$0.6 million as reimbursement of unpaid invoices from the plaintiff.

As During the second quarter of June 30, 2023, we accrued a provision for the Wyoming Matter of \$1.7 million which represented our best estimate of loss at the time, within the range of possible outcomes. In the third quarter of 2023, we reversed this provision for the Wyoming Matter as it was settled and paid by our insurance company.

#### **Canada Patent Matters**

- On July 24, 2018, we filed a patent infringement lawsuit seeking unspecified damages against Kobold Corporation, Kobold Completions Inc. and 2039974 Alberta Ltd. ("Kobold") in the Federal Court of Canada ("Canada Court"), alleging that Kobold's fracturing tools and methods infringe on several of our Canadian patents. On July 12, 2019, Kobold filed a counterclaim seeking unspecified damages alleging that our fracturing tools and methods infringe on their patent. The patent infringement litigation against Kobold and their counterclaim was heard in early 2022.

On October 10, 2023, the judge rendered a decision against us holding that our asserted patents are invalid and that we are infringing the Kobold asserted patent. The Canada Court ordered us to pay Kobold approximately \$1.8 million (\$2.5 million in Canadian dollars) in costs and disbursements, including taxes payable thereon, and granted an injunction prohibiting us from any further infringement of the specified patent. We paid this amount to Kobold in November 2023.

We believe that applicable law supports strong grounds to appeal the decision by the Canada Court as well as to reduce the costs award significantly. We have appealed the judgment and believe we have strong arguments that may lead to a reversal of substantial portions of the decision, although a loss may be reasonably possible. We expect the appeal to be heard by late early 2024, 2025, and a decision granted by mid-late 2025. If we do not prevail in the appeal phase, the damages portion would then be decided by the Canada Court and we do not know what damages, if any, will be awarded to Kobold. We would expect any damages awarded to be more modest because of the relative ease and minimal cost in implementing changes to our product to comply with the injunction, with such changes resulting in no significant commercial impact to date. In July 2024, Kobold filed a motion with the Canada Court regarding the scope of the injunction. If the Canada Court agrees with Kobold, it may impose a fine or other remedy against the Company.

- On April 6, 2020, Kobold filed a separate patent infringement lawsuit seeking unspecified damages against us in the Canada Court, alleging that our fracturing tools infringe on their Canadian patents. We believe we have strong arguments of invalidity and non-infringement in this matter. This patent infringement litigation has not yet been assigned a trial date.

#### **Other Patent Matters**

In connection with our patent infringement jury verdict against Nine Energy Services, Inc. ("Nine"), in January 2022 in the Western District of Texas, Waco Division ("Waco District Court") the jury awarded NCS approximately \$0.5 million in damages for Nine's infringement of U.S. Patent No. 10,465,445 ("the '445 Patent"). In addition, in August 2022 in connection with the patent infringement jury verdict against TCO AS ("TCO"), the jury awarded NCS approximately \$1.9 million in damages for TCO AS's TCO's infringement of the '445 Patent. At a hearing for the Nine and TCO cases, in December 2022 and May 2024, respectively, the Waco District Court announced it would be awarding supplemental damages, interest, and costs and ordered Nine and TCO to pay an ongoing royalty for the sale of infringing casing flotation devices for the life of the '445 Patent. Both cases remain in total, Nine and TCO have secured over \$6.0 million to date for the amounts owed in connection with the judgment and have appealed their respective decisions, with a resolution expected in 2026. As the decisions are subject to appeal, and, therefore, we have not recorded any potential gain contingencies associated with these matters in the accompanying condensed consolidated statements of operations.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In accordance with GAAP, we accrue for contingencies where the occurrence of a material loss is probable and can be reasonably estimated. Our legal contingencies may increase or decrease, on a matter-by-matter basis, to account for future developments. Although the outcome of any legal proceeding cannot be predicted with any certainty, our assessment of the likely outcome of litigation matters is based on our judgment of a number of factors, including experience with similar matters, past history, precedents, relevant financial information and other evidence and facts specific to each matter.

### Operating Leases

In 14 October 2024,

## NCS MULTISTAGE HOLDINGS, INC.

### NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Repeat Precision entered into a new six year operating lease for an existing manufacturing plant in Ojinaga, Mexico, with a three-year renewal option. In October, we will record an operating lease right of use asset and corresponding liability of \$2.3 million for this lease. In addition, in October 2024, we entered into an operating lease for a sales facility in Oklahoma City, Oklahoma, with a term of 62 months, and will record a right of use asset and corresponding liability of \$0.3 million.

### Note 11. Share-Based Compensation

During the six nine months ended June September 30, 2024, we granted 24,366 equity-classified restricted stock units ("RSUs") with a weighted average grant date fair value of \$15.35 to the nonemployee members of the Board of Directors. The RSUs granted to the members of our Board of Directors generally vest on the one year anniversary of the grant date and either settle at vesting or, if the director has elected to defer the RSUs, within thirty days following the earlier of the termination of the director's service for any reason or a change of control.

During the six nine months ended June September 30, 2024, we granted 202,225 equivalent stock units, or cash-settled, liability-classified RSUs ("ESUs"), with a weighted average grant date fair value of \$15.35. When ESUs are granted to employees, they are valued at fair value, which we measure at the closing price of our common stock on the date of grant. Since ESUs will be settled in cash, we record a liability, which is remeasured each reporting period at fair value based upon the closing price of our common stock until the awards are settled. The ESUs generally vest and settle over a period of three equal annual installments beginning on or around the anniversary of the date of grant. The cash settled for any ESU will not exceed the maximum payout established by our Compensation, Nominating and Governance Committee of the Board of Directors.

In addition, during the six nine months ended June September 30, 2024, we granted 56,157 performance stock unit awards ("PSUs"), which have a performance period from January 1, 2024 to December 31, 2026. The PSUs grant date fair value of \$15.27 was measured using a Monte Carlo simulation. The number of PSUs ultimately issued under the program is dependent upon our total shareholder return relative to a performance peer group ("relative TSR") over the three year performance period. Each PSU associated with the March 2024 award will settle for between zero and 1.25 shares of our common stock in the first quarter of 2027. The threshold performance level (25th percentile relative TSR) earns 50% of the target PSUs, the mid-point performance level (50th percentile relative TSR) earns 100% of the target PSUs and the maximum performance level (75th percentile relative TSR) or greater earns 125% of the target PSUs.

Total share-based compensation expense for all awards was \$1.2 \$1.3 million and \$1.7 million for each of the three months ended June September 30, 2024 and 2023, and \$2.1 \$3.4 million and \$2.5 \$4.2 million for the six nine months ended June September 30, 2024 and 2023, respectively.

### Note 12. Income Taxes

The computation of the annual estimated effective tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the expected operating income (or loss) for the year, projections of the proportion of income (or loss) earned and taxed in foreign jurisdictions, permanent and temporary differences and the likelihood of recovering deferred tax assets generated in the current year. The accounting estimates used to compute the provision for income taxes may change as new events occur, more experience is acquired or additional information is obtained. The computation of the annual estimated effective tax rate includes applicable modifications, which were projected for the year, such as certain book expenses not deductible for tax, tax credits and foreign deemed dividends.

Our effective tax rate ("ETR") from continuing operations was (10.5% (0.7%) and (4.4% (15.0%) for the three months ended June September 30, 2024 and 2023, respectively, and 160.7% 14.0% and (0.5%) 0.7% for the six nine months ended June September 30, 2024 and 2023, respectively. The income tax (benefit) expense for the three and six nine months ended June September 30, 2024 and 2023 primarily relates to results generated by our United States, Canada, and certain other foreign businesses. The income tax provision for both each of the three and six nine months ended June September 30, 2024 and 2023, does not include the effects of losses within the United States, Canada, or other jurisdictions, from which we cannot currently benefit. In addition, for both each of the three and six nine months ended June September 30, 2024 and 2023, the income tax provision includes effects of changes in valuation allowances established against our previously recognized deferred tax assets including against derived from net operating loss carryforwards, in the United States, Canada, or other jurisdictions. For both the three and six nine months ended June September 30, 2024 and 2023, due to the impact of the valuation allowances on tax expense, significant variations exist in the customary relationship between income tax expense and pretax accounting income.

**NCS MULTISTAGE HOLDINGS, INC.**  
**NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**Note 13. Earnings (Loss) Per Common Share**

The following table presents the reconciliation of the numerator and denominator for calculating **loss** earnings (loss) per common share (in thousands, except per share data):

	Three Months Ended		Six Months Ended		Three Months Ended		Nine Months Ended	
	June 30,		June 30,		September 30,	September 30,	September 30,	September 30,
	2024	2023	2024	2023	2024	2023	2024	2023
<b>Numerator</b>								
Net loss	\$ (2,839)	\$ (32,076)	\$ (286)	\$ (47,072)				
Less: income attributable to non-controlling interest	256	155	739	128				
Net loss attributable to NCS Multistage Holdings, Inc.	<u>\$ (3,095)</u>	<u>\$ (32,231)</u>	<u>\$ (1,025)</u>	<u>\$ (47,200)</u>				
Net income (loss)					\$ 4,704	\$ 4,112	\$ 4,418	\$ (42,960)
Less: income (loss) attributable to non-controlling interest					557	(296)	1,296	(168)
Net income (loss) attributable to NCS Multistage Holdings, Inc.					<u>\$ 4,147</u>	<u>\$ 4,408</u>	<u>\$ 3,122</u>	<u>\$ (42,792)</u>
<b>Denominator</b>								
Basic weighted average number of shares	2,548	2,476	2,528	2,464	2,548	2,479	2,535	2,469
Dilutive effect of stock options, RSUs and PSUs	—	—	—	—	40	10	36	—
Diluted weighted average number of shares	<u>2,548</u>	<u>2,476</u>	<u>2,528</u>	<u>2,464</u>	<u>2,588</u>	<u>2,489</u>	<u>2,571</u>	<u>2,469</u>
<b>Loss per common share</b>								
<b>Earnings (loss) per common share</b>								
Basic	\$ (1.21)	\$ (13.02)	\$ (0.41)	\$ (19.16)	\$ 1.63	\$ 1.78	\$ 1.23	\$ (17.33)
Diluted	<u>\$ (1.21)</u>	<u>\$ (13.02)</u>	<u>\$ (0.41)</u>	<u>\$ (19.16)</u>	<u>\$ 1.60</u>	<u>\$ 1.77</u>	<u>\$ 1.21</u>	<u>\$ (17.33)</u>
Potentially dilutive securities excluded as anti-dilutive	<u>144</u>	<u>155</u>	<u>138</u>	<u>145</u>	<u>65</u>	<u>114</u>	<u>40</u>	<u>147</u>

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

The following discussion and analysis of our financial condition and results of operations should be read together with our financial statements and the related notes thereto included in this Quarterly Report on Form 10-Q ("Quarterly Report") and with our audited financial statements and the related notes thereto included in our Annual Report on Form 10-K ("Annual Report"), filed with the Securities and Exchange Commission (the "SEC"). This discussion and analysis contains forward-looking statements regarding the industry outlook, estimates and assumptions concerning events and financial and industry trends that may affect our future results of operations or financial condition and other non-historical statements. These forward-looking statements are subject to numerous risks and uncertainties, including but not limited to the risks and uncertainties described in "—Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors." Our actual results may differ materially from those contained in or implied by these forward-looking statements. As used in this Quarterly Report, except where the context otherwise requires or where otherwise indicated, the terms "Company," "NCS," "we," "our" and "us" refer to NCS Multistage Holdings, Inc.

**Overview and Outlook**

We are a leading provider of highly engineered products and support services that facilitate the optimization of oil and natural gas well construction, well completions and field development strategies. We provide our products and services primarily to exploration and production ("E&P") companies for use in onshore and offshore wells, predominantly wells

that have been drilled with horizontal laterals in both unconventional and conventional oil and natural gas formations. Our products and services are utilized in oil and natural gas basins throughout North America and in selected international markets, including the North Sea, the Middle East, Argentina and China. We provide our products and services to various customers, including leading large independent oil and natural gas companies and major oil companies.

Our primary offering is our fracturing systems products and services, which enable efficient pinpoint stimulation: the process of individually stimulating each entry point into a formation targeted by an oil or natural gas well. Our fracturing systems products and services can be used in both cemented and open-hole wellbores and enable our customers to precisely place stimulation treatments in a more controlled and repeatable manner as compared with traditional completion techniques. Our fracturing systems products and services are utilized in conjunction with third-party providers of pressure pumping, coiled tubing and other services. As an extension of fracturing systems, we offer enhanced recovery systems, which enable our customers to inject water, other fluids, or gases in a controlled manner with the objective of increasing the number of hydrocarbons produced from their assets.

We own a 50% interest in Repeat Precision, LLC ("Repeat Precision"), which sells composite frac plugs, perforating guns and related products. We provide tracer diagnostics services for well completion and reservoir characterization that utilize downhole chemical and radioactive tracers. We sell products for well construction, including casing buoyancy systems, liner hanger systems and toe initiation sleeves. We operate in one reportable segment that has been identified based on how our chief operating decision maker manages our business.

Our products and services are primarily sold to North American E&P companies and our ability to generate revenues from our products and services depends upon oil and natural gas drilling and completion activity in North America. Oil and natural gas drilling and completion activity is directly influenced by oil and natural gas prices.

Based on E&P company activity to date and expected capital budgets for the remainder of 2024, as well as **more recent** industry reports, we believe that annual average industry drilling and completion activity in Canada will be approximately **flat or slightly 5%** higher compared to 2023. **However, potential fresh water rationing in certain regions in Canada due to recent drought conditions could reduce completions activity.** In the United States, we expect a decline in activity by **5% 10%** to **10% 15%** on average compared to 2023 due in part to reduced natural gas prices and E&P consolidation. International industry activity is expected to improve **by approximately 5% on average in 2024** **slightly** as compared to 2023.

Oil and natural gas prices were volatile in 2023, and this volatility continued into 2024 due to unrest **associated with** **from** the ongoing war between Russia and Ukraine and the **Israeli-Hamas conflict**. **Israeli conflicts with Hamas, Hezbollah and Iran (the "Israeli Conflicts")**. If the **Israeli-Hamas conflict** **Israeli Conflicts** further **escalates** **escalate** in the Middle East, **it** **commodity prices could result be more volatile**. In addition, oil prices have been affected by a decline in **further commodity price volatility**, **global oil demand growth**, **particularly from China**. To mitigate the impact of uncertain economic conditions on the oil market, certain countries continue to extend voluntary crude oil output cuts and maintain spare capacity, enabling the producers to adjust production levels relatively quickly. **However, in December 2024, these production cuts are expected to decrease**, and **Saudi Arabia has indicated it will increase oil output, shifting away from its previous strategy of maintaining higher prices**. See further discussion below on oil and natural gas pricing.

We continue to face intense competitive pressure across all of our product and services offerings, which has and may continue to have a negative impact on market share and operating margins for certain product lines. Furthermore, this competitive pressure constrains our ability to raise prices in an inflationary environment, which was more pronounced in early to mid-2023 but has since **partially improved**.

Over the past two years, we have experienced modest supply chain disruptions and higher prices for certain raw materials, including steel and chemicals, as well as purchased components and outsourced services. This cost inflation persisted throughout 2022, continued into 2023, then moderated somewhat in 2024. Prices for steel have declined from their highs as U.S. rig counts have decreased. While we have endeavored to increase customer prices to defray our higher raw material and component costs, these price increases have not always fully offset our higher input costs. We also experienced tight labor conditions starting in 2022, which has led to increased employee turnover, delays in filling open positions and labor cost inflation, which impacted both our cost of sales and selling, general and administrative ("SG&A") expenses and resulted in higher salaries, hourly pay rates and benefit costs. **However, This** labor cost inflation, while still elevated, began to decrease during the latter part of 2023.

To counter inflationary pressures on the economy, central banks, including the U.S. Federal Reserve, increased reference interest rates several times between March 2022 and July 2023, actions typically expected to increase borrowing costs and restrain economic activity. In **June** **September** 2024, the U.S. Federal Reserve **did not increase** **decreased** the benchmark interest rate **which remains unchanged in 2024 to date**, **amid signs of more persistent** **favorable** **inflation and strong economic growth**. While the U.S. Federal Reserve **has not changed the benchmark interest rate recently** **job data**, **and more** **rate cuts are possible later in 2024** **unfavorable** **inflation data could delay any action**, **and 2025**.

## Market Conditions

### **Oil and Natural Gas Drilling and Completion Activity**

While oil **Oil** and natural gas prices remain **volatile**, **the volatile**. The average WTI crude oil **pricing increased in price** **decreased slightly** for the **second** **third** quarter of 2024 as compared to the **first** **second** quarter of 2024. During the second quarter of 2024, members of OPEC and certain other countries, including Russia (informally known as "OPEC+"),

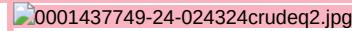
agreed to extend additional crude oil production cuts of 2.2 MMBBL/D until the end of September 2024 as well as and prolonged other production cuts until the end of 2025. In early September 2024, OPEC+ announced the delay of the October 2024 output increase for two months. Saudi Arabia has indicated that it will bring back production as planned in December 2024, regardless of market conditions or oil prices at that time, as a strategic decision to increase its market share, which could reduce oil commodity prices. Since 2022, OPEC + has implemented various production cuts to address the uncertain outlook in the global economic and oil markets.

Natural gas pricing continues to be volatile and has decreased increased for the second third quarter of 2024 to an average of \$2.07 \$2.11 per MMBtu compared to an average of \$2.15 \$2.07 per MMBtu for the first second quarter of 2024. Realized natural gas prices for U.S. producers in West Texas and for Canadian E&P customers are typically at a discount to U.S. Henry Hub pricing. The natural gas price declines in 2024 are due to a mild winter earlier in the year and the continued high surplus levels in of natural gas in storage, negatively impacting drilling and completion activity in certain regions, particularly in the United States.

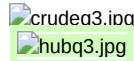
Sustained significant declines in commodity prices, or sustained periods when the local pricing received in regional markets is below benchmark pricing, known in the industry as high differentials, would be expected to lead North American E&P companies to reduce drilling and completion activity, which could negatively impact our business.

Listed and depicted below are recent crude oil and natural gas pricing trends, as provided by the Energy Information Administration ("EIA") of the U.S. Department of Energy:

Quarter Ended	Average Price		
	WTI Crude (per Bbl)	Brent Crude (per Bbl)	Henry Hub Natural Gas (per MMBtu)
6/30/2023	\$ 73.54	\$ 77.99	\$ 2.16
9/30/2023	82.25	86.65	2.59
12/31/2023	78.53	84.01	2.74
3/31/2024	77.50	82.92	2.15
6/30/2024	81.81	84.68	2.07



Quarter Ended	Average Price		
	WTI Crude (per Bbl)	Brent Crude (per Bbl)	Henry Hub Natural Gas (per MMBtu)
9/30/2023	\$ 82.25	\$ 86.65	\$ 2.59
12/31/2023	78.53	84.01	2.74
3/31/2024	77.50	82.92	2.15
6/30/2024	81.81	84.68	2.07
9/30/2024	76.43	80.01	2.11



Listed and depicted below are the average number of operating onshore rigs in the United States and in Canada per quarter since the second third quarter of 2023, as provided by Baker Hughes Company. The quarterly changes, particularly for the second quarter Canadian land rig count, can be are partially attributable attributable to seasonality of activity in that market:

Quarter Ended	Average Drilling Rig Count			Average Drilling Rig Count		
	U.S. Land	Canada Land	North America Land	U.S. Land	Canada Land	North America Land
6/30/2023	699	116	815			
9/30/2023	630	187	817	630	187	817
12/31/2023	601	180	781	601	180	781
3/31/2024	602	208	810	602	208	810
6/30/2024	583	134	717	583	134	717
9/30/2024				566	207	773



Over the past several years, North American E&P companies have been able to reduce their cost structures and have also utilized technologies, including ours, to increase efficiency and improve well performance. The average U.S. land rig count and completion activity has decreased **since from** the highs reached **in** during the fourth quarter of 2022. In the **second** **third** quarter of 2024, the average U.S. land rig count was **583,566**, a decline of **17%** **10%** and **3%**, respectively, compared to the **third** quarter of 2023 and the **second** quarter of **2023** and **first** quarter of **2024**, respectively. The average land rig count in Canada for the **second** **third** quarter of 2024 was higher by **16%** **11%** compared to the same period in 2023. We currently expect U.S. rig counts and completion activity for the remainder of 2024 to be lower than the comparable data for 2023, annual average **level**, but we expect the Canadian activity level for the remainder of the year to **remain flat** or **be slightly higher** compared to last than the activity level for the prior year.

A substantial portion of our business is subject to seasonality, which results in quarterly variability. In Canada, we typically experience higher activity levels in the first quarter of each year, as our customers take advantage of the winter freeze to gain access to remote drilling and production areas. In the past, our revenue in Canada has declined during the second quarter due to warming weather conditions that result in thawing, softer ground, difficulty accessing well sites and road bans that curtail drilling and completion activity. Access to well sites typically improves throughout the third and fourth quarters in Canada, leading to activity levels that are higher than in the second quarter, but usually lower than activity in the first quarter. Canadian completions activity **could** **can** be impacted by wildfires that are usually experienced in the spring and summer **seasons**. In addition, certain **regions** in Canada may **ration** the use of **fresh water** if there are **drought** **conditions**. **seasons**, but **weather** and **wildfire** **conditions** this year were **favorable** compared to 2023. Our business can be impacted by a reduction in customer activity during the winter holidays in late December and early January. In some years, customers in the United States and Canada may exhaust their capital budgets before year-end, resulting in lower drilling and completion activity during the fourth quarter.

We expect this to be the case this year in the United States, and to a lesser extent in Canada.

#### How We Generate Revenues

We derive our revenues from the sale of our fracturing systems and enhanced recovery systems products and the provision of related services, casing buoyancy systems, liner hanger systems and toe initiation sleeves products and from sales of our tracer diagnostics services in addition to the sale of composite frac plugs, perforating guns and related products through Repeat Precision.

Product sales represented **64%** **72%** and **69%** **71%** of our revenues for the three months ended **June 30, 2024** **September 30, 2024** and 2023, respectively, and **69%** **70%** and **71%** for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** and 2023, respectively. Most of our sales are on a just-in-time basis, as specified in individual purchase orders, with a fixed price for our products. We occasionally supply our customers with large orders that may be filled on negotiated terms. Services represented **36%** **28%** and **31%** **29%** of our revenues for the three months ended **June 30, 2024** **September 30, 2024** and 2023, respectively, and **31%** **30%** and **29%** for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** and 2023, respectively. Services include tool charges and associated personnel costs related to fracturing systems and tracer diagnostics services. Our services are provided at agreed-upon rates to customers for the provision of our downhole frac isolation assembly, which may include our personnel, and for the provision of tracer diagnostics services.

During periods of low drilling and well completion activity, or as may be needed to compete in certain markets, we may, in some instances, lower the prices of our products and services. Our revenues are also impacted by well complexity since wells with more stages typically result in longer jobs, which may increase revenue attributable to the use of more sliding sleeves or increase composite frac plug sales, and increase the volume of services we provide.

The percentages of our revenues derived from sales in Canada and denominated in Canadian dollars were approximately **41%** **66%** and **56%** **74%** for the three months ended **June 30, 2024** **September 30, 2024** and 2023, respectively, and approximately **59%** **62%** and **65%** **68%** for the **six** **nine** months then ended. Our Canadian contracts are typically invoiced in Canadian dollars; therefore, the effects of foreign currency fluctuations impact our revenues and are regularly monitored. Strengthening of the U.S. dollar, our reporting currency, relative to the Canadian dollar would result in lower reported revenues, partially offset by lower reported cost of sales and SG&A expenses.

Although most of our sales are to North American E&P companies, we also have sales to customers outside of North America, and we expect sales to international customers to increase over time. These international sales are made through local NCS entities or to our local operating partners typically on a free on board or free carrier basis with a point of sale in the United States. Some of the locations in which we have operating partners or sales representatives include the Middle East and China. Our operating partners and representatives do not have authority to contractually bind NCS but market our products in their respective territories as part of their product or services offering.

#### Costs of Conducting our Business

Our cost of sales is comprised of expenses relating to the manufacture of our products in addition to the costs of our support services. Manufacturing cost of sales includes payments made to our suppliers for raw materials and payments made to machine shops for the manufacture of product components and finished assemblies and costs related to our employees that perform quality control analysis, assemble and test our products. In addition, Repeat Precision operates a manufacturing facility with supporting personnel in Mexico, which has allowed us to reduce our costs for certain product categories. We review forecasted activity levels in our business and either directly procure or support our vendors in procuring the required raw materials with sufficient lead time to meet our business requirements. We obtain certain chemicals utilized in our tracer diagnostics services

business from suppliers in China, which are subject to tariffs that increase our costs, although costs. While these tariffs have recently declined, declined, there is a possibility that they could be increased substantially following the upcoming U.S. presidential election. Prices for certain raw materials, including steel and chemicals and for purchased components and outsourced services, have increased in recent years due to inflation, exacerbated by the impacts resulting from Russia's continuing invasion of Ukraine, although prices for steel have pricing has since declined from their highs as U.S. rig counts have decreased, recent highs. Cost of sales for support services includes compensation and benefit-related expenses for employees who provide direct revenue generating services to customers in addition to the costs incurred by these employees for travel and subsistence while on site. Cost of sales includes other variable manufacturing costs, such as shrinkage, obsolescence, revaluation and scrap related to our existing inventory and costs related to the chemicals used and laboratory analysis associated with our tracer diagnostics services.

