

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

Form 10-Q

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

For the quarterly period ended June 30, 2026

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 001-38066

SELECT WATER SOLUTIONS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

81-4561945
(IRS Employer
Identification Number)

1820 North I-35
Gainesville, TX
(Address of principal executive offices)

76240
(Zip Code)

(940) 668-1818

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Class A common stock, par value \$0.01 per share	WTTR	New York Stock Exchange Texas, Inc. NYSE

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 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 7(a)(2)(B) of the Securities Act. ☐

Indicate by check mark whether the registrant is a shell company. Yes ☐ No ☒

As of August 3, 2026, the registrant had 128,942,892 shares of Class A common stock and 9,537,941 shares of Class B common stock outstanding.

SELECT WATER SOLUTIONS, INC.

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GLOSSARY OF CERTAIN TERMS

The terms and abbreviations defined in this section are used throughout this quarterly report.

AMI. Areas of Mutual Interest
ARO. Asset Retirement Obligation
ASC. Accounting Standards Codification
ASU. Accounting Standards Update
AV Farms. AV Farms, LP
BRR. Black River Ranch
C&A. C&A Rollover Company, LLC
CODM. Chief Operating Decision Maker
E&P. Exploration and Production
EBITDA. Earnings before Interest, Taxes, Depreciation and Amortization
FCF. Free Cash Flow
GAAP. Generally Accepted Accounting Principles
Geneses. Geneses Water, L.P.
IRA 2022. Inflation Reduction Act of 2022
ISE. ISE Chemicals Corporation
MidCon. Midcontinent
MVC. Minimum Volume Commitment
NOLs. Net Operating Losses
OPEC/OPEC+. Organization of the Petroleum Exporting Countries (+ allies)
PSU. Performance Share Unit
ROA. Return on assets
ROFR. Right of First Refusal
ROW. Right-of-way
SEC. Securities and Exchange Commission
Select LLC. Select Water Solutions, LLC
SES Holdings. Select Energy Services Holdings, LLC
SES Holdings LLC Agreement. The Eighth Amended and Restated Limited Liability Company Agreement of SES Holdings
SES Holdings LLC Units. Common units in SES Holdings
Select Inc. Select Water Solutions, Inc.
SOFR. Secured Overnight Financing Rate
SWD. Saltwater Disposal Well
SWR. Select Water Reuse, LLC
The Exchange Act. Securities Exchange Act of 1934, as amended
The Securities Act. Securities Act of 1933, as amended
TRAs. Tax Receivable Agreements
TSR. Total Shareholder Return
U.S. United States of America
VIE. Variable Interest Entity
WTI. West Texas Intermediate

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (the “Quarterly Report”) includes “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”). All statements, other than statements of historical fact, included in this Quarterly Report regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this Quarterly Report, the words “could,” “believe,” “anticipate,” “intend,” “estimate,” “expect,” “project,” “preliminary,” “forecast,” and similar expressions or variations are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words. These forward-looking statements are based on our current expectations and assumptions about future events and are based on currently available information as to the outcome and timing of future events. When considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements described under the heading “Risk Factors” included in our most recent Annual Report on Form 10-K, in this Quarterly Report and those set forth from time to time in our other filings with the Securities and Exchange Commission (the “SEC”). These forward-looking statements are based on management’s current belief, based on currently available information, as to the outcome and timing of future events.

Important factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, those summarized below:

- global economic distress, including that resulting from the sustained Russia-Ukraine war and related economic sanctions, instability and continued hostilities in the Middle East and elsewhere, including military conflict involving Iran, instability in Venezuela, economic uncertainty as a result of changing trade policies, disruptions in global oil and gas markets and inflation and elevated interest rates, each of which may decrease demand for oil and natural gas or contribute to volatility in the prices for oil and natural gas, which may decrease demand for our services;
- actions taken by the members of the Organization of the Petroleum Exporting Countries (“OPEC”) and Russia (together with OPEC and other allied producing countries, “OPEC+”) with respect to oil production levels and announcements of potential changes in such levels, including the ability of the OPEC+ countries to agree on and comply with announced supply limitations, which may be exacerbated by military conflict in the Middle East involving Iran and the resumption of sales of previously sanctioned oil from Venezuela and Russia;
- impacts related to changing United States (“U.S.”) and foreign trade policies, including increased trade restrictions or tariffs, the impact of changes in diplomatic and trade relations, and the results of countermeasures and any tariff mitigation initiatives;
- changes in global political or economic conditions, generally, and in the markets we serve, including the rate of inflation and potential economic recession;
- changes in safety, health, environmental and other governmental policy and regulation;
- the enactment or promulgation of new laws or regulations or changes or modifications in existing laws, regulations, rules or governmental policies with respect to taxation;
- the level of capital spending and access to capital markets by oil and gas companies in response to changes in commodity prices or reduced demand;
- the impact of central bank policy actions and disruptions in the banking industry and capital markets;
- the potential deterioration of our customers’ financial condition, including defaults resulting from actual or potential insolvencies;

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- the degree to which consolidation among our customers may affect spending on U.S. drilling and completions, including the recent consolidation in the Permian Basin;
- trends and volatility in oil and gas prices, and our ability to manage through such volatility;
- the impact of current and future laws, rulings, governmental regulations and policies, including those related to accessing water, disposing of wastewater, transferring produced water, interstate freshwater and produced water transfer, chemicals, carbon pricing, pipeline construction, emissions, hydraulic fracturing, leasing, permitting or drilling on federal lands and various other environmental matters;
- the ability to source certain raw materials and other critical components or manufactured products globally on a timely basis from economically advantaged sources, including any delays and/or supply chain disruptions;
- regional impacts to our business, including our key infrastructure assets within the Permian Basin region;
- capacity constraints on regional oil, natural gas and water gathering, processing and pipeline systems that result in a slowdown or delay in drilling and completion activity, and thus a decrease in the demand for our services in our core markets;
- the impact of regulatory and related policy actions by federal, state and/or local governments, such as the Inflation Reduction Act of 2022 (“IRA 2022”), which may negatively impact the future production of oil and gas in the U.S., thereby reducing demand for our services;
- our ability to hire and retain key management and employees, including skilled labor;
- our access to capital to fund expansions, acquisitions and our working capital needs and our ability to obtain debt or equity financing on satisfactory terms, or at all;
- our health, safety and environmental performance;
- the impact of competition on our operations;
- the degree to which our Exploration and Production (“E&P”) customers may elect to operate their water-management services in-house rather than source these services from companies like us;
- our level of indebtedness and our ability to comply with covenants contained in our Sustainability-Linked Credit Facility (as defined herein) or future debt instruments;
- delays or restrictions in obtaining permits by us or our customers;
- constraints in supply or availability of equipment used in our business;
- the impact of advances or changes in well-completion technologies or practices that result in reduced demand for our services, either on a volumetric or time basis;
- acts of terrorism, war or political or civil unrest in the U.S. or elsewhere, such as the Russia-Ukraine war, the instability and continued hostilities in the Middle East, including military conflict involving Iran and any potential conflict with Venezuela;
- information technology failures or cyberattacks;

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- accidents, weather, natural disasters or other events affecting our business; and
- the other risks identified in our most recent Annual Report on Form 10-K and under the headings “Part I—Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Part II—Item 1A. Risk Factors” in this Quarterly Report.

These factors are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors also could have material adverse effects on our future results. Our future results will depend upon various other risks and uncertainties, including those described under the heading “Part I—Item 1A. Risk Factors” in our most recent Annual Report on Form 10-K and under the heading “Part II—Item 1A. Risk Factors” in this Quarterly Report. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date hereof. We undertake no obligation to update or revise any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise. All forward-looking statements attributable to us are qualified in their entirety by this cautionary note.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

SELECT WATER SOLUTIONS, INC. CONSOLIDATED BALANCE SHEETS (in thousands, except share data)

	June 30, 2026 (unaudited)	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 33,396	\$ 18,084
Accounts receivable trade, net of allowance for credit losses of \$4,798 and \$4,801, respectively	319,867	263,965
Accounts receivable, related parties	57	63
Inventories	47,996	34,278
Prepaid expenses and other current assets	34,821	37,996
Total current assets	436,137	354,386
Property and equipment	1,796,566	1,629,406
Accumulated depreciation	(770,358)	(717,223)
Total property and equipment, net	1,026,208	912,183
Right-of-use assets, net	28,812	28,708
Goodwill	48,485	48,485
Other intangible assets, net	108,038	106,204
Deferred tax assets, net	45,849	48,881
Investments in unconsolidated entities	77,140	78,234
Other long-term assets	17,072	18,531
Total assets	\$ 1,787,741	\$ 1,595,612
Liabilities and Equity		
Current liabilities		
Accounts payable	\$ 63,304	\$ 49,682
Accrued accounts payable	49,309	46,275
Accounts payable and accrued expenses, related parties	3,422	3,634
Accrued salaries and benefits	26,512	17,702
Accrued insurance	16,732	22,272
Sales tax payable	2,906	2,435
Accrued expenses and other current liabilities	39,044	37,549
Current operating lease liabilities	11,355	14,247
Current portion of long-term debt	63,150	31,250
Current portion of finance lease obligations	641	650
Total current liabilities	276,375	225,696
Long-term tax receivable agreements liabilities	50,095	43,421
Long-term operating lease liabilities	20,368	21,533
Long-term debt, net	196,439	285,043
Other long-term liabilities	106,944	92,852
Total liabilities	650,221	668,545
Commitments and contingencies (Note 9)		
Class A common stock, \$0.01 par value; 350,000,000 shares authorized and 127,073,462 and 104,884,902 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	1,271	1,049
Class B common stock, \$0.01 par value; 150,000,000 shares authorized and 11,158,101 and 16,221,101 shares issued and outstanding as of June 30, 2026 and December 31, 2025, respectively	112	162
Preferred stock, \$0.01 par value; 50,000,000 shares authorized; no shares issued and outstanding as of June 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	1,203,251	989,329
Accumulated deficit	(155,283)	(184,924)
Total stockholders' equity	1,049,351	805,616
Noncontrolling interests	88,169	121,451
Total equity	1,137,520	927,067
Total liabilities and equity	\$ 1,787,741	\$ 1,595,612

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

SELECT WATER SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(in thousands, except share and per share data)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Revenue				
Water Infrastructure	\$ 101,614	\$ 80,855	\$ 198,350	\$ 153,246
Water Services	198,153	215,660	389,384	441,308
Chemical Technologies	96,040	67,700	174,031	144,045
Total revenue	395,807	364,215	761,765	738,599
Costs of revenue				
Water Infrastructure	42,419	36,211	84,771	69,704
Water Services	152,654	173,312	302,108	355,030
Chemical Technologies	76,668	55,885	139,798	120,613
Depreciation, amortization and accretion	47,225	41,054	92,967	79,729
Total costs of revenue	318,966	306,462	619,644	625,076
Gross profit	76,841	57,753	142,121	113,523
Operating expenses				
Selling, general and administrative	41,178	38,935	81,729	76,367
Depreciation and amortization	1,209	1,918	2,330	2,843
Impairments and abandonments	239	1,477	5,947	2,625
Lease abandonment costs	(129)	(2)	(197)	722
Total operating expenses	42,497	42,328	89,809	82,557
Income from operations	34,344	15,425	52,312	30,966
Other income (expense)				
Gain on sales of property and equipment and divestitures, net	164	6,503	569	7,868
Interest expense, net	(5,021)	(5,645)	(10,928)	(10,521)
Other	5	92	(306)	421
Income before income tax expense and equity in losses of unconsolidated entities	29,492	16,375	41,647	28,734
Income tax expense	(6,360)	(4,521)	(8,793)	(7,415)
Equity in losses of unconsolidated entities	(570)	(183)	(860)	(88)
Net income	22,562	11,671	31,994	21,231
Less: net income attributable to noncontrolling interests	(1,527)	(1,024)	(2,353)	(2,345)
Net income attributable to Select Water Solutions, Inc.	\$ 21,035	\$ 10,647	\$ 29,641	\$ 18,886
Net income per share attributable to common stockholders (Note 15):				
Class A—Basic	\$ 0.17	\$ 0.10	\$ 0.25	\$ 0.19
Class B—Basic	\$ —	\$ —	\$ —	\$ —
Net income per share attributable to common stockholders (Note 15):				
Class A—Diluted	\$ 0.17	\$ 0.10	\$ 0.25	\$ 0.18
Class B—Diluted	\$ —	\$ —	\$ —	\$ —

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

SELECT WATER SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)
(in thousands)

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
Net income	\$ 22,562	\$ 11,671	\$ 31,994	\$ 21,231
Comprehensive income	22,562	11,671	31,994	21,231
Less: comprehensive income attributable to noncontrolling interests	(1,527)	(1,024)	(2,353)	(2,345)
Comprehensive income attributable to Select Water Solutions, Inc.	<u>\$ 21,035</u>	<u>\$ 10,647</u>	<u>\$ 29,641</u>	<u>\$ 18,886</u>

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

SELECT WATER SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the six months ended June 30, 2026 and 2025 (unaudited)
(in thousands, except share data)

	Class A Stockholders		Class B Stockholders		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Class A Common Stock	Shares	Class B Common Stock					
Balance as of December 31, 2025	104,884,902	\$ 1,049	16,221,101	\$ 162	\$ 989,329	\$ (184,924)	\$ 805,616	\$ 121,451	\$ 927,067
Issuance of shares for underwritten offering	15,784,315	158	—	—	184,892	—	185,050	8,283	193,333
Exchange of SES Holdings LLC Units and Class B common stock for Class A common stock	—	—	—	—	—	—	—	—	—
Equity-based compensation	5,063,000	50	(5,063,000)	(50)	37,328	—	37,328	(40,513)	(3,185)
Issuance of restricted shares	—	—	—	—	12,784	—	12,784	1,417	14,201
Cashless exercise of options	1,047,027	10	—	—	1,941	—	1,951	(1,951)	—
Repurchase of common stock	136,404	1	—	—	1,184	—	1,185	—	1,185
Restricted shares forfeited	(668,672)	(6)	—	—	(8,514)	—	(8,520)	(904)	(9,424)
Performance shares forfeited	(26,415)	—	—	—	(164)	—	(164)	164	—
Performance shares vested	852,901	9	—	—	521	—	530	(530)	—
Contributions from noncontrolling interests	—	—	—	—	—	—	—	500	500
Dividend and distribution declared:	—	—	—	—	—	—	—	—	—
Class A common stock (\$0.07 per share)	—	—	—	—	(15,723)	—	(15,723)	—	(15,723)
Unvested restricted stock (\$0.07 per share)	—	—	—	—	(327)	—	(327)	—	(327)
Class B common stock (\$0.07 per share)	—	—	—	—	—	—	—	(2,101)	(2,101)
Net income	—	—	—	—	—	29,641	29,641	7,353	31,994
Balance as of June 30, 2026	127,073,462	\$ 1,271	11,158,101	\$ 112	\$ 1,203,251	\$ (155,283)	\$ 1,049,351	\$ 88,169	\$ 1,137,520

