REFINITIV

DELTA REPORT

10-Q

XPRO - EXPRO GROUP HOLDINGS N.V.

10-Q - MARCH 31, 2024 COMPARED TO 10-Q - SEPTEMBER 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1692
CHANGES	277
DELETIONS	579
ADDITIONS	836

Table of Contents

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 September 30, 2023 March 31, 2024

OR

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

For the transition period from ______ to ______
Commission file number: 001-36053

EXPRO GROUP HOLDINGS N.V.

(Exact name of registrant as specified in its charter)

The Netherlands	98-1107145
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)
1311 Broadfield Boulevard, Suite 400 Houston, Texas	77084
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (713) 463-9776

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, €0.06 nominal value	XPRO	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☑ No ☐

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

Large accelerated filer	☑	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

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

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

As of October 23, 2023 April 22, 2024, there were 110,672,028 110,537,436 shares of common stock, €0.06 nominal value per share, outstanding.

PART I. FINANCIAL INFORMATION

Item 1. *Financial Statements*

Expro Group Holdings N.V.

Condensed Consolidated Statements of Operations (Unaudited)

(In thousands, except share data)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022		
					2024	2023
Total revenue	$ 369,818	$ 334,351	$ 1,106,014	$ 928,452	$ 383,489	$ 339,279
Operating costs and expenses:						
Cost of revenue, excluding depreciation and amortization expense	(315,825)	(283,695)	(924,420)	(779,808)	(308,487)	(289,647)
General and administrative expense, excluding depreciation and amortization expense	(15,437)	(18,593)	(44,908)	(47,943)	(19,213)	(13,285)
Depreciation and amortization expense	(37,414)	(34,825)	(109,386)	(105,229)	(40,146)	(34,737)
Merger and integration expense	(817)	(1,629)	(4,332)	(8,624)	(2,161)	(2,138)
Severance and other expense	(1,897)	(3,242)	(5,487)	(5,414)	(5,062)	(927)
Total operating cost and expenses	(371,390)	(341,984)	(1,088,533)	(947,018)	(375,069)	(340,734)
Operating income (loss)	(1,572)	(7,633)	17,481	(18,566)	8,420	(1,455)
Other (expense) income, net	(1,129)	432	(3,540)	1,672		
Interest and finance (expense) income, net	(373)	1,502	(1,688)	3,227		
(Loss) income before taxes and equity in income of joint ventures	(3,074)	(5,699)	12,253	(13,667)		
Other income (expense), net					485	(949)
Interest and finance expense, net					(3,152)	(1,298)
Income (loss) before taxes and equity in income of joint ventures					5,753	(3,702)
Equity in income of joint ventures	2,495	3,510	7,736	10,141	3,858	2,436
(Loss) income before income taxes	(579)	(2,189)	19,989	(3,526)		
Income (loss) before income taxes					9,611	(1,266)
Income tax expense	(13,307)	(15,405)	(30,931)	(29,550)	(12,288)	(5,085)
Net loss	$ (13,886)	$ (17,594)	$ (10,942)	$ (33,076)	$ (2,677)	$ (6,351)
Loss per common share:						
Basic and diluted	$ (0.13)	$ (0.16)	$ (0.10)	$ (0.30)	$ (0.02)	$ (0.06)
Weighted average common shares outstanding:						
Basic and diluted	108,777,429	108,708,651	108,764,599	109,183,863	110,176,460	108,854,709

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

Expro Group Holdings N.V.

Condensed Consolidated Statements of Comprehensive Income (Loss) (Unaudited)

(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
Net loss	$ (13,886)	$ (17,594)	$ (10,942)	$ (33,076)	$ (2,677)	$ (6,351)
Other comprehensive loss:						
Amortization of prior service credit	(61)	(61)	(183)	(183)	(61)	(61)
Other comprehensive loss	(61)	(61)	(183)	(183)	(61)	(61)
Comprehensive loss	$ (13,947)	$ (17,655)	$ (11,125)	$ (33,259)	$ (2,738)	$ (6,412)

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

Expro Group Holdings N.V.

Condensed Consolidated Balance Sheets (Unaudited)

(in thousands, except share data)

	September 30, 2023 (Unaudited)	December 31, 2022	March 31, 2024	December 31, 2023
Assets				
Current assets				
Cash and cash equivalents	$ 255,323	$ 214,788	$ 163,221	$ 151,741
Restricted cash	1,688	3,672	1,313	1,425
Accounts receivable, net	412,642	419,237	438,941	469,119
Inventories	154,488	153,718	164,325	143,325
Assets held for sale	-	2,179		
Income tax receivables	26,585	26,938	28,968	27,581
Other current assets	59,873	44,975	65,628	58,409
Total current assets	910,599	865,507	862,396	851,600
Property, plant and equipment, net	466,894	462,316	500,331	513,222
Investments in joint ventures	67,500	66,038	71,001	66,402
Intangible assets, net	213,447	229,504	229,574	239,716
Goodwill	229,131	220,980	247,687	247,687
Operating lease right-of-use assets	70,937	74,856	68,022	72,310
Non-current accounts receivable, net	10,350	9,688	9,179	9,768
Other non-current assets	8,047	8,263	12,064	12,302
Total assets	$ 1,976,905	$ 1,937,152	$ 2,000,254	$ 2,013,007
Liabilities and stockholders' equity				
Current liabilities				
Accounts payable and accrued liabilities	$ 297,456	$ 272,704	$ 299,094	$ 326,125
Income tax liabilities	42,663	37,151	47,688	45,084
Finance lease liabilities	1,055	1,047	2,012	1,967
Operating lease liabilities	17,375	19,057	16,885	17,531
Other current liabilities	88,597	107,750	100,110	98,144
Total current liabilities	447,146	437,709	465,789	488,851
Long-term borrowings	50,000	-	40,000	20,000
Deferred tax liabilities, net	25,119	30,419	21,636	22,706
Post-retirement benefits	9,163	11,344	8,697	10,445
Non-current finance lease liabilities	12,563	13,773	15,824	16,410
Non-current operating lease liabilities	53,846	60,847	50,249	54,976
Uncertain tax positions			59,718	59,544
Other non-current liabilities	102,072	97,165	44,231	44,202
Total liabilities	699,909	651,257	706,144	717,134
Commitments and contingencies (Note 17)				
Stockholders' equity:				
Common stock, €0.06 nominal value, 200,000,000 shares authorized, 111,526,719 and 110,710,188 shares issued and 108,814,536 and 108,743,761 shares outstanding	7,956	7,911		

Treasury stock (at cost) 2,712,183 and 1,966,427 shares	(54,561)	(40,870)		
Common stock, €0.06 nominal value, 200,000,000 shares authorized, 114,109,774 and 113,389,911 shares issued and 110,537,436 and 110,029,694 shares outstanding			8,102	8,062
Treasury stock (at cost) 3,572,338 and 3,360,217 shares			(68,792)	(64,697)
Additional paid-in capital	1,862,950	1,847,078	1,914,353	1,909,323
Accumulated other comprehensive income	27,366	27,549	22,257	22,318
Accumulated deficit	(566,715)	(555,773)	(581,810)	(579,133)
Total stockholders' equity	1,276,996	1,285,895	1,294,110	1,295,873
Total liabilities and stockholders' equity	$ 1,976,905	$ 1,937,152	$ 2,000,254	$ 2,013,007

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

Expro Group Holdings N.V.

Condensed Consolidated Statements of Cash Flows (Unaudited)

(in thousands)

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	**2022**	**2024**	**2023**
Cash flows from operating activities:				
Net loss	$ (10,942)	$ (33,076)	$ (2,677)	$ (6,351)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization expense	109,386	105,229	40,146	34,737
Equity in income of joint ventures	(7,736)	(10,141)	(3,858)	(2,436)
Stock-based compensation expense	14,682	14,932	5,070	4,171
Change in fair value of investments	-	1,199		
Elimination of unrealized profit on sales to joint ventures	3,520	-		
Elimination of unrealized (loss) gain on sales to joint ventures			(741)	39
Changes in fair value of contingent consideration			398	-
Deferred taxes	(8,066)	(3,171)	(1,071)	(5,225)
Unrealized foreign exchange loss	1,725	6,544		
Unrealized foreign exchange			660	(1,753)
Changes in assets and liabilities:				
Accounts receivable, net	3,193	(105,814)	29,332	(5,761)
Inventories	(587)	(8,044)	(17,286)	(2,380)
Other assets	(15,279)	(1,289)	(7,629)	(11,320)
Accounts payable and accrued liabilities	29,269	18,792	(14,570)	5,362
Other liabilities	(15,422)	(2,154)	2,755	11,306
Income taxes, net	4,481	11,884	1,391	3,929
Dividends from joint ventures	2,754	2,985		
Other	(5,450)	(10,650)	(1,982)	(2,995)
Net cash provided by (used in) operating activities	105,528	(12,774)		
Net cash provided by operating activities			29,938	21,323
Cash flows from investing activities:				
Capital expenditures	(84,623)	(50,606)	(30,739)	(28,776)
Payment for acquisition of business, net of cash acquired	(8,477)	-	-	(7,536)
Acquisition of technology	-	(7,967)		
Proceeds from disposal of assets	2,013	6,579		
Proceeds from sale / maturity of investments	288	11,386		
Net cash used in investing activities	(90,799)	(40,608)	(30,739)	(36,312)

Cash flows from financing activities:				
Release of (cash pledged for) collateral deposits, net	350	(131)	650	(10)
Payments of loan issuance and other transaction costs	-	(132)		
Proceeds from long-term borrowings	50,000	-		
Proceeds from borrowings			21,204	-
Acquisition of common stock	(10,011)	(12,996)	-	(10,011)
Payment of withholding taxes on stock-based compensation plans	(2,436)	(4,145)	(4,095)	(2,954)
Repayment of financed insurance premium	(6,733)	(5,074)	(2,327)	(2,899)
Repayment of finance leases	(1,296)	(855)	(541)	(499)
Net cash provided by (used in) financing activities	29,874	(23,333)	14,891	(16,373)
Effect of exchange rate changes on cash and cash equivalents	(6,052)	(6,418)	(2,722)	(800)
Net increase (decrease) to cash and cash equivalents and restricted cash	38,551	(83,133)	11,368	(32,162)
Cash and cash equivalents and restricted cash at beginning of period	218,460	239,847	153,166	218,460
Cash and cash equivalents and restricted cash at end of period	$ 257,011	$ 156,714	$ 164,534	$ 186,298

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

Expro Group Holdings N.V.
Condensed Consolidated Statements of Stockholders' Equity (Unaudited)
(in thousands)

	Nine Months Ended September 30, 2022							Three Months Ended March 31, 2				
	Common stock		Treasury Stock	Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total stockholders' equity	Common stock		Treasury Stock	Additional paid-in capital	Accumulated other comprehensive income
Balance at January 1, 2022	109,143	$ 7,844	$ (22,785)	$ 1,827,782	$ 20,358	$ (535,628)	$ 1,297,571					
Balance at January 1, 2023								108,744	$ 7,911	$ (40,870)	$ 1,847,078	$ 27,549
Net loss	-	-	-	-	-	(11,132)	(11,132)	-	-	-	-	-
Other comprehensive loss	-	-	-	-	(61)	-	(61)	-	-	-	-	(61
Stock-based compensation expense	-	-	-	6,018	-	-	6,018	-	-	-	4,171	-
Common shares issued upon vesting of share-based awards	336	24	-	378	-	-	402	582	32	-	566	-
Treasury shares withheld	(100)	-	(1,506)	-	-	-	(1,506)	(185)	-	(3,556)	-	-
Balance at March 31, 2022	109,379	$ 7,868	$ (24,291)	$ 1,834,178	$ 20,297	$ (546,760)	$ 1,291,292					

Net loss	-	-	-	-	-	(4,350)	(4,350)					
Other comprehensive loss	-	-	-	-	(61)	-	(61)					
Stock-based compensation expense	-	-	-	4,230	-	-	4,230					
Common shares issued upon vesting of share-based awards	542	35	-	(35)	-	-	-					
Acquisition of common stock	(1,100)	-	(12,995)	-	-	-	(12,995)	(557)	-	(10,011)	-	-
Treasury shares withheld	(184)	-	(3,187)	-	-	-	(3,187)					
Balance at June 30, 2022	108,637	$ 7,903	$ (40,473)	$ 1,838,373	$ 20,236	$ (551,110)	$ 1,274,929					
Net loss	-	-	-	-	-	(17,594)	(17,594)					
Other comprehensive loss	-	-	-	-	(61)	-	(61)					
Stock-based compensation expense	-	-	-	4,684	-	-	4,684					
Common shares issued upon vesting of share-based awards	132	8	-	545	-	-	553					
Treasury shares withheld	(27)	-	(377)	-	-	-	(377)					
Balance at September 30, 2022	108,742	$ 7,911	$ (40,850)	$ 1,843,602	$ 20,175	$ (568,704)	$ 1,262,134					
Balance at March 31, 2023								108,584	$ 7,943	$ (54,437)	$ 1,851,815	$ 27,488

	Nine Months Ended September 30, 2023							Three Months Ended March 31, 2				
	Common stock		Treasury Stock	Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total stockholders' equity	Common stock		Treasury Stock	Additional paid-in capital	Accumulated other comprehensive income
Balance at January 1, 2023	108,744	$ 7,911	$ (40,870)	$ 1,847,078	$ 27,549	$ (555,773)	$ 1,285,895					
Balance at January 1, 2024								110,030	$ 8,062	$ (64,697)	$ 1,909,323	$ 22,318
Net loss	-	-	-	-	-	(6,351)	(6,351)	-	-	-	-	-
Other comprehensive loss	-	-	-	-	(61)	-	(61)	-	-	-	-	(61

Stock-based compensation expense	-	-	-	4,171	-	-	4,171	-	-	-	5,070	-
Common stock issued upon vesting of share-based awards	582	32	-	566	-	-	598	719	40	-	(40)	-
Treasury shares withheld	(185)	-	(3,556)	-	-	-	(3,556)	(212)	-	(4,095)	-	-
Acquisition of common stock	(557)	-	(10,011)	-	-	-	(10,011)					
Balance at March 31, 2023	108,584	7,943	$ (54,437)	$ 1,851,815	$ 27,488	$ (562,124)	$ 1,270,685					
Net income	-	-	-	-	-	9,295	9,295					
Other comprehensive loss	-	-	-	-	(61)	-	(61)					
Stock-based compensation expense	-	-	-	5,577	-	-	5,577					
Common stock issued upon vesting of share-based awards	113	6	-	(6)	-	-	-					
Treasury shares refunded	7	-	119	-	-	-	119					
Balance at June 30, 2023	108,704	$ 7,949	$ (54,318)	$ 1,857,386	$ 27,427	$ (552,829)	$ 1,285,615					
Net loss	-	-	-	-	-	(13,886)	(13,886)					
Other comprehensive loss	-	-	-	-	(61)	-	(61)					
Stock-based compensation expense	-	-	-	4,934	-	-	4,934					
Common stock issued upon vesting of share-based awards	122	7	-	630	-	-	637					
Treasury shares withheld	(11)	-	(243)	-	-	-	(243)					
Balance at September 30, 2023	108,815	$ 7,956	$ (54,561)	$ 1,862,950	$ 27,366	$ (566,715)	$ 1,276,996					
Balance at March 31, 2024								110,537	$ 8,102	$ (68,792)	$ 1,914,353	$ 22,257

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

1. Business description

With roots dating to 1938, Expro Group Holdings N.V. (the "Company," "Expro," "we," "our" or "us") is a global provider of energy services with operations in approximately 60 countries. The Company's broad portfolio of capabilities includes products and services relatedprovides solutions to well construction, well flow management, subsea well access, and well intervention and integrity which enhance production and improve recovery across the well lifecycle, from exploration through abandonment.

On March 10, 2021, the Company and New Eagle Holdings Limited, an exempted company limited by shares incorporated under the laws of the Cayman Islands and a direct wholly owned subsidiary of the Company ("Merger Sub"), entered into an Agreement and Plan of Merger with Expro Group Holdings International Limited ("Legacy Expro") providing for the merger of Legacy Expro with and into Merger Sub in an all-stock transaction, with Merger Sub surviving the merger as a direct, wholly owned subsidiary of the Company (the "Merger"). The Merger closed on October 1, 2021, and the Company, previously known as Frank's International N.V. ("Frank's"), was renamed Expro Group Holdings N.V.

On June 16, 2022, the Company's Board of Directors (the "Board") approved a new stock repurchase program, under which the Company is authorized to acquire up to $50.0 million of its outstanding common stock through November 24, 2023. Under the stock repurchase program, the Company may repurchase shares of the Company's common stock in open market purchases, in privately negotiated transactions or otherwise. The stock repurchase program is being utilized at management's discretion and in accordance with U.S. federal securities laws. The timing and actual numbers of shares repurchased, if any, will depend on a variety of factors including price, corporate requirements, the constraints specified in the stock repurchase program along with general business and market conditions. The stock repurchase program does not obligate the Company to repurchase any particular amount of common stock, and it could be modified, suspended or discontinued at any time. Under the stock repurchase plan, the Company has repurchased approximately 0.6 million shares at an average price of $17.99 per share, for a total cost of approximately $10.0 million during the nine months ended September 30, 2023. Since the inception of the stock repurchase program, the Company has repurchased total of approximately 1.7 million shares at an average price of $13.89 per share, for a total cost of $23.0 million through September 30, 2023.

On October 25, 2023, the Company's Board of Directors (the "Board") approved an extension to the stock repurchase program which was set to expirefirst approved on November 24, 2023. June 16, 2022. Pursuant to the extended stock repurchase program, the Company is now authorized to acquire up to $100.0 million of its outstanding common stock from October 25, 2023 through November 24, 2024 (the "Stock Repurchase Program"). Under the Stock Repurchase Program, the Company may repurchase shares of the Company's common stock in open market purchases, in privately negotiated transactions or otherwise. The Stock Repurchase Program will continue to be utilized at management's discretion and in accordance with federal securities laws. The timing and actual numbers of shares repurchased will depend on a variety of factors including price, corporate requirements, the constraints specified in the Stock Repurchase Program along with general business and market conditions. The Stock Repurchase Program does not obligate the Company to repurchase any particular amount of common stock, and it could be modified, suspended or discontinued at any time. The Company has made no repurchases under the Stock Repurchase Program during the three months ended March 31, 2024. During the three months ended March 31, 2023, the Company repurchased approximately 0.6 million shares at an average price of $17.99 per share, for a total cost of approximately $10.0 million

2. Basis of presentation and significant accounting policies

Basis of presentation

The unaudited condensed consolidated financial statements reflect the accounts of the Company and its subsidiaries. All intercompany balances and transactions, including unrealized profits arising from them, have been eliminated for purposes of preparing these unaudited condensed consolidated financial statements. Investments in which we do not have a controlling interest, but over which we do exercise significant influence, are accounted for under the equity method of accounting.

The accompanying condensed consolidated financial statements have not been audited by our independent registered public accounting firm. The unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim consolidated financial information. Accordingly, these unaudited condensed consolidated financial statements do not include all of the information and footnotes required by U.S. GAAP for annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements and notes thereto for the year ended December 31, 2022 2023, included in our most recent Annual Report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC") on February 23, 2023. 21, 2024 (the "Annual Report").

In the opinion of management, these unaudited condensed consolidated financial statements, which are prepared in accordance with the rules of the SEC and U.S. GAAP for interim financial reporting, included herein contain all adjustments necessary to present fairly our financial position as of September 30, 2023March 31, 2024, the results of our operations for the three and ninethree months ended September 30, 2023March 31, 2024 and 20222023 and our cash flows for the ninethree months ended September 30, 2023March 31, 2024 and 20222023. Such adjustments are of a normal recurring nature. Operating results for the three and ninemonths ended September 30, 2023March 31, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 20232024 or for any other period.

The unaudited condensed consolidated financial statements have been prepared on an historical cost basis using the United States dollar ("$" or "U.S. dollar") as the reporting currency.

Significant accounting policies

Refer to Note 2 "*Basis of presentation and significant accounting policies*" of our consolidated financial statements as of and for the year ended December 31, 2022, 2023, which are included in our most recent Annual Report on Form 10-K filed with the SEC on February 23, 2023, for a discussion of our significant accounting policies. There have been no material changes in our significant accounting policies as compared to the significant accounting policies described in our consolidated financial statements as of and for the year ended December 31, 20222023.

Recent accounting pronouncements

Changes to U.S. GAAP are established by the Financial Accounting Standards Board ("FASB") generally in the form of accounting standards updates ("ASUs") to the FASB's Accounting Standards Codification.

We consider In December 2023, the applicabilityFASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 provide for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for the Company prospectively to all annual periods beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of all accounting pronouncements. Recentlythis standard on our disclosures.
In November 2023, the FASB issued ASU 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures" ("ASU 2023-07"), which enhances the disclosures required for operating segments in the Company's annual and interim consolidated financial statements. ASU 2023-07 is effective retrospectively for fiscal years beginning after December 15, 2023 and for interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this standard on our disclosures.
All other recently issued ASUs were assessed and were either determined to be not applicable or are expected to have immaterial impact on our consolidated financial position, results of operations and cash flows.