Our SG&A expenses are comprised of compensation expense, which includes compensation and benefit-related expenses for our employees who are not directly involved in revenue generating activities, including those involved in our research and development activities, as well as our general operating costs. These general operating costs include but are not limited to: rent and occupancy for our facilities, information technology infrastructure services, software licensing, advertising and marketing, third party research and development, risk insurance and professional service fees for audit, legal and other consulting services. Our SG&A expenses also include litigation expenses, severance expenses and expected credit losses.

In an effort to streamline operations and gain efficiencies, in 2023 we implemented several cost reduction initiatives, including consolidation of our tracer diagnostics operations, consolidation of Repeat's manufacturing footprint in Mexico, restructuring of certain U.S. and international operations, and the elimination of various support positions. As a result of these efforts, we expect to realize annualized cost savings of approximately \$4.0 million in 2024. See "Note 8. Accrued Expenses" to the accompanying unaudited condensed consolidated financial statements for further discussion.

The percentage of our operating costs denominated in Canadian dollars (including cost of sales and SG&A expenses but excluding depreciation and amortization expense) approximated 24% 30% and 19% 31% for the three months ended June 30, 2024 September 30, 2024 and 2023, respectively, and 26% 28% and 29% 30% for the six nine months then ended.

#### Results of Operations

##### Three Months Ended June 30, 2024 September 30, 2024 Compared to Three Months Ended June 30, 2023 September 30, 2023

The following tables summarize our results of operations, gross margins and revenues by geographic area for the periods presented (dollars in thousands):

	Three Months Ended					
	June 30,		Variance			
	2024	2023	\$	% (1)		
Revenues						
Product sales	\$ 19,022	\$ 17,433	\$ 1,589	9.1 %		
Services	10,668	7,958	2,710	34.1 %		
Total revenues	29,690	25,391	4,299	16.9 %		
Cost of sales						
Cost of product sales, exclusive of depreciation and amortization expense shown below	12,209	11,994	215	1.8 %		
Cost of services, exclusive of depreciation and amortization expense shown below	5,510	4,935	575	11.7 %		
Total cost of sales, exclusive of depreciation and amortization expense shown below	17,719	16,929	790	4.7 %		
Selling, general and administrative expenses	14,820	14,477	343	2.4 %		
Depreciation	1,134	948	186	19.6 %		
Amortization	167	167	—	— %		
Loss from operations	(4,150 )	(7,130 )	2,980	41.8 %		
Other income (expense)						
Interest expense, net	(115 )	(211 )	96	45.5 %		
Provision for litigation, net of recoveries	—	(24,886 )	24,886	100.0 %		
Other income, net	2,203	1,478	725	49.1 %		
Foreign currency exchange (loss) gain, net	(507 )	23	(530 )	NM		

Total other income (expense)	1,581	(23,596 )	25,177	106.7 %
Loss before income tax	(2,569 )	(30,726 )	28,157	91.6 %
Income tax expense	270	1,350	(1,080 )	(80.0) %
Net loss	(2,839 )	(32,076 )	29,237	91.1 %
Net income attributable to non-controlling interest	256	155	101	65.2 %
Net loss attributable to NCS Multistage Holdings, Inc.	\$ (3,095 )	\$ (32,231 )	\$ 29,136	90.4 %

(1) NM – Percentage not meaningful

	Three Months Ended			
	September 30,		Variance	
	2024	2023	\$	%
Revenues				
Product sales	\$ 31,675	\$ 27,286	\$ 4,389	16.1 %
Services	12,331	10,993	1,338	12.2 %
Total revenues	44,006	38,279	5,727	15.0 %
Cost of sales				
Cost of product sales, exclusive of depreciation and amortization expense shown below	19,408	17,118	2,290	13.4 %
Cost of services, exclusive of depreciation and amortization expense shown below	6,066	5,449	617	11.3 %
Total cost of sales, exclusive of depreciation and amortization expense shown below	25,474	22,567	2,907	12.9 %
Selling, general and administrative expenses	14,139	12,669	1,470	11.6 %
Depreciation	1,188	1,001	187	18.7 %
Amortization	168	168	—	— %
Income from operations	3,037	1,874	1,163	62.1 %
Other income (expense)				
Interest expense, net	(108 )	(27 )	(81 )	(300.0) %
Provision for litigation, net of recoveries	—	(98 )	98	100.0 %
Other income, net	1,523	1,983	(460 )	(23.2) %
Foreign currency exchange gain (loss), net	217	(157 )	374	238.2 %
Total other income	1,632	1,701	(69 )	(4.1) %
Income before income tax	4,669	3,575	1,094	30.6 %
Income tax benefit	(35 )	(537 )	502	93.5 %
Net income	4,704	4,112	592	14.4 %
Net income (loss) attributable to non-controlling interest	557	(296 )	853	288.2 %
Net income attributable to NCS Multistage Holdings, Inc.	\$ 4,147	\$ 4,408	\$ (261 )	(5.9) %

	Three Months Ended						Three Months Ended			
	June 30,		Variance		September 30,		Variance			
	2024	2023	\$	%	2024	2023	\$	%		
Gross Margin and Gross Margin Percentage:										
Cost of product sales, exclusive of depreciation and amortization expense	\$ 12,209	\$ 11,994	\$ 215	1.8 %	\$ 19,408	\$ 17,118	\$ 2,290	13.4 %		
Depreciation and amortization attributable to cost of product sales	459	382	77	20.2 %	486	414	72	17.4 %		
Cost of product sales	12,668	12,376	292	2.4 %	19,894	17,532	2,362	13.5 %		
Product sales gross profit	\$ 6,354	\$ 5,057	\$ 1,297	25.6 %	\$ 11,781	\$ 9,754	\$ 2,027	20.8 %		
Product sales gross margin	33.4 %		29.0 %		37.2 %		35.7 %			

Cost of services, exclusive of depreciation and amortization expense	\$ 5,510	\$ 4,935	\$ 575	11.7%	\$ 6,066	\$ 5,449	\$ 617	11.3%
Depreciation and amortization attributable to cost of services	194	145	49	33.8%	213	144	69	47.9%
Cost of services	5,704	5,080	624	12.3%	6,279	5,593	686	12.3%
Services gross profit	\$ 4,964	\$ 2,878	\$ 2,086	72.5%	\$ 6,052	\$ 5,400	\$ 652	12.1%
Services gross margin	46.5%	36.2%			49.1%	49.1%		
Total cost of sales	\$ 18,372	\$ 17,456	\$ 916	5.2%	\$ 26,173	\$ 23,125	\$ 3,048	13.2%
Total gross profit	\$ 11,318	\$ 7,935	\$ 3,383	42.6%	\$ 17,833	\$ 15,154	\$ 2,679	17.7%
Total gross margin	38.1%	31.3%			40.5%	39.6%		

Revenues by Geographic Area:	Three Months Ended						Three Months Ended			
	June 30,			Variance		September 30,			Variance	
	2024	2023		\$	%	2024	2023		\$	%
United States										
Product sales	\$ 8,550	\$ 6,942	\$ 1,608	23.2%	\$ 9,489	\$ 5,200	\$ 4,289	82.5%		
Services	3,241	2,440	801	32.8%	1,645	2,812	(1,167)	(41.5)%		
Total United States	11,791	9,382	2,409	25.7%	11,134	8,012	3,122	39.0%		
Canada										
Product sales	8,263	9,970	(1,707)	(17.1)%	22,140	21,531	609	2.8%		
Services	3,795	4,351	(556)	(12.8)%	6,725	6,613	112	1.7%		
Total Canada	12,058	14,321	(2,263)	(15.8)%	28,865	28,144	721	2.6%		
Other Countries										
Product sales	2,209	521	1,688	324.0%	46	555	(509)	(91.7)%		
Services	3,632	1,167	2,465	211.2%	3,961	1,568	2,393	152.6%		
Total other countries	5,841	1,688	4,153	246.0%	4,007	2,123	1,884	88.7%		
Total										
Product sales	19,022	17,433	1,589	9.1%	31,675	27,286	4,389	16.1%		
Services	10,668	7,958	2,710	34.1%	12,331	10,993	1,338	12.2%		
Total revenues	\$ 29,690	\$ 25,391	\$ 4,299	16.9%	\$ 44,006	\$ 38,279	\$ 5,727	15.0%		

#### Revenues

Revenues were \$29.7 \$44.0 million for the three months ended June 30, 2024 as September 30, 2024 compared to \$25.4 \$38.3 million for the three months ended June September 30, 2023. Increases Revenue growth was driven by increases in international services, U.S. product sales, and U.S. revenues Canada product sales and services. These gains were partially offset by a decrease in Canada revenues, lower U.S. services revenues and international product sales. The significant increase in international revenues was driven by Middle East tracer work and North Sea frac systems and Middle East tracer work, and, while the increase in the United States was driven reflects higher frac plug and perforating gun sales by frac systems sales. our joint venture, Repeat Precision. Despite the increase in our U.S. revenues, customer activity continues to be negatively impacted by lower natural gas prices. The decline increase in our Canada revenues Canadian revenue was due in part to certain customers deferring planned frac higher fracturing systems work into activity in 2024, as the second half of the prior year due to wet weather conditions and E&P consolidation transactions. Ove was impacted more significantly by Canadian wildfires stemming from drought conditions. Overall, product sales for the three months ended June 30, 2024 September 30, 2024 were \$19.0 \$31.7 million compared to \$17.4 \$27.3 million for the three months ended June 30, 2023 September 30, 2023. Services revenues totaled \$10.7 \$12.3 million compared to \$8.0 \$11.0 million for the same periods.

#### Cost of sales

Cost of sales was \$18.4 \$26.2 million, or 61.9% 59.5% of revenues, for the three months ended June September 30, 2024 compared to \$17.5 \$23.1 million, or 68.7% 60.4% of revenues, for the three months ended June September 30, 2023. The decrease in the cost of sales as a percentage of revenues was primarily due to an increase in higher-margin international work in both the North Sea and Middle East and North Sea, an increase in activity for frac plug and perforating gun sales in the United States, and as well as the impact of benefits realized from operational restructuring efforts implemented enacted in 2023. For the three months ended June September 30, 2024, cost of product sales was \$12.7 \$19.9 million, or 66.6% 62.8% of product sales revenue, and cost of services was \$5.7 \$6.3 million, or 53.5% 50.9% of services revenue. For the three months ended

June September 30, 2023, cost of product sales was \$12.4 17.5 million, or 71.0% 64.3% of product sales revenue, and cost of services was \$5.1 5.6 million, or 63.8% 50.9% of services revenue.

#### *Selling, general and administrative expenses*

Selling, general and administrative expenses were \$14.8 \$14.1 million for the three months ended June 30, 2024 September 30, 2024 compared to \$14.5 \$12.7 million for the three months ended June 30, 2023 September 30, 2023. This increase in expense reflects a higher annual incentive bonus accrual of \$1.0 \$2.2 million year-over-year partially offset by the realization benefit of cost-savings associated with cost-saving measures implemented through our restructuring efforts during 2023.

#### *Depreciation*

Depreciation totaled \$1.2 million for the three months ended September 30, 2024 compared to \$1.0 million for the three months ended September 30, 2023. The increase is due to assets placed in service during the twelve-month period ended September 30, 2024, primarily light vehicles and trucks under finance leases through our leasing program with a fleet management company.

#### *Provision for litigation, net of recoveries*

Provision for litigation totaled \$24.9 \$0.1 million during the three months ended June 30, 2023 and September 30, 2023, related to the Texas settlement of the Wyoming Matter, whereby the plaintiff received \$2.0 million, which was paid on our behalf under a policy of insurance, and we received \$0.6 million for unpaid invoices, recorded as other income, net in the accompanying statement of operations. We also reversed our accrual for legal contingencies for this matter which totaled \$1.7 million. Offsetting this benefit, in October 2023 the Canada Court ordered us to pay \$1.8 million (\$2.5 million in Canadian dollars) of legal fees associated with a patent infringement case, which we accrued a judgment that was later settled by all parties during the fourth quarter of 2023, resulting in no cash payments by NCS and a reversal of this accrual. The settlement was fully paid by the insurance carrier in January 2024. The provision also includes an amount which represented our best estimate of loss, at the time, within the range of possible outcomes in the Wyoming Matter, which was settled and fully paid by our insurance company in the third quarter of 2023, three months ended September 30, 2023. These matters have been previously described in our Annual Report. See "Note 10. Commitments and Contingencies" to the accompanying unaudited condensed consolidated financial statements for further discussion.

#### *Other income, net*

Other income, net was \$2.2 million for the three months ended June 30, 2024 compared to \$1.5 million for the three months ended June 30, 2023 September 30, 2024 compared to \$2.0 million for the three months ended September 30, 2023. The increase decrease in other income was primarily attributable to the recovery of unpaid invoices through settlement of the Wyoming Matter in 2023, as discussed above, as well as the reversal of a legal contingency fee, partially offset in 2024 by increases in royalty income from licensees, licensees, and an increase in the benefit provided from our technical services and assistance agreement with our local partner in Oman.

#### *Foreign currency exchange gain (loss) gain, net*

Foreign currency exchange gain (loss) gain, net was \$(0.5) \$0.2 million for the three months ended June 30, 2024 September 30, 2024 compared to less than \$0.1 \$(0.2) million for the three months ended June 30, 2023 September 30, 2023. The change was due to the movement in the foreign currency exchange rates between the periods, primarily the Canadian dollar relative to the U.S. dollar.

#### *Income tax expense benefit*

Income tax expense benefit was \$0.3 less than \$0.1 million for the three months ended June 30, 2024 September 30, 2024 as compared to \$1.4 \$0.5 million for the three months ended June 30, 2023 September 30, 2023. Our effective tax rate ("ETR") from continuing operations was (10.5%) (0.7%) and (4.4%) (15.0%) for the three months ended June 30, 2024 September 30, 2024 and 2023, respectively. The income tax expense benefit for these periods primarily relates to results generated by our United States, Canada, and certain other foreign businesses, and the income tax provision for each three-month period excludes the effects of losses within the United States, Canada, or other jurisdictions, from which we cannot currently benefit. In addition, the income tax provision includes the effects of changes in valuation allowances established against our previously recognized deferred tax assets, some of which are derived from net operating loss carryforwards in the United States, Canada, or other jurisdictions. Therefore, significant variations exist in the customary relationship between income tax expense and pretax accounting income for the three month periods ended June 30, 2024 September 30, 2024 and 2023.

#### *Six Nine Months Ended June 30, 2024 September 30, 2024 Compared to Six Nine Months Ended June 30, 2023 September 30, 2023*

The following tables summarize our results of operations, gross margins and revenues by geographic area for the periods presented (dollars in thousands):

	Six Months Ended						Nine Months Ended			
	June 30,		Variance		September 30,		Variance			
	2024	2023	\$	% (1)	2024	2023	\$	% (1)		
Revenues										
Product sales	\$ 50,780	\$ 48,863	\$ 1,917	3.9%	\$ 82,455	\$ 76,149	\$ 6,306	8.3%		
Services	22,768	20,082	2,686	13.4%	35,099	31,075	4,024	12.9%		
Total revenues	73,548	68,945	4,603	6.7%	117,554	107,224	10,330	9.6%		
Cost of sales										
Cost of product sales, exclusive of depreciation and amortization expense shown below	31,901	30,827	1,074	3.5%	51,309	47,945	3,364	7.0%		
Cost of services, exclusive of depreciation and amortization expense shown below	12,105	11,115	990	8.9%	18,171	16,564	1,607	9.7%		
Total cost of sales, exclusive of depreciation and amortization expense shown below	44,006	41,942	2,064	4.9%	69,480	64,509	4,971	7.7%		
Selling, general and administrative expenses	28,650	30,628	(1,978)	(6.5)%	42,789	43,297	(508)	(1.2)%		
Depreciation	2,207	1,891	316	16.7%	3,395	2,892	503	17.4%		
Amortization	334	334	—	— %	502	502	—	— %		
<b>Loss from operations</b>	<b>(1,649)</b>	<b>(5,850)</b>	<b>4,201</b>	<b>71.8%</b>						
Income (loss) from operations					1,388	(3,976)	5,364	134.9%		
Other income (expense)										
Interest expense, net	(215)	(420)	205	48.8%	(323)	(447)	124	27.7%		
Provision for litigation, net of recoveries	—	(42,400)	42,400	100.0%	—	(42,498)	42,498	100.0%		
Other income, net	3,340	1,770	1,570	88.7%	4,863	3,753	1,110	29.6%		
<b>Foreign currency exchange (loss) gain, net</b>	<b>(1,005)</b>	<b>78</b>	<b>(1,083)</b>	<b>NM</b>						
Foreign currency exchange loss, net					(788)	(79)	(709)	NM		
Total other income (expense)	2,120	(40,972)	43,092	105.2%	3,752	(39,271)	43,023	109.6%		
Income (loss) before income tax	471	(46,822)	47,293	101.0%	5,140	(43,247)	48,387	111.9%		
Income tax expense	757	250	507	202.8%						
Net loss	(286)	(47,072)	46,786	99.4%						
Net income attributable to non-controlling interest	739	128	611	NM						
Net loss attributable to NCS Multistage Holdings, Inc.	<b>\$ (1,025)</b>	<b>\$ (47,200)</b>	<b>\$ 46,175</b>	<b>97.8%</b>						
Income tax expense (benefit)					722	(287)	1,009	351.6%		
Net income (loss)					4,418	(42,960)	47,378	110.3%		
Net income (loss) attributable to non-controlling interest					1,296	(168)	1,464	NM		
Net income (loss) attributable to NCS Multistage Holdings, Inc.					<b>\$ 3,122</b>	<b>\$ (42,792)</b>	<b>\$ 45,914</b>	<b>107.3%</b>		

(1) NM – Percentage not meaningful

	Six Months Ended						Nine Months Ended			
	June 30,		Variance		September 30,		Variance			
	2024	2023	\$	%	2024	2023	\$	%		
Gross Margin and Gross Margin Percentage:										
Cost of product sales, exclusive of depreciation and amortization expense	\$ 31,901	\$ 30,827	\$ 1,074	3.5%	\$ 51,309	\$ 47,945	\$ 3,364	7.0%		
Depreciation and amortization attributable to cost of product sales	927	744	183	24.6%	1,413	1,158	255	22.0%		
Cost of product sales	32,828	31,571	1,257	4.0%	52,722	49,103	3,619	7.4%		
Product sales gross profit	<b>\$ 17,952</b>	<b>\$ 17,292</b>	<b>\$ 660</b>	<b>3.8%</b>	<b>\$ 29,733</b>	<b>\$ 27,046</b>	<b>\$ 2,687</b>	<b>9.9%</b>		

Product sales gross margin	35.4 %				35.4 %				36.1 %	35.5 %	
Cost of services, exclusive of depreciation and amortization expense	\$ 12,105	\$ 11,115	\$ 990	8.9 %	\$ 18,171	\$ 16,564	\$ 1,607	9.7 %			
Depreciation and amortization attributable to cost of services	342	299	43	14.4 %	555	443	112	25.3 %			
Cost of services	12,447	11,414	1,033	9.1 %	18,726	17,007	1,719	10.1 %			
Services gross profit	\$ 10,321	\$ 8,668	\$ 1,653	19.1 %	\$ 16,373	\$ 14,068	\$ 2,305	16.4 %			
Services gross margin	45.3 %	43.2 %			46.6 %	45.3 %					
Total cost of sales	\$ 45,275	\$ 42,985	\$ 2,290	5.3 %	\$ 71,448	\$ 66,110	\$ 5,338	8.1 %			
Total gross profit	\$ 28,273	\$ 25,960	\$ 2,313	8.9 %	\$ 46,106	\$ 41,114	\$ 4,992	12.1 %			
Total gross margin	38.4 %	37.7 %			39.2 %	38.3 %					

	Six Months Ended				Nine Months Ended			
	June 30,		Variance		September 30,		Variance	
	2024	2023	\$	%	2024	2023	\$	%
Revenues by Geographic Area:								
United States								
Product sales	\$ 16,317	\$ 15,002	\$ 1,315	8.8 %	\$ 25,806	\$ 20,202	\$ 5,604	27.7 %
Services	5,485	5,699	(214)	(3.8)%	7,130	8,511	(1,381)	(16.2)%
Total United States	21,802	20,701	1,101	5.3 %	32,936	28,713	4,223	14.7 %
Canada								
Product sales	30,938	32,531	(1,593)	(4.9)%	53,078	54,062	(984)	(1.8)%
Services	12,789	12,461	328	2.6 %	19,514	19,074	440	2.3 %
Total Canada	43,727	44,992	(1,265)	(2.8)%	72,592	73,136	(544)	(0.7)%
Other Countries								
Product sales	3,525	1,330	2,195	165.0 %	3,571	1,885	1,686	89.4 %
Services	4,494	1,922	2,572	133.8 %	8,455	3,490	4,965	142.3 %
Total other countries	8,019	3,252	4,767	146.6 %	12,026	5,375	6,651	123.7 %
Total								
Product sales	50,780	48,863	1,917	3.9 %	82,455	76,149	6,306	8.3 %
Services	22,768	20,082	2,686	13.4 %	35,099	31,075	4,024	12.9 %
Total revenues	\$ 73,548	\$ 68,945	\$ 4,603	6.7 %	\$ 117,554	\$ 107,224	\$ 10,330	9.6 %

#### Revenues

Revenues were \$73.5 \$117.6 million for the six nine months ended June 30, 2024 September 30, 2024 compared to \$68.9 \$107.2 million for the six nine months ended June 30, 2023 September 30, 2023. Increases Revenue growth was driven by increases in international product sales and services revenues, U.S. product sales, and Canada services revenues. The gains were partially offset by a decrease in lower U.S. services revenues and Canada product sales. The significant increase in international revenues was driven by North Sea frac systems and Middle East tracer work, while the increase in the United States was driven by an increase in frac plug and U.S. revenues increased perforating gun sales by our joint venture, Repeat Precision, despite a reduction in industry rig count, primarily due to stronger count. Our Canadian results were comparable year-over-year, with a small decline in product sales partially offset by a small increase in service sales, reflecting the timing and mix of certain planned frac systems revenue, work and E&P consolidation transactions. Overall, product sales for the six nine months ended June 30, 2024 September 30, 2024 were \$50.8 \$82.5 million as compared to \$48.9 \$76.1 million for the six nine months ended June 30, 2023 September 30, 2023. Services revenues totaled \$22.8 \$35.1 million and \$20.1 \$31.1 million for the same periods.

#### Cost of sales

Cost of sales was \$45.3 \$71.4 million, or 61.6% 60.8% of revenues, for the six nine months ended June September 30, 2024 compared to \$43.0 \$66.1 million, or 62.3% 61.7% of revenues, for the six nine months ended June September 30, 2023. The decrease in the cost of sales as a percentage of revenues was primarily due to an increase in higher-margin international work in the North Sea and Middle East and the North Sea and the benefits realized from cost saving initiatives implemented operational restructuring enacted in 2023. For the six nine months ended June September 30, 2024, cost of product sales was \$32.8 \$52.7 million, or 64.6% 63.9% of product sales revenue, and cost of services was \$12.5 \$18.7 million, or 54.7% 53.4% of services revenue. For the six nine months ended June September 30, 2023, cost of product sales was \$31.6 \$49.1 million, or 64.6% 64.5% of product sales revenue, and cost of services was \$11.4 \$17.0 million, or 56.8% 54.7% of services revenue.

#### *Selling, general and administrative expenses*

Selling, general and administrative expenses were ~~\$28.7~~ \$42.8 million for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 compared to ~~\$30.6~~ \$43.3 million for the ~~six~~ nine months ended ~~June 30, 2023~~ September 30, 2023. This decrease in expense reflects the realization of cost-savings associated with restructuring efforts during 2023, as well as lower professional fees, share-based compensation, insurance, and travel and entertainment expenses professional fees of ~~\$0.7~~ \$0.8 million, \$0.5 million, ~~\$0.3~~ million, and ~~\$0.3~~ \$0.4 million, respectively. The decrease in expense was partially offset by a ~~\$0.4~~ \$2.7 million increase in relative annual incentive bonus accruals year-over-year.

#### *Depreciation*

Depreciation totaled \$3.4 million for the nine months ended September 30, 2024 compared to \$2.9 million for the nine months ended September 30, 2023. The increase is due to assets placed in service during the twelve-month period ended September 30, 2024, primarily light vehicles and trucks under finance leases through our leasing program with a fleet management company.

#### *Provision for litigation, net of recoveries*

Provision for litigation totaled ~~\$42.4~~ \$42.5 million during the ~~six~~ nine months ended ~~June 30, 2023~~ and September 30, 2023, primarily related to the Texas Matter for which we accrued a judgment that was later settled by all parties during the fourth quarter of 2023, resulting in no cash payments by NCS and a reversal of this accrual. The settlement was fully paid by the insurance carrier in January 2024. The provision This balance also includes reflects the reversal of an amount which represented our best estimate accrual of loss, at the time, within the range of possible outcomes in ~~\$1.7~~ million associated with the Wyoming Matter, which was settled and fully paid by our insurance company in during the third quarter of 2023, offset by an incremental accrual associated with a Canadian patent matter, whereby, in October 2023 the Canada Court ordered us to pay \$1.8 million (\$2.5 million in Canadian dollars) of legal fees associated with a patent infringement case. These matters have been previously described in our Annual Report. See "Note 10. Commitments and Contingencies" to the accompanying unaudited condensed consolidated financial statements for further discussion.