	Class A Stockholders		Class B Stockholders		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Class A Common Stock	Shares	Class B Common Stock					
Balance as of December 31, 2024	103,069,732	\$ 1,031	16,221,101	\$ 162	\$ 998,474	\$ (206,147)	\$ 793,520	\$ 122,014	\$ 915,534
Equity-based compensation	—	—	—	—	5,775	—	5,775	904	6,679
Issuance of restricted shares	1,114,855	11	—	—	1,147	—	1,158	(1,158)	—
Cashless exercise of options	24,943	—	—	—	216	—	216	—	216
Repurchase of common stock	(576,430)	(6)	—	—	(6,139)	—	(6,145)	(507)	(6,652)
Restricted shares forfeited	(41,682)	—	—	—	(43)	—	(43)	43	—
Performance shares vested	594,295	6	—	—	400	—	406	(406)	—
Contributions from noncontrolling interests	—	—	—	—	—	—	—	2,875	2,875
Dividend and distribution declared:	—	—	—	—	—	—	—	—	—
Class A common stock (\$0.07 per share)	—	—	—	—	(14,132)	—	(14,132)	—	(14,132)
Unvested restricted stock (\$0.07 per share)	—	—	—	—	(361)	—	(361)	—	(361)
Class B common stock (\$0.07 per share)	—	—	—	—	—	—	—	(2,271)	(2,271)
Net income	—	—	—	—	—	18,886	18,886	3,545	21,231
Balance as of June 30, 2025	104,185,713	\$ 1,042	16,221,101	\$ 162	\$ 985,337	\$ (187,261)	\$ 799,280	\$ 123,839	\$ 923,119

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

SELECT WATER SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the three months ended June 30, 2026 and 2025 (unaudited)
(in thousands, except share data)

	Class A Stockholders		Class B Stockholders		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Class A Common Stock	Shares	Class B Common Stock					
Balance as of March 31, 2026	121,847,518	\$ 1,218	16,221,101	\$ 162	\$ 1,166,419	\$ (176,318)	\$ 991,481	\$ 128,152	\$ 1,119,633
Issuance of shares for underwritten offering	—	—	—	—	(69)	—	(69)	(6)	(75)
Exchange of SES Holdings LLC Units and Class B common stock for Class A common stock	5,063,000	50	(5,063,000)	(50)	37,328	—	37,328	(40,513)	(3,185)
Issuance of shares for acquisitions	—	—	—	—	7,665	—	7,665	711	8,376
Equity-based compensation	182,352	2	—	—	1,163	—	1,163	(1,164)	1
Cashless exercise of options	67,793	1	—	—	586	—	587	—	587
Repurchase of common stock	(67,422)	—	—	—	(978)	—	(978)	(230)	(1,208)
Restricted shares forfeited	(19,779)	—	—	—	(158)	—	(158)	158	—
Contributions from noncontrolling interests	—	—	—	—	—	—	—	500	500
Dividend and distribution declared:	—	—	—	—	(8,538)	—	(8,538)	—	(8,538)
Class A common stock (\$0.07 per share)	—	—	—	—	(167)	—	(167)	—	(167)
Unvested restricted stock (\$0.07 per share)	—	—	—	—	—	—	—	(966)	(966)
Class B common stock (\$0.07 per share)	—	—	—	—	—	21,035	21,035	1,527	22,562
Net income	127,073,462	\$ 1,271	11,158,101	\$ 112	\$ 1,203,251	\$ (155,283)	\$ 1,049,351	\$ 88,169	\$ 1,137,520
Balance as of June 30, 2026	127,073,462	\$ 1,271	11,158,101	\$ 112	\$ 1,203,251	\$ (155,283)	\$ 1,049,351	\$ 88,169	\$ 1,137,520
	Class A Stockholders		Class B Stockholders		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Noncontrolling Interests	Total
	Shares	Class A Common Stock	Shares	Class B Common Stock					
Balance as of March 31, 2025	103,884,767	\$ 1,039	16,221,101	\$ 162	\$ 989,785	\$ (197,908)	\$ 793,078	\$ 123,871	\$ 916,949
Equity-based compensation	—	—	—	—	2,766	—	2,766	432	3,198
Issuance of restricted shares	374,771	4	—	—	386	—	390	(390)	—
Repurchase of common stock	(32,143)	(1)	—	—	(279)	—	(280)	(5)	(285)
Restricted shares forfeited	(41,682)	—	—	—	(43)	—	(43)	43	—
Dividend and distribution declared:	—	—	—	—	(7,103)	—	(7,103)	—	(7,103)
Class A common stock (\$0.07 per share)	—	—	—	—	(175)	—	(175)	—	(175)
Unvested restricted stock (\$0.07 per share)	—	—	—	—	—	—	—	(1,136)	(1,136)
Class B common stock (\$0.07 per share)	—	—	—	—	—	10,647	10,647	1,024	11,671
Net income	104,185,713	\$ 1,042	16,221,101	\$ 162	\$ 985,337	\$ (187,261)	\$ 799,280	\$ 123,839	\$ 923,119
Balance as of June 30, 2025	104,185,713	\$ 1,042	16,221,101	\$ 162	\$ 985,337	\$ (187,261)	\$ 799,280	\$ 123,839	\$ 923,119

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

SELECT WATER SOLUTIONS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Six months ended June 30,	
	2026	2025
Cash flows from operating activities		
Net income	\$ 31,994	\$ 21,231
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation, amortization and accretion	95,297	82,572
Deferred tax expense	8,806	6,958
Gain on disposal of property and equipment and divestitures	(569)	(7,868)
Equity in losses of unconsolidated entities	860	88
Credit loss expense	285	1,222
Amortization and write off of debt issuance costs	829	1,403
Inventory adjustments	137	20
Equity-based compensation	14,201	6,679
Impairments and abandonments	5,947	2,625
Other operating items, net	1,268	1,153
Changes in operating assets and liabilities		
Accounts receivable	(56,181)	(28,809)
Prepaid expenses and other assets	(9,709)	4,123
Accounts payable and accrued liabilities	3,813	(13,872)
Net cash provided by operating activities	96,978	77,525
Cash flows from investing activities		
Purchase of property and equipment	(149,396)	(127,833)
Equity-method and preferred stock investments	(500)	(72,059)
Acquisitions, net of cash received	(42,202)	(17,205)
Proceeds received from sales of property and equipment	2,354	9,603
Net cash used in investing activities	(189,744)	(207,494)
Cash flows from financing activities		
Borrowings from revolving line of credit	43,500	65,000
Payments on revolving line of credit	(113,500)	(125,000)
Borrowings from long-term debt	12,992	250,000
Payments on long-term debt	(54)	—
Payments of finance lease obligations	(319)	(313)
Payment of debt issuance costs	(101)	(7,867)
Net proceeds from underwritten offering	191,630	—
Dividends and distributions paid	(18,328)	(16,873)
Payments under tax receivable agreements	—	(77)
Contributions from noncontrolling interests	500	2,875
Repurchase of common stock	(8,239)	(6,577)
Net cash provided by financing activities	108,081	161,168
Effect of exchange rate changes on cash	(3)	9
Net increase in cash and cash equivalents	15,312	31,208
Cash and cash equivalents, beginning of period	18,084	19,978
Cash and cash equivalents, end of period	\$ 33,396	\$ 51,186
Supplemental cash flow disclosure:		
Cash paid for interest	\$ 14,414	\$ 10,152
Cash (refunds) paid for income taxes, net	\$ (58)	\$ 1,352
Supplemental disclosure of noncash investing activities:		
Property and equipment obtained through assumption of contract liabilities	\$ 14,000	\$ —
Property and equipment obtained by assuming liabilities	\$ —	\$ 800
Capital expenditures included in accounts payable and accrued liabilities	\$ 35,610	\$ 50,256

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

SELECT WATER SOLUTIONS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1—BUSINESS AND BASIS OF PRESENTATION

Description of the business: Select Water Solutions, Inc. (“we,” “Select Inc.,” “Select” or the “Company”), formerly Select Energy Services, Inc., was incorporated as a Delaware corporation on November 21, 2016. On May 8, 2023, Select Energy Services, Inc.’s Fifth Amended and Restated Certificate of Incorporation became effective upon filing with the Secretary of State of the State of Delaware which, among other things, changed the name of the Company from Select Energy Services, Inc. to Select Water Solutions, Inc. to reflect its strategic focus as a water-focused company. We retained our stock ticker “WTTR” trading on the New York Stock Exchange and announced on August 14, 2025 our dual listing on NYSE Texas, Inc. The Company is a holding company whose sole material asset consists of common units (“SES Holdings LLC Units”) in SES Holdings, LLC (“SES Holdings”).

We are a leading provider of sustainable water and chemical solutions to the energy industry. These solutions are supported by our water infrastructure assets, chemical manufacturing and water treatment and recycling capabilities.

Common Stock Offering: In February 2026, the Company completed an underwritten public offering of 15,784,315 shares of Class A common stock at a public offering price of \$12.75 per share, consisting of 13,725,491 shares issued in the base offering and 2,058,824 shares issued upon the full exercise of the underwriters’ overallotment option. The offering generated aggregate gross proceeds of approximately \$201.3 million and net proceeds of approximately \$192.2 million, after underwriting discounts and commissions and before other offering expenses. In connection with the offering, Select Inc. contributed the net proceeds of the offering to SES Holdings in exchange for a number of common units of SES Holdings equal to the number of shares of Class A common stock issued in the underwritten public offering.

Class A and Class B common stock: As of June 30, 2026, the Company had both Class A and Class B common shares issued and outstanding. Holders of shares of our Class A common stock, par value \$0.01 per share (“Class A common stock”) and Class B common stock, par value \$0.01 per share (“Class B common stock”) are entitled to one vote per share and vote together as a single class on all matters presented to our stockholders for their vote or approval.

Exchange rights: Under the Eighth Amended and Restated Limited Liability Company Agreement of SES Holdings (the “SES Holdings LLC Agreement”), SES Legacy Holdings LLC (“Legacy Owner Holdco”) and its permitted transferees have the right (an “Exchange Right”) to cause SES Holdings to acquire all or a portion of its SES Holdings LLC Units for, at SES Holdings’ election, (i) shares of Class A common stock at an exchange ratio of one share of Class A common stock for each SES Holdings LLC Unit exchanged, subject to conversion rate adjustments for stock splits, stock dividends, reclassification and other similar transactions or (ii) cash in an amount equal to the Cash Election Value (as defined within the SES Holdings LLC Agreement) of such Class A common stock. Alternatively, upon the exercise of any Exchange Right, Select Inc. has the right (the “Call Right”) to acquire the tendered SES Holdings LLC Units from the exchanging unitholder for, at its election, (i) the number of shares of Class A common stock the exchanging unitholder would have received under the Exchange Right or (ii) cash in an amount equal to the Cash Election Value of such Class A common stock. In connection with any exchange of SES Holdings LLC Units pursuant to an Exchange Right or Call Right, the corresponding number of shares of Class B common stock will be cancelled.

Basis of presentation: The accompanying unaudited interim consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the U.S. (“GAAP”) and pursuant to the rules and regulations of the SEC. These unaudited interim consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and, therefore, do not include all disclosures required for annual financial statements prepared in conformity with GAAP.

This Quarterly Report relates to the three and six months ended June 30, 2026 (the “Current Quarter” and the “Current Period”, respectively) and the three and six months ended June 30, 2025 (the “Prior Quarter” and the “Prior

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Period”, respectively). The Company’s Annual Report on Form 10-K for the year ended December 31, 2025 (the “2025 Form 10-K”), filed with the SEC on February 18, 2026, includes certain definitions and a summary of significant accounting policies and should be read in conjunction with this Quarterly Report. All material adjustments (consisting solely of normal recurring adjustments) which, in the opinion of management, are necessary for a fair statement of the results for the interim periods have been reflected. The results for the Current Quarter and Current Period may not be indicative of the results to be expected for the full year.

The unaudited interim consolidated financial statements include the Company’s accounts and all of its majority-owned or controlled subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies: The Company’s significant accounting policies are disclosed in Note 2 of the consolidated financial statements for the year ended December 31, 2025, included in the 2025 Form 10-K.

Use of estimates: The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

On an ongoing basis, the Company evaluates its estimates, including those related to the recoverability of long-lived assets and intangibles, useful lives used in depreciation, amortization and accretion, allowance for credit losses, inventory reserve, income taxes, self-insurance liabilities, share-based compensation, contingent liabilities, lease-related reasonably certain option exercise assessments, the incremental borrowing rate for leases and the fair value of asset retirement obligations (“AROs”). The Company bases its estimates on historical and other pertinent information that are believed to be reasonable under the circumstances. The accounting estimates used in the preparation of the consolidated financial statements may change as new events occur, as more experience is acquired, as additional information is obtained and as the Company’s operating environment changes.

Allowance for credit losses: The Company’s allowance for credit losses relates to trade accounts receivable. The Company treats trade accounts receivable as one portfolio and records an initial allowance calculated as a percentage of revenue recognized based on a combination of historical information and future expectations. Additionally, the Company adjusts this allowance based on specific information in connection with aged receivables. Historically, most credit losses have been incurred when a customer’s financial condition significantly deteriorates, which in some cases leads to bankruptcy. Market volatility is highly uncertain and, as such, the impact on expected losses is subject to judgment and may cause variability in the Company’s allowance for credit losses in future periods.

The change in the allowance for credit losses is as follows:

	Six months ended June 30, 2026 (in thousands)
Balance as of December 31, 2025	\$ 4,801
Increase to allowance based on a percentage of revenue	1,536
Adjustment based on aged receivable analysis	(1,250)
Charge-offs	(289)
Balance as of June 30, 2026	<u>\$ 4,798</u>

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Asset retirement obligations: The Company's AROs relate to disposal facilities and landfills with obligations for plugging wells, removing surface equipment, and returning land to its pre-drilling condition. The following table describes the changes to the Company's ARO liability for the Current Period:

	Six months ended June 30, 2026	
	(in thousands)	
Balance as of December 31, 2025	\$	84,568
Accretion expense		2,569
Acquired AROs		1,240
Assumed AROs		5,872
Settlements		(1,504)
Balance as of June 30, 2026	\$	92,745
Short-term ARO liability		11,522
Long-term ARO liability		81,223
Balance as of June 30, 2026	\$	92,745

The Company reviews the adequacy of its ARO liabilities whenever indicators suggest the estimated cash flows underlying the liabilities have changed. The Company's ARO liabilities are included in accrued expenses and other current liabilities and other long-term liabilities in the accompanying consolidated balance sheets.

Lessor Income: The Company is a lessor for a nominal number of owned facilities and also recognizes income related to multiple facility subleases that are accounted for as follows:

		Three months ended June 30,		Six months ended June 30,	
		2026	2025	2026	2025
		(in thousands)			
<u>Category</u>	<u>Classification</u>				
Lessor income	Costs of revenue	\$ 137	\$ 37	\$ 271	\$ 78
Sublease income	Lease abandonment costs and Costs of revenue	738	538	1,424	1,025

The Company also generates short-term equipment rental revenue. See "Note 4—Revenue" for a discussion of revenue recognition for the accommodations and rentals business.