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3. Business combinations and dispositions

DeltaTek Oil Tools Limited

On February 8, 2023 ("DeltaTek Closing Date"), DeltaTek Oil Tools Limited, a limited liability company registered in the United Kingdom, and its subsidiary ("DeltaTek"), was acquired ("the DeltaTek Acquisition") by our wholly owned subsidiary Exploration and Production Services (Holdings) Limited, a limited liability company registered in the United Kingdom ("EPSH"). DeltaTek has developed a number of innovative technologies and solutions and their range of low-risk open water cementing solutions increases clients' operational efficiency, delivers rig time and cost savings, and improves the quality of cementing operations of clients. The fair value of consideration for the DeltaTek Acquisition was $18.4 million, including final cash consideration paid of $9.9 million and contingent consideration which is estimated to be $8.5 million.

The contingent consideration arrangement requires the Company to pay the former owners of DeltaTek a percentage of future revenues generated specifically from the acquired technology over a period of seven years. The fair value of the contingent consideration arrangement of $8.5 million was estimated by applying the income approach and is reflected in "Other liabilities" on the condensed consolidated balance sheets. That measure is based on significant inputs that are not observable in the market, referred to as Level 3 inputs in accordance with ASC 820. To the extent our estimates and assumptions changechanged during the measurement period and such changes are based on facts and circumstances that existed as of the DeltaTek Closing Date, an adjustment to the contingent consideration liability would bewas recorded with an offsetting adjustment to goodwill. To the extent our estimates and assumptions change based on facts and circumstances subsequent to the Closing Date or after the measurement period, an adjustment to the contingent consideration liability would be recorded with an offsetting adjustment to earnings during the applicable period.

The DeltaTek Acquisition is accounted for as a business combination and Expro has been identified as the acquirer for accounting purposes. As a result, the Company has in accordance with ASC 805, *Business Combinations*, applied the acquisition method of accounting to account for DeltaTek's assets acquired and liabilities assumed. Applying the acquisition method of accounting includes recording the identifiable assets acquired and liabilities assumed at their fair values and recording goodwill for the excess of the consideration transferred over the net aggregate fair value of the identifiable assets acquired and liabilities assumed.

The following table sets forth the allocation of the DeltaTek Acquisition consideration exchanged to the fair value of identifiable tangible and intangible assets acquired and liabilities assumed as of the DeltaTek Closing Date, with the recording of goodwill for the excess of the consideration transferred over the net aggregate fair value of the identifiable assets acquired and liabilities assumed (in thousands):

	Initial allocation of the consideration	Measurement period adjustments	Allocation of consideration as of September 30, 2023	Initial allocation of the consideration	Measurement period adjustments	Final allocation of the consideration
Cash and cash equivalents	$ 1,464	$ -	$ 1,464	$ 1,464	$ -	$ 1,464
Accounts receivables, net	723	-	723	723	-	723
Inventories	183	-	183	183	-	183
Property, plant and equipment	642	-	642	642	-	642
Goodwill	7,157	994	8,151	7,157	994	8,151
Intangible assets	11,063	2	11,065	11,063	2	11,065
Other assets	27	-	27	27	-	27
Total assets	21,259	996	22,255	21,259	996	22,255
Accounts payable and accrued liabilities	245	2	247	245	2	247
Deferred tax liabilities	2,700	66	2,766	2,700	66	2,766
Other liabilities	831	(16)	815	831	(16)	815
Total Liabilities	3,776	52	3,828	3,776	52	3,828
Fair value of net assets acquired	$ 17,483	$ 944	$ 18,427	$ 17,483	$ 944	$ 18,427

The preliminary valuation of the assets acquired and liabilities assumed, including other liabilities, in the DeltaTek Acquisition initially resulted in a goodwill of $7.2 million. During the third quarter of 2023, the Company finalized the valuation and recorded measurement period adjustments to its preliminary estimates due to additional information received primarily related to a customary purchase price adjustment. The measurement period adjustments resulted in an increase in goodwill of $1.0 million, for final total goodwill associated with the DeltaTek Acquisition of $8.2 million.

The fair values of identifiable intangible assets were prepared using an income valuation approach, which requires a forecast of expected future cash flows either using the relief-from royalty method or the multi-period excess earnings method, which are discounted to approximate their current value. The estimated useful lives are based on management's historical experience and expectations as to the duration of time that benefits from these assets are expected to be realized.

The intangible assets will be amortized on a straight-line basis over an estimated 5 to 15 years life. We expect annual amortization to be approximately $1.0 million associated with these intangible assets. An associated deferred tax liability has been recorded in regards to these intangible assets. Refer to *Note 14* – "*Intangible assets, net*" for additional information regarding the various acquired intangible assets.

The goodwill consists largely of the synergies and economies of scale expected from the technology providing more efficient services and expected future developments resulting from the assembled workforce. The goodwill is not subject to amortization but will be evaluated at least annually for impairment or more frequently if impairment indicators are present. Goodwill recorded in the DeltaTek Acquisition is not expected to be deductible for tax purposes.

The Company has determined the estimated unaudited pro forma information to be insignificant for the three and nine months ended September 30, March 31, 2023 and 2022, assuming the DeltaTek Acquisition were to have been completed as of January 1, 2023 and 2022, 2023. respectively. This is not necessarily indicative of the results that would have occurred had the DeltaTek Acquisition been completed on either the date indicated or of future operating results.

PRT Offshore

On October 2, 2023 ("PRT Closing Date"), Professional Rental Tools, LLC ("PRT" or "PRT Offshore"), was acquired (the "PRT Acquisition") from PRT Partners, LLC by our wholly owned subsidiary, EPSH. The acquisition will enable Expro completed to expand its acquisition portfolio of Houston-based offshore cost-effective, technology-enabled services provider and solutions within the subsea well access sector in the North and Latin America region and accelerate the growth of PRT Offshore. Total Offshore's surface equipment offering in the Europe and Sub-Saharan Africa and Asia Pacific regions. We estimated the fair value of consideration paid at closing was approximately $106.3 million for the PRT Acquisition to be $91.0 million, including $62.5 million cash consideration of $21.7 million, net of cash received, equity consideration of $40.9 million, and $43.8 million contingent consideration of newly issued Expro shares. Potential $13.2 million, subject to a true-up for customary working capital adjustments. As of March 31, 2024 and December 31, 2023, the Company has accrued $1.5 million of the cash consideration related to standard holdback provisions, which is expected to be paid later in 2024.

The contingent consideration arrangement requires the Company to pay the former owners of PRT additional consideration will be based on PRT Offshore's financial performance during the four quarters following closing. The fair value of the contingent consideration arrangement of $13.2 million was estimated by applying the income approach and is reflected in "Other current liabilities" on the condensed consolidated balance sheets. That measure is based on significant inputs that are not observable in the market, referred to as Level 3 inputs in accordance with ASC 820. To the extent our estimates and assumptions change during the measurement period and such changes are based on facts and circumstances that existed as of the PRT Closing Date, an adjustment to the contingent consideration liability would be recorded with an offsetting adjustment to goodwill. To the extent our estimates and assumptions change based on facts and circumstances subsequent to the PRT Closing Date or after the measurement period, an adjustment to the contingent consideration liability would be recorded with an offsetting adjustment to earnings during the applicable period.

The PRT Acquisition is accounted for as a business combination and Expro has been identified as the acquirer for accounting purposes. As a result, the Company has in accordance with ASC 805,*Business Combinations*, applied the acquisition method of accounting to account for PRT's assets acquired and liabilities assumed.

	Amount
Cash and cash equivalent	$ 15,086
Accounts receivables, net	15,195
Other current assets	986
Property, plant and equipment	52,278
Goodwill	18,556
Intangible assets	33,940
Operating lease right-of-use assets	1,242
Total assets	137,283
Accounts payable and accrued liabilities	8,621
Operating lease liabilities	505
Other current liabilities	1,811
Non-current operating lease liabilities	678
Long-term borrowings	34,701
Total liabilities	46,316
Fair value of net assets acquired	$ 90,967

Due to the recency of the PRT Acquisition, these amounts, including the estimated fair values, are based on preliminary calculations and subject to change as our fair value estimates and assumptions are finalized during the measurement period. The final fair value determination could result in material adjustments to the values presented in the preliminary purchase price allocation table above. The fair values of identifiable intangible assets were prepared using an income valuation approach, which requires a forecast of expected future cash flows either using the relief-from royalty method or the multi-period excess earnings method, which are discounted to approximate their current value. The estimated useful lives are based on management's historical experience and expectations as to the duration of time that benefits from these assets are expected to be realized. The cost approach was used to determine the fair value of property, plant and equipment.

The intangible assets will be amortized on a straight-line basis over an estimated 5 to 15 years life. We expect annual amortization to be approximately $3.3 million associated with these intangible assets. An associated deferred tax liability has been recorded in regards to these intangible assets. Refer to Note 14*"Intangible assets"*, net for additional information regarding the various acquired intangible assets.

The goodwill consists largely of the synergies and economies of scale expected from the acquired customer relationships and contracts. The goodwill is not subject to amortization but will be evaluated at least annually for impairment or more frequently if impairment indicators are present.

The Company's operating results for the three months ended March 31, 2024 include $14.6 million of revenue and $2.1 million of net income attributable to PRT.

The Company has determined the estimated unaudited pro forma information to be immaterial for the three months ended March 31, 2023, assuming the PRT Acquisition were to have been completed as of January 1, 2023. This is not necessarily indicative of the results that would have occurred had the PRT Acquisition been completed on the date indicated or of future operating results.

Coretrax

On February 12, 2024, Expro announced that it had agreed to acquire Scotland-based Coretrax, a technology leader in performance drilling tools and wellbore cleanup, well integrity and production optimization solutions. The Headline Price (as defined in the agreement) is $210.0 million subject to customary purchase price adjustments. The consideration to be paid at closing includes at least $75.0 million in cash and up to 6.8 million newly issued shares of the Company's common stock. The cash component of the consideration to be paid may be increased at the Company's election, and the notional value of any equity consideration will be unitized based on our thirty trading day volume weighted average price prior to closing, which is expected to occur in the second quarter of 2024.

4. Fair value measurements

Recurring Basis

A summary of financial assets and liabilities that are measured at fair value on a recurring basis, as of September 30, 2023 March 31, 2024 and December 31, 2022 2023, were as follows (in thousands):

	September 30, 2023				March 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:								
Non-current accounts receivable, net	$ -	$ 10,350	$ -	$ 10,350	$ -	$ 9,179	$ -	$ 9,179
Liabilities:								
Contingent consideration liabilities					-	-	25,103	25,103
Borrowings					-	41,874	-	41,874
Finance lease liabilities	-	13,618	-	13,618	-	17,836	-	17,836
Contingent consideration liabilities	-	-	11,655	11,655				

	December 31, 2022				December 31, 2023			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets:								
Non-current accounts receivable, net	$ -	$ 9,688	$ -	$ 9,688	$ -	$ 9,768	$ -	$ 9,768
Liabilities:								
Contingent consideration liabilities					-	-	24,705	24,705
Borrowings					-	20,701	-	20,701
Finance lease liabilities	-	14,820	-	14,820	-	18,377	-	18,377

We have certain contingent consideration liabilities related to acquisitions which are measured at fair value using Level 3 inputs. The amount of contingent consideration due to the sellers is based on the achievement of agreed-upon financial performance metrics by the acquired company, as determined by the terms of the contingent consideration agreements with the sellers of each acquired company. We record a liability at the time of the acquisition based on the present value of management's best estimates of the future results of the acquired companies compared to the agreed-upon metrics. After the date of acquisition, we update the original valuation to reflect the passage of time and current projections of future results of the acquired companies. Accretion of, and changes in the valuations of, contingent consideration are reported on the condensed consolidated statement of operations within "Severance and other expense."

5. Business segment reporting

Operating segments are defined as components of an enterprise for which separate financial information is available that is regularly evaluated by the Company's Chief Operating Decision Maker ("CODM"), which is our Chief Executive Officer, in deciding how to allocate resources and assess performance. Our CODM manages our operational segments that are aligned with our geographical regions as below:

- North and Latin America ("NLA"),
- Europe and Sub-Saharan Africa ("ESSA"),
- Middle East and North Africa ("MENA"), and
- Asia-Pacific ("APAC").

The following table presents our revenue disaggregated by our operating segments (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
NLA	$ 105,252	$ 134,574	$ 366,310	$ 368,129	$ 130,389	$ 126,228
ESSA	135,395	99,809	387,105	271,998	121,746	113,648
MENA	58,057	50,030	168,165	146,108	71,494	50,945
APAC	71,114	49,938	184,434	142,217	59,860	48,458
Total	$ 369,818	$ 334,351	$ 1,106,014	$ 928,452	$ 383,489	$ 339,279

Segment EBITDA

Our CODM regularly evaluates the performance of our operating segments using Segment EBITDA, which we define as income (loss) before income taxes adjusted for corporate costs, equity in income of joint ventures, depreciation and amortization expense, impairment expense, gain (loss) on disposal of assets, merger and integration expense, severance and other expense, stock-based compensation expense, foreign exchange gains (losses), other income (expense), net, and interest and finance income (expense), net.

The following table presents our Segment EBITDA disaggregated by our operating segments and a reconciliation to income (loss) before income taxes (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2023	2022	2024	2023
NLA	$ 19,967	$ 39,743	$ 88,544	$ 100,083	$ 34,377	$ 31,874
ESSA	39,268	17,760	95,017	44,502	25,201	20,785
MENA	16,871	14,667	49,930	43,882	24,538	14,568
APAC	(4,286)	(8,617)	(3,532)	1,177	10,786	(2,698)
Total Segment EBITDA	71,820	63,553	229,959	189,644	94,902	64,529
Corporate costs	(24,070)	(18,849)	(73,961)	(63,626)	(31,300)	(25,081)
Equity in income of joint ventures	2,495	3,510	7,736	10,141	3,858	2,436
Depreciation and amortization expense	(37,414)	(34,825)	(109,386)	(105,229)	(40,146)	(34,737)
Merger and integration expense	(817)	(1,629)	(4,332)	(8,624)	(2,161)	(2,138)
Severance and other expense	(1,897)	(3,242)	(5,487)	(5,414)	(5,062)	(927)
Stock-based compensation expense	(4,934)	(4,684)	(14,682)	(14,932)	(5,070)	(4,171)
Foreign exchange loss	(4,260)	(7,957)	(4,630)	(10,385)		
Other (expense) income, net	(1,129)	432	(3,540)	1,672		
Interest and finance (expense) income, net	(373)	1,502	(1,688)	3,227		
(Loss) income before income taxes	$ (579)	$ (2,189)	$ 19,989	$ (3,526)		
Foreign exchange (loss) gain					(2,743)	1,070
Other income (expense), net					485	(949)
Interest and finance expense, net					(3,152)	(1,298)
Income (loss) before income taxes					$ 9,611	$ (1,266)

Corporate costs include the costs of running our corporate head office and other central functions that support the operating segments, including research, engineering and development, logistics, sales and marketing and health and safety and are not attributable to a particular operating segment.

6. Revenue

Disaggregation of revenue

We disaggregate our revenue from contracts with customers by geography, as disclosed in Note 5 "*Business segment reporting*," as we believe this best depicts how the nature, amount, timing and uncertainty of our revenue and cash flows are affected by economic factors. Additionally, we disaggregate our revenue into main areas of capabilities.

The following table sets forth the total amount of revenue by main area of capabilities as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	**2022**	**2023**	**2022**	**2024**	**2023**
Well construction	$ 116,293	$ 129,455	$ 388,277	$ 362,684	$ 120,030	$ 128,265
Well management	253,525	204,896	717,737	565,768	263,459	211,014
Total	$ 369,818	$ 334,351	$ 1,106,014	$ 928,452	$ 383,489	$ 339,279

Contract balances

We perform our obligations under contracts with our customers by transferring services and products in exchange for consideration. The timing of our performance often differs from the timing of our customer's payment, which results in the recognition of unbilled receivables and deferred revenue.

Unbilled receivables are initially recognized for revenue earned on completion of the performance obligation which are not yet invoiced to the customer. The amounts recognized as unbilled receivables are reclassified to trade receivable upon billing. Deferred revenue represents the Company's obligations to transfer goods or services to customers for which the Company has received consideration, in full or part, from the customer.

Contract balances consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Trade receivable, net	$ 274,124	$ 289,235	$ 295,083	$ 222,591
Unbilled receivables (included within accounts receivable, net)	$ 148,868	$ 139,690	$ 136,417	$ 203,689
Contract assets (included within accounts receivable, net)			$ 16,620	$ 52,607
Deferred revenue (included within other liabilities)	$ 28,509	$ 51,192	$ 28,016	$ 27,206

Contract assets include unbilled amounts resulting from sales under our long-term construction-type contracts when revenue recognized exceeds the amount billed to the customer and right to payment is conditional or subject to completing a milestone, such as a phase of the project. Contract assets are not considered a significant financing component, as they are intended to protect the customer in the event that we do not perform our obligations under the contract. Contract assets are generally classified as current, as it is very unusual for us to have contract assets with a term of greater than one year. Our contract assets are reported in a net position on a contract-by-contract basis at the end of each reporting period.

The Company recognized revenue during the three and nine months ended September 30, 2023of $6.3 $5.9 million and $48.6 million, respectively, and $25.2 million for the three and ninemonths ended September 30, 2022 March 31, 2024 of $6.0 million and $14.9 million,2023, respectively, out of the deferred revenue balance as of the beginning of the applicable year.

As of September 30, 2023 March 31, 2024, $26.9 million $26.6 million of our deferred revenue was classified as current and is included in "Other current liabilities" on the condensed consolidated balance sheets, with the remainder classified as non-current and included in "Other non-current liabilities" on the condensed consolidated balance sheets.

Transaction price allocated to remaining performance obligations

Remaining performance obligations represent firm contracts for which work has not been performed and future revenue recognition is expected. We have elected the practical expedient permitting the exclusion of disclosing remaining performance obligations for contracts that have an original expected duration of one year or less and for our long-term contracts we have a right to consideration from customers in an amount that corresponds directly with the value to the customer of the performance completed to date. With respect to our long-term construction contracts, revenue allocated to remaining performance obligations is $48.7 million. $10.9 million.

7. Income taxes

For interim financial reporting, the annual tax rate is based on pre-tax income (loss) before equity in income of joint ventures. We have historically calculated the income tax expense/(benefit) during interim reporting periods by applying a full year estimated Annual Effective Tax Rate ("AETR") to income (loss) before income taxes, excluding infrequent or unusual discrete items, for the reporting period. For the three and ninemonths ended September 30, 2023 March 31, 2024, we determined that using an AETR would not provide a reliable estimate of income taxes due to the forecasting methodology used to project income (loss) before income taxes, resulting in significant changes in the estimated AETR. Thus, we concluded to use a discrete effective tax rate, which treats the year-to-date period as an annual period, to calculate income taxes for the three and ninemonths ended September 30, 2023 March 31, 2024.

Our effective tax rates were (432.9)% 213.6% and 252.4% for the three and nine months ended September 30, 2023, respectively, and were (270.3)% and (216.2) (137.4)% for the three and ninemonths ended September 30, 2022 March 31, 2024, and 2023 respectively.

Our effective tax rate was impacted primarily due to changes in the mix of taxable profits between jurisdictions with different tax regimes, in particular in Latin America and Sub-Saharan Africa. in our ESSA region.

8. Investment in joint ventures

We have investments in two joint venture companies, which together provide us access to certain Asian markets that otherwise would be challenging for us to penetrate or develop effectively on our own. COSL-Expro Testing Services (Tianjin) Co. Ltd ("CETS"), in which we have a 50% equity interest, has extensive offshore well testing and completions capabilities and a reputation for providing technology-driven solutions in China. Similarly, PV Drilling Expro International Co. Ltd. ("PVD-Expro") in which we have a 49% equity interest, offers the full suite of Expro products and services, including well testing and completions, in Vietnam. Both of these are strategic to our activities and offer the full capabilities and technology of Expro, but each company is independently managed.