#### *Other income, net*

Other income, net was ~~\$3.3~~ \$4.9 million for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 compared to ~~\$1.8~~ \$3.8 million for the ~~six~~ nine months ended ~~June 30, 2023~~ September 30, 2023. The increase in other income was primarily attributable to royalty income from licensees and an increase in the benefit associated with our technical services and assistance agreement with our local Oman partner, partner in Oman. The increase in other income was partially offset by a \$0.6 million benefit from the recovery of unpaid invoices associated with the Wyoming Matter in 2023, which did not recur in 2024.

#### *Foreign currency exchange (loss) gain, loss, net*

Foreign currency exchange (loss) gain, loss, net was ~~\$(1.0)~~ \$0.8 million for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 compared to \$0.1 million for the ~~six~~ nine months ended ~~June 30, 2023~~ September 30, 2023. The change was due to the movement in the foreign currency exchange rates between the periods, primarily the Canadian dollar relative to the U.S. dollar.

#### *Income tax expense (benefit)*

Income tax expense was ~~\$0.8~~ \$0.7 million for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 as compared to a tax benefit of \$0.3 million for the ~~six~~ nine months ended ~~June 30, 2023~~ September 30, 2023. Our effective tax rate ("ETR") from continuing operations was ~~160.7%~~ 14.0% and ~~(0.5%)~~ 0.7% for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 and 2023, respectively. The income tax expense for these periods primarily relates to results generated by our United States, Canada, and certain other foreign businesses, and the income tax provision for each period excludes the effects of losses within the United States, Canada, or other jurisdictions from which we cannot currently benefit. In addition, for each of the ~~six-month~~ nine-month periods, the income tax provision includes the effects of changes in valuation allowances established against our previously recognized deferred tax assets, including against net operating loss carryforwards, in the United States, Canada, or other jurisdictions. Therefore, significant variations exist in the customary relationship between income tax expense and pretax accounting income for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 and 2023.

#### **Liquidity and Capital Resources**

Our primary sources of liquidity are our existing cash and cash equivalents, cash flows from operations and potential borrowings under our ABL Facility secured asset-based revolving credit facility (the "ABL Facility") and the Repeat Precision Promissory Note (as defined below). As of ~~June 30, 2024~~ September 30, 2024, we had cash and cash equivalents of ~~\$18.6~~ \$15.3 million, and total outstanding indebtedness of ~~\$8.9~~ \$8.6 million related to finance lease obligations. Our secured asset-based revolving credit facility (the "ABL Facility") ABL Facility consists of an asset-based revolving credit facility in an aggregate principal amount of \$35.0 million. Total borrowings are limited to a borrowing base calculated on the sum of cash in a specified pledged account, eligible accounts receivable and eligible inventory, provided it does not include credit for the assets of Repeat Precision. At ~~June 30, 2024~~ September 30, 2024, our available borrowing base under the ABL Facility was ~~\$14.4~~ \$21.7 million, with no outstanding borrowings. The amount

available to be drawn under the ABL Facility may decline from current levels due to reductions in our borrowing base or a springing financial covenant if our business were to be adversely impacted by a decline in market conditions. We were in compliance with our debt covenants at **June 30, 2024** **September 30, 2024**.

In addition, Repeat Precision's promissory note with Security State Bank & Trust, Fredericksburg (the "Repeat Precision Promissory Note") has total aggregate borrowing capacity of \$2.5 million, lowered from an aggregate borrowing capacity of \$4.3 million upon renewal in May 2024, as discussed at "Note 9. Debt, *Repeat Precision Promissory Note*" in our unaudited condensed consolidated financial statements. As of **June 30, 2024** **September 30, 2024**, Repeat Precision has no outstanding indebtedness under the promissory note.

We believe that our cash on hand, cash flows from operations and potential borrowings under our ABL Facility and the Repeat Precision Promissory Note will be sufficient to fund our capital expenditure and liquidity requirements for the next twelve months and after. Our principal liquidity needs have been, and are expected to continue to be, capital expenditures, working capital, debt service and potential mergers and acquisitions.

Our capital expenditures for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** and 2023 were **\$0.7** **\$1.2** million and **\$1.3** **\$2.0** million, respectively. We plan to incur approximately \$1.5 million to **\$2.0** **\$1.7** million in capital expenditures during 2024, which includes (i) new computing equipment, (ii) upgrades to our tracer diagnostics deployment, sampling and laboratory equipment and (iii) upgrades to our manufacturing and field service equipment to support North American fracturing systems and well construction businesses.

To the extent we require additional liquidity to fund our capital requirements, including our finance lease obligations, or repay existing indebtedness, we would expect to obtain it through the incurrence of additional indebtedness, the proceeds of equity issuances, or a combination thereof. We cannot provide assurance that we will be able to obtain this additional liquidity on reasonable terms, or at all. Our liquidity and ability to meet our obligations and fund capital requirements also depend on our future financial performance including the ability to manage costs, which is subject to general economic, financial and other factors that are beyond our control. Accordingly, we cannot provide assurance that our business will generate sufficient cash flow from operations or that funds will be available from additional indebtedness, the capital markets or otherwise to meet our liquidity needs. If we decide to pursue one or more significant acquisitions, we may incur additional debt or sell equity to finance such acquisitions, which could result in incremental expenses or dilution.

#### Cash Flows

The following table provides a summary of cash flows from operating, investing and financing activities for the periods presented (in thousands):

	Six Months Ended		Nine Months Ended	
	June 30,		September 30,	
	2024	2023	2024	2023
Net cash provided by (used in) operating activities	\$ 4,099	\$ (1,042)	\$ 2,082	\$ (1,446)
Net cash used in investing activities	(393)	(978)	(732)	(1,513)
Net cash used in financing activities	(1,669)	(273)	(2,679)	(1,480)
Effect of exchange rate changes on cash and cash equivalents	(143)	(195)	(61)	(397)
Net change in cash and cash equivalents	\$ 1,894	\$ (2,488)	\$ (1,390)	\$ (4,836)

#### Operating Activities

Net cash provided by operating activities was **\$4.1** **\$2.1** million compared to a use of **\$(1.0)** **\$(1.4)** million for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** and 2023, respectively. Our net **loss** **income** was significantly **lower** **higher** in 2024 compared to 2023. During the first **six** **nine** months of 2023, we recorded a net loss associated with a **\$42.4** **\$42.5** million provision for litigation, which subsequently settled and for which the provision was reversed during the **second half** **fourth quarter** of 2023. Excluding the impact of this provision from the 2023 results, our year-over-year net **loss** **income** would have been **lower** **higher** in 2024 than in 2023 by **\$4.4** **\$4.9** million. **In** This improved performance reflects an increase in revenue for the first nine months of 2024 compared to the same period in 2023. The increase in sales impacts our inventory levels, the timing of trade receivable billings and collections, and payments for materials and other components. These results for the first nine months of 2024 compared to the relative period in 2023 **our change** reflects a lower inventory build (favorable cash impact of \$5.1 million), an increase in trade receivables was a source of funds. For 2024, we had a **\$10.2** million (a use of funds related to trade receivables cash) due in part to a relative increase in international activity, which can take longer to collect, a decrease in payables of \$1.8 million (use of cash) and also reflecting an increase in accrued expenses of \$4.2 million (a source of cash), partially attributable to higher revenue during the second quarter of 2024 as compared **incentive** accruals that correspond to 2023. This was offset somewhat by the corresponding timing associated with payments for materials and other components of cost of goods sold and favorable inventory management in 2024 as compared to 2023, improved operating performance.

#### *Investing Activities*

Net cash used in investing activities was ~~\$0.4~~ ~~\$0.7~~ million and ~~\$1.0~~ ~~\$1.5~~ million for the ~~six~~ ~~nine~~ months ended ~~June 30, 2024~~ ~~September 30, 2024~~ and 2023, respectively, reflecting a lower level of investment in property and equipment and software and technology.

#### *Financing Activities*

Net cash used in financing activities was ~~\$1.7~~ ~~\$2.7~~ million and ~~\$0.3 million~~ ~~\$1.5 million~~ for the ~~six~~ ~~nine~~ months ended ~~June 30, 2024~~ ~~September 30, 2024~~ and 2023. Our primary uses of funds for the ~~six~~ ~~nine~~ months ended ~~June 30, 2024~~ ~~September 30, 2024~~ and 2023 were principal payments of ~~\$0.9~~ ~~\$1.4~~ million and ~~\$0.7 million~~, ~~\$1.2 million~~, respectively, payments of \$0.2 million and \$0.3 million, respectively, for treasury shares withheld to settle withholding tax requirements for equity-settled share-based compensation, and a distribution of ~~\$0.5 million~~ ~~\$1.0 million~~ to Repeat Precision's other joint venture partner for the ~~six~~ ~~nine~~ months ended ~~June 30, 2024~~ ~~September 30, 2024~~. Under Net borrowings and repayments under the Repeat Promissory Note all borrowings were repaid had no relative impact on cash flows from financing activities for the ~~six~~ ~~nine~~ months ended ~~June 30, 2024~~ compared to net borrowings of \$0.7 million for the six months ended June 30, 2023, ~~September 30, 2024~~ and 2023.

#### *Material Cash Requirements*

There Except for the operating leases as discussed in "Note 10. Commitments and Contingencies" to our unaudited condensed consolidated financial statements, there have been no significant changes in our material cash requirements from those disclosed in the Annual Report for the year ended December 31, 2023.

#### Critical Accounting Estimates

There are no material changes to our critical accounting estimates from those included in the Annual Report for the year ended December 31, 2023.

#### Recently Issued Accounting Pronouncements

See "Note 1. Basis of Presentation" to our unaudited condensed consolidated financial statements for a discussion of the recent accounting pronouncements issued by the Financial Accounting Standards Board.

#### Smaller Reporting Company Status

We are a "smaller reporting company" as defined by Section 12b-2 of the Exchange Act, meaning that we are not an investment company, an asset-backed issuer, or a majority-owned subsidiary of a parent company that is not a smaller reporting company and have a public float of less than \$250 million. As a smaller reporting company, we may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies that do not qualify for the classification, including among other things, providing only two years of audited financial statements.

#### Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report includes certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects" and similar references to future periods, or by the inclusion of forecasts or projections. Examples of forward-looking statements include, but are not limited to, statements we make regarding the outlook for our future business and financial performance, such as those contained in Item 2. "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, our actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause our actual results to differ materially from those in the forward-looking statements include regional, national or global political, economic, business, competitive, market and regulatory conditions and the following:

- declines in the level of oil and natural E&P activity in Canada, the United States and internationally;
- oil and natural gas price fluctuations;

- significant competition for our products and services that results in pricing pressures, reduced sales, or reduced market share;
- inability to successfully implement our strategy of increasing sales of products and services into the U.S. and international markets;
- loss of significant customers;
- losses and liabilities from uninsured or underinsured business activities and litigation;
- our failure to identify and consummate potential acquisitions;
- the financial health of our customers including their ability to pay for products or services provided;
- our inability to integrate or realize the expected benefits from acquisitions;
- our inability to achieve suitable price increases to offset the impacts of cost inflation;
- loss of any of our key suppliers or significant disruptions negatively impacting our supply chain;
- risks in attracting and retaining qualified employees and key personnel;
- risks resulting from the operations of our joint venture arrangement;
- currency exchange rate fluctuations;
- impact of severe weather conditions;
- our inability to accurately predict customer demand, which may result in us holding excess or obsolete inventory;
- impairment in the carrying value of long-lived assets including goodwill;
- failure to comply with or changes to federal, state and local and non-U.S. laws and other regulations, including anti-corruption and environmental regulations, guidelines and regulations for the use of explosives;
- change in trade policy, including the impact of tariffs;
- our inability to successfully develop and implement new technologies, products and services that align with the needs of our customers, including addressing the shift to more non-traditional energy markets as part of the energy transition;
- our inability to protect and maintain critical intellectual property assets or losses and liabilities from adverse decisions in intellectual property disputes;
- loss of, or interruption to, our information and computer systems;
- system interruptions or failures, including complications with our enterprise resource planning system, cybersecurity breaches, identity theft or other disruptions that could compromise our information;
- our failure to establish and maintain effective internal control over financial reporting;
- restrictions on the availability of our customers to obtain water essential to the drilling and hydraulic fracturing processes;
- changes in legislation or regulation governing the oil and natural gas industry, including restrictions on emissions of greenhouse gases;

- our inability to meet regulatory requirements for use of certain chemicals by our tracer diagnostics business;
- the reduction in our asset-based revolving credit facility borrowing base or our inability to comply with the covenants in our debt agreements; and
- our inability to obtain sufficient liquidity on reasonable terms, or at all.

For the reasons described above, as well as factors identified in "Item 1A. Risk Factors" in this Quarterly Report and the section of the Annual Report entitled "Risk Factors," we caution you against relying on any forward-looking statements. Any forward-looking statement made by us in this Quarterly Report speaks only as of the date on which we make it. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

For our quantitative and qualitative disclosures about market risk, see Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," in our Annual Report for the year ended December 31, 2023. Our exposure to market risk has not changed materially since December 31, 2023.

### **Item 4. Controls and Procedures**

#### Evaluation of Disclosure Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of **June 30, 2024** **September 30, 2024**. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer, concluded that, as of **June 30, 2024** **September 30, 2024**, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

#### Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting that occurred during the quarter ended **June 30, 2024** **September 30, 2024** that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II. OTHER INFORMATION**

### **Item 1. Legal Proceedings**

See "Note 10. Commitments and Contingencies" of our unaudited condensed consolidated financial statements for further information regarding our legal proceedings.

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

There have been no material changes from the risk factors disclosed in our Annual Report for the year ended December 31, 2023.

### **Item 5. Other Information**

During the quarter ended **June** **September** 30, 2024, no director or officer of the Company 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 6. Exhibits**

Exhibit No.	Description
† 10.1	<a href="#">Amended Credit Agreement, dated as of April 16, 2024, by and among NCS Multistage Holdings, Inc., Pioneer Investment, Inc., NCS Multistage, LLC, NCS Multistage Inc., and the other loan parties thereto and JPMorgan Chase Bank, N.A. and the lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q (File No. 001-38071) filed on May 2, 2024).</a>
†* 10.2	<a href="#">Amended and Restated Employment Agreement between NCS Multistage Holdings, Inc. and Ryan Hummer, dated as of July 17, 2024, (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q (File No. 001-38071) filed on August 1, 2024).</a>
†* 10.3 10.2	<a href="#">Amended and Restated Employment Agreement between NCS Multistage Holdings, Inc. and Tim Willems, dated as of July 17, 2024, (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q (File No. 001-38071) filed on August 1, 2024).</a>
†* 10.4 10.3	<a href="#">Amended and Restated Employment Agreement between NCS Multistage Holdings, Inc. and Michael Morrison, dated as of July 17, 2024, (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q (File No. 001-38071) filed on August 1, 2024).</a>
†* 10.5 10.4	<a href="#">Amended and Restated Employment Agreement between NCS Multistage Holdings, Inc. and Ori Lev, dated as of July 17, 2024, (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q (File No. 001-38071) filed on August 1, 2024).</a>
* 31.1	<a href="#">Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
* 31.2	<a href="#">Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>
** 32.1	<a href="#">Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
** 32.2	<a href="#">Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
*** 101.INS	Inline XBRL Instance Document
*** 101.SCH	Inline XBRL Taxonomy Extension Schema
*** 101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
*** 101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
*** 101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
*** 101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
*** 104	Cover Page Interactive Data File (formatted in Inline iXBRL and contained in Exhibit 101)

† Management contracts or compensatory plans or arrangements.

\* Filed herewith.

\*\* Furnished herewith.

\*\*\* Submitted electronically with this Report.

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**SIGNATURES**

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

Date: **August 1, 2024** October 31, 2024

NCS Multistage Holdings, Inc.

By: /s/ Mike Morrison

Mike Morrison  
Chief Financial Officer and Treasurer

(Principal Financial Officer and Authorized Signatory)

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**Exhibit 10.2**

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of July 17, 2024 (the "Effective Date"), by and between Ryan Hummer ("Executive") and NCS Multistage Holdings, Inc. (the "Company").

**WHEREAS**, the Executive is currently party to that certain employment agreement with the Company, dated as of July 27, 2022 (the "Prior Agreement"); and  
**WHEREAS**, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company, on the terms set forth in this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**1. Employment Term.**

(a) From the Effective Date through November 1, 2022, the Prior Agreement, pursuant to which Executive is employed by the Company as its Chief Financial Officer, shall remain in effect (unless terminated prior thereto). As of November 1, 2022 (the "Appointment Date"), the Executive shall become Chief Executive Officer of the Company pursuant to the terms and conditions of this Agreement, and shall no longer serve as Chief Financial Officer of the Company. Effective as of the Appointment Date, this Agreement shall supersede and replace the Prior Agreement, except as specified herein. All provisions of this Agreement shall become effective as of the Appointment Date, and are conditioned on the Executive's continued employment with the Company through such date. The Executive's employment as Chief Executive Officer of the Company, commencing on the Appointment Date, shall be on an "at will" basis, and shall continue until terminated pursuant to Section 8 of this Agreement.

(b) On the Appointment Date, the Company hereby agrees to continue to employ Executive, and Executive hereby agrees to continue to be employed with the Company, upon the terms and conditions contained in this Agreement. Executive's employment with the Company pursuant to this Agreement shall commence on the Appointment Date and shall continue until the third anniversary of the Appointment Date (the "Initial Term") unless earlier terminated pursuant to Section 8; provided, that the term of this Agreement shall automatically be extended for one (1) additional year commencing on the third anniversary of the Appointment Date and on each anniversary thereafter (each, a "Renewal Term") unless, not less than ninety (90) days prior to the commencement of any such Renewal Term, either party shall have given written notice to the other that it does not wish to extend this Agreement (a "Non-Renewal Notice"), in which case, Executive's employment under this Agreement shall terminate upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable. The period during which Executive is employed by the Company pursuant to this Agreement is hereinafter referred to as the "Term."

**2. Employment Duties.** Executive shall have the title of Chief Executive Officer of the Company and shall have such duties, authorities and responsibilities as are consistent with such position and as the Board of Directors of the Company (the "Board") may designate from time to time. Executive shall report to the Board. Executive shall devote Executive's full working time and attention to Executive's employment and service with the Company and shall perform Executive's services in a capacity and in a manner consistent with Executive's position for the Company; provided, that this Section 2 shall not be interpreted as prohibiting Executive from (i) managing Executive's personal investments (so long as such investment activities are of a passive nature), (ii) engaging in charitable or civic activities, (iii) participating on boards of directors or similar bodies of non-profit organizations, or (iv) subject to approval by the Board in its sole and absolute discretion, participating on boards of directors or similar bodies of for-profit organizations, in each case of (i) – (iv), so long as such activities do not, individually or in the aggregate, (a) materially interfere with the performance of Executive's duties and responsibilities hereunder, (b) create a fiduciary conflict, or (c) result in a violation of Section 13 of this Agreement. If requested, Executive shall also serve as an executive officer and/or board member of the board of directors (or similar governing body) of any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company (an "Affiliate") without any additional compensation; for purposes of this Agreement, "Affiliate" shall not include other entities under common control with Advent International other than the Company and its Affiliates.

**3. Base Salary.** During the Term, the Company shall pay Executive a base salary at an annual rate of \$450,000, payable in accordance with the Company's normal payroll practices for employees as in effect from time to time. Executive shall be entitled to such increases in base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary."

**4. Annual Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual cash bonus award (the "Annual Bonus") pursuant to the Company's then annual cash bonus plan, with a target Annual Bonus of one hundred and twenty five percent (125%) of Base Salary ("Target Bonus") up to a maximum Annual Bonus of two hundred percent (200%) of Base Salary, based upon the achievement of annual performance targets established by the Board at the beginning of each such calendar year. The Annual Bonus, if any, for each calendar year during the Term shall be paid to Executive at the same time that other senior executives of the Company receive annual bonus payments, but in no event earlier than February 15 and in no event later than March 31 of the year following the calendar year to which such Annual Bonus relates. Executive shall not be paid any Annual Bonus with respect to a calendar year unless Executive is employed with the Company on the day such Annual Bonus is paid.

**5. Equity Awards and Benefits.** During the Term, Executive shall be eligible to participate in the Company's 2017 Equity Incentive Plan or any successor plan as determined by the Board or Compensation Committee and shall be entitled to participate in any benefit plans, including medical, disability and life insurance (but excluding any severance or bonus plans unless specifically referenced in this Agreement) offered by the Company as in effect from time to time (collectively, "Benefit Plans"), on the same basis as those generally made available to other senior executives of the Company, to the extent consistent with applicable law and the terms of the applicable Benefit Plan. The Company does not promise the adoption or continuance of any particular Benefit Plan and reserves the right to amend or cancel any Benefit Plan at any time in its sole discretion (subject to the terms of such Benefit Plan and applicable law).

**6. Vacation.** Executive shall be entitled to five weeks of annual paid vacation days, or such greater amount as may be allowed in accordance with Company plans, policies, programs and practices as may be in effect from time to time, which shall accrue and be useable by Executive in accordance with Company policy.

**7. Expense Reimbursement.** The Executive shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business, entertainment and travel expenses incurred by the Executive in connection with the performance of the Executive's duties hereunder in accordance with the Company's expense reimbursement policies and procedures.

**8. Termination of Employment.** The Term and Executive's employment hereunder may be terminated as follows:

(a) Automatically in the event of the death of Executive;

(b) At the option of the Company, by written notice to Executive or Executive's personal representative in the event of the Disability of Executive. As used herein, the term "Disability" shall mean Executive's inability to perform the essential duties, responsibilities, and functions of his position with the Company as a result of any mental or

physical disability or incapacity for a length of time that the Company determines is sufficient to satisfy such obligations as it may have to provide leave under applicable family and medical leave laws and/or "reasonable accommodation" under applicable federal, state or local disability laws. Family and medical leave or disability leave provided under federal, state or local law may be unpaid as per the requirements of such laws; provided, however, that Executive shall be entitled to such payments and benefits under the Company's sick leave or disability leave programs as per the terms of such programs. The Company may terminate Executive's active employment because of a Disability by giving written notice to Executive at any time effective at or within twenty (20) days after the end period of leave as may be required under the family and medical leave laws or under federal, state or local disability laws, but the Company shall retain Executive as an inactive employee if necessary to maintain Executive's eligibility for any disability leave benefits. A reduction or elimination of the duties defined in Section 2 during the period Executive is designated as an inactive employee shall not constitute Good Reason. In the event of a dispute over the occurrence of a Disability, Executive agrees to submit to an examination by a doctor selected by the Company who will determine fitness for duties as defined in Section 2 above. If Executive's physician disagrees with the Company's physician's opinion, a third physician, mutually agreed upon by Executive and the Company, shall examine Executive and that physician's opinion shall be conclusive as to Executive's fitness for duty;

(c) At the option of the Company for Cause, by delivering prior written notice to Executive;

(d) At the option of the Company at any time without Cause, by delivering written notice of its determination to terminate to Executive;

(e) At the option of Executive for Good Reason;

(f) At the option of Executive without Good Reason, upon sixty (60) days prior written notice to the Company (which the Company may, in its sole discretion, make effective earlier than the termination date provided in such notice); or

(g) Upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable, as a result of a Non-Renewal Notice.

## 9. Payments by Virtue of Termination of Employment.

(a) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company. If Executive's employment is terminated at any time during the Term by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) (A) within thirty (30) days following such termination, (i) payment of Executive's accrued and unpaid Base Salary (ii) payment of any earned but unpaid Annual Bonus for the fiscal year prior to the year of termination, payable at the same time annual bonuses are paid to other similarly situated employees of the Company and (iii) reimbursement of expenses under Section 7 of this Agreement, in each case of (i) and (ii), accrued through the date of termination and (B) all other accrued amounts or accrued benefits due to Executive in accordance with the Company's benefit plans, programs or policies (other than severance); and

(ii) (A) an amount equal to two (2) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, Executive's unvested equity incentive awards that are outstanding on the Executive's termination date shall remain outstanding and eligible to vest on the same vesting schedule set forth in the applicable award agreement, subject to the Executive's compliance with Section 13 through each applicable vesting date, and any stock options that vest following the Executive's termination date may be exercised for ninety (90) days following the applicable vesting date and will be forfeited if not exercised during such period, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(a)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Severance Period, any payments to be made pursuant to this Section 9(a)(ii) shall be paid to the Executive's legal representative.

(b) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company, each within Twenty-Four (24) Months Following a Change of Control. If Executive's employment is terminated within twenty-four (24) months following a Change of Control (as defined in the Company's 2017 Equity Incentive Plan) by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) the payments and benefits described under Section 9(a)(i) of this Agreement; and

(ii) (A) an amount equal to three (3) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Change of Control Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, the Executive's unvested equity incentive awards that are outstanding as of the Executive's termination date shall fully vest on the termination date, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier

termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(b)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Change of Control Severance Period, any payments to be made pursuant to this Section 9(b)(ii) shall be paid to the Executive's legal representative.

(c) Termination other than by the Company Without Cause or by Executive For Good Reason. If (i) the Company terminates Executive's employment for Cause during the Term, (ii) Executive terminates Executive's employment without Good Reason during the Term, or (iii) Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive the payments and benefits described under Section 9(a)(i) of this Agreement. In addition, if the Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs.

(d) Conditions to Payment. All payments and benefits due to Executive under this Section 9 which are not otherwise required by applicable law shall be payable only if Executive executes and delivers to the Company a general release of claims in the form attached hereto as Exhibit A, which may be updated by the Company from time to time to reflect changes in law and such release is no longer subject to revocation (to the extent applicable), in each case, within sixty (60) days following termination of employment. Failure to timely execute and return such release or the revocation of such release during the revocation period shall be a waiver by Executive of Executive's right to severance (which, for the avoidance of doubt, shall not include any amounts described in Section 9(a)(i) of this Agreement). In addition, severance shall be conditioned on Executive's compliance with Section 11 of this Agreement, and on Employee's continued compliance with Section 13 of this Agreement as provided in Section 15 below.