Defined Contribution Plan: The Company sponsors the Select Water Solutions, Inc. 401(k) Plan for the benefit of substantially all employees of the Company. The Company incurred match expense of \$1.8 million, \$1.3 million, \$3.6 million and \$3.2 million in the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

Severance: During 2025, the Company incurred \$1.5 million of severance expense in connection with the termination of certain former management employees related to a reorganization and \$0.1 million is included in accrued salaries and benefits as of June 30, 2026.

Dividends: During the Current Period, the Company paid \$15.7 million in dividends accounted for as a reduction to additional paid-in capital, \$2.1 million of distributions accounted for as a reduction to noncontrolling interests and \$0.5 million as a reduction to accrued expenses and other current liabilities associated with restricted stock awards that vested during the Current Period. As of June 30, 2026, the Company had \$0.6 million in dividends payable included in accrued expenses and other current liabilities in connection with unvested restricted stock awards. All future dividend payments are subject to quarterly review and approval by the board of directors.

Segment reporting: The Company has three reportable segments. Reportable segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the chief operating

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decision maker (“CODM”) in deciding how to allocate resources and assess performance. The Company’s reportable segments are Water Infrastructure, Water Services, and Chemical Technologies. See “Note 16—Segment Information” for additional information.

The Water Infrastructure segment consists of the Company’s fixed infrastructure assets, including operations associated with water distribution pipeline infrastructure, water recycling facilities, produced water gathering pipelines, saltwater disposal wells (“SWDs”), and solids management facilities, primarily serving E&P companies.

The Water Services segment primarily consists of the Company’s water-related services businesses, including water sourcing, water transfer, fluids hauling, water monitoring, water containment and water network automation, primarily serving E&P companies. Additionally, this segment includes the operations of the Company’s Peak Rentals business.

The Chemical Technologies segment provides technical solutions, products and expertise related to chemical applications in the oil and gas industry. We develop, manufacture, manage logistics and provide a full suite of chemicals used in hydraulic fracturing, stimulation, cementing and well completions for customers ranging from pressure pumpers to major integrated and independent oil and gas producers. This segment also utilizes its chemical experience and lab testing capabilities to customize tailored water treatment solutions designed for the recycling and treatment of produced water and to optimize the fracturing fluid system in conjunction with the quality of water used in well completions.

Equity Investments: For investments in subsidiaries that are not wholly-owned, but where the Company exercises control, the equity held by the minority owners and their portion of net income or loss are reflected as noncontrolling interests. Investments in entities in which the Company exercises significant influence over operating and financial policies are accounted for using the equity-method, and investments in entities for which the Company does not have significant control or influence are accounted for using the cost-method or other appropriate basis as applicable. As of June 30, 2026, the Company had four equity-method investments. The Company’s investments are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. When circumstances indicate that the fair value of its investment is less than its carrying value and the reduction in value is other than temporary, the reduction in value is recognized in earnings.

On February 14, 2025, the Company entered into a new partnership arrangement through AV Farms, LP, a newly-formed Delaware limited partnership (“AV Farms”), pursuant to a limited partnership agreement (the “LPA”) by and among Select Water Reuse, LLC, a wholly-owned subsidiary of the Company (“SWR”), C&A Rollover Company, LLC, (“C&A”) and Geneses Water, L.P., (“Geneses”), as limited partners, and AV Farms Management, LLC as the general partner (“AV GP”), effective as of February 28, 2025. SWR contributed \$72 million in capital contributions to AV Farms on February 28, 2025. Concurrently, each of SWR, C&A and Geneses owns approximately 39%, 38% and 23%, respectively, of AV Farms and 25%, 50% and 25%, respectively, of AV GP.

Our investments in unconsolidated entities are summarized below:

Investment	Ownership %	Year Attained	Accounting method	As of June 30,	As of December 31,
				2026	2025
(in thousands)					
Water Infrastructure					
AV Farms, LP	39%	2025	Equity-method	\$ 70,266	\$ 70,965
AquaNyx Midstream LP	47%	2021	Equity-method	2,744	2,753
Water Services					
ESG Solutions Group, Inc.	20%	2020	Equity-method	4,130	4,104
ICE Thermal, Inc. ⁽¹⁾	35%	2021	Equity-method	—	412
Total investment in unconsolidated entities				\$ 77,140	\$ 78,234

(1) In the Current Period, cumulative losses in excess of the Company’s investment resulted in no investment balance.

Recent accounting pronouncements:

In November 2024, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2024-03, “Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)” (“ASU 2024-03”). The amendments in this update enhance disclosures about a public business entity’s expenses and provide more detailed information about the types of expenses included in certain expense captions in the consolidated financial statements. ASU 2024-03 is effective for the Company for the year ending December 31, 2027, and for interim periods thereafter, with early adoption permitted. The Company is currently evaluating the impacts of the adoption of ASU 2024-03.

NOTE 3—ACQUISITIONS

The following table presents key information connected with our 2026 and 2025 acquisitions (in thousands, except share amounts):

Assets and Operations Acquired	Acquisition Date	Shares Issued	Cash Consideration	Other Consideration	Value of Shares Issued	Total Consideration	Segments
Lease buyouts	June 30, 2026	—	\$ 10,200	—	\$ —	10,200	Water Services
Smaller Asset Acquisitions	Multiple 2026 Dates	—	4,035	—	—	4,035	Water Infrastructure
Black River Ranch	May 1, 2026	—	18,579	—	—	18,579	Water Infrastructure
Reeves County Acquisition	May 1, 2026	—	9,464	—	—	9,464	Water Infrastructure
Smaller Asset Acquisition	January 8, 2026	—	175	—	—	175	Water Services
Eight Smaller Asset Acquisitions	Multiple 2025 Dates	—	25,432	—	—	25,432	Water Infrastructure
Lease buyout	August 29, 2025	—	7,537	—	—	7,537	Corporate-Other
Omni	July 1, 2025	862,069	17,747	20,757	7,664	46,168	Water Infrastructure
One Smaller Asset Acquisition	April 1, 2025	—	1,725	—	—	1,725	Water Services
Total		862,069	\$ 94,894	\$ 20,757	\$ 7,664	\$ 123,315	

2026 Asset Acquisitions

On June 25, 2026, the Company paid \$10.2 million to terminate operating leases for three facilities and acquire the underlying real property. See Note 6 – Property and Equipment for more information.

On May 29, 2026, the Company acquired a saltwater disposal facility and related assets located in Lea County, New Mexico for \$4.0 million in cash. The acquired assets include an operational SWD, integrated disposal infrastructure, equipment, office building, and associated contracts, permits, and leases necessary to support disposal operations. The purchase price was allocated primarily to property and equipment of \$4.9 million, with \$0.9 million of asset retirement obligations and other liabilities. This acquisition expands the Company’s disposal capacity in northern Lea County and is expected to support increased customer activity and infrastructure development in the region.

On May 1, 2026, a subsidiary of the Company acquired the Black River Ranch (“BRR”) in Eddy County, New Mexico for a purchase price of \$18.6 million. The BRR encompasses 4,463 total acres, including 3,753 acres of fee land and 710 acres of federal grazing lease land. Additionally, the BRR includes 1,800 acre feet of annual water rights. The acquired assets have generated revenue from the sale of water since the acquisition date. The acquisition was funded with a combination of cash on hand and a \$13.0 million agricultural loan bearing interest at 6.35%, with a maturity date of May 1, 2031. (See “Note 8—Debt”). The allocation of the purchase price for these assets was \$10.4 million in indefinite-lived water rights and \$8.2 million in land. The acquisition is expected to support the Company’s Water Infrastructure segment through water sales and by simplifying ROWs related to ongoing infrastructure projects and provide the potential for future recycling, disposal and other related infrastructure development opportunities.

Additionally on May 1, 2026, a subsidiary of the Company acquired a saltwater disposal facility and related assets located in Reeves County, Texas for total cash consideration of \$9.5 million. The acquired assets include a fully operational SWD with permitted capacity of approximately 30,000 barrels per day, approximately 33 acres of real property, freshwater wells and pits, and related permits and contracts necessary to operate the facility. The allocation of the purchase price for these assets was \$10.2 million in fixed assets and \$0.7 million in asset retirement obligations and other liabilities. The acquisition expands the Company's disposal capacity in the Permian Basin and supports its broader water infrastructure operations in the region.

2025 Business Combination with Omni

On July 1, 2025, the Company acquired certain assets and operations of Omni Environmental Solutions ("Omni") in the Bakken region. The acquired assets include:

- A solids waste landfill with approximately 3.2 million cubic yards of remaining offtake capacity;
- A processing, recovery, and disposal facility for reclaiming diesel and other hydrocarbons from oilfield waste streams;
- One SWD with a permitted disposal capacity of approximately 12,000 barrels per day; and
- A commercial oil storage tank farm with total capacity of approximately 24,000 barrels of storage.

The purchase consideration included (i) \$17.7 million in cash consideration, including \$7.5 million in base consideration and \$10.2 million to compensate for retained net working capital, (ii) the issuance of 862,069 shares of the Company's Class A common stock, (iii) rental and oil hauling operations in the Bakken, (iv) Northeast fluids hauling operations, (v) MidCon fluids hauling operations, and (vi) one MidCon SWD. As part of the transaction, 280 fluids hauling employees were transferred to Omni. The property and equipment divested had a net book value of \$5.7 million with \$5.5 million attributable to our Water Services segment and \$0.2 million attributable to our Water Infrastructure segment. The divested Fluids Hauling operations represented approximately 8% of the Water Services segment's revenue during the first half of 2025.

This acquisition enhances the Company's Water Infrastructure segment by expanding landfill and disposal capacity in the Bakken and introducing new service offerings. The transaction was accounted for as a business combination under the acquisition method in accordance with Accounting Standards Codification ("ASC") 805. The Company engaged third-party valuation experts to assist in the purchase price allocation for the net assets received. These estimates, judgments, assumptions and valuation of the property and equipment acquired, current assets, current liabilities and long-term liabilities were finalized as of June 30, 2026. The Company also used a third-party analysis for the valuation of property and equipment divested, which resulted in a \$14.9 million remeasurement gain in our Water Services segment. The assets acquired and liabilities assumed are included in the Company's Water Infrastructure segment and the goodwill acquired is deductible for income tax purposes. The goodwill recognized represents the anticipated strategic benefits of expanding Select's fluids and solids treatment and disposal capabilities in the Bakken region, as well as the expected operational synergies and economies of scale from integrating Select's existing assets and operations with those acquired from Omni. The Company incurred less than \$0.1 million of transaction-related costs related to this acquisition during both the Current Quarter and Current Period and \$0.9 million during both the Prior Quarter and Prior Period, and such costs are included in selling, general and administrative expenses within the consolidated statements of operations.

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The following table summarizes the consideration transferred and the estimated fair value of identified assets acquired and liabilities assumed at the date of acquisition:

<i>Final purchase price allocation</i>	Amount
<i>Consideration transferred</i>	(in thousands)
Cash paid	\$ 17,747
Class A common stock (862,069 shares)	7,664
Property and equipment (\$5,686 carrying value with \$14,924 step-up)	20,610
Other assets and liabilities transferred/assumed	147
Total consideration transferred	46,168
<i>Less: identifiable assets acquired and liabilities assumed</i>	
Working capital	(7,020)
Property and equipment	26,466
Long-term ARO	(3,548)
Total identifiable net assets acquired	15,898
<i>Goodwill</i>	30,270
Fair value allocated to net assets acquired	\$ 46,168

2025 Asset Acquisitions

During 2025, the Company acquired certain assets and associated liabilities in the Permian Basin from seven transactions for aggregate consideration of \$24.4 million, as well as one asset acquisition in the Northeast region for total consideration of \$1.0 million. These asset acquisitions added disposal capacity, pipeline capacity, surface rights, and over 400 acres of land and also improved connectivity with customers by enhancing infrastructure and connectivity across operational sites. The allocation of the purchase price for these assets was a combined \$34.1 million in property and equipment and \$8.7 million in AROs and other liabilities. The Company also acquired certain wastewater treatment facilities for the accommodations and rentals business line in the Permian and Eagle Ford regions for \$1.7 million during the year ended December 31, 2025. Further, the Company paid \$7.5 million to purchase its corporate headquarters building in Gainesville, Texas, which was previously subject to a lease agreement.

NOTE 4—REVENUE

The Company follows ASC 606, *Revenue from Contracts with Customers*, for most revenue recognition, which provides a five-step model for determining revenue recognition for arrangements that are within the scope of the standard: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Company applies the five-step model only to contracts when it is probable that the Company will collect the consideration the Company is entitled to in exchange for the goods or services the Company transfers to the customer. The accommodations and rentals revenue continues to be guided by ASC 842 – *Leases*, which is discussed further below.

The following factors are applicable to the Company's segments for the Current Quarter, Prior Quarter, Current Period and Prior Period:

- The vast majority of Water Services and Chemical Technologies customer agreements are short-term, lasting less than one year. Water Infrastructure contains both short-term and long-term agreements.
- Contracts are seldom combined together as virtually all of our customer agreements constitute separate performance obligations. Each job or project is typically distinct, thereby not interdependent or interrelated with other customer agreements.

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- Most contracts allow either party to terminate at any time without substantive penalties. If the customer terminates the contract, the Company is unconditionally entitled to the payments for the services rendered and products delivered to date. This largely applies to Water Services and Chemical Technologies.
- Contract terminations before the end of the agreement are rare.
- Sales returns are rare and no sales return assets have been recognized on the balance sheet.
- There are minimal volume discounts.
- There are no service-type warranties.
- There is no long-term customer financing.
- Taxes assessed by government authorities included on customer invoices are excluded from revenue.

In the Water Infrastructure and Water Services segments, performance obligations arise in connection with services provided to customers in accordance with contractual terms, in an amount the Company expects to collect. Services are generally sold based on customer orders or contracts with customers that include fixed or determinable prices. Revenues are generated by services rendered and measured based on the output generated, which is usually simultaneously received and consumed by customers at their job sites. As a multi-job site organization, contract terms, including the pricing for the Company's services, are negotiated on a job site level on a per-job basis. Most jobs are completed in a short period of time, usually between one day and one month. Revenue is recognized as performance obligations are completed on a daily, hourly or per-unit basis with unconditional rights to consideration for services rendered reflected as accounts receivable trade, net of allowance for credit losses. In cases where a prepayment is received before the Company satisfies its performance obligations, a contract liability is recorded in accrued expenses and other current liabilities. Final billings generally occur once all of the proper approvals are obtained. Mobilization and demobilization are factored into the pricing for services. Billings and costs related to mobilization and demobilization are not material for customer agreements that start in one period and end in another. The Company recognizes revenue from certain sales when title passes to the customer, the customer assumes risks and rewards of ownership, collectability is reasonably assured and delivery occurs as directed by the customer.