The carrying value of our investment in joint ventures as of September 30, 2023 March 31, 2024, and December 31, 2022 2023, was as follows (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
CETS	$ 63,938	$ 62,471	$ 67,343	$ 62,704
PVD-Expro	3,562	3,567	3,658	3,698
Total	$ 67,500	$ 66,038	$ 71,001	$ 66,402

9. Accounts receivable, net

Accounts receivable, net consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

September 30,	December 31,	March 31,	December 31,

	2023	2022	2024	2023
Accounts receivable	$ 436,693	$ 441,605	$ 467,242	$ 497,135
Less: Expected credit losses	(13,701)	(12,680)	(19,122)	(18,248)
Total	$ 422,992	$ 428,925	$ 448,120	$ 478,887
Current	412,642	419,237	438,941	469,119
Non – current	10,350	9,688	9,179	9,768
Total	$ 422,992	$ 428,925	$ 448,120	$ 478,887

10. Inventories

Inventories consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Finished goods	$ 33,820	$ 26,810	$ 16,122	$ 25,854
Raw materials, equipment spares and consumables	100,837	102,395	119,281	99,011
Work-in-progress	19,831	24,513	28,922	18,460
Total	$ 154,488	$ 153,718	$ 164,325	$ 143,325

11. Other assets and liabilities

Other assets consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Prepayments	$ 27,926	18,084	$ 31,473	28,725
Value-added tax receivables	24,089	20,727	24,668	20,622
Collateral deposits	1,319	1,669	1,239	1,886
Deposits	7,951	7,245	8,986	8,912
Other	6,635	5,513	11,326	10,566
Total	$ 67,920	$ 53,238	$ 77,692	$ 70,711
Current	59,873	44,975	65,628	58,409
Non – current	8,047	8,263	12,064	12,302
Total	$ 67,920	$ 53,238	$ 77,692	$ 70,711

Other liabilities consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Deferred revenue	$ 28,509	$ 51,192	$ 28,016	$ 27,206
Other tax and social security	34,916	28,557	32,488	34,004
Income tax liabilities – non-current portion	56,652	58,036		
Provisions	41,590	45,248	37,628	38,576
Contingent consideration liabilities	11,655	3,227	25,103	24,705
Other	17,347	18,655	21,106	17,855

Total	$ 190,669	$ 204,915	$ 144,341	$ 142,346
Current	88,597	107,750	100,110	98,144
Non – current	102,072	97,165	44,231	44,202
Total	$ 190,669	$ 204,915	$ 144,341	$ 142,346

12. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Accounts payable – trade	$ 129,552	$ 100,951	$ 146,192	$ 146,759
Payroll, vacation and other employee benefits	44,820	46,935	32,030	43,924
Accruals for goods received not invoiced	22,015	32,102	11,154	22,921
Other accrued liabilities	101,069	92,716	109,718	112,521
Total	$ 297,456	$ 272,704	$ 299,094	$ 326,125

14 16

Expro Group Holdings N.V.
Notes to Unaudited Condensed Consolidated Financial Statements

13. Property, plant and equipment, net

Property, plant and equipment, net consisted of the following as of September 30, 2023 March 31, 2024, and December 31, 2022 2023 (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Cost:				
Land	$ 22,176	$ 22,261	$ 22,176	$ 22,176
Land improvements	3,042	3,054	3,332	3,332
Buildings and lease hold improvements	99,411	98,490	101,642	100,404
Plant and equipment	873,866	789,910	986,348	971,178
	998,495	913,715	1,113,498	1,097,090
Less: accumulated depreciation	(531,601)	(451,399)	(613,167)	(583,868)
Total	$ 466,894	$ 462,316	$ 500,331	$ 513,222

The carrying amount of our property, plant and equipment recognized in respect of assets held under finance leases as of September 30, 2023 March 31, 2024 and December 31, 2022 2023 and included in amounts above is as follows (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
Cost:				
Buildings	$ 18,623	$ 18,623	$ 23,859	$ 23,859
Plant and equipment	589	1,275	589	589
Total	19,212	19,898	24,448	24,448
Less: accumulated amortization	(9,325)	(9,085)	(10,868)	(10,315)
Total	$ 9,887	$ 10,813	$ 13,580	$ 14,133

Depreciation expense relating to property, plant and equipment, including assets under finance leases, was $27.9$29.6 million and $81.2 million$25.5 million for the three and ninemonths ended September 30, 2023March 31, 2024, respectively, and $25.9 million and $77.8 million for the threeand nine months ended September 30, 2022, respectively.

During the nine months ended September 30, 2023, and 2022, assets held for sale were sold for net proceeds of $2.0 million and $6.3 million, respectively.

14. Intangible assets, net

The following table summarizes our intangible assets comprising of Customer Relationships & Contracts (“CR&C”), Trademarks, Technology and Software as of September 30, 2023March 31, 2024 and December 31, 20222023 (in thousands):

	September 30, 2023			December 31, 2022			September 30, 2023	March 31, 2024			December 31, 2023		
	Gross carrying amount	Accumulated impairment and amortization	Net book value	Gross carrying amount	Accumulated impairment and amortization	Net book value	Weighted average remaining life (years)	Gross carrying amount	Accumulated impairment and amortization	Net book value	Gross carrying amount	Accumulated impairment and amortization	N
CR&C	$ 224,771	$ (133,461)	$ 91,310	$ 222,200	$ (118,221)	$ 103,979	4.6	$ 256,835	$ (145,125)	$ 111,710	$ 256,835	$ (139,302)	$
Trademarks	57,357	(35,601)	21,756	57,100	(32,921)	24,179	6.8	58,977	(38,457)	20,520	58,977	(36,578)	
Technology	178,889	(79,479)	99,410	170,652	(71,191)	99,461	11.4	179,154	(84,151)	95,003	179,154	(82,266)	
Software	12,613	(11,642)	971	11,556	(9,671)	1,885	0.3	15,634	(13,293)	2,341	15,248	(12,352)	
Total	$ 473,630	$ (260,183)	$ 213,447	$ 461,508	$ (232,004)	$ 229,504	8.0	$ 510,600	$ (281,026)	$ 229,574	$ 510,214	$ (270,498)	$

Amortization expense for intangible assets was $9.6$10.5 million and $28.2 million$9.2 million for the three and ninemonths ended September 30, 2023, respectively, and $8.9 million and $27.4 million for the threeMarch 31, 2024 and nine2023, months ended September 30, 2022, respectively.

The following table summarizes the intangible assets which were acquired pursuant to the DeltaTek Acquisition and the PRT Acquisition during 2023 (in thousands):

	Acquired Fair Value	Weighted average life (years)	Acquired Fair Value	Weighted average life (years)
DeltaTek:				
CR&C	2,571	6.0	$ 2,571	6.0
Trademarks	257	5.0	257	5.0
Technology	8,237	15.0	8,237	15.0
Total	$ 11,065	12.7	$ 11,065	12.7
PRT:				
CR&C			$ 32,048	10.0
Trademarks			1,627	4.0
Technology			265	15.0
Total			$ 33,940	9.8

15. Goodwill

Our reporting units are our operating segments which are NLA, ESSA, MENA and APAC.

The allocation of goodwill by operating segment as of September 30, 2023March 31, 2024 and December 31, 2022 2023 is as follows (in thousands):

	September 30, 2023	December 31, 2022	March 31, 2024	December 31, 2023
NLA	$ 120,956	$ 118,511	$ 139,512	$ 139,512
ESSA	83,319	80,058	83,319	83,319
MENA	5,441	4,218	5,441	5,441
APAC	19,415	18,193	19,415	19,415
Total	$ 229,131	$ 220,980	$ 247,687	$ 247,687

The following table summarizes the goodwill by operating segment which were acquired pursuant to the DeltaTek Acquisition and the PRT Acquisition during 2023 (in thousands):

	September 30, 2023	DeltaTek	PRT
NLA	$ 2,445	$ 2,445	$ 18,556
ESSA	3,261	3,261	-
MENA	1,223	1,223	-
APAC	1,223	1,222	-
Total	$ 8,151	$ 8,151	$ 18,556

As of September 30, 2023March 31, 2024, we did not identify any triggering events that would represent an indicator of impairment of our goodwill. Accordingly, no impairment charges related to goodwill have been recorded during the three and ninemonths ended September 30, 2023March 31, 2024.

16. Interest bearing loans

New Facility

On October 1, 2021, we entered into a new revolving credit facility (the "New Facility") with DNB Bank ASA, London Branch, as agent (the "Agent"), with total commitments of $200.0 million, of which $130.0 million was available for drawdowns as loans and $70.0 million was available for letters of credit. On July 21, 2022, the Company increased the facility available for letters of credit to $92.5 million and total commitments to $222.5 million. Proceeds of the New Facility may be used for general corporate and working capital purposes.

All obligations under the New Facility are guaranteed jointly and severally by the Company and certain of the Company's subsidiaries incorporated in the U.S., the U.K., the Netherlands, Norway, Hungary, Australia, Cyprus, the Cayman Islands and Guernsey. Going forward, the guarantors must comprise at least 80% of the EBITDA (as defined in the New Facility) and 70% of the consolidated assets of the Company and its subsidiaries, as well as subsidiaries individually representing 5% or more of the EBITDA or assets of the group, subject to customary exceptions and exclusions. In addition, the obligations under the New Facility are secured by first priority liens on certain assets of the borrowers and guarantors, including pledges of equity interests in certain of the Company's subsidiaries, including all of the borrowers and subsidiary guarantors, material operating bank accounts, intercompany loans receivable and, in jurisdictions where customary, including the U.S., the U.K., Australia and the Cayman Islands, substantially all of the assets and property of the borrowers and guarantors incorporated in such jurisdictions, in each case subject to customary exceptions and exclusions.

Borrowings under the New Facility bear interest at a rate per annum of LIBOR, subject to a 0.00% floor, plus an applicable margin of 3.75% for cash borrowings or 3.00% for letters of credit. A 0.75% per annum fronting fee applies to letters of credit, and an additional 0.25% or 0.50% per annum utilization fee is payable on drawdowns as loans to the extent one-third or two-thirds, respectively, or more of commitments are drawn. The unused portion of the New Facility is subject to a commitment fee of 30% per annum of the applicable margin. Interest on loans is payable at the end of the selected interest period, but no less frequently than semi-annually.

The New Facility contains various undertakings and affirmative and negative covenants which limit, subject to certain customary exceptions and thresholds, the Company and its subsidiaries' ability to, among other things, (1) enter into asset sales; (2) incur additional indebtedness; (3) make investments, acquisitions, or loans and create or incur liens; (4) pay certain dividends or make other distributions; and (5) engage in transactions with affiliates. The New Facility also requires the Company to maintain (i) a minimum cash flow cover ratio of 1.5 to 1.0 based on the ratio of cash flow to debt service; (ii) a minimum interest cover ratio of 4.0 to 1.0 based on the ratio of EBITDA to net finance charges; and (iii) a maximum senior leverage ratio of 2.25 to 1.0 based on the ratio of total net debt to EBITDA, in each case tested quarterly on a last-twelve-months basis, subject to certain exceptions. In addition, the aggregate capital expenditure of the Company and its subsidiaries cannot exceed 110% of the forecasted amount in the relevant annual budget, subject to certain exceptions. If the Company fails to perform its obligations under the agreement that results in an event of default, the commitments under the New Facility could be terminated and any outstanding borrowings under the New Facility may be declared immediately due and payable. The New Facility also contains cross-default provisions that apply to the Company and its subsidiaries' other indebtedness.

On March 31, 2022, the Agent, on behalf of the consenting lenders, countersigned a Consent Request Letter dated March 10, 2022, to the New Facility (the "Consent"). Pursuant to the Consent, the lenders consented to, among other things, an amendment to the New Facility permitting dividends or distributions by the Company, or the repurchase or redemption of the Company's shares in an aggregate amount of $50.0 million over the life of the New Facility, subject to pro forma compliance with the 2.25 to 1.0 maximum senior leverage ratio financial covenant.

As of September 30, 2023, we had $50.0 million of borrowings outstanding under the New Facility. The Company's New Facility was undrawn as of December 31, 2022. We utilized $58.0 million and $53.8 million as of September 30, 2023 and December 31, 2022, respectively, for bonds and guarantees.

Amended and Restated Facility

On October 6, 2023, we amended and restated the New Facility previous revolving credit facility agreement pursuant to an amendment and restatement agreement (the "Amended and Restated Facility Agreement") pursuant to an amendment and restatement agreement with DNB Bank ASA, London Branch, as agent, (the "Agent"), in order to extend the maturity of the New revolving credit facility agreement. The maturity date of the Amended and Restated Facility agreement for a further Agreement is 36 October 6, 2026. months The Amended and increase Restated Facility Agreement increased the total commitments to $250.0 million, of which $166.7 million $166.7 million was available for drawdowns as loans and $83.3 million was available for letters of credit. The Company has the ability to increase the commitments to $350.0 million.

Borrowings under the Amended and Restated Facility Agreement bear interest at a rate per annum of Term SOFR (as defined in the Amended and Restated Facility Agreement), subject to a 0.00% floor, plus an applicable margin of 3.75% (which is subject to a margin ratchet which reduces the margin in 4 step downs according to the Total Net Leverage Ratio (as defined in the Amended and Restated Facility Agreement)) for cash borrowings or 2.50% for letters of credit (which are similarly subject to a margin ratchet which reduces the margin in 4 step downs according to the Total Net Leverage Ratio). A 0.40% per annum fronting fee applies to letters of credit, and an additional 0.25% or 0.50% per annum utilization fee is payable on cash borrowings to the extent one-third or two-thirds, respectively, or more of Facility A (as defined in the Amended and Restated Facility Agreement) commitments are drawn. The unused portion of the Amended and Restated Facility Agreement is subject to a commitment fee of 35% per annum of the applicable margin.

The Amended and Restated Facility Agreement retains various undertakings and affirmative and negative covenants (with certain agreed amendments) which limit, subject to certain customary exceptions and thresholds, the Company and its subsidiaries' ability to, among other things, (1) enter into asset sales; (2) incur additional indebtedness; (3) make investments, acquisitions, or loans and create or incur liens; (4) pay certain dividends or make other distributions and (5) engage in transactions with affiliates. The Amended and Restated Facility Agreement amends certain of the financial covenants such that the Company is required to maintain (i) a minimum interest cover ratio of 4.0 to 1.0 based on the ratio of EBITDA to net finance charges and (ii) a maximum total net leverage ratio of 2.50 to 1.0 based on the ratio of total net debt to EBITDA, in each case tested quarterly on a last-twelve-months basis, subject to certain exceptions. We are in compliance with all our debt covenants as of March 31, 2024.

As of March 31, 2024, we had $40.0 million of borrowings outstanding under the Amended and Restated Facility Agreement. The effective interest rate on our outstanding borrowings was 7.6%. As of December 31, 2023, we had $20.0 million of borrowings outstanding. We utilized $44.6 million and $50.4 million as of March 31, 2024 and December 31, 2023, respectively, for bonds and guarantees.

17. Commitments and contingencies

Commercial Commitments

During the normal course of business, we enter into commercial commitments in the form of letters of credit and bank guarantees to provide financial and performance assurance to third parties. We entered into contractual commitments for the acquisition of property, plant and equipment totaling $50.5 $33.5 million and $45.5 million $36.7 million as of September 30, 2023 March 31, 2024 and December 31, 2022 2023, respectively.

Contingencies

Certain conditions may exist as of the date our unaudited condensed consolidated financial statements are issued that may result in a loss to us, but which will only be resolved when one or more future events occur or fail to occur. Our management, with input from legal counsel, assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings pending against us or unasserted claims that may result in proceedings, our management, with input from legal counsel, evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates it is probable a material loss has been incurred and the amount of liability can be reasonably estimated, then the estimated liability would be accrued in our unaudited condensed consolidated financial statements. If the assessment indicates a potentially material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, is disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. We are the subject of lawsuits and claims arising in the ordinary course of business from time to time. A liability is accrued when a loss is both probable and can be reasonably estimated. We had no material accruals for loss contingencies, individually or in the aggregate, as of September 30, 2023 March 31, 2024 and December 31, 2022 2023. We believe the probability is remote that the ultimate outcome of these matters would have a material adverse effect on our financial position, results of operations or cash flows.

We have conducted an internal investigation of the operations of certain of the Company's foreign subsidiaries in West Africa including possible violations of the U.S. Foreign Corrupt Practices Act, our policies and other applicable laws. In June 2016, we voluntarily disclosed the existence of our internal review to the SEC and the U.S. Department of Justice ("DOJ"). The DOJ has provided a declination, subject to the Company and the SEC reaching a satisfactory settlement of civil claims. On the basis of discussions with the SEC up to the end of the first quarter of 2023, we believed that a final resolution of this matter was likely to include a civil penalty in the amount of approximately $8.0 million and, accordingly, we had recorded a loss contingency in that amount within "Other current liabilities" on our condensed consolidated balance sheet, with the offset taken as an increase to goodwill as a measurement period adjustment associated with our 2021 business combination with Expro Group Holdings International Limited (the Merger. "Merger").

On April 26, 2023, the SEC issued a cease-and-desist order against the Company pursuant to section 21C of the Securities Exchange Act of 1934 ("Exchange Act"). Under this Order, the Company neither admitted nor denied any of the SEC's findings and agreed to cease and desist from committing or causing any violations and any future violations of the anti-bribery, books and records and internal accounting controls requirements of the FCPA and the Exchange Act. In accepting the Company's settlement offer, the SEC noted the Company's self-reporting, co-operation afforded to the SEC staff and remedial action including improving the Company's internal controls and further enhancements to its internal controls environment and compliance program following the Merger. The Company paid $8.0 million to the SEC in respect of disgorgement, prejudgment interest and civil penalty during the second quarter of 2023.

Other than discussed above, we had no other material legal accruals for loss contingencies, individually or in the aggregate, as of September 30, 2023 March 31, 2024 and December 31, 2022 2023.

18. Post-retirement benefits

Amounts recognized in the unaudited condensed consolidated statements of operations in respect of the defined benefit schemes were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	**2022**	**2023**	**2022**	**2024**	**2023**
Amortization of prior service credit	$ 61	$ 61	$ 183	$ 183	$ 61	$ 61
Interest cost	(1,571)	(958)	(4,655)	(3,003)	(1,604)	(1,533)
Expected return on plan assets	1,030	1,313	3,023	4,116	1,926	986
Total	$ (480)	$ 416	$ (1,450)	$ 1,296	$ 383	$ (486)

The Company contributed $1.3 million and $3.8 million $1.2 million for the three and nine months ended September 30, 2023, respectively, and $1.2 million and $3.7 million for the three March 31, 2024 and nine 2023, months ended September 30, 2022, respectively, to defined benefit schemes.

Amortization of prior service credit, interest cost and expected return on plan assets have been recognized in "Other income, net" in the unaudited condensed consolidated statements of operations.

19. **Earnings Loss per share**

Basic earnings loss per share attributable to Company stockholders is calculated by dividing net income loss attributable to the Company by the weighted-average number of common shares outstanding for the period. Diluted earnings per share attributable to Company stockholders is computed by dividing net income loss attributable to common stockholders by the weighted average number of common shares outstanding, assuming all potentially dilutive shares were issued. We apply the treasury stock method to determine the dilutive weighted average common shares represented by unvested restricted stock units, stock options and Employee Stock Purchase Program ("ESPP") shares.

The calculation of basic and diluted earnings loss per share attributable to Company stockholders for the three and nine months ended September 30, 2023 March 31, 2024 and 2022 2023, respectively, are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net loss	$ (13,886)	$ (17,594)	$ (10,942)	$ (33,076)
Basic and diluted weighted average number of shares outstanding	108,777	108,709	108,765	109,184
Total basic and diluted loss per share	$ (0.13)	$ (0.16)	$ (0.10)	$ (0.30)

	Three Months Ended March 31,	
	2024	2023
Net loss	$ (2,677)	$ (6,351)
Basic and diluted weighted average number of shares outstanding	110,176,460	108,854,709
Total basic and diluted loss per share	$ (0.02)	$ (0.06)

Approximately 0.8 million 0.8 million and 0.6 0.7 million shares of unvested restricted stock units and stock to be issued pursuant to the ESPP have been excluded from the computation of diluted loss per share as the effect would be anti-dilutive for the three and nine months ended September 30, 2023, respectively.
Approximately 0.1 million and 0.3 million shares of unvested restricted stock units and stock to be issued pursuant to the ESPP have been excluded from the computation of diluted loss per share as the effect would be anti-dilutive for the three March 31, 2024 and nine 2023 months ended September 30, 2022, respectively.

20 21

Expro Group Holdings N.V.
Notes to Unaudited Condensed Consolidated Financial Statements

20. Related party disclosures

Our related parties consist primarily of CETS and PVD-Expro, the two companies in which we exert significant influence, and Mosing Holdings LLC and its affiliates (Mr. Erich Mosing served as a company that is owned by various members of the Mosing family. director until May 24, 2023). During the three and nine months ended September 30, March 31, 2024 and 2023,, we provided goods and services to related parties totaling $2.2 $4.3 million and $8.7 $2.1 million, respectively and $5.9 million and $8.2 million respectively, during the three and nine months ended September 30, 2022. respectively. During the three months ended September 30, March 31, 2024 and 2023 we received no material goods and services from related parties. During the nine months ended September 30, 2023 we received goods and services from related parties totaling $0.4 million. We received no goods or services during both the three $0.1 million and nine months ended September 30, 2022. $0.4 million, respectively.

Additionally, we entered into various operating lease agreements to lease facilities with affiliated companies. Rent expense associated with our related party leases was $0.1 million and $0.3 $0.1 million, respectively, for the three and nine months ended September 30, 2023 March 31, 2024. and 2023.

As of September 30, 2023 March 31, 2024 and December 31, 2022 2023 amounts receivable from related parties were $2.3 $4.1 million and $2.4 million, $2.7 million, respectively, and amounts payable to related parties were $1.1 $0.6 million and $0.8 million, $1.2 million, respectively.

As of September 30, 2023 March 31, 2024, $0.6 $0.5 million of our operating lease right-of-use assets and $0.5 million of our lease liabilities were associated with related party leases. As of December 31, 2023, $0.6 million of our operating lease right-of-use assets and $0.6 million of our lease liabilities were associated with related party leases. As of December 31, 2022, $0.7 million of our operating lease right-of-use assets and $0.7 million of our lease liabilities were associated with related party leases.

Tax Receivable Agreement

Mosing Holdings, LLC, a Delaware limited liability company (“Mosing Holdings”), converted all of its shares of Frank’s International N.V. (“Frank's”) Series A convertible preferred stock into shares of Frank’s common stock on August 26, 2016, in connection with its delivery to Frank’s of all of its interests in Frank’s International C.V. (“FICV”) (the “Conversion”).