(e) No Other Severance. Executive hereby acknowledges and agrees that, other than the severance payments described in this Section 9, upon the effective date of the termination of Executive's employment, Executive shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all other rights of Executive to compensation under this Agreement shall end as of such date.

**10. Definitions.** For purposes of this Agreement,

(a) "Cause" shall mean, (i) Executive's indictment for, conviction of, or a plea of guilty or no contest to, any indictable criminal offence or any other criminal offence involving fraud, misappropriation or moral turpitude, (ii) Executive's continued failure to materially perform Executive's duties hereunder (for any reason other than illness or physical or mental incapacity) or a material breach of fiduciary duty, (iii) Executive's theft, fraud, or dishonesty with regard to the Company or any of its Affiliates or in connection with Executive's duties, (iv) Executive's material violation of the Company's code of conduct or similar written policies, (v) Executive's willful misconduct unrelated to the Company or any of its Affiliates having, or likely to have, a material negative impact on the Company or any of its Affiliates (economically or its reputation), (vi) an act of gross negligence or willful misconduct by the Executive that relates to the affairs of the Company or any of its Affiliates, or (vii) material breach by Executive of any provisions of this Agreement.

(b) "Good Reason" shall mean, without Executive's consent, (i) any material diminution in Executive's responsibilities, authorities, title, reporting structure or duties, (ii) any material reduction in Executive's (x) Base Salary or (y) target Annual Bonus opportunity (except in the event of an across the board reduction in Base Salary or target Annual Bonus opportunity of up to 10%, applicable to substantially all senior executives of the Company), (iii) a relocation of Executive's principal place of employment by more than fifty (50) miles from the location of Executive's principal place of employment on the Appointment Date and such principal place of employment is more than fifty (50) miles from Executives principal residence or (iv) a material breach by the Company of any material provisions of this Agreement; provided, that no event described in clause (i), (ii), (iii) or (iv) shall constitute Good Reason unless (A) Executive has given the Company written notice of the termination, setting forth the conduct of the Company that is alleged to constitute Good Reason, within sixty (60) days following the occurrence of such event, and (B) Executive has provided the Company at least sixty (60) days following the date on which such notice is provided to cure such conduct and the Company has failed to do so. Failing such cure, a termination of employment by Executive for Good Reason shall be effective on the day following the expiration of such cure period.

**11. Return of Company Property.** Within ten (10) days following the effective date of Executive's termination for any reason, Executive, or Executive's personal representative shall return all property of the Company or any of its Affiliates in Executive's possession, including, but not limited to, all Company-owned computer equipment (hardware and software), telephones, facsimile machines, tablet computers and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company or any of its Affiliates, the Company's or any of its Affiliates' customers and clients or their respective prospective customers or clients. Notwithstanding the foregoing, Executive shall be entitled to retain Executive's cell phone number, a copy of this Agreement and Executive's calendar.

**12. Resignation as Officer or Director.** Upon the effective date of Executive's termination, Executive shall be deemed to have resigned from Executive's position and, to the extent applicable, as an officer of the Company, as a member of the board of directors or similar governing body of the Company or any of its Affiliates, and as a fiduciary of any Company benefit plan. On or immediately following the effective date of any such termination of Executive's employment, Executive shall confirm the foregoing by submitting to the Company in writing a confirmation of Executive's resignation(s).

**13. Confidentiality; Non-Solicitation; Non-Competition.**

(a) Confidential and Proprietary Information. Executive agrees that all materials and items produced or developed by Executive for the Company or any of its Affiliates, or obtained by Executive from the Company or any of its Affiliates either directly or indirectly pursuant to this Agreement shall be and remains the property of the Company and its Affiliates. Executive acknowledges that he will, during Executive's association with the Company, acquire, or be exposed to, or have access to, materials, data and information that constitute valuable, confidential and proprietary information of the Company and its Affiliates, including, without limitation, any or all of the following: business plans, practices and procedures, pricing information, sales figures, profit or loss figures, this Agreement and its terms, information relating to customers, clients, intellectual property, suppliers, technology, sources of supply and customer lists, research, technical data, trade secrets, or know-how, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in

conducting its business operations, personnel information of any Person employed by the Company, potential business combinations, and such other information or material as the Company may designate as confidential and/or proprietary from time to time (collectively hereinafter, the "Confidential and Proprietary Information"). During Executive's employment with the Company and at all times thereafter, Executive shall not, directly or indirectly, use, misuse, misappropriate, disclose or make known, without the prior written approval of the Board, to any party, firm, corporation, association or other entity, any such Confidential and Proprietary Information for any reason or purpose whatsoever, except as may be required in the course of Executive's performance of Executive's duties hereunder. In consideration of the unique nature of the Confidential and Proprietary Information, all obligations pertaining to the confidentiality and nondisclosure thereof shall remain in effect until the Company and its Affiliates have released such information; provided, that the provisions of this Section 13(a) shall not apply to the disclosure of Confidential and Proprietary Information to the Company's Affiliates together with each of their respective shareholders, directors, officers, accountants, lawyers and other representatives or agents, nor to a Permitted Disclosure as defined in Section 13(b) below. In addition, it shall not be a breach of the confidentiality obligations hereof if Executive is required by applicable law to disclose any Confidential and Proprietary Information; provided, that in such case, Executive shall (x) give the Company the earliest notice possible that such disclosure is or may be required and (y) cooperate with the Company, at the Company's expense, in protecting to the maximum extent legally permitted, the confidential or proprietary nature of the Confidential and Proprietary Information which must be so disclosed. Upon termination of Executive's employment, Executive agrees that all Confidential and Proprietary Information, directly or indirectly, in Executive's possession that is in writing or other tangible form (together with all duplicates thereof) will promptly (and in any event within ten (10) days following such termination) be returned to the Company and will not be retained by Executive or furnished to any person, either by sample, facsimile film, audio or video cassette, electronic data, verbal communication or any other means of communication.

(b) Permitted Disclosure. This Agreement does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 13(b) are herein referred to as "Permitted Disclosures." Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any Confidential and Proprietary Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company's General Counsel or other authorized officer designated by the Company.

(c) Non-Solicitation. As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period (defined below), the Executive will not, without written consent of the Company, directly or indirectly, including causing, encouraging, directing or soliciting any other Person (defined below) to, contact, approach or solicit (except as so long as the Executive continues to be employed by the Company and makes such contact, approach or solicitation on behalf of the Company and excluding offspring of the Executive) for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any non-union Person who is or has been employed or retained in the operation of the Business (defined below) by the Company or its Affiliates during the period commencing one (1) year prior to the date hereof and ending on the date of termination of the Restricted Period, or induce, interfere with or solicit, or attempt to induce, interfere with or solicit, any Person that is a current or former customer, supplier or other business relation of the Company or its Affiliates into any business relationship that might harm the Business. The restrictions in this Section 13(c) shall not prohibit a general solicitation to the public through general advertising or similar methods of solicitation by search firms not specifically directed at employees of the Company (but the restrictions shall still apply to the hiring of any person who responds to such general solicitation). "Restricted Period" means the period beginning on the date of this Agreement and ending on the one (1) year anniversary of the date on which the Executive's employment is terminated. "Person" means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof. "Business" means the business of developing, manufacturing, selling, marketing, servicing and licensing fracturing completions technology.

(d) Non-Competition.

(i) Executive acknowledges and agrees that, as a result of Executive's duties and responsibilities, Executive has final authority to make policy decisions that control significant aspects of the Company's business.

(ii) As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period, the Executive will not, within or with respect to the geographical area of the United States, Canada, and any of the other states, provinces or territories within the United States or Canada and any other country, territory, province or state in which the Company operates (including by contracting with customers or suppliers) or could reasonably be anticipated to operate during the Restricted Period (the "Restricted Area"), except in the furtherance of the Company's Business directly or indirectly own, operate, lease, manage, control, participate in, consult with, advise, permit the Executive's name to be used by, provide services for, or in any manner engage in (x) any business (including by the Executive or in association with any Person) that creates, designs, invents, engineers, develops, sources, markets, manufactures, distributes or sells any product or provides any service in or into the Restricted Area that may be used as a substitute for or otherwise competes with either the Company's Business or any product or service of the Company carried out during the period commencing two (2) years prior to the date hereof and ending on the date of termination of the Restricted Period or contemplated during such period to be carried out by the Company or any of its Affiliates, (y) any business (including by the Executive or in association with any Person) that provides services or products to any

current or former customer of the Company or its Affiliates that are similar to or competitive with the services or products provided by the Company or its Affiliates to such current or former customers or (z) any activity that is in competition with the Company's Business or any other business of the Company or any of its Affiliates; provided that nothing in this Section 13(d)(ii) shall be deemed to diminish, amend, affect or otherwise modify any other non-competition agreement or covenant binding on the Executive. Nothing in this Section 13(d)(ii) shall prohibit the Executive from owning securities having no more than 2% of the outstanding voting power of any publicly traded competitor, or participating as a passive investor in a private investment fund so long as such Executive does not have any active or managerial roles with respect to such investment, and such private investment fund does not own more than 2% of any publicly traded company engaged in the Company's Business.

(e) **Nondisparagement.** The Executive agrees not to disparage the Company, its Affiliates or predecessors, or their past and present investors, officers, directors or employees, or any of their Affiliates. Nothing in this Section 13(e) shall interfere with Executive's ability to make the Permitted Disclosures as defined in Section 13(b) above. The Company and its Affiliates agree not to disparage Executive.

(f) **Acknowledgement.** Executive acknowledges, agrees and stipulates that: (i) the terms and provisions of this Agreement are reasonable and constitute an otherwise enforceable agreement to which the terms and provisions of Sections 13(c) and 13(d) are ancillary or a part of as contemplated by TEX. BUS. & COM. CODE ANN. Sections 15.50-15.52; (ii) the consideration provided by the Company under this Agreement is not illusory; and (iii) the consideration given by the Company under this Agreement, including, without limitation, the provision by the Company of confidential information to the Executive as contemplated by Section 13(a), gives rise to the Company's interest in restraining and prohibiting the Executive from engaging in the activities described in Sections 13(c) and 13(d), and Executive's covenant not to engage in these activities is designed to enforce Executive's consideration (or return promises), including, without limitation, Executive's promise to not disclose confidential information under this Agreement.

(g) **Tolling.** In the event of any violation of the provisions of this Section 13, Executive acknowledges and agrees that the post-termination restrictions contained in this Section 13 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

14. **Cooperation.** From and after an Executive's termination of employment, Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder, provided, that the Company shall reimburse Executive for Executive's reasonable costs and expenses (including legal counsel selected by Executive and reasonably acceptable to the Company) and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

15. **Injunctive Relief and Specific Performance.** Executive understands and agrees that Executive's covenants under Sections 11, 13 and 14 are special and unique and that the Company and its Affiliates may suffer irreparable harm if Executive breaches any of Sections 11, 13, or 14 because monetary damages would be inadequate to compensate the Company and its Affiliates for the breach of any of these sections. Accordingly, Executive acknowledges and agrees that the Company shall, in addition to any other remedies available to the Company at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in Texas to enforce the provisions of Sections 11, 13 and/or 14 without the necessity of posting a bond or proving actual damages, without liability should such relief be denied, modified or vacated, and to obtain attorney's fees in respect of the foregoing if the Company prevails in any such action or proceeding. Additionally, in the event of a breach or threatened breach by Executive of Section 13, in addition to all other available legal and equitable rights and remedies, the Company shall have the right to cease making payments, if any, being made pursuant to Section 9(a)(ii) or Section 9(b)(ii), as applicable, hereunder. Executive also recognizes that the territorial, time and scope limitations set forth in Section 13 are reasonable and are properly required for the protection of the Company and its Affiliates and in the event that any such territorial, time or scope limitation is deemed to be unreasonable by a court of competent jurisdiction, the Company and Executive agree, and Executive submits, to the reduction of any or all of said territorial, time or scope limitations to such an area, period or scope as said court shall deem reasonable under the circumstances.

16. **Section 280G.** Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in section 280G(c) of the Internal Revenue Code of 1986, as amended (the "Code")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its affiliates, would constitute a "parachute payment" (as defined in section 280G(b)(2) of the Code), then the payments and benefits provided for in this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from the Company and its affiliates will be one dollar (\$1.00) less than three times Executive's "base amount" (as defined in section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 16 shall require the Company to be responsible for, or have any liability or obligation with respect to, Executive's excise tax liabilities under section 4999 of the Code.

17. **Miscellaneous.**

(a) All notices hereunder, to be effective, shall be in writing and shall be deemed effective when delivered by hand or mailed by (i) certified mail, postage and fees prepaid, or (ii) nationally recognized overnight express mail service, as follows:

If to the Company:

NCS Multistage Holdings, Inc.

19350 State Highway 249, Suite 600

Houston, TX 77070

Email: olev@ncsmultistage.com and legal@ncsmultistage.com

To: General Counsel

With a copy to which shall not constitute notice to:

Weil, Gotshal & Manges, LLP

100 Federal Street, Floor 34

Boston, Massachusetts 02110

Fax: 617-772-8333

Email: Marilyn.French@weil.com

Attention: Marilyn French

If to Executive:

At Executive's home address, as then shown in the Company's personnel records, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) This Agreement is personal to the Executive and shall not be assigned by the Executive. Any purported assignment by the Executive shall be null and void from the initial date of the purported assignment. The Company may assign this Agreement to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its successors and assigns.

(c) This Agreement contains the entire agreement between the parties with respect to the subject matter hereof supersedes all other agreements, term sheets, offer letters, and drafts thereof, oral or written, between the parties hereto with respect to the subject matter hereof, including, without limitation (as of the Appointment Date), the Prior Agreement. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive by any person or entity to induce Executive to enter into this Agreement other than the express terms set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Agreement.

(d) No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the party charged with waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless so provided in the waiver.

(e) Executive will be entitled to recovery of reasonable attorneys' fees incurred in connection with disputes relating to Executive's rights under Section 9(b) of this Agreement. Reimbursement of such fees and expenses shall be made on a quarterly basis. The Company shall be responsible for, and shall pay, all legal fees and costs incurred by the Company in connection with the resolution of any dispute or controversy under or in connection with this Agreement.

(f) If any provisions of this Agreement (or portions thereof) shall, for any reason, be held invalid or unenforceable, such provisions (or portions thereof) shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining provisions of this Agreement (or portions thereof) shall nevertheless be valid, enforceable and of full force and effect. If any court of competent jurisdiction finds that any restriction contained in this Agreement is invalid or unenforceable, then the parties hereto agree that such invalid or unenforceable restriction shall be deemed modified so that it shall be valid and enforceable to the greatest extent permissible under law, and if such restriction cannot be modified so as to make it enforceable or valid, such finding shall not affect the enforceability or validity of any of the other restrictions contained herein.

(g) This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(h) The section or paragraph headings or titles herein are for convenience of reference only and shall not be deemed a part of this Agreement. The parties have jointly participated in the drafting of this Agreement, and the rule of construction that a contract shall be construed against the drafter shall not be applied. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(i) Notwithstanding anything to the contrary in this Agreement:

(i) The parties agree that this Agreement shall be interpreted to comply with or be exempt from section 409A of the Code and the regulations and authoritative guidance promulgated thereunder to the extent applicable (collectively "Section 409A"), and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. In no event whatsoever will the Company, any of its Affiliates, or any of their respective directors, officers, agents, attorneys, employees, executives, shareholders, investors, members, managers, trustees, fiduciaries, representatives, principals, accountants, insurers, successors or assigns be liable for any additional tax, interest or penalties that may be imposed on Executive under Section 409A or any damages for failing to comply with Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision of this Agreement, references to a "resignation," "termination," "terminate," "termination of employment" or like terms shall mean separation from service. If any payment, compensation or other benefit provided to the Executive in connection with the termination of Executive's employment is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Executive is a specified employee as defined in Section 409A(2)(B)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the date of termination or, if earlier, ten (10) business days following the Executive's death (the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter,

any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(iii) All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses eligible for reimbursements or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(iv) If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(j) All questions concerning the construction, validity and interpretation of this Agreement and the exhibits to this Agreement will be governed by and construed in accordance with the domestic laws of the State of Texas, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. The parties hereby irrevocably and unconditionally submit in any legal action or proceeding arising out of or relating to this Agreement to the exclusive jurisdiction of either a state court located in the County of Harris, Texas, with subject matter jurisdiction over the action or the United States District Court, Southern District of Texas, U.S.A. and, in any such action or proceeding, consent to jurisdiction in such courts and waive any objection to the venue in any such court. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT (EACH PARTY HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH PARTY EXPRESSLY: (A) WAIVES THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, AND (B) AGREES THAT SUIT TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR TO OBTAIN ANY REMEDY WITH RESPECT HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN HARRIS COUNTY, STATE OF TEXAS, U.S.A., OR THE UNITED STATES DISTRICT COURT FOR TEXAS, SOUTHERN DISTRICT, AND EACH PARTY HERETO EXPRESSLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF SUCH COURTS.

(k) Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he/she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive on and after the Effective Date, enforceable in accordance with its terms. Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel or other advisor of Executive's choice and has done so regarding Executive's rights and obligations under this Agreement, that he is entering into this Agreement knowingly, voluntarily, and of Executive's own free will, that he is relying on Executive's own judgment in doing so, and that he fully understands the terms and conditions contained herein.

(l) The Company shall have the right to withhold from any amount payable hereunder any federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

(m) The covenants and obligations of the Company under Sections 9, 14, 15 and 17 hereof, and the covenants and obligations of Executive under Sections 9, 11, 12, 13, 14, 15 and 17 hereof, shall continue and survive any expiration of the Term, termination of Executive's employment or any termination of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By: /s/ Michael Morrison

By: Michael Morrison

Title: Chief Financial Officer

EXECUTIVE

/s/ Ryan Hummer

Name: Ryan Hummer

**Exhibit A**

**RELEASE**

This RELEASE ("Release") dated as of \_\_\_\_\_, 20\_\_\_\_ between NCS Multistage Holdings, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ (the "Executive").

WHEREAS, the Company and the Executive previously entered into that certain Employment Agreement dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"); and

WHEREAS, the Executive's employment with the Company has terminated effective \_\_\_\_\_, 20\_\_\_\_ ("Termination Date");

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Agreement, the Company and the Executive agree as follows:

1. Capitalized terms not defined herein shall have the meaning as defined under the Agreement.
2. In consideration of the Executive's release under Paragraph 3 hereof, the Company shall pay to the Executive or provide benefits to the Executive as set forth in Section 9, as applicable, of the Agreement, which is attached hereto and made a part hereof.

3. The Executive, on Executive's own behalf and on behalf of Executive's heirs, estate and beneficiaries, does hereby release the Company, and in such capacities, any of its Affiliates, and each past or present officer, director, agent, employee, shareholder, and insurer of any such entities, from any and all claims made, to be made, or which might have been made of whatever nature, whether known or unknown, from the beginning of time, including those that arose as a consequence of Executive's employment with the Company, or arising out of the severance of such employment relationship, or arising out of any act committed or omitted during or after the existence of such employment relationship, all up through and including the date on which this Release is executed, including, without limitation, any tort and/or contract claims, common law or statutory claims, claims under any local, state or federal wage and hour law, wage collection law or labor relations law, claims under any common law or other statute, claims of age, race, sex, sexual orientation, religious, disability, national origin, ancestry, citizenship, retaliation or any other claim of employment discrimination, including under the Civil Rights Acts, the Age Discrimination in Employment Act ("ADEA"), the Americans with Disabilities Act, the Rehabilitation Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, Texas Labor Code (specifically including the Texas Payday Law the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act), all as amended, and any other law (including any state or local law or ordinance) prohibiting employment discrimination or relating to employment, retaliation in employment, termination of employment, wages, benefits or otherwise. Notwithstanding the release and waiver of claims set forth in this Paragraph 3, Executive does not waive or release any rights Executive may have relating to (a) unemployment compensation or unemployment insurance; (b) workers' compensation; (c) Executive's rights to any post-termination payments under Section 9 of the Agreement, as applicable; (d) indemnification and/or any insurance with respect to claims asserted by any third party against Executive for actions taken by Executive in good faith within the scope of Executive's employment; (e) Executive's right to challenge the validity of the release of claims in this Paragraph 3 under the ADEA as amended by the Older Workers Benefit Protection Act (the "OWBPA") or otherwise; (f) any rights or claims that arise after the date Executive executes this Release; and/or (g) any rights or claims which cannot legally be waived or released.

4. This Release does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Governmental Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Executive understands and agrees, however, that Executive's waiver of claims in Paragraph 3 above waives Executive's right to monetary or other relief (including reinstatement) should Executive file a charge with any Government Entity, or should any Government Entity pursue a claim on Executive's behalf, except that the Executive is not prohibited from receiving a whistleblower award from a Government Entity for information provided in good faith to such Government Entity.

5. The Executive relinquishes any right to future employment with the Company and the Company shall have the right to refuse to re-employ the Executive, in each case without liability of the Executive or the Company.

6. The Executive acknowledges and agrees that even though claims and facts in addition to those now known or believed by Executive to exist may subsequently be discovered, it is Executive's intention to fully settle and release all claims he may have against the Company and the persons and entities described above, whether known, unknown or suspected.

7. [Executive acknowledges that pursuant to the Release set forth in Paragraph 3 above, Executive is waiving and releasing any rights he may have under the ADEA and that Executive's waiver and release of such rights is knowing and voluntary. Executive acknowledges that the consideration given for the ADEA waiver and release under this Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that he has been advised by this writing that:

- (a) Executive should consult with an attorney prior to executing this Release and has had an opportunity to do so;
- (b) Executive has up to twenty-one (21) days within which to consider this ADEA waiver and release;

(c) Executive has seven (7) days following Executive's execution of this Release to revoke this ADEA waiver and release, but only by providing written notice of such revocation to the Company in accordance with the "Notice" provision in Section 17 of the Agreement;

- (d) the ADEA waiver and release shall not be effective until the seven (7) day revocation period has expired; and
- (e) the twenty-one (21) day period set forth above shall run from the date Executive receives this Release. The parties agree that any modifications made to this Release prior to its execution shall not restart, or otherwise affect, this twenty-one day (21) period.]

8. It is the intention of the parties in executing this Release that this Release shall be effective as a full and final accord and satisfaction and release of and from all liabilities, disputes, claims and matters covered under this Release, known or unknown, suspected or unsuspected.

9. This Release shall become effective on the first (1st) day following the day that this Release becomes irrevocable under Paragraph 7. All payments due to the Executive shall be payable in accordance with the terms of the Agreement.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have executed this Release on the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By:

Name:

Title:

EXECUTIVE

Exhibit 10.3

## AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of July 17, 2024 (the "Effective Date"), by and between Timothy Willems ("Executive") and NCS Multistage Holdings, Inc. (the "Company").

WHEREAS, the Executive is currently party to that certain employment agreement with the Company, dated as of August 3, 2017 (the "Prior Agreement"); and

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company, on the terms set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Employment Term. The Company hereby agrees to continue to employ Executive, and Executive hereby agrees to continue to be employed with the Company, upon the terms and conditions contained in this Agreement. Executive's employment with the Company pursuant to this Agreement shall commence on the Effective Date and shall continue until the third anniversary of the Effective Date (the "Initial Term") unless earlier terminated pursuant to Section 8; provided, that the term of this Agreement shall automatically be extended for one (1) additional year commencing on the third anniversary of the Effective Date and on each anniversary thereafter (each, a "Renewal Term") unless, not less than ninety (90) days prior to the commencement of any such Renewal Term, either party shall have given written notice to the other that it does not wish to extend this Agreement (a "Non-Renewal Notice"), in which case, Executive's employment under this Agreement shall terminate upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable. The period during which Executive is employed by the Company pursuant to this Agreement is hereinafter referred to as the "Term."

2. Employment Duties. Executive shall have the title of Chief Operations Officer of the Company and shall have such duties, authorities and responsibilities as are consistent with such position and as the Chief Executive Officer may designate from time to time. Executive shall report to the Chief Executive Officer. Executive shall devote Executive's full working time and attention to Executive's employment and service with the Company and shall perform Executive's services in a capacity and in a manner consistent with Executive's position for the Company; provided, that this Section 2 shall not be interpreted as prohibiting Executive from (i) managing Executive's personal investments (so long as such investment activities are of a passive nature), (ii) engaging in charitable or civic activities, (iii) participating on boards of directors or similar bodies of non-profit organizations, or (iv) subject to approval by the Board of Directors of the Company (the "Board") in its sole and absolute discretion, participating on boards of directors or similar bodies of for-profit organizations, in each case of (i) – (iv), so long as such activities do not, individually or in the aggregate, (a) materially interfere with the performance of Executive's duties and responsibilities hereunder, (b) create a fiduciary conflict, or (c) result in a violation of Section 13 of this Agreement. If requested, Executive shall also serve as an executive officer and/or board member of the board of directors (or similar governing body) of any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company (an "Affiliate") without any additional compensation; for purposes of this Agreement, "Affiliate" shall not include other entities under common control with Advent International other than the Company and its Affiliates.

3. Base Salary. During the Term, the Company shall pay Executive a base salary at an annual rate of \$365,000, payable in accordance with the Company's normal payroll practices for employees as in effect from time to time. Executive shall be entitled to such increases in base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary."