Within the Water Infrastructure segment, we have contracts containing acreage dedications, areas of mutual interest ("AMIs"), wellbore dedications and minimum volume commitments ("MVCs"). Acreage dedications are longer-term contracts pursuant to which a customer dedicates certain activities or volumes to Select within a defined set of the customer's leased acreage, typically committing to us all water demanded by future wells they complete or produced from current and future wells that they operate, and we commit to provide, gather, recycle or dispose such water volumes. AMI arrangements similarly are defined by a geographic right to current and future customer volumes, though AMIs may encompass a broader geographic area beyond a customer's existing leasehold acreage. Wellbore dedications are similar to acreage dedications; however, they limit the contractual obligations to a defined set of existing or future wells. Under our MVC agreements, our customers guarantee to deliver certain minimum volumes of produced water to our pipeline networks at an agreed-upon fee or pay a deficiency fee for the minimum volume that is not met for a specified period. In most cases, these contracts are covenant to the land and assets they encompass.

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The following table presents supplementary information regarding accounts receivable arising from rental agreements, accounts receivable related to contracts with customers and contract liabilities associated with contracts with customers. The Company did not have any contract assets during the periods presented. Contract liabilities of \$1.8 million, \$0.5 million, \$2.3 million and \$1.1 million at the beginning of the period were recognized as revenue during the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

	As of June 30, 2026	As of December 31, 2025
	(in thousands)	
Trade Accounts Receivable - Lease Arrangements (ASC 842) ⁽¹⁾	\$ 25,246	\$ 29,523
Trade Accounts Receivable - Revenue (ASC 606) ⁽¹⁾	294,678	234,505
Contract liabilities - Revenue (ASC 606)	(14,313)	(2,815)

(1) Trade accounts receivable is net of the allowance for credit losses and includes related party receivables.

Accommodations and rentals revenue is included in the Water Services segment and the Company accounts for its accommodations and rentals agreements as an operating lease. The Company recognizes revenue from renting equipment on a straight-line basis. Accommodations and rental contract periods are generally daily, weekly or monthly. The average lease term is less than three months and as of June 30, 2026, there were no material rental agreements in effect lasting more than one year. During the Current Quarter, Prior Quarter, Current Period and Prior Period, approximately \$27.0 million, \$19.9 million, \$48.4 million and \$40.8 million, respectively, of accommodations and rentals revenue was accounted for under ASC 842 lease guidance. The Company had \$33.2 million and \$31.2 million of in-service and deployed machinery and equipment supporting rental income activities as of June 30, 2026 and December 31, 2025, respectively.

In the Chemical Technologies segment, the typical performance obligation is to provide a specific quantity of chemicals to customers in accordance with the customer agreement in an amount the Company expects to collect. Products and services are generally sold based upon customer orders or contracts with customers that include fixed or determinable prices. Revenue is recognized as the customer takes title to chemical products in accordance with the agreement. Products may be provided to customers in packaging or delivered to the customers' containers through a hose. In some cases, the customer takes title to the chemicals upon consumption from storage containers on their property, where the chemicals are considered inventory until customer usage. In cases where the Company delivers products and recognizes revenue before collecting payment, the Company has an unconditional right to payment reflected in accounts receivable trade, net of allowance for credit losses. Customer returns are rare and immaterial and there were no material in-process customer agreements for this segment as of June 30, 2026, lasting greater than one year.

The following table sets forth certain financial information with respect to the Company's disaggregation of revenues by geographic location:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(in thousands)			
Geographic Region				
Permian Basin	\$ 215,508	\$ 187,293	\$ 411,539	\$ 367,136
Rockies	47,386	39,041	88,410	88,626
Marcellus/Utica	42,908	44,466	84,633	87,021
Eagle Ford	32,076	36,019	59,272	78,713
Mid-Continent	26,393	23,162	53,589	47,746
Haynesville/E. Texas	21,241	12,688	41,578	27,948
Bakken	14,612	25,389	29,427	48,053
Eliminations and other regions	(4,317)	(3,843)	(6,683)	(6,644)
Total	\$ 395,807	\$ 364,215	\$ 761,765	\$ 738,599

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In the Water Infrastructure segment, the most recent top three revenue-producing regions are the Permian Basin, Haynesville and Bakken, which collectively comprised 89%, 87%, 88% and 85% of segment revenue for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively. In the Water Services segment, the most recent top three revenue-producing regions are the Permian Basin, Rockies and Marcellus/Utica, which collectively comprised 80%, 73%, 79% and 73% of segment revenue for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively. In the Chemical Technologies segment, the most recent top three revenue-producing regions are the Permian Basin, MidCon and Haynesville, which collectively comprised 87%, 79%, 88% and 79% of segment revenue for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

Non-cash consideration

As part of a long-term agreement to receive and transport water that was executed in the Current Quarter, the Company received non-cash consideration in the form of saltwater disposal assets. The assets were measured at fair value at contract inception and included in the transaction price in accordance with ASC 606. Upon receipt, the Company recorded \$14.0 million in property and equipment and a corresponding contract liability of \$12.3 million, representing its obligation to provide future services. The Company also recorded \$1.7 million of liabilities for required initial repairs. The contract liability will be recognized as revenue over the term of the agreement using a units-of-production method based on actual volumes transported, which reflects the pattern in which the customer receives and consumes the benefits of the services.

NOTE 5—INVENTORIES

Inventories, which are comprised of chemicals and raw materials available for resale, are valued at the lower of cost or net realizable value, with cost determined under the weighted-average method. The significant components of inventory are as follows:

	June 30, 2026	December 31, 2025
	(in thousands)	
Raw materials	\$ 37,055	\$ 27,402
Finished goods	10,941	6,876
Total	<u>\$ 47,996</u>	<u>\$ 34,278</u>

During the Current Quarter, Prior Quarter, Current Period and Prior Period, the Company recorded net charges to the reserve for excess and obsolete inventory of less than \$0.1 million, less than \$0.1 million, \$0.1 million and less than \$0.1 million, respectively. Net charges to the reserve for excess and obsolete inventory were recognized within cost of revenue on the accompanying consolidated statements of operations. The Company's inventory reserve was \$5.1 million and \$4.9 million as of June 30, 2026 and December 31, 2025, respectively. The reserve for excess and obsolete inventories is determined based on the Company's historical usage of inventory on hand, as well as future expectations and the amount necessary to reduce the cost of the inventory to its estimated net realizable value.

NOTE 6—PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation. Depreciation (and amortization of finance lease assets) is calculated on a straight-line basis over the estimated useful life of each asset. Property and equipment consists of the following as of June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
	(in thousands)	
Machinery and equipment	\$ 574,611	\$ 561,560
Gathering and disposal infrastructure	466,695	418,044
Pipelines	262,302	226,303
Recycling facilities	184,521	168,714
Buildings and leasehold improvements	115,444	108,872
Land	54,931	46,412
Computer equipment and software	7,796	8,260
Vehicles and equipment	5,335	7,247
Machinery and equipment - finance lease	3,137	3,137
Office furniture and equipment	1,208	1,213
Computer equipment and software - finance lease	815	824
Construction in progress	119,771	78,820
	1,796,566	1,629,406
Less accumulated depreciation ⁽¹⁾	(770,358)	(717,223)
Total property and equipment, net	\$ 1,026,208	\$ 912,183

(1) Includes \$1.9 million and \$1.6 million of accumulated depreciation related to finance leases as of June 30, 2026 and December 31, 2025, respectively.

During the Current Quarter, the Company paid \$10.2 million to terminate operating leases for three facilities and acquire the underlying real property. One facility is located in East Texas, and the other two are located in South Texas. Upon completion of the transactions, the Company derecognized the related operating lease right-of-use assets and lease liabilities and recorded the acquired land and buildings within property and equipment. Amounts allocated to buildings will be depreciated over their estimated useful lives in accordance with the Company's accounting policies.

During the Current Quarter, the Company recognized \$0.2 million in impairments and abandonments related to the abandonment of a SWD well in the Bakken region of the Water Infrastructure segment. During the Prior Quarter, the Company recognized \$1.5 million in impairments and abandonments, consisting of \$1.3 million in Other related to abandonment of back-office software development costs previously classified as Other long-term assets and \$0.2 million in the Water Infrastructure segment related to the abandonment of property and equipment.

During the Current Period, the Company recognized \$5.9 million in impairments and abandonments primarily related to the abandonment of a SWD well in the Haynesville region of the Water Infrastructure segment. During the Prior Period, the Company recognized \$2.6 million in impairments and abandonments, consisting of \$1.3 million in Other related to abandonment of back-office software development costs previously classified as Other long-term assets, \$0.6 million in the Water Services segment related to the relocation of operations from a leased facility and \$0.7 million in the Water Infrastructure segment primarily associated with the termination of a disposal lease.

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Total depreciation, amortization and accretion expense related to property and equipment and finance leases presented in the table above, as well as amortization of intangible assets presented in “Note 7— Other Intangible Assets” is as follows:

Category	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
(in thousands)				
Depreciation expense from property and equipment	\$ 42,561	\$ 37,376	\$ 83,602	\$ 71,420
Amortization expense from finance leases	180	182	361	351
Amortization expense from intangible assets	4,386	4,378	8,765	8,756
Accretion expense from asset retirement obligations	1,307	1,036	2,569	2,045
Total depreciation, amortization and accretion	<u>\$ 48,434</u>	<u>\$ 42,972</u>	<u>\$ 95,297</u>	<u>\$ 82,572</u>

NOTE 7—GOODWILL AND OTHER INTANGIBLE ASSETS

The Company recorded no adjustments to goodwill during the Current Period and \$30.3 million of goodwill during 2025 (See “Note 3—Acquisitions”). Goodwill is evaluated for impairment annually, or more frequently if indicators of impairment exist.

The changes in the carrying amounts of goodwill by reportable segment for the Current Period are as follows:

	Water Infrastructure	Water Services	Total
	(in thousands)		
Balance as of December 31, 2025	\$ 47,047	\$ 1,438	\$ 48,485
Additions	—	—	—
Balance as of June 30, 2026	<u>\$ 47,047</u>	<u>\$ 1,438</u>	<u>\$ 48,485</u>

During the Current Quarter, the Company added \$10.4 million of indefinite-lived water rights in connection with the BRR asset acquisition (See “Note 3—Acquisitions”). The components of other intangible assets, net as of June 30, 2026 and December 31, 2025 are as follows:

	As of June 30, 2026			As of December 31, 2025		
	Gross Value	Accumulated Amortization (in thousands)	Net Value	Gross Value	Accumulated Amortization (in thousands)	Net Value
Definite-lived						
Customer relationships	\$ 187,230	\$ (99,314)	\$ 87,916	\$ 187,230	\$ (91,596)	\$ 95,634
Patents and other intellectual property	14,272	(10,829)	3,443	14,272	(10,060)	4,212
Water rights	1,925	(951)	974	1,750	(673)	1,077
Total definite-lived	<u>203,427</u>	<u>(111,094)</u>	<u>92,333</u>	<u>203,252</u>	<u>(102,329)</u>	<u>100,923</u>
Indefinite-lived						
Water rights	15,705	—	15,705	5,281	—	5,281
Total indefinite-lived	<u>15,705</u>	<u>—</u>	<u>15,705</u>	<u>5,281</u>	<u>—</u>	<u>5,281</u>
Total other intangible assets, net	<u>\$ 219,132</u>	<u>\$ (111,094)</u>	<u>\$ 108,038</u>	<u>\$ 208,533</u>	<u>\$ (102,329)</u>	<u>\$ 106,204</u>

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The weighted-average periods for customer relationships, patents and other intellectual property, and water rights were 12.9 years, 9.9 years and 4.4 years, respectively, and the weighted-average remaining amortization periods for customer relationships, patents and other intellectual property, and water rights were 7.3 years, 4.8 years and 2.9 years, respectively, as of June 30, 2026. See “Note 6—Property and Equipment” for the amortization expense during the Current Quarter, Prior Quarter, Current Period and Prior Period. The indefinite-lived water rights are generally subject to renewal every five to ten years at immaterial renewal costs. Annual amortization of intangible assets for the next five years and beyond is as follows:

	Amount (in thousands)
Remainder of 2026	\$ 8,677
2027	16,940
2028	14,672
2029	14,131
2030	11,742
Thereafter	26,171
Total	\$ 92,333

NOTE 8—DEBT

Sustainability-linked credit facility and revolving line of credit

On January 24, 2025 (the “Closing Date”), SES Holdings and Select Water Solutions, LLC (“Select LLC”) entered into a \$550.0 million sustainability-linked senior secured credit facility (the “Sustainability-Linked Credit Facility”), by and among SES Holdings, as parent, Select LLC, as borrower and certain of SES Holdings’ subsidiaries, as guarantors, each of the lenders party thereto and Bank of America, N.A., as administrative agent, issuing lender and swingline lender (the “Administrative Agent”), which initially provides for \$300.0 million in revolving commitments (the “Revolving Credit Facility”) and \$250.0 million in term commitments (the “Term Loan Facility”), in each case, subject to a borrowing base. The Sustainability-Linked Credit Facility also has a sublimit of \$50.0 million for letters of credit and a sublimit of \$30.0 million for swingline loans. Subject to obtaining commitments from existing or new lenders, Select LLC has the option to increase the maximum amount under the senior secured credit facility by (i) \$150.0 million for additional revolving commitments and (ii) \$50.0 million for additional term commitments, in each case, during the first four years following the Closing Date. Capitalized terms used but not defined herein have the meaning ascribed to them in the Sustainability-Linked Credit Facility.

The Borrowing Base for the Revolving Credit Facility is calculated as the sum of (i) 90% of the Eligible Investment Grade Billed Receivables, plus (ii) 85% of the Eligible Billed Receivables (other than Eligible Investment Grade Billed Receivables), plus (iii) the lesser of (a) 75% of the amount of Eligible Unbilled Receivables and (b) an amount equal to 40% of the Borrowing Base, plus (iv) the least of (x) the product of 70% multiplied by the value of Eligible Inventory at such time, (y) the product of 85% multiplied by the Net Recovery Percentage identified in the most recent Acceptable Appraisal of Inventory, multiplied by the value of Eligible Inventory at such time and (z) an amount equal to 30% of the Borrowing Base, minus (v) the aggregate amount of Reserves, if any, established by the Administrative Agent from time to time. As of June 30, 2026, the Borrowing Base for the Revolving Credit Facility under the Sustainability-Linked Credit Facility was \$264.0 million. The Borrowing Base is calculated on a monthly basis pursuant to a borrowing base certificate delivered by Select LLC to the Administrative Agent.