The tax receivable agreement (the “Original TRA”) that Frank’s entered into with FICV and Mosing Holdings in connection with Frank’s initial public offering (“IPO”) generally provided for the payment by Frank’s to Mosing Holdings of 85% of the net cash savings, if any, in U.S. federal, state and local income tax and franchise tax that Frank’s actually realized (or were deemed to be realized in certain circumstances) in periods after the IPO as a result of (i) tax basis increases resulting from the Conversion and (ii) imputed interest deemed to be paid by Frank’s as a result of, and additional tax basis arising from, payments under the Original TRA. Frank’s retained the benefit of the remaining 15% of these cash savings, if any.

In connection with the merger agreement providing for the Merger, Agreement, Frank’s, FICV and Mosing Holdings entered into the Amended and Restated Tax Receivable Agreement, dated as of March 10, 2021 (the “A&R TRA”). Pursuant to the A&R TRA, on October 1, 2021, the Company made a payment of $15 million to settle the early termination payment obligations that would otherwise have been owed to Mosing Holdings under the Original TRA as a result of the Merger. As the payment was a condition precedent to effect the Merger, it was included in the determination of Merger consideration exchanged. The A&R TRA also provides for other contingent payments to be made by the Company to Mosing Holdings in the future in the event the Company realizes cash tax savings from tax attributes covered under the Original TRA during the ten-year period following October 1, 2021 in excess of $18.1 million.

21. Stock-based compensation

The Company recognized $0.2 million and $0.9 million of no stock-based compensation expense attributable to the Management Incentive Plan (“MIP”) stock options during the three and nine months ended September 30, 2023 March 31, 2024, respectively. . The Company recognized expense of $0.5 million and $3.7 million attributable to the MIP stock options during the three and nine months ended September 30, 2022 March 31, 2023, respectively. .

Stock-based compensation expense relating to the Long-Term Incentive Plan (“LTIP”), including restricted stock units (“RSUs”) and performance restricted stock units (“PRSUs”) for the three and nine months ended September 30, 2023 March 31, 2024 was $4.7 million and $13.5 million, respectively. $4.9 million. Stock-based compensation expense relating to LTIP RSUs and PRSUs for the three and nine months ended September 30, 2022 March 31, 2023 was $4.1 million and $10.8 million, respectively. $3.6 million.

During the nine three months ended September 30, 2023 March 31, 2024, 788,216 1,002,359 RSUs and 260,762 308,412 PRSUs were granted to employees and directors at a weighted average grant date fair value of $18.47 $19.45 per RSU and $33.76$26.00 per PRSU.

During the three and nine months ended September 30, 2023 March 31, 2024 we recognized $0.1 million and $0.3 $0.2 million of compensation expense related to stock purchased under the ESPP. The Company recognized ESPP expense for the three and nine months ended September 30, 2022 March 31, 2023 of $0.1 million and $0.4 million, respectively. million.

22. Supplemental cash flow

	Nine Months Ended September 30,		Three Months Ended March 31,	
	2023	2022	2024	2023
Supplemental disclosure of cash flow information:				
Cash paid for income taxes, net of refunds	$ 34,722	$ 20,529	$ 11,956	$ 6,381
Cash paid for interest, net	$ 1,456	$ 2,890	$ 2,910	$ 966
Change in accounts payable and accrued expenses related to capital expenditures	$ 1,432	$ 2,508	$ 9,922	$ 3,551

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 in conjunction with the unaudited condensed consolidated financial statements and the related notes thereto included elsewhere in this Form 10-Q and the audited consolidated financial statements and notes thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report.

This section contains forward-looking statements that are based on management's current expectations, estimates and projections about our business and operations, and involve risks and uncertainties. Our actual results may differ materially from those currently anticipated and expressed in such forward-looking statements because of various factors, including those described in the sections titled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors" of this Form 10-Q and our Annual Report.

Overview of Business

Working for clients across the entire well life cycle, we are a leading provider of energy services, offering cost-effective, innovative solutions and what we consider to be best-in-class safety and service quality. The Company's extensive Our broad portfolio of capabilities spans products and services are designed to enhance production and improve recovery across the well construction, well flow management, subsea well access, and well intervention and integrity solutions. lifecycle from exploration through abandonment.

With roots dating to 1938, we have approximately 7,800 8,000 employees and provide services and solutions to leading exploration and production companies in both onshore and offshore environments in approximately 60 countries.

Our broad The Company's extensive portfolio of products capabilities spans well construction, well flow management, subsea well access, and services are designed to enhance production well intervention and improve recovery across the well lifecycle from exploration through abandonment, including: integrity solutions.

Well Construction

- Our well construction products and services support customers' new wellbore drilling, wellbore completion and recompletion, and wellbore plug and abandonment requirements. In particular, we offer advanced technology solutions in drilling, tubular running services, cementing and tubulars. With a focus on innovation, we are continuing to advance the way wells are constructed by optimizing process efficiency on the rig floor, developing new methods to handle and install tubulars and mitigating well integrity risks. We believe we are a market leader in deepwater tubular running services and solutions. In recent years, we have added a range of lower-risk, open water cementing solutions, including the proprietary SeaCure® and QuikCure® solutions. We also offer a range of performance drilling tools designed to mitigate risk and optimize drilling efficiency.

Well Management

Our well management offerings consist of well flow management, subsea well access and well intervention and integrity services:

- **Well flow management:** We gather valuable well and reservoir data, with a particular focus on well-site safety and environmental impact. We provide global, comprehensive well flow management systems for the safe production, measurement and sampling of hydrocarbons from a well during the exploration and appraisal phase of a new field; the flowback and clean-up of a new well prior to production; and in-line testing of a well during its production life. We also provide early production facilities to accelerate production; production enhancement packages to enhance reservoir recovery rates through the realization of production that was previously locked within the reservoir; and metering and other well surveillance technologies to monitor and measure flow and other characteristics of wells.

- **Subsea well access**: With over 35 40 years of experience providing a wide range of fit-for-purpose subsea well access solutions, our technology aims to ensure provide safe well access and optimized production throughout the lifecycle of the well. We provide what we believe to be the most reliable, efficient and cost-effective subsea well access systems for exploration and appraisal, development, intervention and abandonment, including an extensive portfolio of standard and bespoke Subsea Test Tree Assemblies, Assemblies. We also provide services and solutions utilizing a rig-deployed Intervention Riser System ("IRS") owned by a third party and a have capabilites for vessel-deployed wire-through-water Riserless Well Intervention System ("RWIS"). We also light well intervention services. In addition, we provide systems integration and project management services.

- **Well intervention and integrity**: We provide well intervention solutions to acquire and interpret well data, ensure maintain well bore integrity and improve production. In addition to our extensive fleet of mechanical and cased hole wireline units, we have recently introduced a number of cost-effective, innovative well intervention services, including CoilHose™, a lightweight, small-footprint solution for wellbore lifting, cleaning and chemical treatments; Octopoda™, for fluid treatments in wellbore annuli; and Galea™, an autonomous well intervention solution. We also possess several other distinct technical capabilities, including non-intrusive metering technologies and wireless telemetry systems for reservoir monitoring.

We operate a global business and have a diverse and relatively stable customer base that is comprised of national oil companies ("NOC"), international oil companies ("IOC"), independent exploration and production companies ("Independents") and service partners. We have strong relationships with a number of the world's largest NOCs and IOCs, some of which have been our customers for decades. We are dedicated to safely and sustainably delivering maximum value to our customers.

We organize and manage our operations on a geographical basis. Our reporting structure and the key financial information used by our management team is organized around our four operating segments: (i) North and Latin America ("NLA"), (ii) Europe and Sub-Saharan Africa ("ESSA"), (iii) Middle East and North Africa ("MENA") and (iv) Asia-Pacific ("APAC").

How We Generate Our Revenue

Our revenue is derived primarily from providing services in well construction, well flow management, subsea well access and well intervention and integrity services to operators globally. Our revenue includes equipment service charges, personnel charges, run charges and consumables. Some of our contracts allow us to charge for additional deliverables, such as the costs of mobilization of people and equipment and customer specific engineering costs associated with a project. We also procure products and services on behalf of our customers that are provided by third parties for which we are reimbursed with a mark-up or in connection with an integrated services contract. We also design, manufacture and sell equipment, which is typically done in connection with a related operations and maintenance arrangement with a particular customer. In addition, we also generate revenue from the sale of certain well construction products.

Market Conditions and Price of Oil and Gas

The third first quarter of 2023 2024 has seen continued investment and activity growth as a result of stabilizing and increased activity as strengthening commodity prices. Heightened tensions resulting from ongoing conflicts in Europe and the market rebounds from the effects Middle East remains a source of the pandemic uncertainty and Russia's invasion of Ukraine. volatility for energy and energy services market. There are a number of market factors that have had, and may continue to have, an effect on our business, including:

- The market for energy services and our business are substantially dependent on the price of oil and, to a lesser extent, the regional price of gas, which are both driven by market supply and demand. Changes in oil and gas prices impact customer willingness to spend on exploration and appraisal, development, production, and abandonment activities. The extent of the impact of a change in oil and gas prices on these activities varies extensively between geographic regions, types of customers, types of activities and the financial returns of individual projects.

- Average daily oil demand in the third first quarter of 2023 2024 exceeded average daily demand levels in 2022, 2023, with liquid demand estimated expected to exceed annualized 2019 levels grow by 0.8 million b/d in 2024 over 2023. Brent crude oil prices have been on an increasing trend throughout over the third first quarter, increasing from an average of $75/ $80/bbl in June January increasing to an average of $94/ $85/bbl in September. March. The Brent price increase has come as a result is attributable to the ongoing conflicts in the Middle East, the Russia-Ukraine war, increasing demand in Asia and the announcement of balances moving towards a deficit amid strong demand and constrained supply due to the an extension of voluntary production supply cuts by the Organization of Petroleum Exporting Countries and certain other oil producing nations ("OPEC+"), and the additional production cuts by Saudi Arabia. .

- Activity related to gas and liquified natural gas ("LNG") production (and associated asset development) continues to grow within our ESSA and MENA regions in support of Europe's ongoing drive to diversify away from its reliance on Russian pipeline gas supplies over the long term. More broadly, the energy security and transition imperatives of policymakers in the U.S. and Europe are expected to result in increased investment in global gas development.

- International, offshore and deepwater activity has continued to strengthen in 2023 throughout 2024 as operator upstream investments increase return to pre-pandemic near 2015 levels. We are also experiencing have experienced an increased demand for services and solutions related to brownfield and production enhancement and infield development programs as operators strive to maximize their previous investments and maintain production with a lower carbon footprint. In addition, we have seen an increase in demand for early production facilities and production optimization technologies, especially in support of gas and LNG developments.

- The clean energy transition continues to gain momentum. We believe however that hydrocarbons, and natural gas in particular, will continue to play a vital role in the transition towards more sustainable energy resources and the that existing expertise and future innovation within the energy services sector, both to reduce emissions and enhance efficiency, will be critical. We are already active in the early-stage carbon capture and storage segment and have expertise and established operations within the geothermal and flare reduction segments. We continue to develop technologies to enhance the sustainability of our customers' operations which, along with our digital transformation initiatives, are expected to enable us to continue to support our customers' commercial and environmental initiatives. As the industry changes, we continue to evolve our approach to adapt and help our customers develop more sustainable energy solutions.

Outlook

Global liquids demand growth continued slowed in the third first quarter of 2023 and is forecast 2024 compared to continue into the fourth previous quarter, which, along with Saudi Arabia's extension of its voluntary 1.0 million b/d production cut until the end of 2023 further constraining supply, however, average year-on-year consumption is expected to lead to the decline of global inventories. The tight supply and demand balances are expected until at least the end of 2023 and continue to support strong oil grow in 2024. Demand growth, particularly in Asia, along with an extension of voluntary production cuts by OPEC+, as well as escalating geopolitical tension in the Middle East have led to a tightening of the market and supply concerns, adding upward pressure to prices.

The U.S. Energy Information Administration (“EIA”) estimates forecasts that global liquid liquids fuels consumption will reach an average of 100.9 million 102.9 million b/d in 2023 (surpassing 2024, continuing growth from pre-pandemic average consumption levels of 100.8 million b/d), an increase of 1.8 million and increasing by 0.9 million b/d from 2022. over 2023. Global liquid fuels demand is then expected to grow a further 1.3 million by an additional 1.4 million b/d to average 102.2 million reach 104.3 million b/d in 2024. 2025. Global liquids fuels demand growth is mostly driven by non-OECD Asian countries – particularly China and India – with significant growth also expected in the Middle East and United States, increasing industrial requirements and jet fuel consumption resulting from increasing global travel.

The EIA forecasts that global liquid fuels production will average 101.3 million 102.6 million b/d in 2023 (an 2024 - an increase of 1.3 million 0.8 million b/d over 2022) 2023 – and grow average 104.6 million b/d in 2025, a further 0.9 million 2.0 million b/d to average 102.2 million b/d in increase over 2024. The 2023 Supply growth in liquid fuels supply comes despite 2024 is slowing from the recent increases seen in 2023 as the extension of OPEC+ voluntary cuts in production from are offset by supply growth outside of OPEC+ as non-OPEC+ production is . Although forecast to grow by 2.7 million b/d driven by new projects in Guyana and Brazil adding to supply and the United States and Canada increasing production. The EIA predicts that OPEC+ crude oil production will fall in 2024 is expected to decrease by 0.9 million b/d in 2023 compared to last year, forecast production outside of OPEC+ is set to increase by 1.8 million b/d, led by the United States, Guyana, Brazil and a further 0.1 million Canada. Global liquid fuels production is predicted to increase by 2.0 million b/d in 2025 as the OPEC+ production cuts expire and supply growth outside of OPEC+ continues to grow.

Oil prices rose in the first quarter of 2024 assuming some driven by heightened geopolitical risk in the Middle East with the recent extension of OPEC+ voluntary production cuts from Saudi Arabia adding further upward price pressure. The combination of flat production and overall OPEC+ production falling short rising consumption caused the EIA to forecast a reduction of targets. global inventories for the second quarter of 2024, with the tighter market balance keeping oil prices relatively elevated. As a result, of tight supply and demand dynamics, the EIA anticipates that global inventories will fall through to the end of 2023, adding upward pressure to expects oil prices to average $90/bbl in the coming months. The EIA forecasts the Brent crude oil spot price to average $91/ second quarter of 2024 and $89/bbl for all of 2024. Inventories are forecast to build in 2025 following the fourth quarter expected unwinding of 2023, increasing to $95/ OPEC+ supply cuts putting downward pressure on prices and as a result the EIA estimates oil prices will average $87/bbl for 2024. in 2025.

In addition to the continued positive oil market outlook, global natural gas prices are expected to remain elevated as the market remains fundamentally tight. be generally constructive for development activity and investment by our customers.

The EIA predicts estimates that annual average Henry Hub prices will decline from their 2022 highs, averaging $2.61 remain under $3.00 per million British thermal unit (“MMBtu”) in 2023 with elevated storage levels for 2024 and inelastic supply placing downward pressure on prices. The Henry Hub spot price is expected to increase to $3.23/ 2025, averaging $2.20/MMBtu in 2024 as balances may tighten over and $2.90/MMBtu in 2025 respectively. The low prices are driven by high natural gas storage inventories due to a surplus at the winter. start of winter and a milder winter resulting in below average natural gas consumption in the residential and commercial sectors. Rystad Energy predicts that prices at the European Title Transfer Facility (“TTF”) (TTF) and Northeast Asian LNG spot price to trade at $13.7/ will average $9.20/MMBtu and $14.3/ $9.80/MMBtu respectively for 2023 2024 as balances remain prices have declined in the first quarter driven by healthy amid high storage levels, milder weather and some bearish indicators for economic growth. Despite muted demand growth globally and healthy European storage levels, muted LNG supply growth this year should maintain a price floor for gas and a slower LNG comeback in Asia easing upward pressure on the market. The market is expected to remain fundamentally tight through 2026, however. Shocks to the supply or demand side may drive short-term price spikes. LNG.

The 2023 Consequently, the market outlook for 2024 remains positive with signs of strong prices driving growth in exploration and production expenditures, with upstream investments surpassing pre-pandemic levels. expenditures. Strong investment growth is expected in the deepwater and offshore shelf segments with support from large projects in the Middle East driven by Saudi Arabia, the UAE and Qatar, as well as Norway, and Brazil and Guyana in Latin America and Norway. America.

As a result, we expect demand for our services and solutions to continue trending positively through 2023 and into throughout 2024.

How We Evaluate Our Operations

We use a number of financial and operational measures to routinely analyze and evaluate the performance of our business, including Revenue and Adjusted EBITDA, Adjusted Cash Flow from Operations and Cash Conversion. EBITDA.

Revenue: We analyze our performance by comparing actual monthly revenue by operating segments and areas of capabilities to our internal projections for each month. Our revenue is primarily derived from well construction, well flow management, subsea well access and well intervention and integrity solutions.

Adjusted EBITDA: We regularly evaluate our financial performance using Adjusted EBITDA. Our management believes Adjusted EBITDA is a useful financial performance measure as it excludes non-cash charges and other transactions not related to our core operating activities and allows more meaningful analysis of the trends and performance of our core operations.

Adjusted Cash Flow from Operations: We regularly evaluate our operating cash flow performance using Adjusted Cash Flow from Operations. Our management believes Adjusted Cash Flow from Operations EBITDA is a useful tool to measure the operating cash performance of the Company as it excludes exceptional payments, interest payments and non-cash charges not related to our core operating activities and allows more meaningful analysis of the trends and performance of our core operations.

Cash Conversion: We regularly evaluate our efficiency of generating cash from operations using Cash Conversion which provides a useful tool to measure Adjusted Cash Flow from Operations as a percentage of Adjusted EBITDA.

Adjusted EBITDA, Adjusted Cash Flow from Operations and Cash Conversion are non-GAAP financial measures. Please refer to the section titled "Non-GAAP Financial Measures" for a reconciliation of Adjusted EBITDA to net (loss) income, the most directly comparable financial performance measure calculated and presented in accordance with GAAP and a reconciliation of Adjusted Cash Flow from Operations to net cash provided by (used in) operating activities, the most directly comparable liquidity measure calculated and presented in accordance with GAAP.

Executive Overview

Three months ended September 30, 2023 March 31, 2024, compared to three months ended June 30, 2023 December 31, 2023

Certain highlights of our financial results and other key developments include:

- Revenue for the three months ended September 30, 2023 March 31, 2024, decreased by $27.1 $23.3 million, or 6.8% 5.7%, to $369.8 million $383.5 million, compared to $396.9 $406.8 million for the three months ended June 30, 2023 December 31, 2023. The decrease in revenue was driven by lower activity primarily in the NLA segment, and ESSA segments, partially offset by higher revenue in APAC. MENA. Consistent with historical patterns, revenue and profitability for the three months ended March 31, 2024, was negatively impacted by the winter season in the Northern Hemisphere and the budget cycles of our NOC customers. Revenue for our segments is discussed separately below under the heading "Operating Segment Results."

- We reported net loss for the three months ended September 30, 2023 March 31, 2024, of $13.9 million $2.7 million, compared to a net income loss of $9.3 million $12.4 million for the three months ended June 30, 2023 December 31, 2023. Net loss margin was (0.7)% for the three months ended March 31, 2024 compared to (3.1)% for the three months ended December 31, 2023. The change in net loss primarily reflected lower depreciation and amortization expense of $22.7 million, primarily reflecting lower severance and other expense of $3.8 million and lower merger and integration expense of $3.3 million, partially offset by lower Adjusted EBITDA by $21.4 million $17.6 million, as discussed below, and higher foreign exchange losses by $2.8 million, offset by lower merger and integration expense by $0.8 million other income, net, of $4.3 million.

- Adjusted EBITDA for the three months ended September 30, 2023 March 31, 2024, decreased by $21.4 million $17.6 million, or 29.9% 20.7%, to $50.2 million $67.5 million from $71.6 million $85.1 million for the three months ended June 30, 2023 December 31, 2023. Adjusted EBITDA margin decreased to 13.6% 17.6% during the three months ended September 30, 2023 March 31, 2024, as compared to 18.0% 20.9% during the three months ended June 30, 2023 December 31, 2023. The decrease in Adjusted EBITDA and Adjusted EBITDA margin is primarily attributable to lower revenue particularly and activity mix, primarily in NLA a less favorable and ESSA segments, partially offset by increased activity mix, and demobilization and other unrecoverable operating costs within our light well intervention ("LWI") business. For the three months ended September 30, 2023 Adjusted EBITDA includes LWI-related unrecoverable operating costs of $15.3 million. Adjusted EBITDA for the three months ended June 30, 2023 include LWI-related unrecoverable operating costs of $5.7 million. Excluding LWI-related unrecoverable operating costs, Adjusted EBITDA for the third and second quarter of 2023 would have been $65.5 million and $77.3 million, and Adjusted EBITDA margin would have been 17.7% and 19.5%, respectively. on higher-margin projects in MENA.