4. Annual Bonus. With respect to each calendar year during the Term, Executive shall be eligible to earn an annual cash bonus award (the "Annual Bonus") pursuant to the Company's then annual cash bonus plan, with a target Annual Bonus of ninety percent (90%) of Base Salary ("Target Bonus") up to a maximum Annual Bonus of two hundred percent (200%) of Base Salary, based upon the achievement of annual performance targets established by the Board at the beginning of each such calendar year. The Annual Bonus, if any, for each calendar year during the Term shall be paid to Executive at the same time that other senior executives of the Company receive annual bonus payments, but in no event earlier than February 15 and in no event later than March 31 of the year following the calendar year to which such Annual Bonus relates. Executive shall not be paid any Annual Bonus with respect to a calendar year unless Executive is employed with the Company on the day such Annual Bonus is paid.

5. Equity Awards and Benefits. During the Term, Executive shall be eligible to participate in the Company's 2017 Equity Incentive Plan or any successor plan as determined by the Board or Compensation Committee and shall be entitled to participate in any benefit plans, including medical, disability and life insurance (but excluding any severance or bonus plans unless specifically referenced in this Agreement) offered by the Company as in effect from time to time (collectively, "Benefit Plans"), on the same basis as those generally made available to other senior executives of the Company, to the extent consistent with applicable law and the terms of the applicable Benefit Plan. The Company does not promise the adoption or continuance of any particular Benefit Plan and reserves the right to amend or cancel any Benefit Plan at any time in its sole discretion (subject to the terms of such Benefit Plan and applicable law).

6. Vacation. Executive shall be entitled to five weeks of annual paid vacation days, or such greater amount as may be allowed in accordance with Company plans, policies, programs and practices as may be in effect from time to time, which shall accrue and be useable by Executive in accordance with Company policy.

7. Expense Reimbursement. The Executive shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business, entertainment and travel expenses incurred by the Executive in connection with the performance of the Executive's duties hereunder in accordance with the Company's expense reimbursement policies and procedures.

8. Termination of Employment. The Term and Executive's employment hereunder may be terminated as follows:

(a) Automatically in the event of the death of Executive;

(b) At the option of the Company, by written notice to Executive or Executive's personal representative in the event of the Disability of Executive. As used herein, the term "Disability" shall mean Executive's inability to perform the essential duties, responsibilities, and functions of his position with the Company as a result of any mental or physical disability or incapacity for a length of time that the Company determines is sufficient to satisfy such obligations as it may have to provide leave under applicable family and medical leave laws and/or "reasonable accommodation" under applicable federal, state or local disability laws. Family and medical leave or disability leave provided under federal, state or local law may be unpaid as per the requirements of such laws; provided, however, that Executive shall be entitled to such payments and benefits under the Company's sick leave or disability leave programs as per the terms of such programs. The Company may terminate Executive's active employment because of a Disability by giving written notice to

Executive at any time effective at or within twenty (20) days after the end period of leave as may be required under the family and medical leave laws or under federal, state or local disability laws, but the Company shall retain Executive as an inactive employee if necessary to maintain Executive's eligibility for any disability leave benefits. A reduction or elimination of the duties defined in Section 2 during the period Executive is designated as an inactive employee shall not constitute Good Reason. In the event of a dispute over the occurrence of a Disability, Executive agrees to submit to an examination by a doctor selected by the Company who will determine fitness for duties as defined in Section 2 above. If Executive's physician disagrees with the Company's physician's opinion, a third physician, mutually agreed upon by Executive and the Company, shall examine Executive and that physician's opinion shall be conclusive as to Executive's fitness for duty;

- (c) At the option of the Company for Cause, by delivering prior written notice to Executive;
- (d) At the option of the Company at any time without Cause, by delivering written notice of its determination to terminate to Executive;
- (e) At the option of Executive for Good Reason;
- (f) At the option of Executive without Good Reason, upon sixty (60) days prior written notice to the Company (which the Company may, in its sole discretion, make effective earlier than the termination date provided in such notice); or
- (g) Upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable, as a result of a Non-Renewal Notice.

#### 9. Payments by Virtue of Termination of Employment.

(a) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company. If Executive's employment is terminated at any time during the Term by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) (A) within thirty (30) days following such termination, (i) payment of Executive's accrued and unpaid Base Salary (ii) payment of any earned but unpaid Annual Bonus for the fiscal year prior to the year of termination, payable at the same time annual bonuses are paid to other similarly situated employees of the Company and (iii) reimbursement of expenses under Section 7 of this Agreement, in each case of (i) and (ii), accrued through the date of termination and (B) all other accrued amounts or accrued benefits due to Executive in accordance with the Company's benefit plans, programs or policies (other than severance); and

(ii) (A) an amount equal to one (1) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, Executive's unvested equity incentive awards that are outstanding on the Executive's termination date shall remain outstanding and eligible to vest on the same vesting schedule set forth in the applicable award agreement, subject to the Executive's compliance with Section 13 through each applicable vesting date, and any stock options that vest following the Executive's termination date may be exercised for ninety (90) days following the applicable vesting date and will be forfeited if not exercised during such period, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(a)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Severance Period, any payments to be made pursuant to this Section 9(a)(ii) shall be paid to the Executive's legal representative.

(b) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company, each within Twenty-Four (24) Months Following a Change of Control. If Executive's employment is terminated within twenty-four (24) months following a Change of Control (as defined in the Company's 2017 Equity Incentive Plan) by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) the payments and benefits described under Section 9(a)(i) of this Agreement; and

(ii) (A) an amount equal to two (2) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Change of Control Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, the Executive's unvested equity incentive awards that are outstanding as of the Executive's termination date shall fully vest on the termination date, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(b)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Change of Control Severance Period, any payments to be made pursuant to this Section 9(b)(ii) shall be paid to the Executive's legal representative.

(c) Termination other than by the Company Without Cause or by Executive For Good Reason. If (i) the Company terminates Executive's employment for Cause during the Term, (ii) Executive terminates Executive's employment without Good Reason during the Term, or (iii) Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive the payments and benefits described under Section 9(a)(i) of this Agreement. In addition, if the Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs.

(d) Conditions to Payment. All payments and benefits due to Executive under this Section 9 which are not otherwise required by applicable law shall be payable only if Executive executes and delivers to the Company a general release of claims in the form attached hereto as Exhibit A, which may be updated by the Company from time to time to reflect changes in law and such release is no longer subject to revocation (to the extent applicable), in each case, within sixty (60) days following termination of employment. Failure to timely execute and return such release or the revocation of such release during the revocation period shall be a waiver by Executive of Executive's right to severance (which, for the avoidance of doubt, shall not include any amounts described in Section 9(a)(i) of this Agreement). In addition, severance shall be conditioned on Executive's compliance with Section 11 of this Agreement, and on Employee's continued compliance with Section 13 of this Agreement as provided in Section 15 below.

(e) No Other Severance. Executive hereby acknowledges and agrees that, other than the severance payments described in this Section 9, upon the effective date of the termination of Executive's employment, Executive shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all other rights of Executive to compensation under this Agreement shall end as of such date.

**10. Definitions.** For purposes of this Agreement,

(a) "Cause" shall mean, (i) Executive's indictment for, conviction of, or a plea of guilty or no contest to, any indictable criminal offence or any other criminal offence involving fraud, misappropriation or moral turpitude, (ii) Executive's continued failure to materially perform Executive's duties hereunder (for any reason other than illness or physical or mental incapacity) or a material breach of fiduciary duty, (iii) Executive's theft, fraud, or dishonesty with regard to the Company or any of its Affiliates or in connection with Executive's duties, (iv) Executive's material violation of the Company's code of conduct or similar written policies, (v) Executive's willful misconduct unrelated to the Company or any of its Affiliates having, or likely to have, a material negative impact on the Company or any of its Affiliates (economically or its reputation), (vi) an act of gross negligence or willful misconduct by the Executive that relates to the affairs of the Company or any of its Affiliates, or (vii) material breach by Executive of any provisions of this Agreement.

(b) "Good Reason" shall mean, without Executive's consent, (i) any material diminution in Executive's responsibilities, authorities, title, reporting structure or duties, (ii) any material reduction in Executive's (x) Base Salary or (y) target Annual Bonus opportunity (except in the event of an across the board reduction in Base Salary or target Annual Bonus opportunity of up to 10%, applicable to substantially all senior executives of the Company), (iii) a relocation of Executive's principal place of employment by more than fifty (50) miles from the location of Executive's principal place of employment on the Effective Date and such principal place of employment is more than fifty (50) miles from Executive's principal residence or (iv) a material breach by the Company of any material provisions of this Agreement; provided, that no event described in clause (i), (ii), (iii) or (iv) shall constitute Good Reason unless (A) Executive has given the Company written notice of the termination, setting forth the conduct of the Company that is alleged to constitute Good Reason, within sixty (60) days following the occurrence of such event, and (B) Executive has provided the Company at least sixty (60) days following the date on which such notice is provided to cure such conduct and the Company has failed to do so. Failing such cure, a termination of employment by Executive for Good Reason shall be effective on the day following the expiration of such cure period.

**11. Return of Company Property.** Within ten (10) days following the effective date of Executive's termination for any reason, Executive, or Executive's personal representative shall return all property of the Company or any of its Affiliates in Executive's possession, including, but not limited to, all Company-owned computer equipment (hardware and software), telephones, facsimile machines, tablet computers and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company or any of its Affiliates, the Company's or any of its Affiliates' customers and clients or their respective prospective customers or clients. Notwithstanding the foregoing, Executive shall be entitled to retain Executive's cell phone number, a copy of this Agreement and Executive's calendar.

**12. Resignation as Officer or Director.** Upon the effective date of Executive's termination, Executive shall be deemed to have resigned from Executive's position and, to the extent applicable, as an officer of the Company, as a member of the board of directors or similar governing body of the Company or any of its Affiliates, and as a fiduciary of any Company benefit plan. On or immediately following the effective date of any such termination of Executive's employment, Executive shall confirm the foregoing by submitting to the Company in writing a confirmation of Executive's resignation(s).

**13. Confidentiality; Non-Solicitation; Non-Competition.**

(a) Confidential and Proprietary Information. Executive agrees that all materials and items produced or developed by Executive for the Company or any of its Affiliates, or obtained by Executive from the Company or any of its Affiliates either directly or indirectly pursuant to this Agreement shall be and remains the property of the Company and its Affiliates. Executive acknowledges that he will, during Executive's association with the Company, acquire, or be exposed to, or have access to, materials, data and information that constitute valuable, confidential and proprietary information of the Company and its Affiliates, including, without limitation, any or all of the following: business plans, practices and procedures, pricing information, sales figures, profit or loss figures, this Agreement and its terms, information relating to customers, clients, intellectual property, suppliers, technology, sources of supply and customer lists, research, technical data, trade secrets, or know-how, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, personnel information of any Person employed by the Company, potential business combinations, and such other information or material as the Company may designate as confidential and/or proprietary from time to time (collectively hereinafter, the "Confidential and Proprietary Information"). During Executive's employment with the Company and at all times thereafter, Executive shall not, directly or indirectly, use, misuse, misappropriate, disclose or make known, without the prior written approval of the Board, to any party, firm, corporation, association or other entity, any such Confidential and Proprietary Information for any reason or purpose whatsoever, except as may be

required in the course of Executive's performance of Executive's duties hereunder. In consideration of the unique nature of the Confidential and Proprietary Information, all obligations pertaining to the confidentiality and nondisclosure thereof shall remain in effect until the Company and its Affiliates have released such information; provided, that the provisions of this Section 13(a) shall not apply to the disclosure of Confidential and Proprietary Information to the Company's Affiliates together with each of their respective shareholders, directors, officers, accountants, lawyers and other representatives or agents, nor to a Permitted Disclosure as defined in Section 13(b) below. In addition, it shall not be a breach of the confidentiality obligations hereof if Executive is required by applicable law to disclose any Confidential and Proprietary Information; provided, that in such case, Executive shall (x) give the Company the earliest notice possible that such disclosure is or may be required and (y) cooperate with the Company, at the Company's expense, in protecting to the maximum extent legally permitted, the confidential or proprietary nature of the Confidential and Proprietary Information which must be so disclosed. Upon termination of Executive's employment, Executive agrees that all Confidential and Proprietary Information, directly or indirectly, in Executive's possession that is in writing or other tangible form (together with all duplicates thereof) will promptly (and in any event within ten (10) days following such termination) be returned to the Company and will not be retained by Executive or furnished to any person, either by sample, facsimile film, audio or video cassette, electronic data, verbal communication or any other means of communication.

(b) Permitted Disclosure. This Agreement does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 13(b) are herein referred to as "Permitted Disclosures." Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any Confidential and Proprietary Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company's General Counsel or other authorized officer designated by the Company.

(c) Non-Solicitation. As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period (defined below), the Executive will not, without written consent of the Company, directly or indirectly, including causing, encouraging, directing or soliciting any other Person (defined below) to, contact, approach or solicit (except as so long as the Executive continues to be employed by the Company and makes such contact, approach or solicitation on behalf of the Company and excluding offspring of the Executive) for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any non-union Person who is or has been employed or retained in the operation of the Business (defined below) by the Company or its Affiliates during the period commencing one (1) year prior to the date hereof and ending on the date of termination of the Restricted Period, or induce, interfere with or solicit, or attempt to induce, interfere with or solicit, any Person that is a current or former customer, supplier or other business relation of the Company or its Affiliates into any business relationship that might harm the Business. The restrictions in this Section 13(c) shall not prohibit a general solicitation to the public through general advertising or similar methods of solicitation by search firms not specifically directed at employees of the Company (but the restrictions shall still apply to the hiring of any person who responds to such general solicitation). "Restricted Period" means the period beginning on the date of this Agreement and ending on the one (1) year anniversary of the date on which the Executive's employment is terminated. "Person" means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof. "Business" means the business of developing, manufacturing, selling, marketing, servicing and licensing fracturing completions technology.

(d) Non-Competition.

(i) Executive acknowledges and agrees that, as a result of Executive's duties and responsibilities, Executive has final authority to make policy decisions that control significant aspects of the Company's business.

(ii) As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period, the Executive will not, within or with respect to the geographical area of the United States, Canada, and any of the other states, provinces or territories within the United States or Canada and any other country, territory, province or state in which the Company operates (including by contracting with customers or suppliers) or could reasonably be anticipated to operate during the Restricted Period (the "Restricted Area"), except in the furtherance of the Company's Business directly or indirectly own, operate, lease, manage, control, participate in, consult with, advise, permit the Executive's name to be used by, provide services for, or in any manner engage in (x) any business (including by the Executive or in association with any Person) that creates, designs, invents, engineers, develops, sources, markets, manufactures, distributes or sells any product or provides any service in or into the Restricted Area that may be used as a substitute for or otherwise competes with either the Company's Business or any product or service of the Company carried out during the period commencing two (2) years prior to the date hereof and ending on the date of termination of the Restricted Period or contemplated during such period to be carried out by the Company or any of its Affiliates, (y) any business (including by the Executive or in association with any Person) that provides services or products to any current or former customer of the Company or its Affiliates that are similar to or competitive with the services or products provided by the Company or its Affiliates to such current or former customers or (z) any activity that is in competition with the Company's Business or any other business of the Company or any of its Affiliates; provided that nothing in this Section 13(d)(ii) shall be deemed to diminish, amend, affect or otherwise modify any other non-competition agreement or covenant binding on the Executive. Nothing in this Section 13(d)(ii) shall prohibit the Executive from owning securities having no more than 2% of the outstanding voting power of any publicly traded competitor, or participating as a passive

investor in a private investment fund so long as such Executive does not have any active or managerial roles with respect to such investment, and such private investment fund does not own more than 2% of any publicly traded company engaged in the Company's Business.

(e) **Nondisparagement.** The Executive agrees not to disparage the Company, its Affiliates or predecessors, or their past and present investors, officers, directors or employees, or any of their Affiliates. Nothing in this Section 13(e) shall interfere with Executive's ability to make the Permitted Disclosures as defined in Section 13(b) above. The Company and its Affiliates agree not to disparage Executive.

(f) **Acknowledgement.** Executive acknowledges, agrees and stipulates that: (i) the terms and provisions of this Agreement are reasonable and constitute an otherwise enforceable agreement to which the terms and provisions of Sections 13(c) and 13(d) are ancillary or a part of as contemplated by TEX. BUS. & COM. CODE ANN. Sections 15.50-15.52; (ii) the consideration provided by the Company under this Agreement is not illusory; and (iii) the consideration given by the Company under this Agreement, including, without limitation, the provision by the Company of confidential information to the Executive as contemplated by Section 13(a), gives rise to the Company's interest in restraining and prohibiting the Executive from engaging in the activities described in Sections 13(c) and 13(d), and Executive's covenant not to engage in these activities is designed to enforce Executive's consideration (or return promises), including, without limitation, Executive's promise to not disclose confidential information under this Agreement.

(g) **Tolling.** In the event of any violation of the provisions of this Section 13, Executive acknowledges and agrees that the post-termination restrictions contained in this Section 13 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

14. **Cooperation.** From and after an Executive's termination of employment, Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder, provided, that the Company shall reimburse Executive for Executive's reasonable costs and expenses (including legal counsel selected by Executive and reasonably acceptable to the Company) and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

15. **Injunctive Relief and Specific Performance.** Executive understands and agrees that Executive's covenants under Sections 11, 13 and 14 are special and unique and that the Company and its Affiliates may suffer irreparable harm if Executive breaches any of Sections 11, 13, or 14 because monetary damages would be inadequate to compensate the Company and its Affiliates for the breach of any of these sections. Accordingly, Executive acknowledges and agrees that the Company shall, in addition to any other remedies available to the Company at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in Texas to enforce the provisions of Sections 11, 13 and/or 14 without the necessity of posting a bond or proving actual damages, without liability should such relief be denied, modified or vacated, and to obtain attorney's fees in respect of the foregoing if the Company prevails in any such action or proceeding. Additionally, in the event of a breach or threatened breach by Executive of Section 13, in addition to all other available legal and equitable rights and remedies, the Company shall have the right to cease making payments, if any, being made pursuant to Section 9(a)(ii) or Section 9(b)(ii), as applicable, hereunder. Executive also recognizes that the territorial, time and scope limitations set forth in Section 13 are reasonable and are properly required for the protection of the Company and its Affiliates and in the event that any such territorial, time or scope limitation is deemed to be unreasonable by a court of competent jurisdiction, the Company and Executive agree, and Executive submits, to the reduction of any or all of said territorial, time or scope limitations to such an area, period or scope as said court shall deem reasonable under the circumstances.

16. **Section 280G.** Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in section 280G(c) of the Internal Revenue Code of 1986, as amended (the "Code")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its affiliates, would constitute a "parachute payment" (as defined in section 280G(b)(2) of the Code), then the payments and benefits provided for in this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from the Company and its affiliates will be one dollar (\$1.00) less than three times Executive's "base amount" (as defined in section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 16 shall require the Company to be responsible for, or have any liability or obligation with respect to, Executive's excise tax liabilities under section 4999 of the Code.

17. **Miscellaneous.**

(a) All notices hereunder, to be effective, shall be in writing and shall be deemed effective when delivered by hand or mailed by (i) certified mail, postage and fees prepaid, or (ii) nationally recognized overnight express mail service, as follows:

If to the Company:

NCS Multistage Holdings, Inc.

19350 State Highway 249, Suite 600

Houston, TX 77070

Email: olev@ncsmultistage.com and legal@ncsmultistage.com

To: General Counsel

With a copy to which shall not constitute notice to:

Weil, Gotshal & Manges, LLP  
100 Federal Street, Floor 34  
Boston, Massachusetts 02110  
Fax: 617-772-8333  
Email: Marilyn.French@weil.com  
Attention: Marilyn French

If to Executive:

At Executive's home address, as then shown in the Company's personnel records, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) This Agreement is personal to the Executive and shall not be assigned by the Executive. Any purported assignment by the Executive shall be null and void from the initial date of the purported assignment. The Company may assign this Agreement to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its successors and assigns.

(c) This Agreement contains the entire agreement between the parties with respect to the subject matter hereof supersedes all other agreements, term sheets, offer letters, and drafts thereof, oral or written, between the parties hereto with respect to the subject matter hereof, including, without limitation, the Prior Agreement. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive by any person or entity to induce Executive to enter into this Agreement other than the express terms set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Agreement.

(d) No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the party charged with waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless so provided in the waiver.

(e) Executive will be entitled to recovery of reasonable attorneys' fees incurred in connection with disputes relating to Executive's rights under Section 9(b) of this Agreement. Reimbursement of such fees and expenses shall be made on a quarterly basis. The Company shall be responsible for, and shall pay, all legal fees and costs incurred by the Company in connection with the resolution of any dispute or controversy under or in connection with this Agreement.

(f) If any provisions of this Agreement (or portions thereof) shall, for any reason, be held invalid or unenforceable, such provisions (or portions thereof) shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining provisions of this Agreement (or portions thereof) shall nevertheless be valid, enforceable and of full force and effect. If any court of competent jurisdiction finds that any restriction contained in this Agreement is invalid or unenforceable, then the parties hereto agree that such invalid or unenforceable restriction shall be deemed modified so that it shall be valid and enforceable to the greatest extent permissible under law, and if such restriction cannot be modified so as to make it enforceable or valid, such finding shall not affect the enforceability or validity of any of the other restrictions contained herein.

(g) This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(h) The section or paragraph headings or titles herein are for convenience of reference only and shall not be deemed a part of this Agreement. The parties have jointly participated in the drafting of this Agreement, and the rule of construction that a contract shall be construed against the drafter shall not be applied. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(i) Notwithstanding anything to the contrary in this Agreement:

(i) The parties agree that this Agreement shall be interpreted to comply with or be exempt from section 409A of the Code and the regulations and authoritative guidance promulgated thereunder to the extent applicable (collectively "Section 409A"), and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. In no event whatsoever will the Company, any of its Affiliates, or any of their respective directors, officers, agents, attorneys, employees, executives, shareholders, investors, members, managers, trustees, fiduciaries, representatives, principals, accountants, insurers, successors or assigns be liable for any additional tax, interest or penalties that may be imposed on Executive under Section 409A or any damages for failing to comply with Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision of this Agreement, references to a "resignation," "termination," "terminate," "termination of employment" or like terms shall mean separation from service. If any payment, compensation or other benefit provided to the Executive in connection with the termination of Executive's employment is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Executive is a specified employee as defined in Section 409A(2)(B)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the date of termination or, if earlier, ten (10) business days following the Executive's death (the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(iii) All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses eligible for reimbursements or in-kind, benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(iv) If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(j) All questions concerning the construction, validity and interpretation of this Agreement and the exhibits to this Agreement will be governed by and construed in accordance with the domestic laws of the State of Texas, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. The parties hereby irrevocably and unconditionally submit in any legal action or proceeding arising out of or relating to this Agreement to the exclusive jurisdiction of either a state court located in the County of Harris, Texas, with subject matter jurisdiction over the action or the United States District Court, Southern District of Texas, U.S.A. and, in any such action or proceeding, consent to jurisdiction in such courts and waive any objection to the venue in any such court. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT (EACH PARTY HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH PARTY EXPRESSLY: (A) WAIVES THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, AND (B) AGREES THAT SUIT TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR TO OBTAIN ANY REMEDY WITH RESPECT HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN HARRIS COUNTY, STATE OF TEXAS, U.S.A., OR THE UNITED STATES DISTRICT COURT FOR TEXAS, SOUTHERN DISTRICT, AND EACH PARTY HERETO EXPRESSLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF SUCH COURTS.

(k) Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he/she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive on and after the Effective Date, enforceable in accordance with its terms. Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel or other advisor of Executive's choice and has done so regarding Executive's rights and obligations under this Agreement, that he is entering into this Agreement knowingly, voluntarily, and of Executive's own free will, that he is relying on Executive's own judgment in doing so, and that he fully understands the terms and conditions contained herein.

(l) The Company shall have the right to withhold from any amount payable hereunder any federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

(m) The covenants and obligations of the Company under Sections 9, 14, 15 and 17 hereof, and the covenants and obligations of Executive under Sections 9, 11, 12, 13, 14, 15 and 17 hereof, shall continue and survive any expiration of the Term, termination of Executive's employment or any termination of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By: /s/ Ryan Hummer

By: Ryan Hummer

Title: Chief Executive Officer

EXECUTIVE

/s/ Timothy Willems

Name: Timothy Willems

**Exhibit A**

**RELEASE**

This RELEASE ("Release") dated as of \_\_\_\_\_, 20\_\_\_\_ between NCS Multistage Holdings, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ (the "Executive").

WHEREAS, the Company and the Executive previously entered into that certain Employment Agreement dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"); and

WHEREAS, the Executive's employment with the Company has terminated effective \_\_\_\_\_, 20\_\_\_\_ ("Termination Date");

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Agreement, the Company and the Executive agree as follows:

1. Capitalized terms not defined herein shall have the meaning as defined under the Agreement.
2. In consideration of the Executive's release under Paragraph 3 hereof, the Company shall pay to the Executive or provide benefits to the Executive as set forth in Section 9, as applicable, of the Agreement, which is attached hereto and made a part hereof.
3. The Executive, on Executive's own behalf and on behalf of Executive's heirs, estate and beneficiaries, does hereby release the Company, and in such capacities, any of its Affiliates, and each past or present officer, director, agent, employee, shareholder, and insurer of any such entities, from any and all claims made, to be made, or which might have been made of whatever nature, whether known or unknown, from the beginning of time, including those that arose as a consequence of Executive's employment with the

Company, or arising out of the severance of such employment relationship, or arising out of any act committed or omitted during or after the existence of such employment relationship, all up through and including the date on which this Release is executed, including, without limitation, any tort and/or contract claims, common law or statutory claims, claims under any local, state or federal wage and hour law, wage collection law or labor relations law, claims under any common law or other statute, claims of age, race, sex, sexual orientation, religious, disability, national origin, ancestry, citizenship, retaliation or any other claim of employment discrimination, including under the Civil Rights Acts, the Age Discrimination in Employment Act ("ADEA"), the Americans with Disabilities Act, the Rehabilitation Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, Texas Labor Code (specifically including the Texas Payday Law the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act), all as amended, and any other law (including any state or local law or ordinance) prohibiting employment discrimination or relating to employment, retaliation in employment, termination of employment, wages, benefits or otherwise. Notwithstanding the release and waiver of claims set forth in this Paragraph 3, Executive does not waive or release any rights Executive may have relating to (a) unemployment compensation or unemployment insurance; (b) workers' compensation; (c) Executive's rights to any post-termination payments under Section 9 of the Agreement, as applicable; (d) indemnification and/or any insurance with respect to claims asserted by any third party against Executive for actions taken by Executive in good faith within the scope of Executive's employment; (e) Executive's right to challenge the validity of the release of claims in this Paragraph 3 under the ADEA as amended by the Older Workers Benefit Protection Act (the "OWBPA") or otherwise; (f) any rights or claims that arise after the date Executive executes this Release; and/or (g) any rights or claims which cannot legally be waived or released.