The Term Advance Borrowing Base for the Term Loan Facility is calculated as the lesser of (i) the product of 100% multiplied by the net book value of all Machinery and Equipment (“M&E”) and (ii) the product of 65% multiplied by the net orderly liquidation value – in place (“NOLV-IP”) of the Term Advance Collateral. As of the Closing Date, the Term Advance Borrowing Base under the Term Loan Facility was \$426.3 million. The Term Advance Borrowing Base is thereafter only subject to reporting and redetermination during the period commencing after the date that excess availability is less than the greater of (a) 25% of the lesser of (1) the aggregate revolving commitments and (2) the then-effective borrowing base (such lesser amount, the “Borrowing Limit”) and (b) \$30.0 million for three or

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more consecutive business days and ending on the first date that excess availability has equaled or exceeded the greater of (1) 25% of the Borrowing Limit and (2) \$30.0 million for 30 consecutive days.

Borrowings under the Sustainability-Linked Credit Facility bear interest, at Select LLC's election, at either Term secured overnight financing rate ("SOFR") (subject to a zero percent floor) or the Base Rate ("Base Rate" being equal to the greater of (a) the Prime Rate for such day; (b) the Federal Funds Rate for such day, plus 0.50%; or (c) Term SOFR for a one month Interest Period as of such day, plus 1.0%), in each case plus an applicable margin. The applicable margin for Term SOFR loans under the Term Loan Facility ranges from 3.00% to 3.50% and the applicable margin for Base Rate loans under the Term Loan Facility ranges from 2.00% to 2.50%, in each case, depending on Select LLC's average excess availability under the Sustainability-Linked Credit Facility. Additionally, the applicable margin for Term SOFR loans under the Revolving Credit Facility ranges from 1.50% to 2.00% and the applicable margin for Base Rate loans under the Revolving Credit Facility ranges from 0.50% to 1.00%, in each case, depending on Select LLC's average excess availability under the Sustainability-Linked Credit Facility. Interest is payable monthly in arrears for Base Rate loans and, for Term SOFR loans, at the end of each applicable Interest Period, which may be one month or three months at Select LLC's election. A commitment fee accrues on the unused commitments under the Revolving Credit Facility at either 0.25% per annum or 0.375% per annum depending on Select LLC's average utilization of the Revolving Credit Facility in the preceding calendar month and is payable monthly in arrears. The Sustainability-Linked Credit Facility is scheduled to mature on the fifth anniversary of the Closing Date or the earlier termination in full of the Commitments.

Under the Sustainability-Linked Credit Facility, the interest rate margin and the facility fee rates are also subject to annual adjustments based on the Select LLC's performance of specified sustainability target thresholds with respect to (i) total recordable incident rate, as the Employee Health and Safety Metric, and (ii) barrels of recycled produced water recycled at facilities of the Credit Parties, as the Water Stewardship Metric, in each case, subject to limited assurance verification by a qualified independent external reviewer. The adjustment for the interest rate margin is a range of plus and minus 5.00 basis points and the adjustment for the commitment fee rate is a range of plus and minus 1.00 basis point, subject to the mechanics under the Sustainability-Linked Credit Facility. As of the Closing Date, the margin adjustment in effect is a reduction of 5.00 basis points and the commitment fee adjustment in effect is a reduction of 1.00 basis point.

The obligations under the Sustainability-Linked Credit Facility are guaranteed by SES Holdings and certain subsidiaries of SES Holdings and Select LLC and secured by a security interest in substantially all of the personal property assets of SES Holdings, Select LLC and their domestic subsidiaries that are guarantors.

The Sustainability-Linked Credit Facility contains certain customary representations and warranties, affirmative and negative covenants and events of default. If an event of default occurs and is continuing, the lenders may declare all amounts outstanding under the Sustainability-Linked Credit Facility to be immediately due and payable.

In addition, the Sustainability-Linked Credit Facility restricts SES Holdings' and Select LLC's ability to make distributions on, or redeem or repurchase, its equity interests, except for certain distributions, including distributions of cash so long as, both at the time of the distribution and after giving effect to the distribution, no default or event of default exists under the Sustainability-Linked Credit Facility or would result from the making of such distribution and (a) the fixed charge coverage ratio of SES Holdings is equal to or greater than 1.0 to 1.0 on a pro forma basis, (b) the leverage ratio of SES Holdings is not greater than 3.5 to 1.0 on a pro forma basis, (c) excess availability at all times during the preceding 30 consecutive days, on a pro forma basis and after giving effect to such distribution, is not less than the greater of (1) 20% of the Borrowing Limit and (2) \$27.0 million. Additionally, the Sustainability-Linked Credit Facility generally permits Select LLC to make distributions required under its existing tax receivable agreements ("TRAs"), subject to certain limitations.

The Sustainability-Linked Credit Facility also requires SES Holdings to maintain (i) a fixed charge coverage ratio of at least 1.0 to 1.0 and (ii) a leverage ratio of not more than 3.5 to 1.0, in each case, as of the last day of any fiscal quarter.

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Commencing on the first day of the calendar month immediately following the first full fiscal quarter ending after the first anniversary of the closing date, the Term Loan Facility will amortize in quarterly installments equal to \$15.625 million (subject to reduction of such amount on account of certain prepayments). Upon the repayment in full of the Term Loan Facility, certain terms of the Sustainability-Linked Credit Facility will be automatically adjusted (including the conditions to the making of cash distributions and the financial maintenance covenants) and the Term Advance Collateral will be released as Collateral, in each case, as described in the Sustainability-Linked Credit Facility.

Certain lenders party to the Sustainability-Linked Credit Facility and their respective affiliates have from time to time performed, and may in the future perform, various financial advisory, commercial banking and investment banking services for the Company and its affiliates in the ordinary course of business for which they have received and would receive customary compensation. In addition, in the ordinary course of their various business activities, such parties and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investments and securities activities may involve the Company's securities and/or instruments.

In connection with the entry into the Sustainability-Linked Credit Facility, the obligations of SES Holdings, Select LLC and their applicable subsidiaries under the prior credit facility were repaid in full and the prior credit facility was terminated on the Closing Date.

The Company had \$250.0 million and \$320.0 million in borrowings outstanding under the Sustainability-Linked Credit Facility as of June 30, 2026 and December 31, 2025, respectively. As of June 30, 2026 and December 31, 2025, the borrowing base for the Revolving Credit Facility under the Sustainability-Linked Credit Facility was \$264.0 million and \$235.1 million, respectively. The borrowing capacity under the Sustainability-Linked Credit Facility was reduced by outstanding letters of credit of \$19.6 million as of both June 30, 2026 and December 31, 2025. The Company's letters of credit have a variable interest rate between 1.75% and 2.25% based on the Company's average excess availability as outlined above. The unused portion of the available borrowings under the Sustainability-Linked Credit Facility was \$244.4 million as of June 30, 2026.

In connection with the entry into the Sustainability-Linked Credit Facility, the Company incurred \$7.9 million of debt issuance costs during 2025. Additionally, the Company expensed \$0.7 million of previously unamortized deferred debt issuance costs related to the prior credit facility and transferred \$0.4 million of unamortized costs to the new Sustainability-Linked Credit Facility for lenders that remained in the syndicate.

The Company was in compliance with all debt covenants as of June 30, 2026.

Agricultural loan

On May 1, 2026, a subsidiary of the Company acquired the BRR in Eddy County, New Mexico (See "Note 3—Acquisitions"). This acquisition was funded with a combination of cash on hand and a \$13.0 million agricultural loan bearing interest at 6.35%, with a maturity date of May 1, 2031. In connection with the agricultural loan, the Company incurred \$0.1 million of debt issuance costs during the Current Quarter.

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The principal maturities of debt outstanding as of June 30, 2026 were as follows:

	Amount (in thousands)		
	Agricultural Loan	Term Loan	Total
Remainder of 2026	\$ 325	\$ 31,250	\$ 31,575
2027	650	62,500	63,150
2028	650	62,500	63,150
2029	650	62,500	63,150
2030	650	31,250	31,900
2031	10,013	—	10,013
Total	\$ 12,938	\$ 250,000	\$ 262,938
Less: Debt issuance costs	(98)	(3,251)	(3,349)
Less: Current portion of long-term debt	(650)	(62,500)	(63,150)
Long-term debt, net	\$ 12,190	\$ 184,249	\$ 196,439
Interest rate as of June 30, 2026	6.35%	6.85%	

Unamortized debt issuance costs as of June 30, 2026 and December 31, 2025, were \$6.0 million and \$6.7 million, respectively. The debt issuance costs related to the revolving line of credit are presented as a deferred charge within other assets on the consolidated balance sheets. The debt issuance costs related to the term loan and agricultural loan are presented as a deferred credit, reducing the loan's carrying value on the consolidated balance sheets. Debt issuance costs are amortized to interest expense over the life of the debt to which they pertain. Total amortization expense related to debt issuance costs was \$0.4 million, \$0.4 million, \$0.8 million and \$0.7 million for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

NOTE 9—COMMITMENTS AND CONTINGENCIES

Litigation

The Company is subject to a number of lawsuits and claims arising out of the normal conduct of its business. The ability to predict the ultimate outcome of such matters involves judgments, estimates and inherent uncertainties. Based on a consideration of all relevant facts and circumstances, including applicable insurance coverage, it is not expected that the ultimate outcome of any currently pending lawsuits or claims against the Company will have a material adverse effect on its consolidated financial position, results of operations or cash flows; however, there can be no assurance as to the ultimate outcome of these matters.

Retentions

We are self-insured up to certain retention limits with respect to workers' compensation, general liability and vehicle liability matters, and health insurance. We maintain accruals for self-insurance retentions that we estimate using third-party data and claims history.

NOTE 10—EQUITY-BASED COMPENSATION

As of June 30, 2026, there were 7,325,841 shares available for issuance as future equity awards under the Select Water Solutions, Inc. 2024 Equity Incentive Plan (the “2024 Plan”).

Stock Option Awards

The Company has outstanding stock option awards as of June 30, 2026 but there have been no option grants since 2018. The stock options were granted with an exercise price equal to or greater than the fair market value of a share of Class A common stock as of the date of grant. The expected life of the options at the time of the grant was based on the vesting period and term of the options awarded, which was ten years.

A summary of the Company’s stock option activity and related information as of and for the Current Period is as follows:

	For the six months ended June 30, 2026			
	Stock Options	Weighted-average Exercise Price	Weighted-average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (in thousands) ^(a)
Beginning balance, outstanding	856,092	\$ 21.98	1.7	\$ 302
Other	10,075	14.89	0.6	
Exercised	(136,404)	8.69		
Expired	(5,334)	20.00		—
Ending balance, outstanding	724,429	\$ 24.40	1.4	\$ 366
Ending balance, exercisable	724,429	\$ 24.40	1.4	\$ 366
Nonvested as of June 30, 2026	—	\$ —		

(a) Aggregate intrinsic value for stock options is based on the difference between the exercise price of the stock options and the quoted closing Class A common stock price of \$19.98 and \$10.52 as of June 30, 2026 and December 31, 2025, respectively.

All equity-based compensation expense related to stock options has been previously recognized.

Restricted Stock Awards

The value of the restricted stock awards granted was established by the market price of the Class A common stock on the date of grant and is recorded as compensation expense ratably over the vesting term, which is generally over three years from the applicable date of grant. The Company recognized compensation expense of \$3.9 million, \$3.4 million, \$6.9 million and \$6.4 million related to the restricted stock awards for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively. As of June 30, 2026, there was \$20.2 million of unrecognized compensation expense with a weighted-average remaining life of 2.0 years related to unvested restricted stock awards.

A summary of the Company’s restricted stock awards activity and related information for the Current Period is as follows:

	For the six months ended June 30, 2026	
	Restricted Stock Awards	Weighted-average Grant Date Fair Value
Nonvested as of December 31, 2025	2,245,950	\$ 9.41
Granted	1,047,027	14.11
Vested	(995,928)	14.37
Forfeited	(26,415)	16.29
Nonvested as of June 30, 2026	2,270,634	\$ 9.32

Performance Share Units (“PSUs”)

During 2026, the Company approved grants of PSUs that are subject to both performance-based and service-based vesting provisions related to relative and absolute total shareholder return (“TSR”), with relative TSR measured against a defined peer group specified in the grant agreement, over the performance period from January 1, 2026 to December 31, 2028. The target number of shares of Class A common stock subject to each PSU granted in 2026 is 1.0; however, based on the achievement of performance criteria, the number of shares of Class A common stock that may be received in the settlement of each PSU can range from 0.0 to 2.0 times the target number. The PSUs become earned at the end of the performance period after the attainment of the performance level has been certified by the compensation committee, which will be no later than June 30, 2029.

The PSUs granted in 2026 that become earned in connection with TSR will be determined (as defined in the applicable PSU agreement) in accordance with the following table:

Performance Level	Relative TSR (%)	Absolute TSR between 0% and 15%*	Absolute TSR greater than 15%	Absolute TSR less than 0%
Maximum	Greater than or equal to 80%	200%	200%	100%
Target	55%	100%	100%	100%
Threshold	25%	50%	50%	50%
Below Threshold	Less than 25%	0%	50%	0%

*The percentage of target PSUs that become earned PSUs for performance that is between the values set forth in the table above, excluding between the third and fourth rows of the table, shall be linearly interpolated between the values in the table.

During 2026, the Company also approved grants of divisional PSUs, with vesting contingent upon achievement of specified performance metrics for designated business units over a two-year performance period beginning January 1, 2026. Awards are based on revenue growth and gross margin targets, with payouts determined based on performance relative to established thresholds. Performance is measured over a qualifying six-month period within the performance window. Upon certification by the Compensation Committee, earned PSUs convert into restricted stock awards subject to a subsequent two-year cliff vesting period, which may commence earlier upon achievement of target performance.

The fair value on the date the PSUs were granted during 2026, 2025 and 2024 was \$14.0 million, \$5.4 million and \$5.2 million, respectively. Compensation expense related to the PSUs is determined by multiplying the number of shares of Class A common stock underlying such awards that, based on the Company’s estimate, are probable to vest by the measurement date (i.e., the last day of each reporting period date) fair value and recognized using the accelerated attribution method. The Company recognized compensation expense of \$4.5 million, a credit to compensation expense of \$0.2 million, compensation expense of \$7.3 million and compensation expense of \$0.3 million related to the PSUs for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

As of June 30, 2026, the unrecognized compensation cost related to our unvested PSUs is estimated to be \$17.2 million and is expected to be recognized over a weighted-average period of 2.4 years. However, this compensation cost will be adjusted as appropriate throughout the applicable performance periods.

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A summary of the Company's PSUs and related information for the Current Period is as follows:

	PSUs
Nonvested as of December 31, 2025	1,678,541
Target shares granted	954,766
Target shares vested ⁽¹⁾	(852,901)
Adjustment for performance factor ⁽¹⁾	95,653
Target shares forfeited ⁽¹⁾	(39,856)
Target shares outstanding as of June 30, 2026	1,836,203

(1) The PSUs granted in 2023 related to ROA and free cash flow ("FCF") vested at 124% and 90% of target, respectively.