  The Company suspended vessel-deployed LWI light well intervention ("LWI") operations during the third quarter of 2023 following a wire failure on the main crane of the third party-owned vessel working with Expro while the crane was suspending the subsea module ("SSM") of Expro's vessel-deployed LWI system. We are continuing to work with the relevant stakeholders and independent experts to assess the incident incident. The well control package and plan lubricator components of this vessel-deployed LWI system have been safely recovered. The subsea module was also subsequently recovered from the recovery operation, which seabed but as we expect to be completed during had abandoned it as a wreck we did not participate in its recovery. We are pursuing an insurance claim in respect of the fourth quarter of 2023 or in early 2024. Third quarter results do not include an estimate for recovery subsea module and repair costs; however, based on the information that is currently available to us, we do not expect that such recovery related umbilical and repair costs, net of insurance, will be material to Expro's financial results. After we have recovered our equipment, we will be able flushing lines. We are continuing to determine a the path forward for our vessel-deployed LWI business, operations, including when our LWI system will return to operational status, what alternative service delivery options and service partner options are available to the company, Company, and the timing and cost (including potential damage claims) of completing customer work scopes for which our vessel-deployed LWI system was integral. At this time, we are not able to assess the timing and potential cost of completing customer work scopes and whether but do not expect such costs could to be material to Expro's financial results.

- Net cash provided by operating activities for the three months ended September 30, 2023 March 31, 2024, was $58.9 million $29.9 million, compared to net cash provided by operating activities of $25.4 million $32.8 million for the three months ended June 30, 2023 December 31, 2023, with the change primarily driven by a favorable movement decreases in net working capital Adjusted EBITDA by $17.6 million in the current quarter and non-repeat of $46.0 million and decrease in cash paid for exceptional costs dividends received from joint ventures of $7.2 million $5.6 million, partially offset by a decrease in Adjusted EBITDA by $21.4 million. Adjusted Cash Flow from Operations and Cash Conversion for the three months ended September 30, 2023 were $63.6 million and 127%, respectively, compared to $36.0 million and 50%, respectively, for the three months ended June 30, 2023.

Nine months ended September 30, 2023, compared to nine months ended September 30, 2022

Certain highlights of our financial results and other key developments include:

- Revenue for the nine months ended September 30, 2023, increased by $177.5 million, or 19.1%, to $1,106.0 million, compared to $928.5 million for the nine months ended September 30, 2022. The increase in revenue was driven by higher activity across ESSA, MENA and APAC segments, slightly offset by lower activity in NLA. Revenue for our segments is discussed separately below under the heading “Operating Segment Results.”

- We reported net loss for the nine months ended September 30, 2023, of $10.9 million, compared to a net loss of $33.1 million for the nine months ended September 30, 2022, primarily reflecting higher Adjusted EBITDA by $27.5 million, lower merger and integration expense by $4.3 million and lower foreign exchange losses by $5.8 million, partially offset by higher income tax expense by $1.4 million, higher interest and finance expense by $4.9 million, higher depreciation and amortization expense by $4.2 million and higher other expense by $5.2 million.

- Adjusted EBITDA for the nine months ended September 30, 2023, increased by $27.5 million, or 20.2%, to $163.7 million from $136.2 million for the nine months ended September 30, 2022. Adjusted EBITDA margin increased to 14.8% during the nine months ended September 30, 2023, as compared to 14.7% during the nine months ended September 30, 2022. The increase in Adjusted EBITDA and Adjusted EBITDA margin is primarily attributable to higher revenue and a more favorable activity mix. The increase is offset by start up and commissioning costs and unrecoverable operating costs associated with our LWI business in APAC. Adjusted EBITDA for the nine months ended September 30, 2023 includes unrecoverable LWI-related costs in APAC of $31.6 million. Adjusted EBITDA for the nine months ended September 30, 2022 includes unrecoverable mobilization costs and start-up and commissioning costs on subsea projects in APAC of $22.9 million. Excluding LWI-related start up and commissioning costs and unrecoverable operating costs, Adjusted EBITDA for the nine months ended September 30, 2023 and 2022 would have been $195.3 million and $159.1 million, and Adjusted EBITDA margin would have been 17.7% and 17.1%, respectively.

  The Company suspended vessel-deployed LWI operations during the third quarter following a wire failure on the main crane of the third party-owned vessel working with Expro while the crane was suspending the subsea module of Expro’s vessel-deployed LWI system. We are continuing to work with the relevant stakeholders and independent experts to assess the incident and plan the recovery operation, which we expect to be completed during the fourth quarter of 2023 or in early 2024. Third quarter results do not include an estimate for recovery and repair costs; however, based on the information that is currently available to us, we do not expect that such recovery and repair costs, net of insurance, will be material to Expro’s financial results. After we have recovered our equipment, we will be able to determine a path forward for our vessel-deployed LWI business, including when our LWI system will return to operational status, what alternative service delivery options and service partner options are available to the company, and the timing and cost (including potential damage claims) of completing customer work scopes for which our vessel-deployed LWI system was integral. At this time, we are not able to assess the timing and potential cost of completing customer work scopes and whether such costs could be material to Expro’s financial results.

- Net cash provided by operating activities for the nine months ended September 30, 2023, was $105.5 million, compared to net cash used in operating activities of $12.8 million for the nine months ended September 30, 2022, with the change primarily driven by favorable movement in net working capital of $95.7 million, and an increase in Adjusted EBITDA of $27.6 million, partially offset by higher payments for income taxes of $14.2 million for the nine months ended September 30, 2023. Adjusted Cash Flow from Operations and Cash Conversion for the nine months ended September 30, 2023, were $126.8 million and 77%, respectively, $21.2 million compared to $16.4 million and 12%, respectively, for the nine months ended September 30, 2022.

  prior quarter.

Non-GAAP Financial Measures

We include in this Form 10-Q the non-GAAP financial measures Adjusted EBITDA and Adjusted EBITDA margin, Adjusted Cash Flow from Operations and Cash Conversion. margin. We provide reconciliations of net income (loss), the most directly comparable financial performance measure calculated and presented in accordance with GAAP, to Adjusted EBITDA. We also provide a reconciliation of Adjusted Cash Flow from Operations to net cash provided by (used in) operating activities, the most directly comparable liquidity measure calculated and presented in accordance with GAAP.

Adjusted EBITDA and Adjusted EBITDA margin Adjusted Cash Flow from Operations and Cash Conversion are used as supplemental financial measures by our management and by external users of our financial statements, such as investors, commercial banks, research analysts and others. These non-GAAP financial measures allow our management and others to assess our financial and operating performance as compared to those of other companies in our industry, without regard to the effects of our capital structure, asset base, items outside the control of management and other charges outside the normal course of business.

We define Adjusted EBITDA as net income (loss) adjusted for (a) income tax expense (benefit), (b) depreciation and amortization expense, (c) impairment expense, (d) severance and other expense, net, (e) stock-based compensation expense, (f) merger and integration expense, (g) gain on disposal of assets, (h) other income (expense), net, (i) interest and finance (income) expense, net and (j) foreign exchange (gain) loss. Adjusted EBITDA margin reflects our Adjusted EBITDA as a percentage of revenues.

We define Adjusted Cash Flow from Operations as net cash provided by (used in) operating activities adjusted for cash (received) paid during the period for interest, net, severance and other expense and merger and integration expense. We define Cash Conversion as Adjusted Cash Flow from Operations divided by Adjusted EBITDA.

Adjusted EBITDA and Adjusted EBITDA margin Adjusted Cash Flow from Operations and Cash Conversion have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. As Adjusted EBITDA Adjusted Cash Flow from Operations and Cash Conversion may be defined differently by other companies in our industry, our presentation of Adjusted EBITDA Adjusted Cash Flow from Operations and Cash Conversion may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

The following table presents a reconciliation of net loss to Adjusted EBITDA for each of the three and nine months presented (in thousands):

	Three Months Ended		Nine Months Ended		Three Months Ended		
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2024	December 31, 2023	March 31, 2023
Net loss	$ (13,886)	$ (17,594)	$ (10,942)	$ (33,076)	$ (2,677)	$ (12,418)	$ (6,351)
Income tax expense	$ 13,307	$ 15,405	$ 30,931	$ 29,550	$ 12,288	$ 13,376	$ 5,085
Depreciation and amortization expense	37,414	34,825	109,386	105,229	40,146	62,874	34,737
Severance and other expense	1,897	3,242	5,487	5,414	5,062	8,901	927
Merger and integration expense	817	1,629	4,332	8,624	2,161	5,432	2,138
Other expense (income), net (1)	1,129	(432)	3,540	(1,672)			
Other (income) expense, net (1)					(485)	(4,774)	949
Stock-based compensation expense	4,934	4,684	14,682	14,932	5,070	4,892	4,171
Foreign exchange loss	4,260	7,957	4,630	10,385			
Interest and finance expense (income), net	373	(1,502)	1,688	(3,227)			
Foreign exchange loss (gain)					2,743	4,608	(1,070)
Interest and finance expense, net					3,152	2,255	1,298
Adjusted EBITDA (2)	$ 50,245	$ 48,214	$ 163,734	$ 136,159	$ 67,460	$ 85,146	$ 41,884
Adjusted EBITDA Margin (2)	13.6%	14.4%	14.8%	14.7%			
Net loss margin					(0.7)%	(3.1)%	(1.9)%
Adjusted EBITDA margin					17.6%	20.9%	12.3%

(1) Other expense (income), net, is comprised of immaterial, unusual or infrequently occurring transactions which, in management's view, do not provide useful measures of the underlying operating performance of the business.

(2) Excluding $15.3 million and $16.8 million of LWI-related unrecoverable operating costs during the three months ended September 30, 2023 and 2022, respectively, Adjusted EBITDA would have been $65.5 million and $65.0 million and Adjusted EBITDA margin would have been 17.7% and 19.4%, respectively. Excluding $31.6 million and $22.9 million of LWI-related start up and commissioning costs and other unrecoverable operating costs during the nine months ended September 30, 2023 and 2022, respectively, Adjusted EBITDA would have been $195.3 million and $159.1 million and Adjusted EBITDA margin would have been 17.7% and 17.1%, respectively.

The following table provides a reconciliation of net cash provided by (used in) operating activities to Adjusted Cash Flow from Operations for each of the three and nine months presented (in thousands):

	Three Months Ended		Nine Months Ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Net cash provided by (used in) operating activities	$ 58,841	$ (667)	$ 105,528	$ (12,774)
Cash paid for interest, net	910	891	1,456	2,890
Cash paid for merger and integration expense	1,614	5,525	13,014	22,994
Cash paid for severance and other expense	2,208	2,501	6,779	3,273
Adjusted Cash Flow from Operations	$ 63,573	$ 8,250	$ 126,777	$ 16,383
Adjusted EBITDA	$ 50,245	$ 48,214	$ 163,734	$ 136,159
Cash Conversion	127%	17%	77%	12%

Results of Operations

Operating Segment Results

We evaluate our business segment operating performance using segment revenue and Segment EBITDA, as described in Note 5 *"Business segment reporting"* in our consolidated financial statements. We believe Segment EBITDA is a useful operating performance measure as it excludes non-cash charges and other transactions not related to our core operating activities and corporate costs, and Segment EBITDA allows management to more meaningfully analyze the trends and performance of our core operations by segment as well as to make decisions regarding the allocation of resources to our segments.

The following table shows revenue by segment and revenue as a percentage of total revenue by segment for each of the three months ended September 30, 2023 and June 30, 2023: periods presented:

	Three Months Ended		Percentage	
(in thousands)	September 30, 2023	June 30, 2023	September 30, 2023	June 30, 2023
NLA	$ 105,252	$ 134,830	28.5%	34.0 %
ESSA	135,395	138,062	36.6%	34.8 %
MENA	58,057	59,163	15.7%	14.9 %
APAC	71,114	64,862	19.2%	16.3 %
Total Revenue	$ 369,818	$ 396,917	100.0%	100.0 %

The following table shows revenue by segment and revenue as a percentage of total revenue by segment for the nine months ended September 30, 2023 and September 30, 2022:

	Nine Months Ended		Percentage	
(in thousands)	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
NLA	$ 366,310	$ 368,129	33.1%	39.6 %
ESSA	387,105	271,998	35.0%	29.3 %
MENA	168,165	146,108	15.2%	15.7 %
APAC	184,434	142,217	16.7%	15.3 %
Total Revenue	$ 1,106,014	$ 928,452	100.0%	100.0 %

	Three Months Ended			Percentage		
(in thousands)	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	December 31, 2023	March 31, 2023
NLA	$ 130,389	$ 145,490	$ 126,228	34.0 %	35.8 %	37.2 %
ESSA	121,746	133,846	113,648	31.7 %	32.9 %	33.5 %
MENA	71,494	65,363	50,945	18.6 %	16.1 %	15.0 %
APAC	59,860	62,051	48,458	15.6 %	15.3 %	14.3 %
Total Revenue	$ 383,489	$ 406,750	$ 339,279	100.0 %	100.0 %	100.0 %

The following table shows Segment EBITDA and Segment EBITDA margin by segment and a reconciliation to income before income taxes for each of the three months ended September 30, 2023 and June 30, 2023: periods presented:

	Three Months Ended		Segment EBITDA Margin	
(in thousands)	September 30, 2023	June 30, 2023	September 30, 2023	June 30, 2023
NLA	$ 19,967	$ 36,703	19.0%	27.2 %
ESSA	39,268	34,964	29.0%	25.3 %
MENA	16,871	18,491	29.1%	31.3 %
APAC (1)	(4,286)	3,452	(6.0)%	5.3 %
Total Segment EBITDA	71,820	93,610		
Corporate costs (2)	(24,070)	(24,810)		
Equity in income of joint ventures	2,495	2,805		
Depreciation and amortization expense	(37,414)	(37,235)		
Merger and integration expense	(817)	(1,377)		

Severance and other expense	(1,897)	(2,663)
Stock-based compensation expense	(4,934)	(5,577)
Foreign exchange loss	(4,260)	(1,440)
Other expense, net	(1,129)	(1,462)
Interest and finance expense, net	(373)	(17)
(Loss) income before income taxes	$ (579)	$ 21,834

The following table shows Segment EBITDA and Segment EBITDA margin by segment and a reconciliation to income (loss) before income taxes for the nine months ended September 30, 2023 and September 30, 2022:

	Nine Months Ended		Segment EBITDA Margin		Three Months Ended			Segment EBITDA Margin		
(in thousands)	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022	March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	December 31, 2023	March 31, 2023
NLA	$ 88,544	$ 100,083	24.2%	27.2%	$ 34,377	$ 44,325	$ 31,874	26.4%	30.5%	25.3%
ESSA	95,017	44,502	24.5%	16.4%	25,201	40,990	20,785	20.7%	30.6%	18.3%
MENA	49,930	43,882	29.7%	30.0%	24,538	21,271	14,568	34.3%	32.5%	28.6%
APAC (1)	(3,532)	1,177	(1.9)%	0.8%	10,786	5,337	(2,698)	18.0%	8.6%	(5.6)%
Total Segment EBITDA	229,959	189,644			94,902	111,923	64,529			
Corporate costs (2) (1)	(73,961)	(63,626)			(31,300)	(31,894)	(25,081)			
Equity in income of joint ventures	7,736	10,141			3,858	5,117	2,436			
Depreciation and amortization expense	(109,386)	(105,229)			(40,146)	(62,874)	(34,737)			
Merger and integration expense	(4,332)	(8,624)			(2,161)	(5,432)	(2,138)			
Severance and other expense	(5,487)	(5,414)			(5,062)	(8,901)	(927)			
Stock-based compensation expense	(14,682)	(14,932)			(5,070)	(4,892)	(4,171)			
Foreign exchange loss	(4,630)	(10,385)								
Other (expense) income, net	(3,540)	1,672								
Interest and finance (expense) income, net	(1,688)	3,227								
Foreign exchange (loss) gain					(2,743)	(4,608)	1,070			
Other income (expense), net					485	4,774	(949)			
Interest and finance expense, net					(3,152)	(2,255)	(1,298)			
Income (loss) before income taxes	$ 19,989	$ (3,526)			$ 9,611	$ 958	$ (1,266)			

(1) Excluding $15.3 million and $16.8 million of LWI-related unrecoverable operating costs during the three months ended September 30, 2023 and 2022, respectively, Segment EBITDA would have been $11.0 million and $9.2 million and Segment EBITDA margin would have been 15.5% and 14.2%, respectively. Excluding $31.6 million and $22.9 million of LWI-related start up and commissioning costs and other unrecoverable operating costs during the nine months ended September 30, 2023 and 2022, respectively, Segment EBITDA would have been $28.1 million and $24.1 million and Adjusted EBITDA margin would have been 15.2% and 17.0%, respectively.

(2) Corporate costs include the costs of running our corporate head office and other central functions that support the operating segments, including research, engineering and development, logistics, sales and marketing and health and safety and are not attributable to a particular operating segment.

Three months ended September 30, 2023 March 31, 2024 compared to three months ended June 30, 2023 December 31, 2023

NLA

Revenue for the NLA segment was $105.3 million $130.4 million for the three months ended September 30, 2023 March 31, 2024, a decrease of $29.5 million $15.1 million, or 21.9% 10.4%, compared to $134.8 million $145.5 million for the three months ended June 30, 2023 December 31, 2023. The decrease was generally lower U.S. onshore activity, offshore rigs undergoing maintenance and undertaking non-drilling operations, and a number of dry wells in the region, resulting in primarily due to lower well construction revenue in the U.S., Canada and United States, Guyana and lower Mexico, partially offset by increased well intervention and integrity revenue in the United States and Brazil and higher well flow management revenue in Mexico. Colombia.

Segment EBITDA for the NLA segment was $20.0 $34.4 million, or 19.0% 26.4% of revenues, during the three months ended September 30, 2023 March 31, 2024, a decrease of $16.7 million $9.9 million, or 45.5% 22.3%, compared to $36.7 $44.3 million or 27.2% 30.5% of revenues during the three months ended June 30, 2023 December 31, 2023. The decrease in Segment EBITDA and Segment EBITDA margin was attributable to lower activity and less favorable activity mix during the three months ended September 30, 2023 March 31, 2024.

ESSA

Revenue for the ESSA segment was $135.4 $121.7 million for the three months ended September 30, 2023 March 31, 2024, a decrease of $2.7 $12.1 million, or 2.0% 9.0%, compared to $138.1 $133.8 million for the three months ended June 30, 2023 December 31, 2023. The decrease in revenues was primarily driven by lower well flow management revenue in the Congo, lower subsea well access revenue in Western and Central Africa, and lower Well Construction revenue in the UK and Angola, partially offset by higher well intervention and integrity revenue in the UK and higher well flow management revenue in Norway and Denmark.

Segment EBITDA for the ESSA segment was $25.2 million, or 20.7% of revenues, for the three months ended March 31, 2024, a decrease of $15.8 million, or 38.5%, compared to $41.0 million, or 30.6% of revenues, for the three months ended December 31, 2023. The decrease in Segment EBITDA and Segment EBITDA margin was attributable to a combination of a less favorable activity mix and decreased activities on higher margin services during the three months ended March 31, 2024.

MENA

Revenue for the MENA segment was $71.5 million for the three months ended March 31, 2024, an increase of $6.1 million, or 9.3%, compared to $65.4 million for the three months ended December 31, 2023. The increase in revenue was driven higher well flow management revenue in Algeria and Saudi Arabia, partially offset by lower well construction revenue in Cyprus, Mozambique Morocco.

Segment EBITDA for the MENA segment was $24.5 million, or 34.3% of revenues, for the three months ended March 31, 2024, an increase of $3.2 million, or 15.0%, compared to $21.3 million, or 32.5% of revenues, for the three months ended December 31, 2023. The increase in Segment EBITDA and Senegal Segment EBITDA margin was primarily due to increased activity on higher-margin projects and more favorable activity mix during the three months ended March 31, 2024.

APAC

Revenue for the APAC segment was $59.9 million for the three months ended March 31, 2024, a decrease of $2.2 million, or 3.5%, compared to $62.1 million for the three months ended December 31, 2023. The decrease in revenue was primarily due to lower well flow management, well intervention and integrity and subsea well access revenue in Malaysia, offset by higher subsea well access revenue in China and Australia, and higher well flow management revenue in Australia and Thailand.

Segment EBITDA for the APAC segment was $10.8 million, or 18.0% of revenues, for the three months ended March 31, 2024, an increase of $5.5 million compared to $5.3 million, or 8.6% of revenues, for the three months ended December 31, 2023. The increase in Segment EBITDA is attributable primarily to higher activity.

Depreciation and amortization expense

Depreciation and amortization expense for the three months ended March 31, 2024 decreased by $22.7 million or 36.1% to $40.1 million as compared to $62.9 million for the three months ended December 31, 2023. The decrease was primarily due to non recurrence of $19.3 million of accelerated depreciation expense related to the SSM of Expro's vessel-deployed LWI system and related equipment.

Merger and integration expense

Merger and integration expense for the three months ended March 31, 2024, decreased by $3.2 million, to $2.2 million as compared to $5.4 million for the three months ended December 31, 2023. The decrease was primarily attributable to lower integration related expenses incurred during the three months ended March 31, 2024, as compared to the three months ended December 31, 2023.

Severance and other expense

Severance and other expense for the three months ended March 31, 2024 decreased by $3.8 million or 43.1% to $5.1 million as compared to $8.9 million for the three months ended December 31, 2023. The decrease was primarily attributable to non recurrence of unrecoverable LWI-related costs and a change in the fair value of deferred consideration. The LWI-related costs in the preceding quarter resulted from the wire failure on the main crane of a third-party vessel and were comprised of equipment costs, legal costs, and an immaterial write-off of spare parts.