4. This Release does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Governmental Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Executive understands and agrees, however, that Executive's waiver of claims in Paragraph 3 above waives Executive's right to monetary or other relief (including reinstatement) should Executive file a charge with any Government Entity, or should any Government Entity pursue a claim on Executive's behalf, except that the Executive is not prohibited from receiving a whistleblower award from a Government Entity for information provided in good faith to such Government Entity.

5. The Executive relinquishes any right to future employment with the Company and the Company shall have the right to refuse to re-employ the Executive, in each case without liability of the Executive or the Company.

6. The Executive acknowledges and agrees that even though claims and facts in addition to those now known or believed by Executive to exist may subsequently be discovered, it is Executive's intention to fully settle and release all claims he may have against the Company and the persons and entities described above, whether known, unknown or suspected.

7. [Executive acknowledges that pursuant to the Release set forth in Paragraph 3 above, Executive is waiving and releasing any rights he may have under the ADEA and that Executive's waiver and release of such rights is knowing and voluntary. Executive acknowledges that the consideration given for the ADEA waiver and release under this Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that he has been advised by this writing that:

- (a) Executive should consult with an attorney prior to executing this Release and has had an opportunity to do so;
- (b) Executive has up to twenty-one (21) days within which to consider this ADEA waiver and release;

(c) Executive has seven (7) days following Executive's execution of this Release to revoke this ADEA waiver and release, but only by providing written notice of such revocation to the Company in accordance with the "Notice" provision in Section 17 of the Agreement;

(d) the ADEA waiver and release shall not be effective until the seven (7) day revocation period has expired; and

(e) the twenty-one (21) day period set forth above shall run from the date Executive receives this Release. The parties agree that any modifications made to this Release prior to its execution shall not restart, or otherwise affect, this twenty-one day (21) period.]

8. It is the intention of the parties in executing this Release that this Release shall be effective as a full and final accord and satisfaction and release of and from all liabilities, disputes, claims and matters covered under this Release, known or unknown, suspected or unsuspected.

9. This Release shall become effective on the first (1st) day following the day that this Release becomes irrevocable under Paragraph 7. All payments due to the Executive shall be payable in accordance with the terms of the Agreement.

[remainder of page intentionally blank]

<sup>1</sup> NTD: This paragraph and the itinerant twenty-one (21) day consideration period and seven (7) day revocation period are not required if the Executive is under 40 years old. If Executive is over 40 years old and is being terminated as part of a group layoff or severance incentive program, Executive must be given forty-five (45) days to consider the Release, and must be provided with additional information disclosures under the OWBPA.

IN WITNESS WHEREOF, the parties have executed this Release on the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By:

Name:

Title:

EXECUTIVE

Exhibit 10.4

## **AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of July 17, 2024 (the "Effective Date"), by and between Michael Morrison ("Executive") and NCS Multistage Holdings, Inc. (the "Company").

WHEREAS, the Executive is currently party to that certain employment agreement with the Company, dated as of October 6, 2022 (the "Prior Agreement"); and

WHEREAS, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company, on the terms set forth in this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Employment Term.** The Company hereby agrees to continue to employ Executive, and Executive hereby agrees to continue to be employed with the Company, upon the terms and conditions contained in this Agreement. Executive's employment with the Company pursuant to this Agreement shall commence on the Effective Date and shall continue until the third anniversary of the Effective Date (the "Initial Term") unless earlier terminated pursuant to Section 8; provided, that the term of this Agreement shall automatically be extended for one (1) additional year commencing on the third anniversary of the Effective Date and on each anniversary thereafter (each, a "Renewal Term") unless, not less than ninety (90) days prior to the commencement of any such Renewal Term, either party shall have given written notice to the other that it does not wish to extend this Agreement (a "Non-Renewal Notice"), in which case, Executive's employment under this Agreement shall terminate upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable. The period during which Executive is employed by the Company pursuant to this Agreement is hereinafter referred to as the "Term."

2. **Employment Duties.** Executive shall have the title of Chief Financial Officer of the Company and shall have such duties, authorities and responsibilities as are consistent with such position and as the Chief Executive Officer may designate from time to time. Executive shall report to the Chief Executive Officer. Executive shall devote Executive's full working time and attention to Executive's employment and service with the Company and shall perform Executive's services in a capacity and in a manner consistent with Executive's position for the Company; provided, that this Section 2 shall not be interpreted as prohibiting Executive from (i) managing Executive's personal investments (so long as such investment activities are of a passive nature), (ii) engaging in charitable or civic activities, (iii) participating on boards of directors or similar bodies of non-profit organizations, or (iv) subject to approval by the Board of Directors of the Company (the "Board") in its sole and absolute discretion, participating on boards of directors or similar bodies of for-profit organizations, in each case of (i) – (iv), so long as such activities do not, individually or in the aggregate, (a) materially interfere with the performance of Executive's duties and responsibilities hereunder, (b) create a fiduciary conflict, or (c) result in a violation of Section 13 of this Agreement. If requested, Executive shall also serve as an executive officer and/or board member of the board of directors (or similar governing body) of any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company (an "Affiliate") without any additional compensation; for purposes of this Agreement, "Affiliate" shall not include other entities under common control with Advent International other than the Company and its Affiliates.

3. **Base Salary.** During the Term, the Company shall pay Executive a base salary at an annual rate of \$360,000, payable in accordance with the Company's normal payroll practices for employees as in effect from time to time. Executive shall be entitled to such increases in base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary".

4. **Annual Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual cash bonus award (the "Annual Bonus") pursuant to the Company's then annual cash bonus plan, with a target Annual Bonus of eighty percent (80%) of Base Salary ("Target Bonus") up to a maximum Annual Bonus of two hundred percent (200%) of Base Salary, based upon the achievement of annual performance targets established by the Board at the beginning of each such calendar year. The Annual Bonus, if any, for each calendar year during the Term shall be paid to Executive at the same time that other senior executives of the Company receive annual bonus payments, but in no event earlier than February 15 and in no event later than March 31 of the year following the calendar year to which such Annual Bonus relates. Executive shall not be paid any Annual Bonus with respect to a calendar year unless Executive is employed with the Company on the day such Annual Bonus is paid.

5. **Equity Awards and Benefits.** During the Term, Executive shall be eligible to participate in the Company's 2017 Equity Incentive Plan or any successor plan as determined by the Board or Compensation Committee and shall be entitled to participate in any benefit plans, including medical, disability and life insurance (but excluding any severance or bonus plans unless specifically referenced in this Agreement) offered by the Company as in effect from time to time (collectively, "Benefit Plans"), on the same basis as those generally made available to other senior executives of the Company, to the extent consistent with applicable law and the terms of the applicable Benefit Plan. The Company does not promise the adoption or continuance of any particular Benefit Plan and reserves the right to amend or cancel any Benefit Plan at any time in its sole discretion (subject to the terms of such Benefit Plan and applicable law).

6. **Vacation.** Executive shall be entitled to five weeks of annual paid vacation days, or such greater amount as may be allowed in accordance with Company plans, policies, programs and practices as may be in effect from time to time, which shall accrue and be useable by Executive in accordance with Company policy.

7. **Expense Reimbursement.** The Executive shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business, entertainment and travel expenses incurred by the Executive in connection with the performance of the Executive's duties hereunder in accordance with the Company's expense reimbursement policies and procedures.

8. **Termination of Employment.** The Term and Executive's employment hereunder may be terminated as follows:

(a) Automatically in the event of the death of Executive;

(b) At the option of the Company, by written notice to Executive or Executive's personal representative in the event of the Disability of Executive. As used herein, the term "Disability" shall mean Executive's inability to perform the essential duties, responsibilities, and functions of his position with the Company as a result of any mental or physical disability or incapacity for a length of time that the Company determines is sufficient to satisfy such obligations as it may have to provide leave under applicable family and medical leave laws and/or "reasonable accommodation" under applicable federal, state or local disability laws. Family and medical leave or disability leave provided under federal, state or local law may be unpaid as per the requirements of such laws; provided, however, that Executive shall be entitled to such payments and benefits under the Company's sick leave or disability leave programs as per the terms of such programs. The Company may terminate Executive's active employment because of a Disability by giving written notice to

Executive at any time effective at or within twenty (20) days after the end period of leave as may be required under the family and medical leave laws or under federal, state or local disability laws, but the Company shall retain Executive as an inactive employee if necessary to maintain Executive's eligibility for any disability leave benefits. A reduction or elimination of the duties defined in Section 2 during the period Executive is designated as an inactive employee shall not constitute Good Reason. In the event of a dispute over the occurrence of a Disability, Executive agrees to submit to an examination by a doctor selected by the Company who will determine fitness for duties as defined in Section 2 above. If Executive's physician disagrees with the Company's physician's opinion, a third physician, mutually agreed upon by Executive and the Company, shall examine Executive and that physician's opinion shall be conclusive as to Executive's fitness for duty;

- (c) At the option of the Company for Cause, by delivering prior written notice to Executive;
- (d) At the option of the Company at any time without Cause, by delivering written notice of its determination to terminate to Executive;
- (e) At the option of Executive for Good Reason;
- (f) At the option of Executive without Good Reason, upon sixty (60) days prior written notice to the Company (which the Company may, in its sole discretion, make effective earlier than the termination date provided in such notice); or
- (g) Upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable, as a result of a Non-Renewal Notice.

#### 9. Payments by Virtue of Termination of Employment.

(a) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company. If Executive's employment is terminated at any time during the Term by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) (A) within thirty (30) days following such termination, (i) payment of Executive's accrued and unpaid Base Salary (ii) payment of any earned but unpaid Annual Bonus for the fiscal year prior to the year of termination, payable at the same time annual bonuses are paid to other similarly situated employees of the Company and (iii) reimbursement of expenses under Section 7 of this Agreement, in each case of (i) and (ii), accrued through the date of termination and (B) all other accrued amounts or accrued benefits due to Executive in accordance with the Company's benefit plans, programs or policies (other than severance); and

(ii) (A) an amount equal to one (1) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, Executive's unvested equity incentive awards that are outstanding on the Executive's termination date shall remain outstanding and eligible to vest on the same vesting schedule set forth in the applicable award agreement, subject to the Executive's compliance with Section 13 through each applicable vesting date, and any stock options that vest following the Executive's termination date may be exercised for ninety (90) days following the applicable vesting date and will be forfeited if not exercised during such period, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(a)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Severance Period, any payments to be made pursuant to this Section 9(a)(ii) shall be paid to the Executive's legal representative.

(b) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company, each within Twenty-Four (24) Months Following a Change of Control. If Executive's employment is terminated within twenty-four (24) months following a Change of Control (as defined in the Company's 2017 Equity Incentive Plan) by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) the payments and benefits described under Section 9(a)(i) of this Agreement; and

(ii) (A) an amount equal to two (2) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Change of Control Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, the Executive's unvested equity incentive awards that are outstanding as of the Executive's termination date shall fully vest on the termination date, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(b)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Change of Control Severance Period, any payments to be made pursuant to this Section 9(b)(ii) shall be paid to the Executive's legal representative.

(c) Termination other than by the Company Without Cause or by Executive For Good Reason. If (i) the Company terminates Executive's employment for Cause during the Term, (ii) Executive terminates Executive's employment without Good Reason during the Term, or (iii) Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive the payments and benefits described under Section 9(a)(i) of this Agreement. In addition, if the Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs.

(d) Conditions to Payment. All payments and benefits due to Executive under this Section 9 which are not otherwise required by applicable law shall be payable only if Executive executes and delivers to the Company a general release of claims in the form attached hereto as Exhibit A, which may be updated by the Company from time to time to reflect changes in law and such release is no longer subject to revocation (to the extent applicable), in each case, within sixty (60) days following termination of employment. Failure to timely execute and return such release or the revocation of such release during the revocation period shall be a waiver by Executive of Executive's right to severance (which, for the avoidance of doubt, shall not include any amounts described in Section 9(a)(i) of this Agreement). In addition, severance shall be conditioned on Executive's compliance with Section 11 of this Agreement, and on Employee's continued compliance with Section 13 of this Agreement as provided in Section 15 below.

(e) No Other Severance. Executive hereby acknowledges and agrees that, other than the severance payments described in this Section 9, upon the effective date of the termination of Executive's employment, Executive shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all other rights of Executive to compensation under this Agreement shall end as of such date.

**10. Definitions.** For purposes of this Agreement,

(a) "Cause" shall mean, (i) Executive's indictment for, conviction of, or a plea of guilty or no contest to, any indictable criminal offence or any other criminal offence involving fraud, misappropriation or moral turpitude, (ii) Executive's continued failure to materially perform Executive's duties hereunder (for any reason other than illness or physical or mental incapacity) or a material breach of fiduciary duty, (iii) Executive's theft, fraud, or dishonesty with regard to the Company or any of its Affiliates or in connection with Executive's duties, (iv) Executive's material violation of the Company's code of conduct or similar written policies, (v) Executive's willful misconduct unrelated to the Company or any of its Affiliates having, or likely to have, a material negative impact on the Company or any of its Affiliates (economically or its reputation), (vi) an act of gross negligence or willful misconduct by the Executive that relates to the affairs of the Company or any of its Affiliates, or (vii) material breach by Executive of any provisions of this Agreement.

(b) "Good Reason" shall mean, without Executive's consent, (i) any material diminution in Executive's responsibilities, authorities, title, reporting structure or duties, (ii) any material reduction in Executive's (x) Base Salary or (y) target Annual Bonus opportunity (except in the event of an across the board reduction in Base Salary or target Annual Bonus opportunity of up to 10%, applicable to substantially all senior executives of the Company), (iii) a relocation of Executive's principal place of employment by more than fifty (50) miles from the location of Executive's principal place of employment on the Effective Date and such principal place of employment is more than fifty (50) miles from Executive's principal residence or (iv) a material breach by the Company of any material provisions of this Agreement; provided, that no event described in clause (i), (ii), (iii) or (iv) shall constitute Good Reason unless (A) Executive has given the Company written notice of the termination, setting forth the conduct of the Company that is alleged to constitute Good Reason, within sixty (60) days following the occurrence of such event, and (B) Executive has provided the Company at least sixty (60) days following the date on which such notice is provided to cure such conduct and the Company has failed to do so. Failing such cure, a termination of employment by Executive for Good Reason shall be effective on the day following the expiration of such cure period.

11. Return of Company Property. Within ten (10) days following the effective date of Executive's termination for any reason, Executive, or Executive's personal representative shall return all property of the Company or any of its Affiliates in Executive's possession, including, but not limited to, all Company-owned computer equipment (hardware and software), telephones, facsimile machines, tablet computers and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company or any of its Affiliates, the Company's or any of its Affiliates' customers and clients or their respective prospective customers or clients. Notwithstanding the foregoing, Executive shall be entitled to retain Executive's cell phone number, a copy of this Agreement and Executive's calendar.

12. Resignation as Officer or Director. Upon the effective date of Executive's termination, Executive shall be deemed to have resigned from Executive's position and, to the extent applicable, as an officer of the Company, as a member of the board of directors or similar governing body of the Company or any of its Affiliates, and as a fiduciary of any Company benefit plan. On or immediately following the effective date of any such termination of Executive's employment, Executive shall confirm the foregoing by submitting to the Company in writing a confirmation of Executive's resignation(s).

**13. Confidentiality; Non-Solicitation; Non-Competition.**

(a) Confidential and Proprietary Information. Executive agrees that all materials and items produced or developed by Executive for the Company or any of its Affiliates, or obtained by Executive from the Company or any of its Affiliates either directly or indirectly pursuant to this Agreement shall be and remains the property of the Company and its Affiliates. Executive acknowledges that he will, during Executive's association with the Company, acquire, or be exposed to, or have access to, materials, data and information that constitute valuable, confidential and proprietary information of the Company and its Affiliates, including, without limitation, any or all of the following: business plans, practices and procedures, pricing information, sales figures, profit or loss figures, this Agreement and its terms, information relating to customers, clients, intellectual property, suppliers, technology, sources of supply and customer lists, research, technical data, trade secrets, or know-how, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, personnel information of any Person employed by the Company, potential business combinations, and such other information or material as the Company may designate as confidential and/or proprietary from time to time (collectively hereinafter, the "Confidential and Proprietary Information"). During Executive's employment with the Company and at all times thereafter, Executive shall not, directly or indirectly, use, misuse, misappropriate, disclose or make known, without the prior written approval of the Board, to any party, firm, corporation, association or other entity, any such Confidential and Proprietary Information for any reason or purpose whatsoever, except as may be

required in the course of Executive's performance of Executive's duties hereunder. In consideration of the unique nature of the Confidential and Proprietary Information, all obligations pertaining to the confidentiality and nondisclosure thereof shall remain in effect until the Company and its Affiliates have released such information; provided, that the provisions of this Section 13(a) shall not apply to the disclosure of Confidential and Proprietary Information to the Company's Affiliates together with each of their respective shareholders, directors, officers, accountants, lawyers and other representatives or agents, nor to a Permitted Disclosure as defined in Section 13(b) below. In addition, it shall not be a breach of the confidentiality obligations hereof if Executive is required by applicable law to disclose any Confidential and Proprietary Information; provided, that in such case, Executive shall (x) give the Company the earliest notice possible that such disclosure is or may be required and (y) cooperate with the Company, at the Company's expense, in protecting to the maximum extent legally permitted, the confidential or proprietary nature of the Confidential and Proprietary Information which must be so disclosed. Upon termination of Executive's employment, Executive agrees that all Confidential and Proprietary Information, directly or indirectly, in Executive's possession that is in writing or other tangible form (together with all duplicates thereof) will promptly (and in any event within ten (10) days following such termination) be returned to the Company and will not be retained by Executive or furnished to any person, either by sample, facsimile film, audio or video cassette, electronic data, verbal communication or any other means of communication.

(b) Permitted Disclosure. This Agreement does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 13(b) are herein referred to as "Permitted Disclosures." Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any Confidential and Proprietary Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company's General Counsel or other authorized officer designated by the Company.

(c) Non-Solicitation. As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period (defined below), the Executive will not, without written consent of the Company, directly or indirectly, including causing, encouraging, directing or soliciting any other Person (defined below) to, contact, approach or solicit (except as so long as the Executive continues to be employed by the Company and makes such contact, approach or solicitation on behalf of the Company and excluding offspring of the Executive) for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any non-union Person who is or has been employed or retained in the operation of the Business (defined below) by the Company or its Affiliates during the period commencing one (1) year prior to the date hereof and ending on the date of termination of the Restricted Period, or induce, interfere with or solicit, or attempt to induce, interfere with or solicit, any Person that is a current or former customer, supplier or other business relation of the Company or its Affiliates into any business relationship that might harm the Business. The restrictions in this Section 13(c) shall not prohibit a general solicitation to the public through general advertising or similar methods of solicitation by search firms not specifically directed at employees of the Company (but the restrictions shall still apply to the hiring of any person who responds to such general solicitation). "Restricted Period" means the period beginning on the date of this Agreement and ending on the one (1) year anniversary of the date on which the Executive's employment is terminated. "Person" means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof. "Business" means the business of developing, manufacturing, selling, marketing, servicing and licensing fracturing completions technology.

(d) Non-Competition.

(i) Executive acknowledges and agrees that, as a result of Executive's duties and responsibilities, Executive has final authority to make policy decisions that control significant aspects of the Company's business.

(ii) As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period, the Executive will not, within or with respect to the geographical area of the United States, Canada, and any of the other states, provinces or territories within the United States or Canada and any other country, territory, province or state in which the Company operates (including by contracting with customers or suppliers) or could reasonably be anticipated to operate during the Restricted Period (the "Restricted Area"), except in the furtherance of the Company's Business directly or indirectly own, operate, lease, manage, control, participate in, consult with, advise, permit the Executive's name to be used by, provide services for, or in any manner engage in (x) any business (including by the Executive or in association with any Person) that creates, designs, invents, engineers, develops, sources, markets, manufactures, distributes or sells any product or provides any service in or into the Restricted Area that may be used as a substitute for or otherwise competes with either the Company's Business or any product or service of the Company carried out during the period commencing two (2) years prior to the date hereof and ending on the date of termination of the Restricted Period or contemplated during such period to be carried out by the Company or any of its Affiliates, (y) any business (including by the Executive or in association with any Person) that provides services or products to any current or former customer of the Company or its Affiliates that are similar to or competitive with the services or products provided by the Company or its Affiliates to such current or former customers or (z) any activity that is in competition with the Company's Business or any other business of the Company or any of its Affiliates; provided that nothing in this Section 13(d)(ii) shall be deemed to diminish, amend, affect or otherwise modify any other non-competition agreement or covenant binding on the Executive. Nothing in this Section 13(d)(ii) shall prohibit the Executive from owning securities having no more than 2% of the outstanding voting power of any publicly traded competitor, or participating as a passive

investor in a private investment fund so long as such Executive does not have any active or managerial roles with respect to such investment, and such private investment fund does not own more than 2% of any publicly traded company engaged in the Company's Business.

(e) **Nondisparagement.** The Executive agrees not to disparage the Company, its Affiliates or predecessors, or their past and present investors, officers, directors or employees, or any of their Affiliates. Nothing in this Section 13(e) shall interfere with Executive's ability to make the Permitted Disclosures as defined in Section 13(b) above. The Company and its Affiliates agree not to disparage Executive.

(f) **Acknowledgement.** Executive acknowledges, agrees and stipulates that: (i) the terms and provisions of this Agreement are reasonable and constitute an otherwise enforceable agreement to which the terms and provisions of Sections 13(c) and 13(d) are ancillary or a part of as contemplated by TEX. BUS. & COM. CODE ANN. Sections 15.50-15.52; (ii) the consideration provided by the Company under this Agreement is not illusory; and (iii) the consideration given by the Company under this Agreement, including, without limitation, the provision by the Company of confidential information to the Executive as contemplated by Section 13(a), gives rise to the Company's interest in restraining and prohibiting the Executive from engaging in the activities described in Sections 13(c) and 13(d), and Executive's covenant not to engage in these activities is designed to enforce Executive's consideration (or return promises), including, without limitation, Executive's promise to not disclose confidential information under this Agreement.

(g) **Tolling.** In the event of any violation of the provisions of this Section 13, Executive acknowledges and agrees that the post-termination restrictions contained in this Section 13 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

14. **Cooperation.** From and after an Executive's termination of employment, Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder, provided, that the Company shall reimburse Executive for Executive's reasonable costs and expenses (including legal counsel selected by Executive and reasonably acceptable to the Company) and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

15. **Injunctive Relief and Specific Performance.** Executive understands and agrees that Executive's covenants under Sections 11, 13 and 14 are special and unique and that the Company and its Affiliates may suffer irreparable harm if Executive breaches any of Sections 11, 13, or 14 because monetary damages would be inadequate to compensate the Company and its Affiliates for the breach of any of these sections. Accordingly, Executive acknowledges and agrees that the Company shall, in addition to any other remedies available to the Company at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in Texas to enforce the provisions of Sections 11, 13 and/or 14 without the necessity of posting a bond or proving actual damages, without liability should such relief be denied, modified or vacated, and to obtain attorney's fees in respect of the foregoing if the Company prevails in any such action or proceeding. Additionally, in the event of a breach or threatened breach by Executive of Section 13, in addition to all other available legal and equitable rights and remedies, the Company shall have the right to cease making payments, if any, being made pursuant to Section 9(a)(ii) or Section 9(b)(ii), as applicable, hereunder. Executive also recognizes that the territorial, time and scope limitations set forth in Section 13 are reasonable and are properly required for the protection of the Company and its Affiliates and in the event that any such territorial, time or scope limitation is deemed to be unreasonable by a court of competent jurisdiction, the Company and Executive agree, and Executive submits, to the reduction of any or all of said territorial, time or scope limitations to such an area, period or scope as said court shall deem reasonable under the circumstances.

16. **Section 280G.** Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in section 280G(c) of the Internal Revenue Code of 1986, as amended (the "Code")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its affiliates, would constitute a "parachute payment" (as defined in section 280G(b)(2) of the Code), then the payments and benefits provided for in this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from the Company and its affiliates will be one dollar (\$1.00) less than three times Executive's "base amount" (as defined in section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 16 shall require the Company to be responsible for, or have any liability or obligation with respect to, Executive's excise tax liabilities under section 4999 of the Code.

17. **Miscellaneous.**

(a) All notices hereunder, to be effective, shall be in writing and shall be deemed effective when delivered by hand or mailed by (i) certified mail, postage and fees prepaid, or (ii) nationally recognized overnight express mail service, as follows:

If to the Company:

NCS Multistage Holdings, Inc.