Share Repurchases

During the Current Quarter, the Company repurchased 67,422 shares of Class A common stock in connection with the cashless exercise of options and the satisfaction of employee minimum tax withholding requirements for shares vested under both the 2024 Plan and the Select Energy Services, Inc. 2016 Equity Incentive Plan. All repurchased shares were retired. During the Current Quarter, the repurchases were accounted for as a decrease to paid-in capital of \$1.2 million and a decrease to Class A common stock of \$1,000. In the Prior Quarter, the Company repurchased 32,143 shares of Class A common stock in connection with the satisfaction of employee minimum tax withholding requirements. The Company did not make any open market repurchases in either the Current Quarter or Prior Quarter.

During the Current Period, the Company repurchased 668,672 shares of Class A common stock in connection with the cashless exercise of options and the satisfaction of employee minimum tax withholding requirements for shares vested under both the 2024 Plan and the Select Energy Services, Inc. 2016 Equity Incentive Plan. All repurchased shares were retired. During the Current Period, the repurchases were accounted for as a decrease to paid-in capital of \$9.4 million and a decrease to Class A common stock of \$7,000. In the Prior Period, the Company repurchased 576,430 shares of Class A common stock in connection with the cashless exercise of options and the satisfaction of employee minimum tax withholding requirements. The Company did not make any open market repurchases in either the Current Period or Prior Period.

The 1% U.S. federal excise tax on certain repurchases of stock by publicly traded U.S. corporations enacted as part of the IRA 2022 applies to our open-market share repurchase program.

NOTE 11—FAIR VALUE MEASUREMENT

The Company utilizes fair value measurements to measure assets and liabilities in a business combination or assess impairment and abandonment of property and equipment, intangible assets and goodwill or to measure the value of securities marked to market. Fair value is defined as the amount at which an asset (or liability) could be bought (or incurred) or sold (or settled) in an orderly transaction between market participants at the measurement date. Further, ASC 820, *Fair Value Measurements*, establishes a framework for measuring fair value, establishes a fair value hierarchy based on the quality of inputs used to measure fair value, and includes certain disclosure requirements. Fair value estimates are based on either (i) actual market data or (ii) assumptions that other market participants would use in pricing an asset or liability, including estimates of risk.

ASC 820 establishes a three-level valuation hierarchy for the disclosure of fair value measurements. The valuation hierarchy categorizes assets and liabilities measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. The three levels are defined as follows:

Level 1—Unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2—Quoted prices for similar assets or liabilities in non-active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3—Inputs that are unobservable and significant to the fair value measurement (including the Company's own assumptions in determining fair value).

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. There were no transfers into, or out of, the three levels of the fair value hierarchy for the three months ended June 30, 2026 or the year ended December 31, 2025.

As discussed in Note 4—Revenue, the Company received saltwater disposal assets as noncash consideration under a long-term customer agreement and recorded the assets at fair value using Level 3 inputs, with a corresponding contract liability and related day-one repair liabilities.

Other fair value considerations

The carrying values of the Company's current financial instruments, which include cash and cash equivalents, accounts receivable trade and accounts payable, approximate their fair value as of June 30, 2026 and December 31, 2025 due to the short-term nature of these instruments. The carrying value of debt as of June 30, 2026 approximates fair value due to variable market rates of interest. The estimated fair values of the Company's financial instruments are not necessarily indicative of the amounts that would be realized in a current market exchange.

NOTE 12—RELATED-PARTY TRANSACTIONS

The Company considers its related parties to be those stockholders who are beneficial owners of more than 5.0% of its common stock, executive officers, members of its board of directors or immediate family members of any of the foregoing persons, transactions with a company that is significantly influenced by another related party, and cost-method and equity-method investees. The Company has entered into a number of transactions with related parties. In accordance with the Company's related persons transactions policy, the audit committee of the Company's board of directors regularly reviews these transactions.

During the Current Quarter, sales to related parties were \$0.1 million and purchases from related-party vendors were \$6.2 million. These purchases consisted of \$4.7 million relating to the rental of certain equipment or other services used in operations, \$0.7 million relating to management, consulting and other services, \$0.4 million relating to inventory and consumables and \$0.4 million relating to property and equipment.

During the Prior Quarter, sales to related parties were less than \$0.1 million and purchases from related-party vendors were \$10.0 million. These purchases consisted of \$6.6 million relating to the rental of certain equipment or other services used in operations, \$1.6 million relating to inventory and consumables, \$1.4 million relating to management, consulting and other services, and \$0.4 million relating to property and equipment.

During the Current Period, sales to related parties were \$0.2 million and purchases from related-party vendors were \$12.6 million. These purchases consisted of \$9.4 million relating to the rental of certain equipment or other services used in operations, \$1.6 million relating to management, consulting and other services, \$1.0 million relating to inventory and consumables and \$0.6 million relating to property and equipment.

During the Prior Period, sales to related parties were \$0.2 million and purchases from related-party vendors were \$15.4 million. These purchases consisted of \$10.5 million relating to the rental of certain equipment or other services used in operations, \$2.4 million relating to management, consulting and other services, \$1.9 million relating to inventory and consumables and \$0.5 million relating to property and equipment.

Tax Receivable Agreements

In connection with the Select 144A Offering, the Company entered into two TRAs with certain then-affiliates of the then-holders of SES Holdings LLC Units. As of June 30, 2026, certain of the TRA Holders were employed by the Company, on the Company's board of directors and/or owned shares of the Company's Class A and/or Class B common stock.

The first of the TRAs, which the Company entered into with Legacy Owner Holdco and Crestview Partners II GP, L.P. ("Crestview GP") generally provides for the payment by the Company to such TRA Holders of 85% of the net cash savings, if any, in U.S. federal, state and local income and franchise tax that the Company actually realizes (computed using simplifying assumptions to address the impact of state and local taxes) or is deemed to realize in certain circumstances in periods after the Select 144A Offering as a result of, as applicable to each such TRA Holder, (i) certain increases in tax basis that occur as a result of the Company's acquisition (or deemed acquisition for U.S. federal income tax purposes) of all or a portion of such TRA Holder's SES Holdings LLC Units in connection with the Select 144A Offering or pursuant to the exercise of the Exchange Right or the Company's Call Right and (ii) imputed interest deemed to be paid by the Company as a result of, and additional tax basis arising from, any payments the Company makes under such Tax Receivable Agreement.

The second of the TRAs, which the Company entered into with an affiliate of Legacy Owner Holdco and Crestview GP, generally provides for the payment by the Company to such TRA Holders of 85% of the net cash savings, if any, in U.S. federal, state and local income and franchise tax that the Company actually realizes (computed using simplifying assumptions to address the impact of state and local taxes) or is deemed to realize in certain circumstances in periods after the Select 144A Offering as a result of, as applicable to each such TRA Holder, (i) any net operating losses ("NOLs") available to the Company as a result of certain reorganization transactions entered into in connection with the Select 144A Offering and (ii) imputed interest deemed to be paid by the Company as a result of any payments the Company makes under such Tax Receivable Agreement.

On June 23, 2023, the TRAs were amended to replace references to one year LIBOR with references to the 12-month term SOFR published by CME Group Benchmark Administration Limited plus 171.513 basis points, which is the benchmark replacement rate and additional margin that, under the Adjustable Interest Rate (LIBOR) Act of 2021, would have otherwise been inserted in place of references to LIBOR in the TRAs following June 30, 2023.

The Company has recognized a liability associated with the TRAs as of June 30, 2026 and December 31, 2025 of \$50.1 million and \$43.4 million, respectively, because the likelihood of a payment to be made under the TRAs has been determined to be probable as of both June 30, 2026 and December 31, 2025. The increase in the Current Quarter is due to the exchange of 5,063,000 SES Holdings LLC Units (and corresponding shares of Class B common stock) for an equivalent number of shares of Class A common stock that occurred during the Current Quarter. In connection with such exchange, the corresponding shares of Class B common stock were cancelled.

The recognized liability associated with the TRAs represents 85% of the net cash savings in U.S. federal, state and local income tax or franchise tax that the Company anticipates realizing in future years from certain increases in tax basis and other tax attributes arising from the Company's completed acquisitions of SES Holdings LLC Units from the TRA Holders and from the NOLs available to the Company as a result of certain reorganization transactions entered into in connection with the Select 144A Offering. This liability could materially change in the future, based on multiple factors including, among others, whether the remaining holders of SES Holdings LLC Units exchange such units for Class A common stock, the value of our Class A common stock, changes in our economic projections and actual results, passage of future legislation, and consummation of significant transactions in the future.

NOTE 13—INCOME TAXES

The Company's income tax information is presented in the table below. The effective tax rate is different than the 21% U.S. federal income tax rate due to net income allocated to noncontrolling interests, state income taxes, income tax credits and nondeductible items. The effective tax rates in the table below are calculated excluding equity in losses of unconsolidated entities, for which there is no income tax expense.

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(in thousands)			
Current income tax (benefit) expense	\$ (52)	\$ 49	\$ (13)	\$ 457
Deferred income tax expense	6,412	4,472	8,806	6,958
Total income tax expense	\$ 6,360	\$ 4,521	\$ 8,793	\$ 7,415
Effective Tax Rate	21.6%	27.6%	21.1%	25.8%

The Company regularly reviews its deferred tax assets for realization and establishes a valuation allowance if it is more likely than not that some portion or all of a deferred tax asset will not be realized. The Company considers all available positive and negative evidence in determining whether realization of the tax benefit is more likely than not. This evidence includes historical income/loss, projected future income, the expected timing of the reversal of existing temporary differences and the implementation of tax planning strategies. Management has continued to assess both positive and negative evidence and determined that no adjustments to the remaining valuation allowance were necessary as of June 30, 2026.

NOTE 14—NONCONTROLLING INTERESTS

The Company's noncontrolling interests fall into two categories as follows:

- Noncontrolling interests attributable to joint ventures formed for water-related services.
- Noncontrolling interests attributable to holders of Class B common stock.

	As of June 30, 2026	As of December 31, 2025
	(in thousands)	
Noncontrolling interests attributable to joint ventures formed for water-related services	\$ (3,757)	\$ (2,275)
Noncontrolling interests attributable to holders of Class B common stock	91,926	123,726
Total noncontrolling interests	\$ 88,169	\$ 121,451

During the Current Quarter, the Company received a \$0.5 million cash contribution from a noncontrolling interest for ongoing operations.

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For all periods presented, there were changes in Select Inc.'s ownership interest in SES Holdings. The effects of the changes in Select Inc.'s ownership interest in SES Holdings are as follows:

	Six months ended June 30,	
	2026	2025
	(in thousands)	
Net income attributable to Select Water Solutions, Inc.	\$ 29,641	\$ 18,886
Transfers from noncontrolling interests:		
Decrease in additional paid-in capital from reallocation to Class B holders in connection with underwritten offering	(8,283)	—
Increase in additional paid-in capital as a result of restricted stock issuance, net of forfeitures	1,787	1,115
Increase in additional paid-in capital as a result of vested PSUs	530	406
Increase in additional paid-in capital as a result of the repurchase of SES Holdings LLC Units	904	507
Increase in additional paid-in capital as a result of exchanges of SES Holdings LLC Units (an equivalent number of shares of Class B Common Stock) for shares of Class A Common Stock	40,513	—
Change to equity from net income attributable to Select Water Solutions, Inc. and transfers from noncontrolling interests	\$ 65,092	\$ 20,914

Variable Interest Entity (“VIE”)

Noncontrolling interests deficit of \$3.8 million as of June 30, 2026, relate to the Company's approximate 50% ownership in a consolidated subsidiary formed in 2022 to provide water-related services in support of wildfire response efforts. The entity is considered a VIE and has been consolidated since formation, as the Company is deemed the primary beneficiary. In addition to its equity contributions, the Company had an outstanding loan balance of \$4.5 million due from the subsidiary and an intercompany receivable of \$3.2 million as of June 30, 2026; both amounts are eliminated in consolidation.

While multiple partners contributed capital to the subsidiary, the Company provided approximately 50% of the total equity and voluntarily extended incremental funding despite no contractual obligation to do so. This discretionary financial support reinforces the Company's ongoing involvement with the VIE and supports the conclusion that the Company is the primary beneficiary, as it reflects a demonstrated willingness to provide financial resources necessary to sustain the subsidiary's operations. Since inception, the consolidated subsidiary has been included within the Company's Water Services segment.

NOTE 15—INCOME PER SHARE

Income per share is based on the amount of income allocated to the stockholders and the weighted-average number of shares outstanding during the period for each class of common stock. Outstanding options are included in the calculation of diluted weighted-average shares outstanding to the extent they may be dilutive upon exercise and are excluded to the extent they would be antidilutive. Accordingly, outstanding options to purchase 692,074, 999,050, 692,074 and 720,953 shares of Class A common stock, representing 96%, 100%, 96% and 72% of the total outstanding options at period end, for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively, are excluded from the calculation of diluted weighted-average shares outstanding as their effect is antidilutive. Shares of the Company's Class B common stock do not share in net income or losses attributable to the Company and are therefore not participating securities. As such, separate presentation of basic and diluted earnings per share of Class B common stock under the two-class method has not been presented. Diluted earnings per share was computed using the treasury stock method.

During the Current Quarter, certain holders of SES Holdings LLC Units exchanged 5,063,000 SES Holdings LLC Units (and corresponding shares of Class B common stock) for an equivalent number of shares of Class A common stock. In connection with such exchange, the corresponding shares of Class B common stock were cancelled. The

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exchanges were accounted for as equity transactions and resulted in a reclassification within stockholders' equity with no impact on total stockholders' equity. The incremental number of shares of Class A common stock are reflected in the Current Quarter and Current Period weighted-average share calculations in the tables below.