Foreign exchange loss

Foreign exchange loss for the three months ended March 31, 2024 decreased by $1.9 million or 40.5% to $2.7 million as compared to $4.6 million for the three months ended December 31, 2023. The decrease was primarily due to favorable changes in various exchange rates.

Other income, net

Other income, net for the three months ended March 31, 2024 decreased by $4.3 million or 89.8% to $0.5 million as compared to $4.8 million for the three months ended December 31, 2023. The decrease was primarily due to a decrease in customer activity. interest income on post retirement benefits.

Three months ended March 31, 2024 compared to three months ended March 31, 2023

NLA

Revenue for the NLA segment was $130.4 million for the three months ended March 31, 2024, an increase of $4.2 million, or 3.3%, compared to $126.2 million for the three months ended March 31, 2023. The decrease increase was primarily due to increases in revenue was partially offset by increased subsea well access revenue particularly in the United States and well intervention and integrity revenue in Brazil, partially offset by lower well construction revenue in the United States and Guyana.

Segment EBITDA for the NLA segment was $34.4 million, or 26.4% of revenues, during the three months ended March 31, 2024, an increase of $2.5 million, or 7.8%, compared to $31.9 million or 25.3% of revenues during the three months ended March 31, 2023. The increase in Segment EBITDA and Segment EBITDA margin was attributable to higher activity and more favorable activity mix during the three months ended March 31, 2024.

ESSA

Revenue for the ESSA segment was $121.7 million for the three months ended March 31, 2024, an increase of $8.1 million, or 7.1%, compared to $113.6 million for the three months ended March 31, 2023. The increase in revenues was primarily driven by increased well flow management activity in Namibia, Norway and Denmark, higher well construction revenue in Equatorial Guinea and Norway, and higher subsea well access activity in the Congo, partially offset by lower subsea well access activity in Cote d'Ivoire and Angola.

Segment EBITDA for the ESSA segment was $39.3 $25.2 million, or 29.0% 20.7% of revenues, for the three months ended September 30, 2023 March 31, 2024, an increase of $4.3 $4.4 million, or 12.3% 21.2%, compared to $35.0 $20.8 million, or 25.3% 18.3% of revenues, for the three months ended June 30, 2023 March 31, 2023. The increase in Segment EBITDA and Segment EBITDA margin was attributable to a combination of a more favorable activity mix and increased increase activities on higher margin services during the three months ended September 30, 2023 March 31, 2024.

MENA

Revenue for the MENA segment was $58.1 $71.5 million for the three months ended September 30, 2023 March 31, 2024, a decrease an increase of $1.1 million, $20.6 million, or 1.9% 40.5%, compared to $59.2 $50.9 million for the three months ended June 30, 2023 March 31, 2023. The decrease increase in revenue was driven by lower higher well flow management activity primarily in Saudi Arabia partially offset by higher activity in and Algeria.

Segment EBITDA for the MENA segment was $16.9 $24.5 million, or 29.1% 34.3% of revenues, for the three months ended September 30, 2023 March 31, 2024, a decrease an increase of $1.6 $9.9 million, or 8.6% 67.8%, compared to $18.5 $14.6 million, or 31.3% 28.6% of revenues, for the three months ended June 30, 2023 March 31, 2023. The decrease increase in Segment EBITDA and Segment EBITDA margin was primarily due to lower increased activity on higher-margin projects and less more favorable product activity mix during the three months ended September 30, 2023 March 31, 2024.

APAC

Revenue for the APAC segment was $71.1 $59.9 million for the three months ended September 30, 2023 March 31, 2024, an increase of $6.2 $11.4 million, or 9.6% 23.5%, compared to $64.9 $48.5 million for the three months ended June 30, 2023. The increase in revenue was primarily due to higher activity across all product lines, in particular, higher subsea well access revenue in China (product sales) and Australia (LWI activity).

Segment EBITDA for the APAC segment was ($4.3) million, or (6.0)% of revenues, for the three months ended September 30, 2023, a decrease of $7.8 million compared to $3.5 million, or 5.3% of revenues, for the three months ended June 30, 2023. The decrease in Segment EBITDA is attributable primarily to demobilization and unrecoverable operating costs within our LWI business. For the three months ended September 30, 2023 Segment EBITDA includes LWI-related unrecoverable operating costs of $15.3 million. Segment EBITDA for the three months ended June 30, 2023 include LWI-related unrecoverable operating costs of $5.7 million. Excluding LWI-related unrecoverable operating costs, Segment EBITDA for the third and second quarter of 2023 would have been $11.0 million or 15.5% of revenue and $9.2 million or 14.2% of revenue, respectively.

Equity in income of joint ventures

Equity in income of joint ventures for the three months ended September 30, 2023, decreased by $0.3 million, or 10.7%, to $2.5 million as compared to $2.8 million for the three months ended June 30, 2023. The decrease reflects lower income from our joint venture in China during the three months ended September 30, 2023.

Merger and integration expense

Merger and integration expense for the three months ended September 30, 2023, decreased by $0.6 million, to $0.8 million as compared to $1.4 million for the three months ended June 30, 2023. The decrease was primarily attributable to lower integration related expenses incurred during the three months ended September 30, 2023, as compared to the three months ended June 30, 2023.

Income tax expense

Income tax expense for the three months ended September 30, 2023, increased by $0.8 million to $13.3 million from $12.5 million for the three months ended June 30, 2023, primarily due to changes in the mix of taxable profits between jurisdictions.

Nine months ended September 30, 2023 compared to nine months ended September 30, 2022

NLA

Revenue for the NLA segment was $366.3 million for the nine months ended September 30, 2023, a decrease of $1.8 million, or 0.5%, compared to $368.1 million for the nine months ended September 30, 2022. The decrease was primarily due to lower well flow management revenue in Mexico, offset by higher well intervention and integrity revenue in South America, and higher well construction revenue in Mexico and Brazil offset by lower well construction revenue in the U.S.

Segment EBITDA for the NLA segment was $88.5 million, or 24.2% of revenues, during the nine months ended September 30, 2023, compared to $100.1 million or 27.2% of revenues during the nine months ended September 30, 2022. The decrease of $11.6 million in Segment EBITDA was attributable to lower activity and less favorable product mix during the nine months ended September 30, 2023.

ESSA

Revenue for the ESSA segment was $387.1 million for the nine months ended September 30, 2023, an increase of $115.1 million, or 42.3%, compared to $272.0 million for the nine months ended September 30, 2022. The increase in revenues was primarily driven by higher well flow management revenue, particularly in Congo supplemented by higher well intervention and integrity revenue in the U.K. and higher subsea well access revenue in Central and West Africa, Angola and Azerbaijan offset by lower subsea revenue in Norway. Also contributing to the increase in revenue was higher well construction revenue in Southeast Africa, offset by lower well construction revenue in Norway.

Segment EBITDA for the ESSA segment was $95.0 million, or 24.5% of revenues, for the nine months ended September 30, 2023, an increase of $50.5 million, or 113.5%, compared to $44.5 million, or 16.4% of revenues, for the nine months ended September 30, 2022. The increase was primarily attributable to higher activity levels and a more favorable activity mix during the nine months ended September 30, 2023.

MENA

Revenue for the MENA segment was $168.2 million for the nine months ended September 30, 2023, an increase of $22.1 million, or 15.1%, compared to $146.1 million for the nine months ended September 30, 2022 March 31, 2023. The increase in revenue was primarily due to increased well flow management and well construction activity in Saudi Arabia, increased well flow management in Algeria and increased well construction revenue in the United Arab Emirates.

Segment EBITDA for the MENA segment was $49.9 million, or 29.7% of revenues, for the nine months ended September 30, 2023, an increase of $6.0 million, or 13.7%, compared to $43.9 million, or 30.0% of revenues, for the nine months ended September 30, 2022. The increase in Segment EBITDA was primarily due to higher activity during the nine months ended September 30, 2023.

APAC

Revenue for the APAC segment was $184.4 million for the nine months ended September 30, 2023, an increase of $42.2 million, or 29.7%, compared to $142.2 million for the nine months ended September 30, 2022. The increase in revenue was primarily due to Australia and higher subsea well access revenue in Australia and China and higher well construction revenue in Southeast Asia. Australia.

Segment EBITDA for the APAC segment was ($3.5) $10.8 million, or (1.9) 18.0% of revenues, for the three months ended March 31, 2024, an increase of $13.5 million compared to ($2.7) million, or (5.6)% of revenues, for the nine three months ended September 30, 2023, a decrease of $4.7 million compared to $1.2 million, or 0.8% of revenues, for the nine months ended September 30, 2022 March 31, 2023. The decrease increase in Segment EBITDA despite the increase in revenues was is attributable primarily due to $10.6 million of unrecoverable LWI-related costs in APAC of $31.6 million incurred during the nine months ended September 30, 2023. Comparatively, during the nine months ended September 30, 2022. the Company incurred unrecoverable mobilization costs and start-up and commissioning costs on subsea projects first quarter of $22.9 million. Excluding $31.6 million and $22.9 million of LWI-related start up and commissioning costs and other unrecoverable operating costs during the nine months ended September 30, 2023 and 2022, respectively, Segment EBITDA would have been $28.1 million and $24.1 million and Adjusted EBITDA margin would have been 15.2% and 17.0%, respectively. 2023 that did not repeat in 2024.

Equity in income of joint ventures Corporate costs

Equity in income of joint ventures Corporate costs for the nine three months ended September 30, 2023, decreased March 31, 2024 increased by $2.4 $6.2 million or 24.8% to $31.3 million as compared to $25.1 million for the three months ended March 31, 2023. The increase in the corporate costs was due to higher research and development costs, higher corporate headcount and the remaining increase was generally proportional with increases in activity and revenue year over year.

Depreciation and amortization expense

Depreciation and amortization expense for the three months ended March 31, 2024 increased by $5.4 million or 15.6% to $40.1 million as compared to $34.7 million for the three months ended March 31, 2023. The increase was generally proportional to the increase in property plant and equipment year over year.

Severance and other expense

Severance and other expense for the three months ended March 31, 2024 increased by $4.1 million or 23.8%, 446.1% to $7.7 $5.1 million as compared to $0.9 million for the three months ended March 31, 2023. The increase was primarily attributable to an increase in restructuring costs across all regions and a contractual settlement in the first quarter of 2024 as a result of the LWI wire failure incident.

Foreign exchange loss

Foreign exchange loss for the three months ended March 31, 2024 was $2.7 million as compared to foreign exchange gain of $1.1 million for the three months ended March 31, 2023. The change was primarily due to unfavorable changes in various exchange rates.

Interest and finance expense, net

Interest and finance expense, net for the three months ended March 31, 2024 increased by $1.9 million or 142.8% to $3.1 million as compared to $10.1 million $1.3 million for the nine three months ended September 30, 2022 March 31, 2023. The decrease reflects lower income from our joint venture in China during the nine months ended September 30, 2023.

Merger and integration expense

Merger and integration expense for the nine months ended September 30, 2023, decreased by $4.3 million, to $4.3 million as compared to $8.6 million for the nine months ended September 30, 2022. The decrease increase was primarily attributable to lower integration related expenses incurred during the nine months ended September 30, 2023, as compared to the nine months ended September 30, 2022.

Income tax expense

Income tax expense for the nine months ended September 30, 2023, increased by $1.3 million to $30.9 million from $29.6 million for the nine months ended September 30, 2022, primarily due to changes an increase in the mix of taxable profits between jurisdictions with different tax regimes. interest cost on post retirement benefits.

Liquidity and Capital Resources

Liquidity

Our financial objectives include the maintenance of sufficient liquidity, adequate financial resources and financial flexibility to fund our business. As of September 30, 2023 March 31, 2024, total available liquidity was $337.0 $291.2 million, including cash and cash equivalents and restricted cash of $257.0 million $164.5 million and $80.0 $126.7 million available for borrowings under our New Facility. Amended and Restated Facility Agreement. Expro believes these amounts, along with cash generated by ongoing operations, will be sufficient to meet future business requirements for the next 12 months and beyond. Our primary sources of liquidity have been cash flows from operations. Our primary uses of capital have been for capital expenditures, acquisitions and acquisitions. repurchase of company stock. We monitor potential capital sources, including equity and debt financing, in order to meet our investment and liquidity requirements.

Our total capital expenditures are estimated to range between $30.0 million $100.0 million and $40.0 million $110.0 million for the fourth quarter remaining nine months of 2023. 2024. Our total capital expenditures were $84.6 million $30.7 million for the nine three months ended September 30, 2023 March 31, 2024, of which approximately 90% were used for the purchase and manufacture of equipment to directly support customer-related activities and approximately 10% for other property, plant and equipment, inclusive of software costs. In addition, we used net plan to use at least $75.0 million of cash of approximately $8.4 million during the nine months ended September 30, 2023 second quarter of 2024 for the acquisition of DeltaTek and plan to use net cash of approximately $62.5 million during the fourth quarter 2023 for the acquisition of PRT Offshore. Coretrax. We continue to focus on preserving and protecting our strong balance sheet, optimizing utilization of our existing assets and, where practical, limiting new capital expenditures.

On June 16, 2022 October 25, 2023, the Company's Board of Directors (the "Board") approved a new an extension to the stock repurchase program under which first approved on June 16, 2022. Pursuant to the extended stock repurchase program, the Company is authorized to acquire up to $50.0 million $100.0 million of its outstanding common stock from October 25, 2023 through November 24, 2023 November 24, 2024 (the "Stock Repurchase Program"). Under the stock repurchase program, Stock Repurchase Program, the Company may repurchase shares of the Company's common stock in open market purchases, in privately negotiated transactions or otherwise. The stock repurchase program is being Stock Repurchase Program will continue to be utilized at management's discretion and in accordance with U.S. federal securities laws. The timing and actual numbers of shares repurchased if any, will depend on a variety of factors including price, corporate requirements, the constraints specified in the stock repurchase program Stock Repurchase Program along with general business and market conditions. The stock repurchase program Stock Repurchase Program does not obligate the Company to repurchase any particular amount of common stock, and it could be modified, suspended or discontinued at any time. Under the stock repurchase plan, the The Company has repurchased approximately 0.6 million shares at an average price of $17.99 per share, for a total cost of approximately $10.0 million made no repurchases under the Stock Repurchase Plan during the nine three months ended September 30, 2023. Since the inception of the stock repurchase program, the Company has repurchased total of approximately 1.7 million shares at an average price of $13.89 per share, for a total cost of $23.0 million through September 30, 2023. March 31, 2024

Credit Facility

Revolving Credit Facility

On October 1, 2021 October 6, 2023, we entered into a new amended and restated our previous revolving credit facility agreement pursuant to an amendment and restatement agreement (the "New Facility" "Amended and Restated Facility Agreement") with DNB Bank ASA, London Branch, as agent (the "Agent"), with total commitments of $200.0 million, of which $130.0 million was available for drawdowns as loans and $70.0 million was available for letters of credit. Proceeds of the New Facility may be used for general corporate and working capital purposes.

On March 31, 2022, the Agent, on behalf of the consenting lenders, countersigned a Consent Request Letter dated March 10, 2022, to the New Facility (the "Consent"). Pursuant to the Consent, the lenders consented to, among other things, an amendment to the New Facility permitting dividends or distributions by the Company, or the repurchase or redemption of the Company's shares in an aggregate amount of $50.0 million over the life of the New Facility, subject to pro forma compliance with the 2.25 to 1.0 maximum senior leverage ratio financial covenant.

On July 21, 2022, the Company increased the facility available for letters of credit to $92.5 million and total commitments to $222.5 million.

On October 6, 2023, we amended and restated the New Facility agreement (the "Amended and Restated Facility Agreement") pursuant to an amendment and restatement agreement with DNB Bank ASA, London Branch, as agent (the "Agent"), in order to extend the maturity of the New Amended and Restated Facility agreement Agreement for a further 36 months and increase the total commitments to $250.0 million, of which $166.7 million $166.7 million was available for drawdowns as loans and $83.3 million was available for letters of credit. The Company has the ability to increase the commitments to $350.0 million.

Please see Note 16 "*Interest bearing loans*" in the Notes to the Unaudited Condensed Consolidated Financial Statements for additional information.

Cash flow from operating, investing and financing activities

Cash flows provided by (used in) our operations, investing and financing activities are summarized below (in thousands):

	Nine Months Ended		Three Months Ended	
	September 30, 2023	September 30, 2022	March 31, 2024	March 31, 2023
Net cash provided by (used in) operating activities	$ 105,528	$ (12,774)		
Net cash provided by operating activities			$ 29,938	$ 21,323
Net cash used in investing activities	(90,799)	(40,608)	(30,739)	(36,312)
Net cash provided by (used in) financing activities	29,874	(23,333)	14,891	(16,373)
Effect of exchange rate changes on cash activities	(6,052)	(6,418)	(2,722)	(800)
Net decrease to cash and cash equivalents and restricted cash	$ 38,551	$ (83,133)		
Net increase (decrease) to cash and cash equivalents and restricted cash			$ 11,368	$ (32,162)

Analysis of cash flow changes between the nine three months ended September 30, 2023 March 31, 2024 and September 30, 2022 March 31, 2023

Net cash provided by (used in) operating activities

Net cash provided by operating activities was $105.5 $29.9 million during the nine three months ended September 30, 2023 March 31, 2024 as compared to net cash used in operating activities of $12.8 $21.3 million during the nine three months ended September 30, 2022 March 31, 2023. The increase in net cash provided by operating activities of $118.3 $8.6 million for the nine three months ended September 30, 2023 March 31, 2024, was primarily driven by favorable an increase in Adjusted EBITDA of $25.6 million, partially offset by unfavorable movement in net working capital of $95.7 million, $7.7 million and an increase in Adjusted EBITDA of $27.6 million, partially offset by higher payments for income corporate taxes of $14.2 million for the nine months ended September 30, 2023 $5.9 million.

Adjusted Cash Flows from Operations during the nine months ended September 30, 2023, was $126.8 million as compared to Adjusted Cash Flows from Operations of $16.4 million during the nine months ended September 30, 2022. Our primary uses of cash from operating activities were capital expenditures and funding obligations related to our financing arrangements.

Net cash used in investing activities

Net cash used in investing activities was $90.8 $30.7 million during the nine three months ended September 30, 2023 March 31, 2024, as compared to $40.6 $36.3 million during the nine three months ended September 30, 2022 March 31, 2023, an increase a decrease of $50.2 $5.6 million. Our principal recurring investing activity is our capital expenditures. The increase decrease in net cash used in investing activities was primarily due to an increase in capital expenditures payment of $34.0 million, lower proceeds from sale/maturity net cash of investments $7.5 million for the acquisition of $11.1 million and lower proceeds from disposal of assets of $4.6 million DeltaTek during the three months ended March 31, 2023.

Net cash provided by (used in) financing activities

Net cash provided by financing activities was $29.9 $14.9 million during the nine three months ended September 30, 2023 March 31, 2024, as compared to $23.3 million net cash used in financing activities of $16.4 million during the nine three months ended September 30, 2022 March 31, 2023. The increase of $53.2 $31.3 million in net cash used in financing activities is primarily due to the proceeds received from long-term borrowings and short-term borrowing of $50.0 million $20.1 million and non-repeat of acquisition of common stock of $10.0 million during the three months ended March 31, 2023.

New accounting pronouncements

See Note 2 "*Basis of presentation and significant accounting policies*" in our unaudited condensed consolidated financial statements under the heading "Recent accounting pronouncements."

Critical accounting policies and estimates

There were no changes to our critical accounting policies and estimates from those disclosed in our Annual Report.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Form 10-Q”) includes certain “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Forward-looking statements include those that express a belief, expectation or intention, as well as those that are not statements of historical fact. Forward-looking statements include information regarding our future plans and goals and our current expectations with respect to, among other things:

- our business strategy and prospects for growth;
- post-Merger integration;
- our cash flows and liquidity;
- our financial strategy, budget, projections and operating results;
- the amount and timing of any future share repurchases;
- the amount, nature and timing of capital expenditures;
- the availability and terms of capital;
- the exploration, development and production activities of our customers;
- the market for our existing and future products and services;
- competition and government regulations; and
- general economic conditions (such as recent instability in certain financial institutions); and
- general political conditions, including political tensions, conflicts and war (such as the ongoing conflict Russian war in Ukraine) Ukraine and heightened tensions resulting from the ongoing conflicts in the Middle East).