19350 State Highway 249, Suite 600

Houston, TX 77070

Email: olev@ncsmultistage.com and legal@ncsmultistage.com

To: General Counsel

With a copy to which shall not constitute notice to:

Weil, Gotshal & Manges, LLP  
100 Federal Street, Floor 34  
Boston, Massachusetts 02110  
Fax: 617-772-8333  
Email: Marilyn.French@weil.com  
Attention: Marilyn French

If to Executive:

At Executive's home address, as then shown in the Company's personnel records, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) This Agreement is personal to the Executive and shall not be assigned by the Executive. Any purported assignment by the Executive shall be null and void from the initial date of the purported assignment. The Company may assign this Agreement to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its successors and assigns.

(c) This Agreement contains the entire agreement between the parties with respect to the subject matter hereof supersedes all other agreements, term sheets, offer letters, and drafts thereof, oral or written, between the parties hereto with respect to the subject matter hereof, including, without limitation, the Prior Agreement. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive by any person or entity to induce Executive to enter into this Agreement other than the express terms set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Agreement.

(d) No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the party charged with waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless so provided in the waiver.

(e) Executive will be entitled to recovery of reasonable attorneys' fees incurred in connection with disputes relating to Executive's rights under Section 9(b) of this Agreement. Reimbursement of such fees and expenses shall be made on a quarterly basis. The Company shall be responsible for, and shall pay, all legal fees and costs incurred by the Company in connection with the resolution of any dispute or controversy under or in connection with this Agreement.

(f) If any provisions of this Agreement (or portions thereof) shall, for any reason, be held invalid or unenforceable, such provisions (or portions thereof) shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining provisions of this Agreement (or portions thereof) shall nevertheless be valid, enforceable and of full force and effect. If any court of competent jurisdiction finds that any restriction contained in this Agreement is invalid or unenforceable, then the parties hereto agree that such invalid or unenforceable restriction shall be deemed modified so that it shall be valid and enforceable to the greatest extent permissible under law, and if such restriction cannot be modified so as to make it enforceable or valid, such finding shall not affect the enforceability or validity of any of the other restrictions contained herein.

(g) This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(h) The section or paragraph headings or titles herein are for convenience of reference only and shall not be deemed a part of this Agreement. The parties have jointly participated in the drafting of this Agreement, and the rule of construction that a contract shall be construed against the drafter shall not be applied. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(i) Notwithstanding anything to the contrary in this Agreement:

(i) The parties agree that this Agreement shall be interpreted to comply with or be exempt from section 409A of the Code and the regulations and authoritative guidance promulgated thereunder to the extent applicable (collectively "Section 409A"), and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. In no event whatsoever will the Company, any of its Affiliates, or any of their respective directors, officers, agents, attorneys, employees, executives, shareholders, investors, members, managers, trustees, fiduciaries, representatives, principals, accountants, insurers, successors or assigns be liable for any additional tax, interest or penalties that may be imposed on Executive under Section 409A or any damages for failing to comply with Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision of this Agreement, references to a "resignation," "termination," "terminate," "termination of employment" or like terms shall mean separation from service. If any payment, compensation or other benefit provided to the Executive in connection with the termination of Executive's employment is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Executive is a specified employee as defined in Section 409A(2)(B)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the date of termination or, if earlier, ten (10) business days following the Executive's death (the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(iii) All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses eligible for reimbursements or in-kind, benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(iv) If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(j) All questions concerning the construction, validity and interpretation of this Agreement and the exhibits to this Agreement will be governed by and construed in accordance with the domestic laws of the State of Texas, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. The parties hereby irrevocably and unconditionally submit in any legal action or proceeding arising out of or relating to this Agreement to the exclusive jurisdiction of either a state court located in the County of Harris, Texas, with subject matter jurisdiction over the action or the United States District Court, Southern District of Texas, U.S.A. and, in any such action or proceeding, consent to jurisdiction in such courts and waive any objection to the venue in any such court. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT (EACH PARTY HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH PARTY EXPRESSLY: (A) WAIVES THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, AND (B) AGREES THAT SUIT TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR TO OBTAIN ANY REMEDY WITH RESPECT HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN HARRIS COUNTY, STATE OF TEXAS, U.S.A., OR THE UNITED STATES DISTRICT COURT FOR TEXAS, SOUTHERN DISTRICT, AND EACH PARTY HERETO EXPRESSLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF SUCH COURTS.

(k) Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he/she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive on and after the Effective Date, enforceable in accordance with its terms. Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel or other advisor of Executive's choice and has done so regarding Executive's rights and obligations under this Agreement, that he is entering into this Agreement knowingly, voluntarily, and of Executive's own free will, that he is relying on Executive's own judgment in doing so, and that he fully understands the terms and conditions contained herein.

(l) The Company shall have the right to withhold from any amount payable hereunder any federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

(m) The covenants and obligations of the Company under Sections 9, 14, 15 and 17 hereof, and the covenants and obligations of Executive under Sections 9, 11, 12, 13, 14, 15 and 17 hereof, shall continue and survive any expiration of the Term, termination of Executive's employment or any termination of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By: /s/ Ryan Hummer

By: Ryan Hummer

Title: Chief Executive Officer

EXECUTIVE

/s/ Michael Morrison

Name: Michael Morrison

**Exhibit A**

**RELEASE**

This RELEASE ("Release") dated as of \_\_\_\_\_, 20\_\_\_\_ between NCS Multistage Holdings, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ (the "Executive").

WHEREAS, the Company and the Executive previously entered into that certain Employment Agreement dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"); and

WHEREAS, the Executive's employment with the Company has terminated effective \_\_\_\_\_, 20\_\_\_\_ ("Termination Date");

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Agreement, the Company and the Executive agree as follows:

1. Capitalized terms not defined herein shall have the meaning as defined under the Agreement.
2. In consideration of the Executive's release under Paragraph 3 hereof, the Company shall pay to the Executive or provide benefits to the Executive as set forth in Section 9, as applicable, of the Agreement, which is attached hereto and made a part hereof.
3. The Executive, on Executive's own behalf and on behalf of Executive's heirs, estate and beneficiaries, does hereby release the Company, and in such capacities, any of its Affiliates, and each past or present officer, director, agent, employee, shareholder, and insurer of any such entities, from any and all claims made, to be made, or which might have been made of whatever nature, whether known or unknown, from the beginning of time, including those that arose as a consequence of Executive's employment with the

Company, or arising out of the severance of such employment relationship, or arising out of any act committed or omitted during or after the existence of such employment relationship, all up through and including the date on which this Release is executed, including, without limitation, any tort and/or contract claims, common law or statutory claims, claims under any local, state or federal wage and hour law, wage collection law or labor relations law, claims under any common law or other statute, claims of age, race, sex, sexual orientation, religious, disability, national origin, ancestry, citizenship, retaliation or any other claim of employment discrimination, including under the Civil Rights Acts, the Age Discrimination in Employment Act ("ADEA"), the Americans with Disabilities Act, the Rehabilitation Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, Texas Labor Code (specifically including the Texas Payday Law the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act), all as amended, and any other law (including any state or local law or ordinance) prohibiting employment discrimination or relating to employment, retaliation in employment, termination of employment, wages, benefits or otherwise. Notwithstanding the release and waiver of claims set forth in this Paragraph 3, Executive does not waive or release any rights Executive may have relating to (a) unemployment compensation or unemployment insurance; (b) workers' compensation; (c) Executive's rights to any post-termination payments under Section 9 of the Agreement, as applicable; (d) indemnification and/or any insurance with respect to claims asserted by any third party against Executive for actions taken by Executive in good faith within the scope of Executive's employment; (e) Executive's right to challenge the validity of the release of claims in this Paragraph 3 under the ADEA as amended by the Older Workers Benefit Protection Act (the "OWBPA") or otherwise; (f) any rights or claims that arise after the date Executive executes this Release; and/or (g) any rights or claims which cannot legally be waived or released.

4. This Release does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Governmental Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Executive understands and agrees, however, that Executive's waiver of claims in Paragraph 3 above waives Executive's right to monetary or other relief (including reinstatement) should Executive file a charge with any Government Entity, or should any Government Entity pursue a claim on Executive's behalf, except that the Executive is not prohibited from receiving a whistleblower award from a Government Entity for information provided in good faith to such Government Entity.

5. The Executive relinquishes any right to future employment with the Company and the Company shall have the right to refuse to re-employ the Executive, in each case without liability of the Executive or the Company.

6. The Executive acknowledges and agrees that even though claims and facts in addition to those now known or believed by Executive to exist may subsequently be discovered, it is Executive's intention to fully settle and release all claims he may have against the Company and the persons and entities described above, whether known, unknown or suspected.

7. [Executive acknowledges that pursuant to the Release set forth in Paragraph 3 above, Executive is waiving and releasing any rights he may have under the ADEA and that Executive's waiver and release of such rights is knowing and voluntary. Executive acknowledges that the consideration given for the ADEA waiver and release under this Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that he has been advised by this writing that:

- (a) Executive should consult with an attorney prior to executing this Release and has had an opportunity to do so;
- (b) Executive has up to twenty-one (21) days within which to consider this ADEA waiver and release;

(c) Executive has seven (7) days following Executive's execution of this Release to revoke this ADEA waiver and release, but only by providing written notice of such revocation to the Company in accordance with the "Notice" provision in Section 17 of the Agreement;

(d) the ADEA waiver and release shall not be effective until the seven (7) day revocation period has expired; and

(e) the twenty-one (21) day period set forth above shall run from the date Executive receives this Release. The parties agree that any modifications made to this Release prior to its execution shall not restart, or otherwise affect, this twenty-one day (21) period.]

8. It is the intention of the parties in executing this Release that this Release shall be effective as a full and final accord and satisfaction and release of and from all liabilities, disputes, claims and matters covered under this Release, known or unknown, suspected or unsuspected.

9. This Release shall become effective on the first (1st) day following the day that this Release becomes irrevocable under Paragraph 7. All payments due to the Executive shall be payable in accordance with the terms of the Agreement.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties have executed this Release on the date first above written.

**NCS MULTISTAGE HOLDINGS, INC.**

By:

Name:

Title:

**EXECUTIVE**

Exhibit 10.5

**AMENDED AND RESTATED EMPLOYMENT AGREEMENT**

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is entered into as of July 17, 2024 (the "Effective Date"), by and between Ori Lev ("Executive") and NCS Multistage Holdings, Inc. (the "Company").

**WHEREAS**, the Executive is currently party to that certain employment agreement with the Company, dated as of October 7, 2020 (the "Prior Agreement"); and

**WHEREAS**, the Company desires to continue to employ the Executive and the Executive desires to continue to be employed by the Company, on the terms set forth in this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

**1. Employment Term.** The Company hereby agrees to continue to employ Executive, and Executive hereby agrees to continue to be employed with the Company, upon the terms and conditions contained in this Agreement. Executive's employment with the Company pursuant to this Agreement shall commence on the Effective Date and shall continue until the third anniversary of the Effective Date (the "Initial Term") unless earlier terminated pursuant to **Section 8**; provided, that the term of this Agreement shall automatically be extended for one (1) additional year commencing on the third anniversary of the Effective Date and on each anniversary thereafter (each, a "Renewal Term") unless, not less than ninety (90) days prior to the commencement of any such Renewal Term, either party shall have given written notice to the other that it does not wish to extend this Agreement (a "Non-Renewal Notice"), in which case, Executive's employment under this Agreement shall terminate upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable. The period during which Executive is employed by the Company pursuant to this Agreement is hereinafter referred to as the "Term."

**2. Employment Duties.** Executive shall have the title of Executive Vice President, General Counsel and Secretary of the Company and shall have such duties, authorities and responsibilities as are consistent with such position and as the Chief Executive Officer may designate from time to time. Executive shall report to the Chief Executive Officer. Executive shall devote Executive's full working time and attention to Executive's employment and service with the Company and shall perform Executive's services in a capacity and in a manner consistent with Executive's position for the Company; provided, that this **Section 2** shall not be interpreted as prohibiting Executive from (i) managing Executive's personal investments (so long as such investment activities are of a passive nature), (ii) engaging in charitable or civic activities, (iii) participating on boards of directors or similar bodies of non-profit organizations, or (iv) subject to approval by the Board of Directors of the Company (the "Board") in its sole and absolute discretion, participating on boards of directors or similar bodies of for-profit organizations, in each case of (i) – (iv), so long as such activities do not, individually or in the aggregate, (a) materially interfere with the performance of Executive's duties and responsibilities hereunder, (b) create a fiduciary conflict, or (c) result in a violation of **Section 13** of this Agreement. If requested, Executive shall also serve as an executive officer and/or board member of the board of directors (or similar governing body) of any entity that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Company (an "Affiliate") without any additional compensation; for purposes of this Agreement, "Affiliate" shall not include other entities under common control with Advent International other than the Company and its Affiliates.

**3. Base Salary.** During the Term, the Company shall pay Executive a base salary at an annual rate of \$315,000, payable in accordance with the Company's normal payroll practices for employees as in effect from time to time. Executive shall be entitled to such increases in base salary, if any, as may be determined from time to time in the sole discretion of the Board. Executive's annual base salary, as in effect from time to time, is hereinafter referred to as the "Base Salary."

**4. Annual Bonus.** With respect to each calendar year during the Term, Executive shall be eligible to earn an annual cash bonus award (the "Annual Bonus") pursuant to the Company's then annual cash bonus plan, with a target Annual Bonus of seventy five percent (75%) of Base Salary ("Target Bonus") up to a maximum Annual Bonus of two hundred percent (200%) of Base Salary, based upon the achievement of annual performance targets established by the Board at the beginning of each such calendar year. The Annual Bonus, if any, for each calendar year during the Term shall be paid to Executive at the same time that other senior executives of the Company receive annual bonus payments, but in no event earlier than February 15 and in no event later than March 31 of the year following the calendar year to which such Annual Bonus relates. Executive shall not be paid any Annual Bonus with respect to a calendar year unless Executive is employed with the Company on the day such Annual Bonus is paid.

**5. Equity Awards and Benefits.** During the Term, Executive shall be eligible to participate in the Company's 2017 Equity Incentive Plan or any successor plan as determined by the Board or Compensation Committee and shall be entitled to participate in any benefit plans, including medical, disability and life insurance (but excluding any severance or bonus plans unless specifically referenced in this Agreement) offered by the Company as in effect from time to time (collectively, "Benefit Plans"), on the same basis as those generally made available to other senior executives of the Company, to the extent consistent with applicable law and the terms of the applicable Benefit Plan. The Company does not promise the adoption or continuance of any particular Benefit Plan and reserves the right to amend or cancel any Benefit Plan at any time in its sole discretion (subject to the terms of such Benefit Plan and applicable law).

**6. Vacation.** Executive shall be entitled to five weeks of annual paid vacation days, or such greater amount as may be allowed in accordance with Company plans, policies, programs and practices as may be in effect from time to time, which shall accrue and be useable by Executive in accordance with Company policy.

**7. Expense Reimbursement.** The Executive shall be entitled to reimbursement for all reasonable and necessary out-of-pocket business, entertainment and travel expenses incurred by the Executive in connection with the performance of the Executive's duties hereunder in accordance with the Company's expense reimbursement policies and procedures.

**8. Termination of Employment.** The Term and Executive's employment hereunder may be terminated as follows:

(a) Automatically in the event of the death of Executive;

(b) At the option of the Company, by written notice to Executive or Executive's personal representative in the event of the Disability of Executive. As used herein, the term "Disability" shall mean Executive's inability to perform the essential duties, responsibilities, and functions of his position with the Company as a result of any mental or physical disability or incapacity for a length of time that the Company determines is sufficient to satisfy such obligations as it may have to provide leave under applicable family and medical leave laws and/or "reasonable accommodation" under applicable federal, state or local disability laws. Family and medical leave or disability leave provided under federal, state or local law may be unpaid as per the requirements of such laws; provided, however, that Executive shall be entitled to such payments and benefits under the Company's sick leave or disability leave programs as per the terms of such programs. The Company may terminate Executive's active employment because of a Disability by giving written notice to Executive at any time effective at or within twenty (20) days after the end period of leave as may be required under the family and medical leave laws or under federal, state or local disability laws, but the Company shall retain Executive as an inactive employee if necessary to maintain Executive's eligibility for any disability leave benefits. A reduction or elimination of the duties defined in **Section 2** during the period Executive is designated as an inactive employee shall not constitute Good Reason. In the event of a dispute over the

occurrence of a Disability, Executive agrees to submit to an examination by a doctor selected by the Company who will determine fitness for duties as defined in Section 2 above. If Executive's physician disagrees with the Company's physician's opinion, a third physician, mutually agreed upon by Executive and the Company, shall examine Executive and that physician's opinion shall be conclusive as to Executive's fitness for duty;

- (c) At the option of the Company for Cause, by delivering prior written notice to Executive;
- (d) At the option of the Company at any time without Cause, by delivering written notice of its determination to terminate to Executive;
- (e) At the option of Executive for Good Reason;
- (f) At the option of Executive without Good Reason, upon sixty (60) days prior written notice to the Company (which the Company may, in its sole discretion, make effective earlier than the termination date provided in such notice); or
- (g) Upon the close of business on the last day of the Initial Term or the then-current Renewal Term, as applicable, as a result of a Non-Renewal Notice.

9. Payments by Virtue of Termination of Employment.

(a) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company. If Executive's employment is terminated at any time during the Term by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) (A) within thirty (30) days following such termination, (i) payment of Executive's accrued and unpaid Base Salary (ii) payment of any earned but unpaid Annual Bonus for the fiscal year prior to the year of termination, payable at the same time annual bonuses are paid to other similarly situated employees of the Company and (iii) reimbursement of expenses under Section 7 of this Agreement, in each case of (i) and (ii), accrued through the date of termination and (B) all other accrued amounts or accrued benefits due to Executive in accordance with the Company's benefit plans, programs or policies (other than severance); and

(ii) (A) an amount equal to one (1) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, Executive's unvested equity incentive awards that are outstanding on the Executive's termination date shall remain outstanding and eligible to vest on the same vesting schedule set forth in the applicable award agreement, subject to the Executive's compliance with Section 13 through each applicable vesting date, and any stock options that vest following the Executive's termination date may be exercised for ninety (90) days following the applicable vesting date and will be forfeited if not exercised during such period, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(a)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Severance Period, any payments to be made pursuant to this Section 9(a)(ii) shall be paid to the Executive's legal representative.

(b) Termination by the Company Without Cause, by Executive For Good Reason or Pursuant to Non-Renewal Notice by the Company, each within Twenty-Four (24) Months Following a Change of Control. If Executive's employment is terminated within twenty-four (24) months following a Change of Control (as defined in the Company's 2017 Equity Incentive Plan) by the Company without Cause, by Executive for Good Reason or pursuant to a Non-Renewal Notice by the Company at the expiration of the Initial Term or any Renewal Term, subject to Section 9(d) of this Agreement, Executive shall be entitled to:

(i) the payments and benefits described under Section 9(a)(i) of this Agreement; and

(ii) (A) an amount equal to two (2) times the sum of (i) Executive's Base Salary as in effect immediately prior to Executive's date of termination and (ii) Executive's Target Bonus, which amount shall be payable during the twelve (12) months commencing on the date of termination (the "Change of Control Severance Period") in substantially equal installments in accordance with the Company's regular payroll practices as in effect from time to time, (B) a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs, (C) notwithstanding anything to the contrary in an award agreement governing the Executive's equity incentive awards, the Executive's unvested equity incentive awards that are outstanding as of the Executive's termination date shall fully vest on the termination date, (D) if Executive timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") and to the extent permitted by applicable law and provided the Company is able to provide such benefits without the imposition on the Company of any tax or penalty, a cash payment equal to the full premium for actively employed executives of the Company with the same level of coverage, payable monthly in accordance with the Company's standard payroll practices for twenty-four (24) months or until such earlier termination of COBRA coverage; provided, that the first payment pursuant to this Section 9(b)(ii) shall be made on the next regularly scheduled payroll date following the sixtieth (60th) day after Executive's termination and shall include payment of any amounts that would otherwise be due prior thereto. In the event of Executive's death during the Change of Control Severance Period, any payments to be made pursuant to this Section 9(b)(ii) shall be paid to the Executive's legal representative.

(c) Termination other than by the Company Without Cause or by Executive For Good Reason. If (i) the Company terminates Executive's employment for Cause during the Term, (ii) Executive terminates Executive's employment without Good Reason during the Term, or (iii) Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to receive the payments and benefits described under Section 9(a)(i) of this Agreement. In addition, if the Executive's employment terminates during the Term due to death or Disability, Executive or Executive's legal representatives, as applicable, shall be entitled to

receive a lump sum amount equal to the pro-rated Annual Bonus the Executive would otherwise have received for the fiscal year in which the Executive's termination of employment occurs, based on actual performance during the performance period and the number of days Executive was employed during the performance period, payable when annual bonuses are paid to other similarly situated executives of the Company in the year following the year in which the Executive's termination occurs.

(d) Conditions to Payment. All payments and benefits due to Executive under this Section 9 which are not otherwise required by applicable law shall be payable only if Executive executes and delivers to the Company a general release of claims in the form attached hereto as Exhibit A, which may be updated by the Company from time to time to reflect changes in law and such release is no longer subject to revocation (to the extent applicable), in each case, within sixty (60) days following termination of employment. Failure to timely execute and return such release or the revocation of such release during the revocation period shall be a waiver by Executive of Executive's right to severance (which, for the avoidance of doubt, shall not include any amounts described in Section 9(a)(i) of this Agreement). In addition, severance shall be conditioned on Executive's compliance with Section 11 of this Agreement, and on Employee's continued compliance with Section 13 of this Agreement as provided in Section 15 below.

(e) No Other Severance. Executive hereby acknowledges and agrees that, other than the severance payments described in this Section 9, upon the effective date of the termination of Executive's employment, Executive shall not be entitled to any other severance payments or benefits of any kind under any Company benefit plan, severance policy generally available to the Company's employees or otherwise and all other rights of Executive to compensation under this Agreement shall end as of such date.

**10. Definitions.** For purposes of this Agreement,

(a) "Cause" shall mean, (i) Executive's indictment for, conviction of, or a plea of guilty or no contest to, any indictable criminal offence or any other criminal offence involving fraud, misappropriation or moral turpitude, (ii) Executive's continued failure to materially perform Executive's duties hereunder (for any reason other than illness or physical or mental incapacity) or a material breach of fiduciary duty, (iii) Executive's theft, fraud, or dishonesty with regard to the Company or any of its Affiliates or in connection with Executive's duties, (iv) Executive's material violation of the Company's code of conduct or similar written policies, (v) Executive's willful misconduct unrelated to the Company or any of its Affiliates having, or likely to have, a material negative impact on the Company or any of its Affiliates (economically or its reputation), (vi) an act of gross negligence or willful misconduct by the Executive that relates to the affairs of the Company or any of its Affiliates, or (vii) material breach by Executive of any provisions of this Agreement.

(b) "Good Reason" shall mean, without Executive's consent, (i) any material diminution in Executive's responsibilities, authorities, title, reporting structure or duties, (ii) any material reduction in Executive's (x) Base Salary or (y) target Annual Bonus opportunity (except in the event of an across the board reduction in Base Salary or target Annual Bonus opportunity of up to 10%, applicable to substantially all senior executives of the Company), (iii) a relocation of Executive's principal place of employment by more than fifty (50) miles from the location of Executive's principal place of employment on the Effective Date and such principal place of employment is more than fifty (50) miles from Executives principal residence or (iv) a material breach by the Company of any material provisions of this Agreement; provided, that no event described in clause (i), (ii), (iii) or (iv) shall constitute Good Reason unless (A) Executive has given the Company written notice of the termination, setting forth the conduct of the Company that is alleged to constitute Good Reason, within sixty (60) days following the occurrence of such event, and (B) Executive has provided the Company at least sixty (60) days following the date on which such notice is provided to cure such conduct and the Company has failed to do so. Failing such cure, a termination of employment by Executive for Good Reason shall be effective on the day following the expiration of such cure period.

**11. Return of Company Property.** Within ten (10) days following the effective date of Executive's termination for any reason, Executive, or Executive's personal representative shall return all property of the Company or any of its Affiliates in Executive's possession, including, but not limited to, all Company-owned computer equipment (hardware and software), telephones, facsimile machines, tablet computers and other communication devices, credit cards, office keys, security access cards, badges, identification cards and all copies (including drafts) of any documentation or information (however stored) relating to the business of the Company or any of its Affiliates, the Company's or any of its Affiliates' customers and clients or their respective prospective customers or clients. Notwithstanding the foregoing, Executive shall be entitled to retain Executive's cell phone number, a copy of this Agreement and Executive's calendar.

**12. Resignation as Officer or Director.** Upon the effective date of Executive's termination, Executive shall be deemed to have resigned from Executive's position and, to the extent applicable, as an officer of the Company, as a member of the board of directors or similar governing body of the Company or any of its Affiliates, and as a fiduciary of any Company benefit plan. On or immediately following the effective date of any such termination of Executive's employment, Executive shall confirm the foregoing by submitting to the Company in writing a confirmation of Executive's resignation(s).