The following tables present the Company's calculation of basic and diluted earnings per share for the Current and Prior Quarter and the Current and Prior Period (dollars in thousands, except share and per share amounts):

	Three months ended June 30, 2026			Three months ended June 30, 2025		
	Select Water Solutions, Inc.	Class A	Class B	Select Water Solutions, Inc.	Class A	Class B
Numerator:						
Net income	\$ 22,562			\$ 11,671		
Net income attributable to noncontrolling interests	(1,527)			(1,024)		
Net income attributable to Select Water Solutions, Inc. — basic	\$ 21,035	\$ 21,035	\$ —	\$ 10,647	\$ 10,647	\$ —
Add: Reallocation of net income attributable to noncontrolling interests for the dilutive effect of restricted stock	22	22	—	9	9	—
Add: Reallocation of net income attributable to noncontrolling interests for the dilutive effect of performance units	24	24	—	18	18	—
Net income attributable to Select Water Solutions, Inc. — diluted	\$ 21,081	\$ 21,081	\$ —	\$ 10,674	\$ 10,674	\$ —
Denominator:						
Weighted-average shares of common stock outstanding — basic		123,146,866	12,733,751		101,527,407	16,221,101
Dilutive effect of restricted stock		1,098,041	—		433,194	—
Dilutive effect of performance share units		1,171,489	—		900,075	—
Dilutive effect of stock options		16,355	—		—	—
Weighted-average shares of common stock outstanding — diluted		125,432,751	12,733,751		102,860,676	16,221,101
Income per share:						
Basic		\$ 0.17	\$ —		\$ 0.10	\$ —
Diluted		\$ 0.17	\$ —		\$ 0.10	\$ —

	Six months ended June 30, 2026			Six months ended June 30, 2025		
	Select Water Solutions, Inc.	Class A	Class B	Select Water Solutions, Inc.	Class A	Class B
Numerator:						
Net income	\$ 31,994			\$ 21,231		
Net income attributable to noncontrolling interests	(2,353)			(2,345)		
Net income attributable to Select Water Solutions, Inc. — basic	\$ 29,641	\$ 29,641	\$ —	\$ 18,886	\$ 18,886	\$ —
Add: Reallocation of net income attributable to noncontrolling interests for the dilutive effect of restricted stock	39	39	—	29	29	—
Add: Reallocation of net income attributable to noncontrolling interests for the dilutive effect of performance units	44	44	—	36	36	—
Add: Reallocation of net income attributable to noncontrolling interests for the dilutive effect of stock options	1	1	—	2	2	—
Net income attributable to Select Water Solutions, Inc. — diluted	\$ 29,725	\$ 29,725	\$ —	\$ 18,953	\$ 18,953	\$ —
Denominator:						
Weighted-average shares of common stock outstanding — basic		116,682,176	14,467,792		101,161,203	16,221,101
Dilutive effect of restricted stock		1,095,404	—		831,622	—
Dilutive effect of performance share units		1,254,894	—		1,024,541	—
Dilutive effect of stock options		21,908	—		42,933	—
Weighted-average shares of common stock outstanding — diluted		119,054,382	14,467,792		103,060,299	16,221,101
Income per share:						
Basic		\$ 0.25	\$ —		\$ 0.19	\$ —
Diluted		\$ 0.25	\$ —		\$ 0.18	\$ —

NOTE 16—SEGMENT INFORMATION

Select is a leading provider of sustainable water and chemical solutions to the energy industry in the U.S. The Company's services are offered through three reportable segments. Reportable segments are defined as components of an enterprise for which separate financial information is evaluated regularly by the CODM in deciding how to allocate resources and assess performance. The Company's CODM assesses performance and allocates resources on the basis of the three reportable segments. Corporate and other expenses that do not individually meet the criteria for segment reporting are reported separately as Corporate or Other.

The Company's CODM assesses performance and allocates resources on the basis of the following three reportable segments:

Water Infrastructure — The Water Infrastructure segment consists of the Company's fixed infrastructure assets, including operations associated with water distribution pipeline infrastructure, water recycling facilities, produced water gathering pipelines, SWDs, and solids management facilities, primarily serving E&P companies.

Water Services — The Water Services segment primarily consists of the Company's water-related services businesses, including water sourcing, water transfer, fluids hauling, water monitoring, water containment and water network automation, primarily serving E&P companies. Additionally, this segment includes the operations of our Peak Rentals businesses.

Chemical Technologies — The Chemical Technologies segment provides technical solutions, products and expertise related to chemical applications in the oil and gas industry. We develop, manufacture, manage logistics and provide a full suite of chemicals used in hydraulic fracturing, stimulation, cementing and well completions for customers ranging from pressure pumpers to major integrated and independent oil and gas producers. This segment also utilizes its chemical experience and lab testing capabilities to customize tailored water treatment solutions designed for the recycling and treatment of produced water and to optimize the fracturing fluid system in conjunction with the quality of water used in well completions.

In assessing segment results and allocating resources, the CODM places particular emphasis on significant expense categories, including cost of revenue, selling, general & administrative expenses, and depreciation, accretion, and amortization. The CODM evaluates segment performance primarily based on segment EBITDA, which serves as the key profitability measure for decision-making. The Company reports EBITDA by segment as a measure of segment performance. The Company defines EBITDA as net income, plus interest expense, income taxes, and depreciation, amortization and accretion.

Financial information by segment for the Current and Prior Quarter and the Current and Prior Period is as follows:

For the three months ended June 30, 2026						
	Water Infrastructure	Water Services	Chemical Technologies	Other	Eliminations	Totals
Revenue	\$ 102,292	\$ 200,749	\$ 96,868	\$ -	\$ (4,102)	\$ 395,807
Costs of revenue excluding depreciation, amortization and accretion	(46,236)	(152,674)	(76,933)	-	4,102	(271,741)
Depreciation, amortization and accretion	(28,706)	(16,803)	(1,716)	(1,209)		(48,434)
Selling general and administrative	(4,588)	(7,350)	(4,190)	(25,050)		(41,178)
Other ⁽¹⁾	(584)	91	(12)	(6)		(511)
Net income						\$ 22,562
Interest expense, net						5,021
Tax expense						6,360
Depreciation, amortization and accretion						48,434
EBITDA	\$ 50,884	\$ 40,816	\$ 15,733	\$ (25,056)		\$ 82,377
Capital expenditures ⁽²⁾	\$ 59,469	\$ 20,790	\$ 2,884	\$ 179		\$ 83,322

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For the three months ended June 30, 2025						
	Water Infrastructure	Water Services	Chemical Technologies	Other	Eliminations	Totals
Revenue	\$ 81,244	\$ 217,952	\$ 68,300	\$ -	\$ (3,281)	\$ 364,215
Costs of revenue excluding depreciation, amortization and accretion	(39,262)	(173,341)	(56,086)	-	3,281	(265,408)
Depreciation, amortization and accretion	(22,252)	(17,089)	(1,713)	(1,918)		(42,972)
Selling general and administrative	(5,356)	(8,943)	(4,583)	(20,053)		(38,935)
Other ⁽¹⁾	4,024	2,371	123	(1,581)		4,937
Net income						\$ 11,671
Interest expense, net						5,645
Tax expense						4,521
Depreciation, amortization and accretion						42,972
EBITDA	\$ 40,650	\$ 38,039	\$ 7,754	\$ (21,634)		\$ 64,809
Capital expenditures ⁽²⁾	\$ 60,756	\$ 5,386	\$ 807	\$ 343		\$ 67,292

For the six months ended June 30, 2026						
	Water Infrastructure	Water Services	Chemical Technologies	Other	Eliminations	Totals
Revenue	\$ 199,626	\$ 393,692	\$ 175,491	\$ -	\$ (7,044)	\$ 761,765
Costs of revenue excluding depreciation, amortization and accretion	(91,305)	(302,177)	(140,239)	-	7,044	(526,677)
Depreciation, amortization and accretion	(56,752)	(32,715)	(3,500)	(2,330)		(95,297)
Selling general and administrative	(10,812)	(15,554)	(8,709)	(46,654)		(81,729)
Other ⁽¹⁾	(6,691)	210	72	62		(6,347)
Net income						\$ 31,994
Interest expense, net						10,928
Tax expense						8,793
Depreciation, amortization and accretion						95,297
EBITDA	\$ 90,818	\$ 76,171	\$ 26,615	\$ (46,592)		\$ 147,012
Capital expenditures ⁽²⁾	\$ 113,295	\$ 36,974	\$ 4,447	\$ 321		\$ 155,037

For the six months ended June 30, 2025						
	Water Infrastructure	Water Services	Chemical Technologies	Other	Eliminations	Totals
Revenue	\$ 153,890	\$ 445,899	\$ 144,986	\$ -	\$ (6,176)	\$ 738,599
Costs of revenue excluding depreciation, amortization and accretion	(75,362)	(355,083)	(121,078)	-	6,176	(545,347)
Depreciation, amortization and accretion	(42,049)	(34,254)	(3,426)	(2,843)		(82,572)
Selling general and administrative	(11,039)	(17,731)	(9,108)	(38,489)		(76,367)
Other ⁽¹⁾	3,487	2,307	704	(1,644)		4,854
Net income						\$ 21,231
Interest expense, net						10,521
Tax expense						7,415
Depreciation, amortization and accretion						82,572
EBITDA	\$ 70,976	\$ 75,392	\$ 15,504	\$ (40,133)		\$ 121,739
Capital expenditures ⁽²⁾	\$ 101,432	\$ 23,790	\$ 2,012	\$ 839		\$ 128,073

(1) Other includes lease abandonment costs, impairments and abandonments, remeasurement gains, gains or losses on sales of property and equipment, TRAs expense, equity in losses of unconsolidated entities and other income and expenses.

(2) Amounts above include accruals for capital expenditures.

Total assets by segment as of June 30, 2026 and December 31, 2025, is as follows:

	As of June 30, 2026	As of December 31, 2025
	(in thousands)	
Water Infrastructure	\$ 1,046,086	\$ 929,789
Water Services	461,659	435,761
Chemical Technologies	169,158	148,773
Other	110,838	81,289
Total	<u>\$ 1,787,741</u>	<u>\$ 1,595,612</u>

NOTE 17—SUBSEQUENT EVENTS

On July 16, 2026, the Company's board of directors (with Mr. Schmitz recusing himself) approved a total of 1,375,000 stock awards to Mr. Schmitz, comprised of 250,000 shares of time-based restricted stock and 1,125,000 PSUs. The time-based restricted stock will vest as to one-half on July 16, 2028, and as to one-half on October 1, 2028. The PSUs are subject to stock price targets for the Company's Class A common stock over nine consecutive calendar quarters (beginning on October 1, 2026, and ending on December 31, 2028) and an additional service period requirement through January 1, 2029.

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 our consolidated financial statements and related notes included elsewhere in this report, as well as the historical consolidated financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on February 18, 2026 (our "2025 Form 10-K") and in our Quarterly Report on Form 10-Q for the period ended March 31, 2026, filed with the Securities and Exchange Commission on May 6, 2026 (our "Q1 2026 Form 10-Q"). This discussion and analysis contains forward-looking statements based upon our current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors as described under "Cautionary Note Regarding Forward-Looking Statements" and other cautionary statements described under the heading "Risk Factors" included in our 2025 Form 10-K, our Q1 2026 Form 10-Q and this Quarterly Report on Form 10-Q. We assume no obligation to update any of these forward-looking statements.

This discussion relates to the three and six months ended June 30, 2026 (the "Current Quarter" and the "Current Period", respectively) and the three and six months ended June 30, 2025 (the "Prior Quarter" and the "Prior Period", respectively).

Overview

We are a leading provider of sustainable water and chemical solutions to the energy industry in the U.S. These solutions are supported by our water infrastructure assets, chemical manufacturing and water treatment and recycling capabilities.

Recent Developments

Infrastructure Investments and Contracted Growth Initiatives

We are prioritizing investments in Water Infrastructure projects, which often bring a more predictable and steady revenue stream through long-term contracts and production-related operations. These investments typically produce higher gross margins and also foster stronger partnerships with customers, as we become an integral partner in ensuring well productivity for ongoing customer production over the life of a well. Our focus is on integrated solutions that enhance contracted infrastructure projects with logistics services and chemical solutions, and expanding the value we provide to our customers. Our approach has been to streamline operations and offer a more comprehensive and valuable overall package to customers that is built around optimizing the entire water lifecycle, as such integrated solutions drive revenue growth and enhance overall value to clients.

Water Infrastructure

During the Current Quarter, we continued executing our strategy of expanding our Water Infrastructure segment as a key component of our long-term growth platform. Our integrated water management systems support operators by providing produced water gathering, transportation, recycling, and disposal services designed to reduce costs to our customers, reduce trucking activity, improve operational reliability, and increase water management efficiency across development programs.

Our infrastructure footprint in the Northern Delaware Basin represents a core area of development for our business. Our in-service and under construction systems in New Mexico in Eddy and Lea counties include approximately 1.7 million barrels per day of active fixed recycling capacity, more than 400 miles of pipeline, and 22.2 million barrels of storage capacity across more than 1.5 million dedicated acres. This interconnected infrastructure network positions us to manage large volumes of produced water and support customer development programs across the region.

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Peak Rentals Update

In August 2025, we announced that we had started an evaluation of strategic alternatives for Peak Rentals business within our Water Services segment. Peak Rentals currently includes our accommodations and rentals platform, including distributed power solutions, as well as our well testing and flowback operations. This evaluation includes a range of potential paths forward, including capital structure initiatives and other portfolio optimization opportunities. As of June 30, 2026, no transaction is pending or imminent, and we continue to own 100% of the business. We are continuing to evaluate strategic alternatives for Peak Rentals in the ordinary course; however, there can be no assurance that any particular outcome will ultimately be pursued or completed.

Chemical Technologies

During the Current Quarter, we continued to compete across a range of completion chemistry applications through our Chemical Technologies segment. Our in-basin manufacturing capabilities and continued research and development investments support our ability to supply friction reducers, surfactants and other completion chemistry products used in increasingly complex completion designs, including longer laterals and high-intensity completion programs. Demand for friction reducers and customized surfactant offerings remained supported by completion activity levels and the increasing use of recycled produced water in hydraulic fracturing operations.

Long-Term Contract Revenue

During the Current Quarter, we entered into a long-term produced water transportation agreement with a major operator to design, construct, and operate a new large-scale pipeline system in the Delaware Basin. The agreement includes the largest minimum volume commitment in the Company's history, totaling approximately 127.75 million barrels over the initial term, and provides for firm long-term throughput supported by deficiency payment provisions. In connection with the agreement, we received ownership of multiple saltwater disposal wells as non-cash consideration, further enhancing our disposal capacity and integrated water infrastructure footprint in the region. This transaction reflects a strategic partnership with a key customer and is expected to strengthen our long-term earnings through contracted volumes and expanded asset integration.

During the Current Quarter, we continued to expand our portfolio of contracted and recurring revenue opportunities through new and amended commercial agreements across our water infrastructure footprint, including produced water takeaway and disposal arrangements, water supply agreements, minimum volume commitments, acreage-wide right-of-first-refusal arrangements and additional delivery point commitments. These included multiple agreements in the Northern Delaware portion of the Permian Basin, including a water treatment and supply agreement with a minimum volume commitment, multiple water sales agreements and several interruptible takeaway arrangements. We also executed a water treatment agreement in the Midland Basin and a produced water disposal agreement in the Bakken with a minimum volume commitment, a disposal agreement in the Northeast with a right-of-first-refusal structure, a disposal agreement in the MidCon region, supported by a four million barrel minimum volume commitment, and an interruptible takeaway arrangement in the Haynesville region. Collectively, these agreements are intended to drive higher utilization of existing infrastructure, support capital-efficient growth and provide greater certainty around future revenue streams.

Diversification

During the Current Quarter, we continued advancing certain diversification initiatives, including opportunities related to municipal and industrial water markets, lithium extraction partnerships, and beneficial reuse technologies. These initiatives are intended to evaluate potential opportunities to leverage our existing water infrastructure platform across additional end markets.