These forward-looking statements are generally accompanied by words such as “anticipate,” “believe,” “estimate,” “expect,” “goal,” “plan,” “intend,” “potential,” “predict,” “project,” “may,” “outlook,” or other terms that convey the uncertainty of future events or outcomes, although not all forward-looking statements contain such identifying words. The forward-looking statements in this Form 10-Q speak only as of the date of this report; we disclaim any obligation to update these statements unless required by law, and we caution you not to rely on them unduly. Forward-looking statements are not assurances of future performance and involve risks and uncertainties. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control. These risks, contingencies and uncertainties include, but are not limited to, the following:

- continuing uncertainty relating to global crude oil demand and crude oil prices that correspondingly may lead to further significant reductions in domestic oil and gas activity, which in turn could result in further significant declines in demand for our products and services;
- political, uncertainty regarding the timing, pace and extent of an economic recovery, or economic slowdown or recession, in the U.S. and regulatory uncertainties other countries, which in our international operations, including turn will likely affect demand for crude oil and therefore the impact of actions taken by demand for the OPEC+ products and non-OPEC+ nations with respect to production levels services we provide and the effects thereof; commercial opportunities available to us;
- the impact of current and future laws, rulings, governmental regulations, accounting standards and statements, and related interpretations;
- unique risks associated with our offshore operations (including the ability to recover, and to the extent necessary, service and/or economically repair any equipment located on the seabed);
- uncertainty regarding political, economic and regulatory uncertainties in our international operations, including the extent impact of actions taken by the OPEC and duration of non-OPEC nations with respect to production levels and the remaining restrictions in the U.S. and globally on various commercial and economic activities due to global pandemics and epidemics (including COVID-19), including uncertainty regarding the re-imposition of restrictions due to resurgences in infection rates; effects thereof;
- our ability to develop new technologies and products and protect our intellectual property rights;
- our ability to attract, train and retain key employees and other qualified personnel;
- operational safety laws and regulations;
- international trade laws and sanctions;
- severe weather conditions and natural disasters, and other operating interruptions (including explosions, fires, weather-related incidents, mechanical failure, unscheduled downtime, labor difficulties, transportation interruptions, spills and releases and other environmental risks);
- policy or regulatory changes;
- the overall timing and level of transition of the global energy sector from fossil-based systems of energy production and consumption to more renewable energy sources; and
- perception related to our environmental, social and governance (“ESG”) performance as well as current and future ESG reporting requirements; and
- uncertainty with respect to integration and realization of expected synergies following completion of the Merger and our subsequent acquisitions. requirements.

These and other important factors that could affect our operating results and performance are described in (1) "Risk Factors" in Part II, Item 1A of this Form 10-Q, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part I, Item 2 of this Form 10-Q, and elsewhere within this Form 10-Q, (2) our Annual Report, on Form 10-K for the year ended December 31, 2022, filed with the SEC on February 23, 2023 (our "Annual Report"), (3) our other reports and filings we make with the SEC from time to time and (4) other announcements we make from time to time. Should one or more of the risks or uncertainties described in the documents above or in this Form 10-Q occur, or should underlying assumptions prove incorrect, our actual results, performance, achievements or plans could differ materially from those expressed or implied in any forward-looking statements. All such forward-looking statements in this Form 10-Q are expressly qualified in their entirety by the cautionary statements in this section.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

For quantitative and qualitative disclosures about market risk, see Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," in the Annual Report. Our exposure to market risk has not changed materially since December 31, 2022 December 31, 2023.

Item 4. Controls and Procedures

a) Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Exchange Act, we have evaluated, under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the three months covered by this Form 10-Q. Our disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by us in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure, and such information is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. Based upon our evaluation, our CEO and CFO have concluded that our disclosure controls and procedures were effective as of September 30, 2023 March 31, 2024 at the reasonable assurance level.

b) Change in Internal Control Over Financial Reporting

As of September 30, 2023 March 31, 2024, management has concluded that there have been no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2023 March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

40 39

PART II. OTHER INFORMATION

Item 1. *Legal Proceedings*

Please see Note 17 *"Commitments and contingencies*" in the Notes to the Unaudited Condensed Consolidated Financial Statements.

Item 1A. *Risk Factors*

In addition to the other information set forth in this report, you should carefully consider the risks discussed under the heading "Risk Factors" in our Annual Report, which risks could materially affect our business, financial condition or future results. These risks are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations.

Item 2. *Unregistered Sales of Equity Securities and Use of Proceeds*

Following is a summary of repurchases of Company common stock during the three months ended September 30, 2023 March 31, 2024.

Period	Total Number of Shares Purchased (1)		Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)		Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased Under the Program (2)
July 1 - July 31	--	$	--	--	$	26,996,269
August 1 - August 31	--	$	--	--	$	26,996,269

September 1 - September 30	--	$ --	--	$ 26,996,269
Total	--	$ --	--	

Period	Total Number of Shares Purchased (1)	Average Price Paid per Share	Shares Purchased as Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (2)	Maximum Number (or Approximate Dollar Value) of Shares that may yet be Purchased Under the Program (2)
January 1 - January 31	-	$ -	-	$ 89,987,162
February 1 - February 29	-	$ -	-	$ 89,987,162
March 1 - March 31	-	$ -	-	$ 89,987,162
Total	-	$ -	-	

1) This table excludes shares withheld from employees to satisfy tax withholding requirements on equity-based transactions. We administer cashless settlements and generally do not repurchase stock in connection with cashless settlements.

2) Our Board authorized a program to repurchase our common stock from time to time. Approximately $27.0 million $90.0 million remained authorized for repurchases as of September 30, 2023 March 31, 2024, subject to the limitation set in our shareholder authorization for repurchases of our common stock, which is approximately 10% of the common stock issued as of March 21, 2022. stock.

Item 5. ***Other Information***

Securities Trading Arrangements with Officers and Directors

On March 4, 2024, Steven Russell, Chief Technology Officer, adopted a trading plan intended to satisfy Rule 10b5-1(c) to sell up to 30,000 shares of the Company's common stock between June 5, 2024 and June 5, 2025, subject to certain conditions.
During the three months ended September 30, 2023 March 31, 2024, no other 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***

The exhibits required to be filed by Item 6 are set forth in the Exhibit Index included below.

EXHIBIT INDEX

Exhibit Number	Description
2.1	Agreement relating to the sale and purchase of CTL UK Holdco Limited, dated February 13, 2024, by and among Expro Group Holdings N.V., Expro Holdings UK 3 Limited and the sellers party thereto (incorporated by reference to Exhibit 2.1 to the Current Report on Form 8-K (File No. 001-36053), filed on February 14, 2024).
3.1	Deed of Amendment to Articles of Association of Expro Group Holdings N.V., dated October 1, 2021 (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K (File No. 001-36053), filed on October 1, 2021).
*10.1	Amended and Restated Facility Agreement Commitment Letter dated as of October 6, 2023, February 12, 2024 by and among, *inter alios*, , Expro Group Holdings N.V., as parent, Exploration and Production Services (Holdings) Limited and Expro Holdings US, Inc., Inc. as borrowers, the guarantors party thereto the lenders party thereto and DNB Wells Fargo Bank, ASA, London Branch, as agent (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K (File No. 001-36053), filed on October 11, 2023). National Association and Wells Fargo Securities, LLC.
*31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14 (a) under the Securities Exchange Act of 1934.
*31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) under the Securities Exchange Act of 1934.
**32.1	Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350.
**32.2	Certification by Chief Financial Officer pursuant to 18 U.S.C. Section 1350.

*101.1	The following materials from Expro Group Holdings N.V.'s Quarterly Report on Form 10-Q for the period ended September 30, 2023 March 31, 2024 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Statements of Operations; (ii) Condensed Consolidated Statements of Comprehensive Income (Loss); (iii) Condensed Consolidated Balance Sheets; (iv) Condensed Consolidated Statements of Cash Flows; (v) Condensed Consolidated Statements of Stockholders' Equity; and (vi) Notes to Unaudited Condensed Consolidated Financial Statements.
*104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

† Represents management contract or compensatory plan or arrangement.
* Filed herewith.
** Furnished herewith.

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.

EXPRO GROUP HOLDINGS N.V.

Date: October 26, 2023 April 25, 2024

By: /s/ Quinn P. Fanning
Quinn P. Fanning
Chief Financial Officer
(Principal Financial Officer)

43 42

Exhibit 10.1

wflogo.jpg

WELLS FARGO BANK, NATIONAL ASSOCIATION
1000 Louisiana Street, 12th Floor
Houston, Texas 77002
WELLS FARGO SECURITIES, LLC
Duke Energy Center
550 South Tryon Street, 7th Floor
Charlotte, NC 28202

CONFIDENTIAL

FEBRUARY 12, 2024

Exploration and Production Services (Holdings) Limited
Expro Holdings US, Inc.
Frank's International LP B.V.
c/o Expro Holdings UK 2 Limited, as Obligors' Agent
2nd Floor
Davidson House
Forbury Square
Reading RG1 3EU
Attention: Quinn Fanning, Chief Financial Officer

Re: Project Ace - Commitment Letter
Up to $100 Million Incremental Facility

Ladies and Gentlemen:

Reference is made to that certain Revolving Facility Agreement, dated as of October 1, 2021, as amended, restated, supplemented or otherwise modified prior to the date hereof, including pursuant the Amendment and Restatement Agreement dated as of October 6, 2023 (the "Revolving Facility Agreement"), by and among Expro Group Holdings N.V. (the "Parent"), the companies listed therein as borrowers and guarantors ("Borrowers" and "Guarantors") including Exploration and Production Services (Holdings) Limited, Expro Holdings US, Inc. and Frank's International LP B.V. (collectively, the "Borrowers" or "you" and individually a "Borrower" or "you"), DNB Bank ASA, London Branch as administrative agent (in such capacity, the "Agent") and as security agent (in such capacity, the "Security Agent"), the lenders party thereto from time to time (the "Lenders"), Wells Fargo Bank, National Association ("Wells Fargo Bank") as a mandated lead arranger and the other financial institutions party thereto from time to time in such other arranger and agent capacities. Except as expressly provided herein, capitalized terms used in this letter agreement (including the Annexes attached hereto, the "Commitment Letter") and not defined herein shall have the meanings set forth in the Revolving Facility Agreement.

You have advised Wells Fargo Bank and Wells Fargo Securities, LLC ("Wells Fargo Securities" and, collectively with Wells Fargo Bank, the "Wells Fargo Parties" or "Commitment Parties") that you intend to exercise the right under *Clause 10* of the Revolving Facility Agreement to establish an Incremental Facility in an aggregate amount up to $100 million (the "Proposed Incremental Facility") all as more fully described in the form of Incremental Facility Notice attached hereto as Annex A (the "Incremental Facility Notice"). You have also advised the Wells Fargo Parties that you intend to apply the proceeds of Proposed Incremental Facility to fund general corporate and working capital purposes of the Group as required under Section 3.1 of the Revolving Facility Agreement and may apply such proceeds to partially fund the acquisition of all of theequity interests of the CTL UK Holdco Limited, a company incorporated and registered in England and Wales (the "Acquired Company") from the existing equity holders of the Acquired Company (collectively, the "Seller") pursuant to a purchase agreement between the BP INV4 Holdco Ltd., the persons listed in the schedules attached thereto as "Management Sellers" or "Individual Sellers", Expro Holdings UK 3 Limited and the Parent (the "Acquisition Agreement" and such acquisition, the "Acquisition").

As used herein, the term "Transactions" means, collectively, the Acquisition, the establishment of the Proposed Incremental Facility and the initial utilization, if any, thereunder on the Closing Date and the payment of fees, commissions and expenses in connection with each of the foregoing. This letter, including the terms set forth in the Incremental Facility Notice, is hereinafter referred to as this "Commitment Letter". The date on which Proposed Incremental Facility becomes available and on which the Acquisition is to close (with or without a utilization under the Proposed Incremental Facility) is referred to as the "Closing Date". The date on which the Incremental Facility Notice is delivered to the Agent under the Revolving Facility Agreement with respect to the Incremental Facility is referred to as the "Delivery Date".

1. Commitment. Upon the terms and subject to the conditions set forth in this Commitment Letter and in the Fee Letter (as defined below), Wells Fargo Bank (in its capacity as a lender under the Proposed Incremental Facility, the "Lead Lender") is pleased to advise you of its commitment to provide to the Borrowers $75 million of the principal amount of the Proposed Incremental Facility (the "Commitment").

2. Titles and Roles. Wells Fargo Securities, acting alone or through or with affiliates selected by it, will act as the sole physical bookrunner, sole global coordinator, and as sole mandated lead arranger for the Proposed Incremental Facility (in such capacity, the "Lead Arranger"). No additional agents, co-agents, arrangers or bookrunners will be appointed, no other titles will be awarded and, other than compensation payable to the Agent as agreed to by the Borrowers and alerted to the Commitment Parties prior to the date hereof, no other compensation will be paid (other than compensation expressly contemplated by this Commitment Letter and the Fee Letter) unless you and we shall agree in writing; provided that, the Lead Arranger will have the right, in consultation with you, to award titles to other mandated lead arrangers, bookrunners, documentation bank, or coordinator who will be lenders that provide (or whose affiliates provide) commitments under the Proposed Incremental Facility (it being further agreed that (i) each of the parties hereto shall, upon request by the Lead Arranger, execute a revised version of this Commitment Letter or an amendment or joinder hereto to reflect the commitment or commitments of any such financial institutions, (ii) Wells Fargo Securities will have the "left" and "highest" placement in any and all marketing materials or other documentation used in connection with the Proposed Incremental Facility and shall hold the leading role and responsibilities conventionally associated with such placement with respect to the Proposed Incremental Facility, but in coordination with the Agent with respect to all necessary financing documentation required in connection with the establishment of the Proposed Incremental Facility ("Financing Documentation"), and (iii) no such other mandated lead arrangers, bookrunners, documentation bank, or coordinator (other than the Lead Arranger) will have rights in respect of the management of the syndication of the Proposed Incremental Facility (including, without limitation, in respect of "market flex" rights under the Fee Letter, over which the Lead Arranger will have sole control).

3. Conditions to Commitment.

(a) The Commitment and the undertakings of the Commitment Parties hereunder are subject solely to the satisfaction of (i) the conditions set forth in the Incremental Facility Notice and (ii) the conditions set forth in the Conditions Annex attached hereto as Annex B ("Conditions Annex"). There are no other conditions, implied or otherwise, to the commitments of the Commitment Parties hereunder and their entry into the Incremental Facility Notice other than as expressly referred to in the foregoing sentence.

(b) The Proposed Incremental Facility will be implemented as an "Incremental Facility" under and as defined in the Revolving Facility Agreement by delivery of the Incremental Facility Notice substantially in the form of Annex A attached to this Commitment Letter in accordance with *Clause 10* (Establishment of Incremental Facilities) of the Revolving Facility Agreement and, if applicable for any new lender to the Revolving Facility Agreement, delivery of an "Incremental Facility Lender Certificate" as defined in and substantially in the form attached to the Revolving Facility Agreement, and the acceptance and countersigned delivery thereof by the Agent and the Security Agent.

4. Syndication.

(a) The Lead Arranger intends and reserves the right, both prior to and after the Closing Date but in consultation with the Borrowers as to the timing of syndication and identity and number of potential lenders to be approached, to secure commitments for the portion of the Proposed Incremental Facility represented by the Commitment (the "Underwritten Portion") from a syndicate of banks and financial institutions (such banks and financial institutions committing to the Proposed Incremental Facility, including Wells Fargo Bank, the "Incremental Lenders") identified on Schedule A attached hereto (the "Approved Lenders") or such other banks or financial institutions later identified by the Lead Arranger and acceptable to you (with such consent not to be unreasonably withheld or delayed), in any case, upon the terms and subject to the conditions set forth in this Commitment Letter. At the request of the Borrowers, the Lead Arranger shall use its commercially reasonable efforts to secure commitments for the $25 million portion of the Proposed Incremental Facility not represented by the Commitment (the "Best Efforts Portion") from Incremental Lenders upon the terms and subject to the conditions set forth in this Commitment Letter. Until the earlier of (i) the date that a Successful Syndication (as defined in the Fee Letter) is achieved and (ii) the date that is 60 days following the Closing Date (such earlier date, the "Syndication Date"), you agree to actively assist us in achieving a syndication of the Proposed Incremental Facility that is satisfactory to us and you. To assist us in our syndication efforts, you agree that you will, and will cause your representatives and non-legal advisors to: (i) provide reasonably promptly to the Commitment Parties and the other prospective Incremental Lenders upon request all information relating to the Group and the Acquired Company available to you which are reasonably deemed necessary by the Lead Arranger to assist the Lead Arranger and each prospective Incremental Lender in their evaluation of the Transactions and to complete the syndication (including, without limitation, projections prepared by your management of balance sheets, income statements and cash flow statements of the Group for the period ending on the Termination Date under the Revolving Facility Agreement), (ii) make your senior management available to prospective Incremental Lenders on reasonable prior notice and at reasonable times and places, (iii) host, with the Lead Arranger, one or more meetings and/or calls with prospective Incremental Lenders at mutually agreed times and locations, (iv) assist, and cause your affiliates and advisors to assist, the Lead Arranger in the preparation of a confidential lender presentation in form and substance substantially similar with the lender presentation prepared in connection with the A&E transaction in October 2023, (v) use commercially reasonable efforts to ensure that the syndication efforts of the Lead Arranger benefit materially from the existing lending relationships of the Parent or any Borrower, and (vi) ensure that prior to the later of the Closing Date and Syndication Date there will be no competing issues, offerings, placements or syndications of loan or other credit facilities by or on behalf of you or your subsidiaries or the Acquired Company and its subsidiaries, being offered, placed or arranged (other than (A) the Proposed Incremental Facility, (B) loans and credits under Facility A and Facility B of the Revolving Facility Agreement, (C) loans permitted under paragraphs (b) – (o) (inclusive) of the definition of "Permitted Financial Indebtedness" under the Revolving Facility Agreement, and (D) unsecured loans and credit facilities permitted under clause (p) of such definition of "Permitted Financial Indebtedness") without the written consent of the Lead Arranger, and (iii) the delivery of a notice by the Parent under *Clause* 10.1(a) of the Revolving Facility Agreement and the receipt of Offered Terms within five Business Days of such notice from the Lenders under the Revolving Facility Agreement (but, for the avoidance of doubt, not any arrangement, syndication, placement or implementation of any Incremental Facility under the Revolving Facility Agreement other than the Proposed Incremental Facility)).

(b) The Lead Arranger and/or one or more of its affiliates will exclusively manage all aspects of the syndication of the Proposed Incremental Facility (in consultation with you and subject to your approval as provided in Section 4(a) above), including decisions as to the selection and number of prospective Incremental Lenders to be approached, when they will be approached, whose commitments will be accepted, any titles offered to the Incremental Lenders and the final allocations of the commitments and any related fees among the Incremental Lenders, and the Lead Arranger will exclusively perform all functions and exercise all authority as is customarily performed and exercised in such capacities. Notwithstanding anything herein to the contrary, the commitments from Incremental Lenders (other than Wells Fargo Bank) shall be applied first to the Underwritten Portion of the Proposed Incremental Facility until Successful Syndication (as defined in the Fee Letter) has occurred and then to the Best Efforts Portion of the Proposed Incremental Facility. With respect to the Underwritten Portion of the Proposed Incremental Facility, unless otherwise agreed to by you, (i) Wells Fargo Bank shall not be relieved or released from its obligations with respect thereto (including its obligation to fund such Underwritten Portion on the Closing Date if a utilisation is to occur on the Closing Date) in connection with any syndication, assignment or participation of such Underwritten Portion, until the Closing Date has occurred, and (ii) no assignment by Wells Fargo Bank shall become effective with respect to all or any portion of the Commitment until the Closing Date has occurred with or without a utilisation thereunder. Without limiting your obligations to assist with the syndication efforts as set forth herein, it is understood that the Commitment hereunder is not conditioned upon the syndication of, or receipt of commitments in respect of, the Proposed Incremental Facility and in no event shall the successful completion of the syndication of the Proposed Incremental Facility constitute a condition to the availability of the Underwritten Portion of the Proposed Incremental Facility on the Closing Date.

5. Information.

(a) You represent, warrant and covenant that (i) all written information and written data (other than the Projections, as defined below, other forward-looking information and information of a general economic or industry specific nature) concerning the Group, the Acquired Company and their subsidiaries, and the Transactions that has been, or will be, made available to the Commitment Parties or the prospective Incremental Lenders by you or any your respective representatives, subsidiaries or affiliates (or on your or their behalf) (the "Information"), when taken as a whole, (x) is, and in the case of Information made available after the date hereof, will be, complete and correct in all material respects and (y) does not, and in the case of Information made available after the date hereof, will not, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading and (ii) all financial projections concerning the Parent, the Borrowers, the Guarantors, the Acquired Companyand its/their respectivesubsidiaries, taking into account the consummation of the Transactions, that have been or will be made available to the Commitment Parties or the prospective Incremental Lenders by you or any of your representatives, subsidiaries or affiliates (or on your or their behalf) (the "Projections") have been and will be prepared in good faith based upon assumptions believed by you to be reasonable at the time made available to the Commitment Parties or the prospective Incremental Lenders, it being understood that such Projections are not to be viewed as facts and that actual results may vary materially from the Projections. You agree that if, at any time prior to the later of the Closing Date and the Syndication Date, you become aware that any of the representations and warranties contained in the preceding sentence would be incorrect in any material respect if the Information and Projections were being furnished, and such representations and warranties were being made, at such time, then you will promptly supplement the Information and the Projections so that such representations and warranties are correct in all material respects under those circumstances. We will be entitled to use and rely upon, without responsibility to verify independently, the Information and the Projections. You acknowledge that we may share with any of our affiliates (it being understood that such affiliates will be subject to the confidentiality agreements between you and us), and such affiliates may share with the Commitment Parties, any information related to you, the Acquired Company, or any of your subsidiaries or affiliates (including, without limitation, in each case, information relating to creditworthiness) and the transactions contemplated hereby.