**13. Confidentiality; Non-Solicitation; Non-Competition.**

(a) Confidential and Proprietary Information. Executive agrees that all materials and items produced or developed by Executive for the Company or any of its Affiliates, or obtained by Executive from the Company or any of its Affiliates either directly or indirectly pursuant to this Agreement shall be and remains the property of the Company and its Affiliates. Executive acknowledges that he will, during Executive's association with the Company, acquire, or be exposed to, or have access to, materials, data and information that constitute valuable, confidential and proprietary information of the Company and its Affiliates, including, without limitation, any or all of the following: business plans, practices and procedures, pricing information, sales figures, profit or loss figures, this Agreement and its terms, information relating to customers, clients, intellectual property, suppliers, technology, sources of supply and customer lists, research, technical data, trade secrets, or know-how, software, developments, inventions, processes, formulas, technology, designs, drawings, engineering, hardware configuration information, marketing, finances, policies, training manuals and similar materials used by the Company in conducting its business operations, personnel information of any Person employed by the Company, potential business combinations, and such other information or material as the Company may designate as confidential and/or proprietary from time to time (collectively hereinafter, the "Confidential and Proprietary Information"). During Executive's employment with the Company and at all times thereafter, Executive shall not, directly or indirectly, use, misuse, misappropriate, disclose or make known, without the prior written approval of the Board, to any party, firm, corporation, association or other entity, any such Confidential and Proprietary Information for any reason or purpose whatsoever, except as may be required in the course of Executive's performance of Executive's duties hereunder. In consideration of the unique nature of the Confidential and Proprietary Information, all obligations pertaining to the confidentiality and nondisclosure thereof shall remain in effect until the Company and its Affiliates have released such information; provided, that the provisions of this Section 13(a) shall not apply to the disclosure of Confidential and Proprietary Information to the Company's Affiliates together with each of their respective shareholders, directors, officers, accountants, lawyers and other representatives or agents, nor to a Permitted Disclosure as defined in Section 13(b) below. In addition, it shall not

be a breach of the confidentiality obligations hereof if Executive is required by applicable law to disclose any Confidential and Proprietary Information; provided, that in such case, Executive shall (x) give the Company the earliest notice possible that such disclosure is or may be required and (y) cooperate with the Company, at the Company's expense, in protecting to the maximum extent legally permitted, the confidential or proprietary nature of the Confidential and Proprietary Information which must be so disclosed. Upon termination of Executive's employment, Executive agrees that all Confidential and Proprietary Information, directly or indirectly, in Executive's possession that is in writing or other tangible form (together with all duplicates thereof) will promptly (and in any event within ten (10) days following such termination) be returned to the Company and will not be retained by Executive or furnished to any person, either by sample, facsimile film, audio or video cassette, electronic data, verbal communication or any other means of communication.

(b) Permitted Disclosure. This Agreement does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Government Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Additionally, Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made (i) in confidence to a federal, state, or local government official, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If Executive files a lawsuit for retaliation by an employer for reporting a suspected violation of law, Executive may disclose the trade secret to the Executive's attorney and use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal; and does not disclose the trade secret, except pursuant to court order. All disclosures permitted under this Section 13(b) are herein referred to as "Permitted Disclosures". Notwithstanding the foregoing, under no circumstance will Executive be authorized to disclose any Confidential and Proprietary Information as to which the Company may assert protections from disclosure under the attorney-client privilege or the attorney work product doctrine, without prior written consent of Company's General Counsel or other authorized officer designated by the Company.

(c) Non-Solicitation. As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period (defined below), the Executive will not, without written consent of the Company, directly or indirectly, including causing, encouraging, directing or soliciting any other Person (defined below) to, contact, approach or solicit (except as so long as the Executive continues to be employed by the Company and makes such contact, approach or solicitation on behalf of the Company and excluding offspring of the Executive) for the purpose of offering employment to or hiring (whether as an employee, consultant, agent, independent contractor or otherwise) or actually hire any non-union Person who is or has been employed or retained in the operation of the Business (defined below) by the Company or its Affiliates during the period commencing one (1) year prior to the date hereof and ending on the date of termination of the Restricted Period, or induce, interfere with or solicit, or attempt to induce, interfere with or solicit, any Person that is a current or former customer, supplier or other business relation of the Company or its Affiliates into any business relationship that might harm the Business. The restrictions in this Section 13(c) shall not prohibit a general solicitation to the public through general advertising or similar methods of solicitation by search firms not specifically directed at employees of the Company (but the restrictions shall still apply to the hiring of any person who responds to such general solicitation). "Restricted Period" means the period beginning on the date of this Agreement and ending on the one (1) year anniversary of the date on which the Executive's employment is terminated. "Person" means an individual, a partnership, a corporation, an association, a limited liability company, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof. "Business" means the business of developing, manufacturing, selling, marketing, servicing and licensing fracturing completions technology.

(d) Non-Competition.

(i) Executive acknowledges and agrees that, as a result of Executive's duties and responsibilities, Executive has final authority to make policy decisions that control significant aspects of the Company's business.

(ii) As described in Section 13(a) above, the Company will provide Executive with confidential information during the term of this Agreement. In exchange for the provision of this confidential information, and as a part of and aid to the enforcement of Executive's obligations to keep such information confidential, Executive agrees that during the Restricted Period, the Executive will not, within or with respect to the geographical area of the United States, Canada, and any of the other states, provinces or territories within the United States or Canada and any other country, territory, province or state in which the Company operates (including by contracting with customers or suppliers) or could reasonably be anticipated to operate during the Restricted Period (the "Restricted Area"), except in the furtherance of the Company's Business directly or indirectly own, operate, lease, manage, control, participate in, consult with, advise, permit the Executive's name to be used by, provide services for, or in any manner engage in (x) any business (including by the Executive or in association with any Person) that creates, designs, invents, engineers, develops, sources, markets, manufactures, distributes or sells any product or provides any service in or into the Restricted Area that may be used as a substitute for or otherwise competes with either the Company's Business or any product or service of the Company carried out during the period commencing two (2) years prior to the date hereof and ending on the date of termination of the Restricted Period or contemplated during such period to be carried out by the Company or any of its Affiliates, (y) any business (including by the Executive or in association with any Person) that provides services or products to any current or former customer of the Company or its Affiliates that are similar to or competitive with the services or products provided by the Company or its Affiliates to such current or former customers or (z) any activity that is in competition with the Company's Business or any other business of the Company or any of its Affiliates; provided that nothing in this Section 13(d)(ii) shall be deemed to diminish, amend, affect or otherwise modify any other non-competition agreement or covenant binding on the Executive. Nothing in this Section 13(d)(ii) shall prohibit the Executive from owning securities having no more than 2% of the outstanding voting power of any publicly traded competitor, or participating as a passive investor in a private investment fund so long as such Executive does not have any active or managerial roles with respect to such investment, and such private investment fund does not own more than 2% of any publicly traded company engaged in the Company's Business.

(e) **Nondisparagement.** The Executive agrees not to disparage the Company, its Affiliates or predecessors, or their past and present investors, officers, directors or employees, or any of their Affiliates. Nothing in this Section 13(e) shall interfere with Executive's ability to make the Permitted Disclosures as defined in Section 13(b) above. The Company and its Affiliates agree not to disparage Executive.

(f) **Acknowledgement.** Executive acknowledges, agrees and stipulates that: (i) the terms and provisions of this Agreement are reasonable and constitute an otherwise enforceable agreement to which the terms and provisions of Sections 13(c) and 13(d) are ancillary or a part of as contemplated by TEX. BUS. & COM. CODE ANN. Sections 15.50-15.52; (ii) the consideration provided by the Company under this Agreement is not illusory; and (iii) the consideration given by the Company under this Agreement, including, without limitation, the provision by the Company of confidential information to the Executive as contemplated by Section 13(a), gives rise to the Company's interest in restraining and prohibiting the Executive from engaging in the activities described in Sections 13(c) and 13(d), and Executive's covenant not to engage in these activities is designed to enforce Executive's consideration (or return promises), including, without limitation, Executive's promise to not disclose confidential information under this Agreement.

(g) **Tolling.** In the event of any violation of the provisions of this Section 13, Executive acknowledges and agrees that the post-termination restrictions contained in this Section 13 shall be extended by a period of time equal to the period of such violation, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.

14. **Cooperation.** From and after an Executive's termination of employment, Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder, provided, that the Company shall reimburse Executive for Executive's reasonable costs and expenses (including legal counsel selected by Executive and reasonably acceptable to the Company) and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

15. **Injunctive Relief and Specific Performance.** Executive understands and agrees that Executive's covenants under Sections 11, 13 and 14 are special and unique and that the Company and its Affiliates may suffer irreparable harm if Executive breaches any of Sections 11, 13, or 14 because monetary damages would be inadequate to compensate the Company and its Affiliates for the breach of any of these sections. Accordingly, Executive acknowledges and agrees that the Company shall, in addition to any other remedies available to the Company at law or in equity, be entitled to obtain specific performance and injunctive or other equitable relief by a federal or state court in Texas to enforce the provisions of Sections 11, 13 and/or 14 without the necessity of posting a bond or proving actual damages, without liability should such relief be denied, modified or vacated, and to obtain attorney's fees in respect of the foregoing if the Company prevails in any such action or proceeding. Additionally, in the event of a breach or threatened breach by Executive of Section 13, in addition to all other available legal and equitable rights and remedies, the Company shall have the right to cease making payments, if any, being made pursuant to Section 9(a)(ii) or Section 9(b)(ii), as applicable, hereunder. Executive also recognizes that the territorial, time and scope limitations set forth in Section 13 are reasonable and are properly required for the protection of the Company and its Affiliates and in the event that any such territorial, time or scope limitation is deemed to be unreasonable by a court of competent jurisdiction, the Company and Executive agree, and Executive submits, to the reduction of any or all of said territorial, time or scope limitations to such an area, period or scope as said court shall deem reasonable under the circumstances.

16. **Section 280G.** Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in section 280G(c) of the Internal Revenue Code of 1986, as amended (the "Code")), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from the Company or any of its affiliates, would constitute a "parachute payment" (as defined in section 280G(b)(2) of the Code), then the payments and benefits provided for in this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from the Company and its affiliates will be one dollar (\$1.00) less than three times Executive's "base amount" (as defined in section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by the Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from the Company (or its affiliates) used in determining if a "parachute payment" exists, exceeds one dollar (\$1.00) less than three times Executive's base amount, then Executive shall immediately repay such excess to the Company upon notification that an overpayment has been made. Nothing in this Section 16 shall require the Company to be responsible for, or have any liability or obligation with respect to, Executive's excise tax liabilities under section 4999 of the Code.

17. **Miscellaneous.**

(a) All notices hereunder, to be effective, shall be in writing and shall be deemed effective when delivered by hand or mailed by (i) certified mail, postage and fees prepaid, or (ii) nationally recognized overnight express mail service, as follows:

If to the Company:

NCS Multistage Holdings, Inc.

19350 State Highway 249, Suite 600

Houston, TX 77070

Email: [olev@ncsmultistage.com](mailto:olev@ncsmultistage.com) and [legal@ncsmultistage.com](mailto:legal@ncsmultistage.com)

To: General Counsel

With a copy to which shall not constitute notice to:

Weil, Gotshal & Manges, LLP

100 Federal Street, Floor 34

Boston, Massachusetts 02110

Fax: 617-772-8333

Email: Marilyn.French@weil.com

Attention: Marilyn French

If to Executive:

At Executive's home address, as then shown in the Company's personnel records, or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon receipt.

(b) This Agreement is personal to the Executive and shall not be assigned by the Executive. Any purported assignment by the Executive shall be null and void from the initial date of the purported assignment. The Company may assign this Agreement to any successor or assign (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company. This Agreement shall inure to the benefit of the Company and its successors and assigns.

(c) This Agreement contains the entire agreement between the parties with respect to the subject matter hereof supersedes all other agreements, term sheets, offer letters, and drafts thereof, oral or written, between the parties hereto with respect to the subject matter hereof, including, without limitation, the Prior Agreement. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive by any person or entity to induce Executive to enter into this Agreement other than the express terms set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Agreement.

(d) No change or modification of this Agreement shall be valid unless the same shall be in writing and signed by all of the parties hereto. No waiver of any provisions of this Agreement shall be valid unless in writing and signed by the party charged with waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver, unless so provided in the waiver.

(e) Executive will be entitled to recovery of reasonable attorneys' fees incurred in connection with disputes relating to Executive's rights under Section 9(b) of this Agreement. Reimbursement of such fees and expenses shall be made on a quarterly basis. The Company shall be responsible for, and shall pay, all legal fees and costs incurred by the Company in connection with the resolution of any dispute or controversy under or in connection with this Agreement.

(f) If any provisions of this Agreement (or portions thereof) shall, for any reason, be held invalid or unenforceable, such provisions (or portions thereof) shall be ineffective only to the extent of such invalidity or unenforceability, and the remaining provisions of this Agreement (or portions thereof) shall nevertheless be valid, enforceable and of full force and effect. If any court of competent jurisdiction finds that any restriction contained in this Agreement is invalid or unenforceable, then the parties hereto agree that such invalid or unenforceable restriction shall be deemed modified so that it shall be valid and enforceable to the greatest extent permissible under law, and if such restriction cannot be modified so as to make it enforceable or valid, such finding shall not affect the enforceability or validity of any of the other restrictions contained herein.

(g) This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

(h) The section or paragraph headings or titles herein are for convenience of reference only and shall not be deemed a part of this Agreement. The parties have jointly participated in the drafting of this Agreement, and the rule of construction that a contract shall be construed against the drafter shall not be applied. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

(i) Notwithstanding anything to the contrary in this Agreement:

(i) The parties agree that this Agreement shall be interpreted to comply with or be exempt from section 409A of the Code and the regulations and authoritative guidance promulgated thereunder to the extent applicable (collectively "Section 409A"), and all provisions of this Agreement shall be construed in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. In no event whatsoever will the Company, any of its Affiliates, or any of their respective directors, officers, agents, attorneys, employees, executives, shareholders, investors, members, managers, trustees, fiduciaries, representatives, principals, accountants, insurers, successors or assigns be liable for any additional tax, interest or penalties that may be imposed on Executive under Section 409A or any damages for failing to comply with Section 409A.

(ii) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A, and for purposes of any such provision of this Agreement, references to a "resignation," "termination," "terminate," "termination of employment" or like terms shall mean separation from service. If any payment, compensation or other benefit provided to the Executive in connection with the termination of Executive's employment is determined, in whole or in part, to constitute "nonqualified deferred compensation" within the meaning of Section 409A and the Executive is a specified employee as defined in Section 409A(2)(B)(i) of the Code, no part of such payments shall be paid before the day that is six (6) months plus one (1) day after the date of termination or, if earlier, ten (10) business days following the Executive's death (the "New Payment Date"). The aggregate of any payments that otherwise would have been paid to the Executive during the period between the date of termination and the New Payment Date shall be paid to the Executive in a lump sum on such New Payment Date. Thereafter, any payments that remain outstanding as of the day immediately following the New Payment Date shall be paid without delay over the time period originally scheduled, in accordance with the terms of this Agreement.

(iii) All reimbursements for costs and expenses under this Agreement shall be paid in no event later than the end of the calendar year following the calendar year in which the Executive incurs such expense. With regard to any provision herein that provides for reimbursement of costs and expenses or in-kind benefits, except as permitted by Section 409A, (i) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (ii) the amount of expenses

eligible for reimbursements or in-kind, benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year.

(iv) If under this Agreement, an amount is paid in two or more installments, for purposes of Section 409A, each installment shall be treated as a separate payment. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company.

(j) All questions concerning the construction, validity and interpretation of this Agreement and the exhibits to this Agreement will be governed by and construed in accordance with the domestic laws of the State of Texas, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Texas or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of Texas. The parties hereby irrevocably and unconditionally submit in any legal action or proceeding arising out of or relating to this Agreement to the exclusive jurisdiction of either a state court located in the County of Harris, Texas, with subject matter jurisdiction over the action or the United States District Court, Southern District of Texas, U.S.A. and, in any such action or proceeding, consent to jurisdiction in such courts and waive any objection to the venue in any such court. AS A SPECIFICALLY BARGAINED INDUCEMENT FOR EACH OF THE PARTIES TO ENTER INTO THIS AGREEMENT (EACH PARTY HAVING HAD OPPORTUNITY TO CONSULT COUNSEL), EACH PARTY EXPRESSLY: (A) WAIVES THE RIGHT TO TRIAL BY JURY IN ANY PROCEEDING RELATING TO OR ARISING IN ANY WAY FROM THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED IN THIS AGREEMENT, AND (B) AGREES THAT SUIT TO ENFORCE ANY PROVISION OF THIS AGREEMENT OR TO OBTAIN ANY REMEDY WITH RESPECT HERETO SHALL BE BROUGHT EXCLUSIVELY IN THE STATE OR FEDERAL COURTS LOCATED IN HARRIS COUNTY, STATE OF TEXAS, U.S.A., OR THE UNITED STATES DISTRICT COURT FOR TEXAS, SOUTHERN DISTRICT, AND EACH PARTY HERETO EXPRESSLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF SUCH COURTS.

(k) Executive hereby represents and warrants to the Company that (i) the execution, delivery and performance of this Agreement by Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which Executive is a party or by which he/she is bound, (ii) Executive is not a party to or bound by any employment agreement, noncompete agreement or confidentiality agreement with any other person or entity and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of Executive on and after the Effective Date, enforceable in accordance with its terms. Executive hereby acknowledges and represents that he has had the opportunity to consult with independent legal counsel or other advisor of Executive's choice and has done so regarding Executive's rights and obligations under this Agreement, that he is entering into this Agreement knowingly, voluntarily, and of Executive's own free will, that he is relying on Executive's own judgment in doing so, and that he fully understands the terms and conditions contained herein.

(l) The Company shall have the right to withhold from any amount payable hereunder any federal, state and local taxes in order for the Company to satisfy any withholding tax obligation it may have under any applicable law or regulation.

(m) The covenants and obligations of the Company under Sections 9, 14, 15 and 17 hereof, and the covenants and obligations of Executive under Sections 9, 11, 12, 13, 14, 15 and 17 hereof, shall continue and survive any expiration of the Term, termination of Executive's employment or any termination of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By: /s/ Ryan Hummer

By: Ryan Hummer

Title: Chief Executive Officer

EXECUTIVE

/s/ Ori Lev

Name: Ori Lev

**Exhibit A**

**RELEASE**

This RELEASE ("Release") dated as of \_\_\_\_\_, 20\_\_\_\_ between NCS Multistage Holdings, Inc., a Delaware corporation (the "Company"), and \_\_\_\_\_ (the "Executive").

WHEREAS, the Company and the Executive previously entered into that certain Employment Agreement dated \_\_\_\_\_, 20\_\_\_\_ (the "Agreement"); and

WHEREAS, the Executive's employment with the Company has terminated effective \_\_\_\_\_, 20\_\_\_\_ ("Termination Date");

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Agreement, the Company and the Executive agree as follows:

1. Capitalized terms not defined herein shall have the meaning as defined under the Agreement.

2. In consideration of the Executive's release under Paragraph 3 hereof, the Company shall pay to the Executive or provide benefits to the Executive as set forth in Section 9, as applicable, of the Agreement, which is attached hereto and made a part hereof.

3. The Executive, on Executive's own behalf and on behalf of Executive's heirs, estate and beneficiaries, does hereby release the Company, and in such capacities, any of its Affiliates, and each past or present officer, director, agent, employee, shareholder, and insurer of any such entities, from any and all claims made, to be made, or which might have been made of whatever nature, whether known or unknown, from the beginning of time, including those that arose as a consequence of Executive's employment with the Company, or arising out of the severance of such employment relationship, or arising out of any act committed or omitted during or after the existence of such employment relationship, all up through and including the date on which this Release is executed, including, without limitation, any tort and/or contract claims, common law or statutory claims, claims under any local, state or federal wage and hour law, wage collection law or labor relations law, claims under any common law or other statute, claims of age, race, sex,

sexual orientation, religious, disability, national origin, ancestry, citizenship, retaliation or any other claim of employment discrimination, including under the Civil Rights Acts, the Age Discrimination in Employment Act ("ADEA"), the Americans with Disabilities Act, the Rehabilitation Act, the Family and Medical Leave Act, the Employee Retirement Income Security Act, Texas Labor Code (specifically including the Texas Payday Law the Texas Anti-Retaliation Act, Chapter 21 of the Texas Labor Code, and the Texas Whistleblower Act), all as amended, and any other law (including any state or local law or ordinance) prohibiting employment discrimination or relating to employment, retaliation in employment, termination of employment, wages, benefits or otherwise. Notwithstanding the release and waiver of claims set forth in this Paragraph 3, Executive does not waive or release any rights Executive may have relating to (a) unemployment compensation or unemployment insurance; (b) workers' compensation; (c) Executive's rights to any post-termination payments under Section 9 of the Agreement, as applicable; (d) indemnification and/or any insurance with respect to claims asserted by any third party against Executive for actions taken by Executive in good faith within the scope of Executive's employment; (e) Executive's right to challenge the validity of the release of claims in this Paragraph 3 under the ADEA as amended by the Older Workers Benefit Protection Act (the "OWBPA") or otherwise; (f) any rights or claims that arise after the date Executive executes this Release; and/or (g) any rights or claims which cannot legally be waived or released.

4. This Release does not limit or interfere with Executive's right, without notice to or authorization of the Company, to communicate and cooperate in good faith with any self-regulatory organization or U.S. federal, state, or local governmental or law enforcement branch, agency, commission, or entity (collectively, a "Governmental Entity") for the purpose of (i) reporting a possible violation of any U.S. federal, state, or local law or regulation, (ii) participating in any investigation or proceeding that may be conducted or managed by any Government Entity, including by providing documents or other information, or (iii) filing a charge or complaint with a Government Entity, provided that in each case, such communications, participation, and disclosures are consistent with applicable law. Executive understands and agrees, however, that Executive's waiver of claims in Paragraph 3 above waives Executive's right to monetary or other relief (including reinstatement) should Executive file a charge with any Government Entity, or should any Government Entity pursue a claim on Executive's behalf, except that the Executive is not prohibited from receiving a whistleblower award from a Government Entity for information provided in good faith to such Government Entity.

5. The Executive relinquishes any right to future employment with the Company and the Company shall have the right to refuse to re-employ the Executive, in each case without liability of the Executive or the Company.

6. The Executive acknowledges and agrees that even though claims and facts in addition to those now known or believed by Executive to exist may subsequently be discovered, it is Executive's intention to fully settle and release all claims he may have against the Company and the persons and entities described above, whether known, unknown or suspected.

7. [Executive acknowledges that pursuant to the Release set forth in Paragraph 3 above, Executive is waiving and releasing any rights he may have under the ADEA and that Executive's waiver and release of such rights is knowing and voluntary. Executive acknowledges that the consideration given for the ADEA waiver and release under this Release is in addition to anything of value to which Executive was already entitled. Executive further acknowledges that he has been advised by this writing that:

- (a) Executive should consult with an attorney prior to executing this Release and has had an opportunity to do so;
- (b) Executive has up to twenty-one (21) days within which to consider this ADEA waiver and release;

(c) Executive has seven (7) days following Executive's execution of this Release to revoke this ADEA waiver and release, but only by providing written notice of such revocation to the Company in accordance with the "Notice" provision in Section 17 of the Agreement;

(d) the ADEA waiver and release shall not be effective until the seven (7) day revocation period has expired; and

(e) the twenty-one (21) day period set forth above shall run from the date Executive receives this Release. The parties agree that any modifications made to this Release prior to its execution shall not restart, or otherwise affect, this twenty-one day (21) period.]

8. It is the intention of the parties in executing this Release that this Release shall be effective as a full and final accord and satisfaction and release of and from all liabilities, disputes, claims and matters covered under this Release, known or unknown, suspected or unsuspected.

9. This Release shall become effective on the first (1st) day following the day that this Release becomes irrevocable under Paragraph 7. All payments due to the Executive shall be payable in accordance with the terms of the Agreement.

[remainder of page intentionally blank]

**1 NTD:** This paragraph and the itinerant twenty-one (21) day consideration period and seven (7) day revocation period are not required if the Executive is under 40 years old. If Executive is over 40 years old and is being terminated as part of a group layoff or severance incentive program, Executive must be given forty-five (45) days to consider the Release, and must be provided with additional information disclosures under the OWBPA.

IN WITNESS WHEREOF, the parties have executed this Release on the date first above written.

NCS MULTISTAGE HOLDINGS, INC.

By:

Name:

Title:

EXECUTIVE

EXHIBIT 31.1

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)**

OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Ryan Hummer, certify that:

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

Date: **August 1, October 31, 2024**

/s/ Ryan Hummer

Ryan Hummer

Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO RULE 13A-14(A) AND RULE 15D-14(A)  
OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

I, Mike Morrison, certify that:

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

Date: **August 1** **October 31**, 2024

/s/ Mike Morrison

Mike Morrison

Chief Financial Officer and Treasurer

EXHIBIT 32.1

**CERTIFICATION OF**  
**CHIEF EXECUTIVE OFFICER UNDER SECTION 906 OF THE**  
**SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the Quarterly Report of NCS Multistage Holdings, Inc. (the "Company") on Form 10-Q for the period ended **June** **September** 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ryan Hummer, Chief Executive Officer and Director of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that, to my knowledge:

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

**August 1, October 31, 2024**

**/s/ Ryan Hummer**

Ryan Hummer

Chief Executive Officer

EXHIBIT 32.2

**CERTIFICATION OF  
CHIEF FINANCIAL OFFICER UNDER SECTION 906 OF THE  
SARBANES OXLEY ACT OF 2002, 18 U.S.C. § 1350**

In connection with the Quarterly Report of NCS Multistage Holdings, Inc. (the "Company") on Form 10-Q for the period ended **June** **September** 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Mike Morrison, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002, that, to my knowledge:

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

**August 1, October 31, 2024**

**/s/ Mike Morrison**

Mike Morrison

Chief Financial Officer and Treasurer

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