(b) You acknowledge that the Commitment Parties will make available, on your behalf, the Information, Projections and other marketing materials and presentations, including the lender presentation (collectively, the "Informational Materials"), to the prospective Incremental Lenders by posting the Informational Materials on SyndTrak Online or by other similar electronic means (collectively, the "Electronic Means"). Before distribution of any Informational Materials to prospective Incremental Lenders, you shall provide us with a customary letter authorizing the dissemination of the Informational Materials and confirming the accuracy and completeness in all material respects of the information contained therein. None of the Commitment Parties are responsible for any determination as to whether any information provided or to be provided to any prospective Incremental Lenders is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

(c) You hereby authorize the Lead Arranger to download copies of your trademark logos from your websites and post copies thereof on the SyndTrak site or similar workspace established by the Lead Arranger to syndicate the Proposed Incremental Facility and use the logos on any presentations and other marketing materials prepared in connection with the syndication of the Proposed Incremental Facility or in any advertisements that we may place after the closing of the Proposed Incremental Facility in financial and other newspapers, journals, the World Wide Web, home page or otherwise, at our own expense describing its services to the Borrowers hereunder.

6. Fees. As consideration for the commitments and agreements of the Commitment Parties hereunder, you agree to cause to be paid the nonrefundable fees described in the letter dated the date hereof and delivered herewith (the "Fee Letter") on the terms and subject to the conditions set forth therein. For the avoidance of doubt, no fees shall be

payable unless Closing Date occurs.

7. Expenses. The Borrowers agree to reimburse each of the Commitment Parties and their respective affiliates, from time to time on demand, for all reasonable out-of-pocket costs and expenses of the Commitment Parties and their respective affiliates, including, without limitation, reasonable legal fees and expenses, due diligence expenses and all printing, reproduction, document delivery, travel, CUSIP, SyndTrak, and communication costs, incurred in connection with the syndication and execution of the Proposed Incremental Facility and the preparation, review, negotiation, execution, delivery and enforcement of this Commitment Letter, the Fee Letter, the Financing Documentation and any security arrangements in connection therewith regardless of whether the Delivery Date or the Closing Date occurs.

8. Indemnification.

(a) Whether or not the Delivery Date or the Closing Date occurs, the Borrowers shall within 10 Business Days of demand indemnify each Indemnified Person (as defined below) against any cost, expense, loss or liability (including without limitation reasonable legal fees) incurred by or awarded against that Indemnified Person in each case arising out of or in connection with any action, claim, investigation or proceeding commenced or threatened (including, without limitation, any action, claim, investigation or proceeding to preserve or enforce rights) in relation to: (i) the use of the proceeds of the Proposed Incremental Facility; (ii) any Commitment Document (as defined below) or any Financing Documentation; and/or (iii) the arranging (including, but not limited to, the syndication) of the Proposed Incremental Facility. The Borrowers will not be liable under the indemnity set forth above in this Section 8 for any cost, expense, loss or liability (including without limitation legal fees) incurred by or awarded against an Indemnified Person if that cost, expense, loss or liability results directly from any breach by that Indemnified Person of any Commitment Document or any Financing Documentation which is in each case finally judicially determined to have resulted directly from the gross negligence or wilful misconduct of that Indemnified Person. For the purposes of this Section 8: "Indemnified Person" means Wells Fargo Bank, Wells Fargo Securities, each Incremental Lender, in each case, any of their respective Affiliates and each of their (or their respective Affiliates') respective directors, officers, employees and agents.

(b) No Commitment Party shall have any duty or obligation, whether as fiduciary for any Indemnified Person or otherwise, to recover any payment made or required to be made under Section 8.

(c) Each Borrower represents to the Commitment Parties and agrees that: (i) it is acting for its own account and it has made its own independent decisions to enter into the transaction contemplated in the Commitment Documents and as to whether such transaction is appropriate or proper for it based upon its own judgement and upon advice from such advisers as it has deemed necessary; (ii) it is not relying on any communication (written or oral) from any or all of the Commitment Parties as investment advice or as a recommendation to enter into such transaction, it being understood that information and explanations related to the terms and conditions of such transaction shall not be considered investment advice or a recommendation to enter into such transaction; (iii) no communication (written or oral) received from any or all of the Commitment Parties shall be deemed to be an assurance or guarantee as to the expected results of such transaction; (iv) it is capable of assessing the merits of and understanding (on its own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of such transaction; (v) it is also capable of assuming, and assumes, the risks of such transaction; and (vi) no Commitment Party is acting as a fiduciary for or as an adviser to it in connection with the Transaction (other than as Financial Advisor as described in Section 12 below).

(d) Each Borrower agrees that no Indemnified Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to any Borrower or any of its Affiliates for or in connection with anything referred to in this Section 8 above except, following the Borrowers' execution and delivery of the Commitment Documents, for any such cost, expense, loss or liability incurred by the Borrowers that results directly from any breach by that Indemnified Person of any Commitment Document or any Financing Documentation which is in each case finally judicially determined to have resulted directly from the gross negligence or wilful misconduct of that Indemnified Person.

(e) The Contracts (Rights of Third Parties) Act 1999 shall apply to this Section 8 but only for the benefit of the other Indemnified Persons, subject always to the terms of Section 15 and 16 below.

9. Exculpation and Consequential Damages. Without limiting the generality of Section 8, the Commitment Parties, their respective affiliates and each of their and their affiliates' directors, officers, employees, partners, representatives, advisors and agents and each of their respective heirs, successors and assigns (such persons, collectively, the "Commitment Party Related Parties") shall not have any liability (whether direct or indirect, in contract or tort, or otherwise) to your affiliates or to your or their respective equity holders or creditors arising out of, related to or in connection with any aspect of the transactions contemplated hereby. Neither you nor any of the Commitment Party Related Party will be liable for any indirect, consequential, special or punitive damages in connection with this Commitment Letter, the Fee Letter, the Financing Documentation or any other element of the Transactions; provided that, the foregoing shall not limit or relieve any of your obligations under the foregoing paragraph 8 as to any indirect, consequential, special or punitive damages asserted against an Indemnified Party by a third party. No Commitment Party Related Party will be liable to you, your affiliates or any other person for any damages arising from the use by others of Informational Materials or other materials obtained by Electronic Means.

10. Confidentiality.

(a) This Commitment Letter and the Fee Letter (collectively, the "Commitment Documents") and the existence and contents hereof and thereof shall be confidential and may not be disclosed, directly or indirectly, by you in whole or in part to any person without our prior written consent, except for (i) the disclosure of the Commitment Documents on a confidential basis to your respective directors, officers, employees, accountants, attorneys and other professional advisors who have been advised of your obligation to maintain the confidentiality of the Commitment Documents for the purpose of evaluating, negotiating or entering into the Transactions, (ii) the disclosure of the Commitment Documents pursuant to the order of any court or administrative agency or in any judicial or administrative proceeding or as otherwise required by law or regulation (in which case you shall use reasonable efforts to promptly notify us in advance, to the extent practicable and permitted by law), (iii) the disclosure of this Commitment Letter, but not the Fee Letter, to or as required by any supervisory or listing authority, the Securities and Exchange Commission or other regulatory or listing authorities and stock exchanges, (iv) for purposes of establishing a "due diligence" defense, and (v) in connection with the exercise of any remedies hereunder, any action or proceeding relating to the Commitment Documents or the enforcement of rights thereunder. In connection with any disclosure by you to any third party as set forth above (except as set forth in clause (ii) and clause (iii) above), you shall notify such third party of the confidential nature of the Commitment Documents and agree to be responsible for any failure by any third party to whom you disclosed the Commitment Documents or any portion thereof to maintain the confidentiality of the Commitment Documents or any portion thereof.

(b) The Commitment Parties shall use all confidential information provided to it by or on behalf of you or your affiliates in the course of the Transactions (including, without limitation, the Commitment Documents, the Information, the Projections and the Informational Materials) solely for the purposes of providing the services that are the subject of this Commitment Letter and shall treat all such information as confidential; provided that nothing herein shall prevent the Commitment Parties or their respective affiliates from disclosing any such information, (i) to any Incremental Lenders or participants or prospective Incremental Lenders or prospective participants (provided that any such disclosure shall be made subject to the acknowledgment and acceptance by such Incremental Lender or participant or prospective Incremental Lender or prospective participant that such information is being disseminated on a confidential basis (and they shall agree to be bound to substantially the same terms as are set forth in this paragraph or as are otherwise reasonably acceptable to you and us, including as agreed in any informational memoranda or other marketing materials) in accordance with the standard syndication processes of the Commitment Parties or customary market standard for dissemination of such type of information), (ii) pursuant to the order of any court or administrative agency or in any judicial or administrative proceeding or as otherwise required by law or compulsory legal process (in which case the applicable Commitment Party shall use commercially reasonable efforts to promptly notify you, in advance, to the extent practicable and permitted by law), (iii) upon the request or demand of any regulatory authority having jurisdiction over any of the Commitment Parties (in which case the applicable Commitment Party shall use commercially reasonable efforts to, except with respect to any audit or examination conducted by bank accountants or any governmental regulatory authority exercising examination or regulatory authority, promptly notify you, in advance, to the extent practicable and permitted by law), (iv) to their respective affiliates involved in the Transactions and their and their affiliates' respective directors, officers, employees, accountants, attorneys, agents and other professional advisors (collectively, "Representatives") on a need-to-know basis who are informed of the confidential nature of such information, (v) to the extent that such information is independently developed by the Commitment Parties, so long as the Commitment Parties have not otherwise breached their confidentiality obligations hereunder and have not developed such information based on information received from a third party that to their knowledge has breached confidentiality obligations owing to you, (vi) to the extent any such information becomes publicly available other than by reason of disclosure by us in breach of this provision, (vii) to the extent that such information is received by a Commitment Party or any or its affiliates from a third party that is not to its knowledge subject to confidentiality obligations to you or your affiliates, (viii) for purposes of establishing a "due diligence" defense, (ix) in connection with the exercise of any remedies hereunder, any action or proceeding relating to the Commitment Documents or the enforcement of rights thereunder, or (x) with your prior written consent. The provisions of this paragraph with respect to the Commitment Parties and their respective affiliates shall automatically terminate on the earlier of (x) one year following the date of this Commitment Letter and (y) the execution of the Incremental Facility Notice (in which case, the confidentiality provisions in the Financing Documentation shall supersede the provisions of this paragraph (b)). The terms of this paragraph (b) shall supersede all prior confidentiality or non-disclosure agreements and understandings between you and the Commitment Parties relating to the Transactions.

(c) The Commitment Parties shall be permitted to use information related to the syndication and arrangement of the Proposed Incremental Facility in connection with obtaining a CUSIP number, marketing, press releases or other transactional announcements or updates provided to investor or trade publications, subject to confidentiality obligations or disclosure restrictions reasonably requested by you. Prior to the Closing Date, the Commitment Parties shall have the right to review and approve any public announcement or public filing made by you or your respectiverepresentatives relating to the Proposed Incremental Facility or to any of the Commitment Parties or any of their respective affiliates in connection therewith, before any such announcement or filing is made (such approval not to be unreasonably withheld or delayed).

11. PATRIOT Act Notification. The Commitment Parties hereby notify you that pursuant to the requirements of the USA PATRIOT Act, Title III of Pub. L. 107-56 (signed into law October 26, 2001) (the "PATRIOT Act"), each of them is required to obtain, verify and record information that identifies you and any additional borrowers and guarantors under the Proposed Incremental Facility, which information includes your and their respective names, addresses, tax identification numbers and other information that will allow the Commitment Parties and the other prospective Incremental Lenders to identify you and such other parties in accordance with the PATRIOT Act. This notice is given in accordance with the requirements of the PATRIOT Act and is effective for each of us and the prospective Incremental Lenders.

12. Other Services.

(a) Nothing contained herein shall limit or preclude the Commitment Parties or any of their respective affiliates from carrying on any business with, providing banking or other financial services to, or from participating in any capacity, including as an equity investor, in any party whatsoever, including, without limitation, any competitor, supplier or customer of you, the Seller, the Acquired Company or any of your or their respective affiliates, or any other party that may have interests different than or adverse to such parties.

(b) You acknowledge that the Commitment Parties and their affiliates (the term "*Commitment Parties*" as used in this Section 12 being understood to include such affiliates) (i) may be providing debt financing, equity capital or other services (including financial advisory services) to other entities and persons with which you, the Seller, the Acquired Company or your or their respective affiliates may have conflicting interests regarding the Transactions and otherwise, (ii) may act, without violation of its contractual obligations to you, as it deems appropriate with respect to such other entities or persons, and (iii) have no obligation in connection with the Transactions to use, or to furnish to you, the Seller, the Acquired Companyor any of your or their respective affiliates or subsidiaries, confidential information obtained from other entities or persons.

(c) In connection with all aspects of the Transactions, you acknowledge and agree that: (i) the Proposed Incremental Facility and any related arranging or other services contemplated in this Commitment Letter constitute an arm's-length commercial transaction between you and your affiliates, on the one hand, and the Commitment Parties, on the other hand, and you are capable of evaluating and understanding and understand and accept the terms, risks and conditions of the Transactions, (ii) other than as described in Section 12(d) below, in connection with the process leading to the Transactions, each of the Commitment Parties is and has been acting solely as a principal and not as a financial advisor, agent or fiduciary, for you, the Acquired Company or any of your or their respective management, affiliates, equity holders, directors, officers, employees, creditors or any other party, (iii) other than as described in Section 12(d) below, no Commitment Party nor any affiliate thereof has assumed or will assume an advisory, agency or fiduciary responsibility in your or your affiliates' favor with respect to any of the Transactions or the process leading thereto (irrespective of whether any Commitment Party or any of its affiliates has advised or is currently advising you or your affiliates or the Acquired Company or its affiliates on other matters) and no Commitment Party has any obligation to you or your affiliates with respect to the Transactions except those obligations expressly set forth in the Commitment Documents, (iv) the Commitment Parties and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from yours and those of your affiliates and no Commitment Party shall have any obligation to disclose any of such interests, and (v) no Commitment Party has provided any legal, accounting, regulatory or tax advice with respect to any of the Transactions and you have consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed appropriate. You hereby waive and release, to the fullest extent permitted by law, any claims that you may have against any Commitment Party or any of their respective affiliates with respect to any breach or alleged breach of agency, fiduciary duty or conflict of interest.

(d) Wells Fargo Securities or one of its affiliates has been retained as the buy-side financial advisor (in such capacity, the "Financial Advisor") to the Parent or any affiliate thereof in connection with the Acquisition. Each of the parties hereto agree to any such retention, and further agree not to assert any claim any such party might allege based on any actual or potential conflicts of interest that might be asserted to arise or result from, on the one hand, the engagement of the Financial Advisor, and, on the other hand, the Commitment Parties' respective relationship with you as described and referred to herein.

13. Acceptance/Expiration of Commitments.

(a) This Commitment Letter and the Commitment of Wells Fargo Bank and the undertakings of Wells Fargo Securities set forth herein shall automatically terminate at 5:00 p.m. (New York City Time) on February 22, 2024 (the "Acceptance Deadline"), without further action or notice unless signed counterparts of this Commitment Letter and the Fee Letter shall have been delivered to the Lead Arranger by such time to the attention of Kevin Scotto of Wells Fargo Securities at kevin.scotto@wellsfargo.com.

(b) In the event this Commitment Letter and the Fee Letter are accepted by you as provided above, the commitments and agreements of Wells Fargo Bank and the undertakings of Wells Fargo Securities set forth herein will automatically terminate without further action or notice upon the earliest to occur of (i) the consummation of the Acquisition (with or without the use of the Proposed Incremental Facility), (ii) the date on which you confirm in writing to the Commitment Parties that your offer to acquire the Acquired Company is withdrawn and/or the termination of the Acquisition Agreement, and (iii) 5:00 p.m. (New York City Time) on the 5th Business Day after August 31, 2024.

14. Survival. The sections of this Commitment Documents relating to "Expenses", "Indemnification", "Exculpation and Consequential Damages", "Confidentiality", "Other Services", "Survival", "Governing Law" and "Miscellaneous" shall survive any termination or expiration of this Commitment Letter, the commitments of the Commitment Parties or the undertakings of Wells Fargo Securities set forth herein (regardless of whether definitive Financing Documentation is executed and delivered), and the sections relating to "Syndication" and "Information" shall survive until the Syndication Date.

15. Governing Law. The Commitment Documents and all claims, disputes and proceedings and any non-contractual obligations arising out of or in connection with any of them are governed by English law. Each party submits to the exclusive jurisdiction of the English courts for resolution of any dispute or proceedings arising out of or in connection with the Commitment Documents (including any dispute relating to non-contractual obligations arising out of or in connection with any Commitment Document).

16. Miscellaneous. This Commitment Letter and the Fee Letter embody the entire agreement and understanding among the Commitment Parties and their respective affiliates and you and your affiliates with respect to the specific matters set forth above and supersede all prior agreements and understandings relating to the subject matter hereof or thereof. No person has been authorized by any of the Commitment Parties to make any oral or written statements inconsistent with this Commitment Letter or the Fee Letter. This Commitment Letter and the Fee Letter shall not be assignable by any party hereto without the prior written consent of the other parties, and any purported assignment without such consent shall be void. This Commitment Letter and the Fee Letter are not intended to benefit or create any rights in favor of any person other than the parties hereto, the prospective Incremental Lenders and, with respect to Section 8, each Indemnified Person and with respect to Section 9, each Commitment Party Related Party. Except as stated in the foregoing sentence, the terms of this letter may be enforced or relied on only by a party to it or such party's successors or permitted assigns and the terms of the Contracts (Rights of Third Parties) Act 1999 are excluded. Notwithstanding the rights of any Indemnified Person, this letter may at any time be amended, waived, rescinded or terminated by the parties hereto without the consent of any person who is not a party hereto. This Commitment Letter and the Fee Letter may be executed in separate counterparts with the same effect as if all signatory parties had signed the same document, all of which taken together shall together be considered one and the same agreement. The execution and delivery of this Commitment Letter and the Fee Letter shall be deemed to include electronic signatures on electronic platforms approved by the Lead Arranger, which shall be of the same legal effect, validity or enforceability as delivery of a manually executed signature, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that, upon the request of any party hereto, such electronic signature shall be promptly followed by the original thereof. This Commitment Letter and the Fee Letter may only be amended, modified or superseded by an agreement in writing signed by each of you and the Commitment Parties, and shall remain in full force and effect and not be superseded by any other documentation unless such other documentation is signed by each of the parties hereto and expressly states that this Commitment Letter or the Fee Letter, as applicable, is superseded thereby.

[Signature Pages Follow]

If you are in agreement with the foregoing, please indicate acceptance of the terms hereof by signing the enclosed counterpart of this Commitment Letter and returning it to the Lead Arranger, together with executed counterparts of the Fee Letter, by no later than the Acceptance Deadline.

Sincerely,

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/Michael Janak

Name: Michael Janak

Title: Managing Director

WELLS FARGO SECURITIES, LLC

By: /s/ Kevin J. Scotto

Name: Kevin J. Scotto

Title: Managing Director

Expro Holdings -Incremental Facility

Commitment Letter

Agreed to and accepted as of the date first
above written:

EXPLORATION AND PRODUCTION SERVICES (HOLDINGS) LIMITED

By: /s/ John McAlister

Name: John McAlister
Title: Director

EXPRO HOLDINGS US, INC.

By: /s/John McAlister

Name: John McAlister
Title: Director / Authorised Signatory

FRANK'S INTERNATIONAL LP B.V.

By: /s/Alistair Geddes

Name: Alistair Geddes
Title: On behalf of Frank's International Management B.V. (as one of the directors of Frank's International L.P. B.V.)

EXPRO HOLDINGS UK 2 LIMITED

By: /s/ John McAlister

Name: John McAlister
Title: Director

Parent Acknowledgment and Consent

The Parent hereby consents to the assignment by Wells Fargo Bank as an Incremental Lender of its Commitment, and the rights and obligations with respect thereto, under the Proposed Incremental Facility to any Approved Lender after the Closing Date in order to achieve Successful Syndication.

EXPRO GROUP HOLDINGS N.V.

By: /s/ John McAlister

Name: John McAlister
Title: Authorised Signatory

Expro Holdings -Incremental Facility
Commitment Letter
Signature Page

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, Michael Jardon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q (this "report") of Expro Group Holdings N.V. (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 three months 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 three months 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 three months for 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 three months 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:
October 26, 2023
April 25, 2024

/s/ Michael Jardon
Michael Jardon
President and 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, Quinn P. Fanning, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q (this "report") of Expro Group Holdings N.V. (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 three months 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 three months 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 three months for 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 three months 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: October 26, 2023 April 25, 2024

/s/ Quinn P. Fanning
Quinn P. Fanning
Chief Financial Officer

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 Expro Group Holdings N.V. (the "Company") on Form 10-Q for the three months ended September 30, 2023March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael Jardon, President and Chief Executive 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.

October 26, 2023April 25, 2024

/s/ Michael Jardon
Michael Jardon
President and 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 Expro Group Holdings N.V. (the "Company") on Form 10-Q for the three months ended September 30, 2023March 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Quinn P. Fanning, 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.

October 26, 2023April 25, 2024

/s/ Quinn P. Fanning
Quinn P. Fanning
Chief Financial Officer

DISCLAIMER