During the Current Quarter, we entered into a definitive agreement with subsidiaries of ISE Chemicals Corporation ("ISE") providing for the development of commercial-scale iodine extraction and refining facilities utilizing produced water sourced through our Water Infrastructure network across Texas, New Mexico and Oklahoma. Under the

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agreement, ISE Chemicals would fund, construct, own and operate the facilities, while Select would provide produced water sourcing, transportation, storage, pretreatment, recycling and infrastructure support in exchange for royalty payments. The initial commercial facility is expected to be commissioned in 2027 within our Permian Basin footprint, with the collaboration targeting approximately 3,000 tons of annual iodine production by the end of 2030.

In addition, lithium extraction partnerships across the Haynesville, Midland, and Northern Delaware basins continue to progress, with initial royalty-based revenues currently expected to begin in 2027.

We also continued pilot testing of advanced treatment technologies intended to evaluate beneficial reuse opportunities for produced water in the Permian and DJ basins. These pilot programs are designed to assess the feasibility of converting produced water into resources that could potentially be used in agricultural or other applications.

Market Trends and Outlook

Geopolitical Conflicts

Geopolitical tensions and related hostilities across the Middle East continued during the second quarter of 2026, resulting in increased instability in oil and gas-producing regions as well as in key adjacent shipping lanes and supply chains. These developments have heightened concerns over potential supply disruptions and transportation risks, contributing to volatility in global oil and natural gas prices. In particular, disruptions to maritime traffic through key shipping corridors, including the Strait of Hormuz have adversely affected global energy markets and contributed to volatility and elevated prices for oil and natural gas.

Further, disruptions to maritime traffic through key shipping corridors have caused disruptions to the global chemicals and oil-derived goods markets, reducing supplies and availability worldwide and resulting in increased prices. While we are not reliant on any chemicals or other commodities that are exclusively transported through any single shipping corridor due to our continued focus on domestic sourcing, such global disruptions to commodities markets can have downstream effects in the domestic markets, including elevated domestic prices, reduced supply and business interruptions to our suppliers. While the ultimate duration, impact and magnitude of these disruptions is currently unknown, a prolonged interruption to the global chemicals commodities and oil-derived goods markets has the potential to materially adversely affect our business and operations and those of our suppliers.

Additionally, the armed conflict between Ukraine and Russia has continued into 2026. Severe sanctions imposed by the U.S., U.K., European Union and other actors on Russian entities have driven significant volatility in global oil and natural gas prices. U.S. actions in Venezuela, including tanker seizures and a limited military intervention in early 2026, have added uncertainty; as relations stabilize, the potential release of previously sanctioned oil into global markets could depress prices. Changes in sanctions, regimes, waivers, export restrictions or other governmental actions affecting the global energy markets may have a significant effect on hydrocarbon prices. Such commodity swings, combined with higher inflation and interest rates that have raised our cost of capital, have created a more challenging planning environment for us and our customers. The ultimate outcomes remain unpredictable and could materially affect the world economy, customer activity levels, and demand for our services.

Commodity Prices

Industry conditions during the first half of 2026 reflected a relatively disciplined North American upstream activity environment. Commodity prices, while significantly fluctuating in the first half of 2026, remained supportive of development activity, although, even with the recent increases in oil prices following geopolitical tensions in the Middle East, North American operators continued to emphasize capital efficiency, free cash flow generation, and moderated production growth. As a result, drilling and completion activity across key U.S. basins remained generally stable compared to recent periods, with the Permian Basin continuing to represent the primary area of development and the largest concentration of completions activity and associated water handling demand.

Since 2021, OPEC+ countries have instituted production cuts (as well as voluntary production cuts). More recently, however, OPEC+ has announced a phased return of previously curtailed production. OPEC+ may, at its

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discretion, continue to decrease or increase production, which will continue to impact crude oil and natural gas price volatility. The actions of OPEC+ countries with respect to oil production levels and announcements of potential changes in such levels, including agreement on and compliance with production targets may result in volatility in the industry in which we and our customers operate.

Though geopolitical tensions remained elevated across the Middle East, production from OPEC+ countries increased during the Current Quarter as shipments through major oil transit routes, including the Strait of Hormuz partially recovered. However, uncertainty remains regarding the flow of traffic through key shipping lanes as tensions in the Middle East continue. The average price of West Texas Intermediate (“WTI”) crude oil increased in the Current Quarter versus the Prior Quarter due to a combination of factors, including geopolitical developments in the Middle East, heightened trade tensions, global demand, and other various influences and impacts. During the Current Quarter, the average spot price of WTI crude oil was \$95.65 versus an average price of \$64.57 for the Prior Quarter. The average Henry Hub natural gas spot price during the Current Quarter was \$2.95 versus an average of \$3.19 for the Prior Quarter. Henry Hub natural gas price levels in the Current Quarter decreased relative to the Prior Quarter due to a variety of factors, including easing concerns over near-term supply disruptions and continued strength in domestic natural gas production.

Commodity markets during the quarter were influenced by geopolitical developments in the Middle East, which contributed to volatility in global oil prices and increased market attention on potential supply disruptions. Higher commodity prices during portions of the quarter improved operator cash flows and supported the economics of ongoing development programs, which may contribute to sustained activity levels across core U.S. basins.

Industry Consolidation and Customer Demand for Water Solutions

Demand for produced water gathering, transportation, disposal, and recycling services remained closely linked to industry activity levels and the steady growth in produced water volumes associated with existing production. Produced water generation continues to increase as operators develop longer laterals and higher-intensity completion designs. Additionally, water-to-oil ratios in the Southern Delaware and Northern Delaware Basins are among the highest within the Permian Basin, and even furthermore, across the United States, contributing to growing produced water volumes in the Permian Basin. These structural trends continue to support demand for integrated water management infrastructure, including pipeline gathering systems, disposal capacity, and recycling capabilities.

Across the Permian Basin and the broader industry, operators increasingly utilize pipeline-based gathering systems and centralized disposal and recycling facilities to manage water volumes more efficiently. These infrastructure systems can improve cost efficiency, reduce truck traffic, and support more reliable water management across large development programs. Recycling and beneficial reuse of produced water also continue to gain importance as operators seek to reduce freshwater consumption and improve water management practices.

Heightened inflation in recent years has driven higher interest rates and increased cost of capital for Select and our customers. Many customers have responded by tightening capital budgets, focusing on cash flow generation and returning capital to investors. Customer consolidation in the Permian Basin can temporarily disrupt activity levels, yet it also creates larger blocks of contiguous acreage that can increase demand for our integrated, long-term water lifecycle solutions. While acquired customers may initially slow activity to integrate operations, we are well-positioned to support these larger entities with comprehensive water management, reuse, recycling and balancing services.

Looking ahead, we expect industry activity levels to continue to be influenced by commodity price volatility, operator capital allocation priorities, and broader macroeconomic conditions. While near-term activity may fluctuate in response to customer budget adjustments, long-term fundamentals supporting produced water handling and infrastructure development remain favorable. Continued growth in produced water volumes, increasing infrastructure intensity in the Permian Basin, and expanding recycling adoption are expected to support demand for integrated water management services.

Trade Policy Developments

Global macroeconomic developments, including changes in international trade policies and tariffs, may adversely affect our ability to source raw materials and customer demand for our services. Although we are not reliant on any single supplier and can secure alternatives, disruptions from tariffs or trade restrictions could still impact our business. Beginning in the first quarter of 2025, the U.S. imposed new tariffs on imported steel, aluminum and other materials, prompting retaliatory measures from the European Union, Canada and China. We continue to monitor evolving trade policies, including potential additional tariffs on Chinese goods and ongoing litigation before the U.S. Supreme Court regarding presidential tariff authority. Any expansion of trade restrictions or a trade war could adversely affect us and the global economy.

In the first quarter of 2026, the U.S. Supreme Court struck down certain broad tariffs previously imposed through executive orders under the International Emergency Economic Powers Act of 1977 on a wide range of imported goods. In response, President Trump promptly implemented a wide sweeping 10% import surcharge on goods under Section 122 of the Trade Act of 1974, which is scheduled to expire in July 2026 unless otherwise extended. These new tariffs target various categories of imports, including several raw materials used in our operations, including steel, aluminum and copper. While the full scope, duration, and economic impact of these new tariffs remain uncertain, they could result in higher input costs, supply chain disruptions, and potential retaliatory measures from affected trading partners. We continue to monitor these developments closely and evaluate their potential effects on our cost structure and customer demand.

Our Segments

Our services are offered through three reportable segments: (i) Water Infrastructure; (ii) Water Services; and (iii) Chemical Technologies.

- *Water Infrastructure.* The Water Infrastructure segment consists of the Company's fixed infrastructure assets, including operations associated with water distribution pipeline infrastructure, water recycling facilities, produced water gathering pipelines, SWDs, and solids management facilities, primarily serving E&P companies.
- *Water Services.* The Water Services segment primarily consists of the Company's water-related services businesses, including water sourcing, water transfer, fluids hauling, water monitoring, water containment and water network automation, primarily serving E&P companies. Additionally, this segment includes the operations of our Peak Rentals businesses.
- *Chemical Technologies.* The Chemical Technologies segment provides technical solutions, products and expertise related to chemical applications in the oil and gas industry. We develop, manufacture, manage logistics and provide a full suite of chemicals used in hydraulic fracturing, stimulation, cementing and well completions for customers ranging from pressure pumpers to major integrated and independent oil and gas producers. This segment also utilizes its chemical experience and lab testing capabilities to customize tailored water treatment solutions designed for the recycling and treatment of produced water and to optimize the fracturing fluid system in conjunction with the quality of water used in well completions.

How We Generate Revenue

Refer to "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Form 10-K.

Costs of Conducting Our Business

The principal expenses involved in conducting our business are labor costs, vehicle and equipment costs (including depreciation, rental, repair and maintenance and leasing costs), raw materials including water sourcing costs and fuel costs. Overall, our fixed costs are relatively low and most of the costs of serving our customers are variable, i.e., they are incurred only when we provide water and water-related services, or chemicals and chemical-related services to our customers.

Labor costs associated with our employees and contract labor comprise the largest portion of our costs of doing business. We incurred labor and labor-related costs of \$117.5 million, \$124.4 million, \$232.9 million and \$253.8 million for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively. The majority of our recurring labor costs are variable and dependent on the market environment and are incurred only while we are providing our operational services. We also incur costs to employ personnel to ensure safe operations, sell and supervise our services and perform maintenance on our assets, which is not as directly tied to our level of business activity. Additionally, we incur selling, general and administrative costs for compensation of our administrative personnel at our field sites and in our operational and corporate headquarters, as well as for third-party support, permitting, licensing and services.

We incur significant vehicle and equipment costs in connection with the services we provide, including depreciation, repairs and maintenance, rental and leasing costs. We incurred vehicle and equipment costs of \$83.7 million, \$79.7 million, \$164.7 million and \$159.2 million for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

We incur raw material costs in manufacturing our chemical products, as well as for water that we source for our customers. We incurred raw material costs of \$73.0 million, \$58.8 million, \$139.5 million and \$123.9 million for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively.

We incur variable transportation costs associated with our service lines, predominantly fuel and freight. We incurred fuel and freight costs of \$24.5 million, \$18.4 million, \$44.7 million and \$40.7 million for the Current Quarter, Prior Quarter, Current Period and Prior Period, respectively. Changes to fuel prices impact our transportation costs, which affects the results of our operations.

How We Evaluate Our Operations

We use a variety of operational and financial metrics to assess our performance. Among other measures, management considers each of the following:

- Revenue;
- Gross Profit;
- Gross Margins;
- EBITDA;
- Adjusted EBITDA;
- Cash Flows; and
- Free Cash Flow.

Revenue

We analyze our revenue and assess our performance by comparing actual monthly revenue to our internal projections and across periods. We also assess incremental changes in revenue compared to incremental changes in direct operating costs, and selling, general and administrative expenses across our reportable segments to identify potential areas for improvement, as well as to determine whether segment performance is meeting management's expectations.

Gross Profit

To measure our financial performance, we analyze our gross profit, which we define as revenues less direct operating expenses (including depreciation, amortization and accretion expenses). We believe gross profit provides insight into profitability and the true operating performance of our assets. We also compare gross profit to prior periods and across segments to identify trends as well as underperforming segments.

Gross Margins

Gross margins provide an important gauge of how effective we are at converting revenue into profits. This metric works in tandem with gross profit to ensure that we do not seek to increase gross profit at the expense of lower margins, nor pursue higher gross margins at the expense of declining gross profits. We track gross margins by segment and service line and compare them across prior periods and across segments and service lines to identify trends as well as underperforming segments.

EBITDA and Adjusted EBITDA

We view EBITDA and Adjusted EBITDA as important indicators of performance. We define EBITDA as net income, plus interest expense, income taxes, and depreciation, amortization and accretion. We define Adjusted EBITDA as EBITDA plus any impairment and abandonment charges or asset write-offs pursuant to GAAP, plus non-cash losses on the sale of assets or subsidiaries less remeasurement gains on fixed assets related to business combinations, non-cash compensation expense, and non-recurring or unusual expenses or charges, including severance expenses, transaction costs, or facilities-related exit and disposal-related expenditures, plus/(minus) foreign currency losses/(gains), plus/(minus) losses/(earnings) on unconsolidated entities and plus TRAs expense. The adjustments to EBITDA are generally consistent with such adjustments described in our Sustainability-Linked Credit Facility. See "—Comparison of Non-GAAP Financial Measures—EBITDA and Adjusted EBITDA" for more information and a reconciliation of EBITDA and Adjusted EBITDA to net income, the most directly comparable financial measure calculated and presented in accordance with GAAP.

Cash Flows and Free Cash Flow

We define FCF as net cash provided by (used in) operating activities less purchases of property and equipment, plus proceeds received from sale of property and equipment. Our board of directors and executive management team use FCF to assess our liquidity and ability to repay maturing debt, fund operations and make additional investments. We believe FCF provides useful information to investors because it is an important indicator of our liquidity, including our ability to reduce net debt, make strategic investments, pay dividends and distributions and repurchase common stock. Our measure of FCF may not be directly comparable to similar measures reported by other companies. Furthermore, FCF is not a substitute for, or more meaningful than, net cash provided by (used in) operating activities nor any other measure prescribed by GAAP, and there are limitations to using non-GAAP measures such as FCF. Accordingly, FCF should not be considered a measure of the income generated by our business or discretionary cash available to it to invest in the growth of our business.

Factors Affecting the Comparability of Our Results of Operations to Our Historical Results of Operations

Our future results of operations may not be comparable to our historical results of operations for the periods presented, primarily for the reasons described below and those described in “—Recent Developments” above.

Acquisition Activity

As described above, we continuously evaluate potential investments, particularly in water infrastructure and other water-related services and technology. To the extent we consummate acquisitions, any pre-transaction revenues or expenses from such transactions are not included in our historical results of operations.

Our historical financial statements for periods prior to the respective date each acquisition was completed do not include the results of operations of that acquisition. See “—Recent Developments” and “Note 3—Acquisitions” for a description of these transactions.

Results of Operations

The following tables set forth our results of operations for the periods presented.

Current Quarter Compared to the Prior Quarter

	Three months ended June 30,		Change	
	2026	2025	Dollars	Percentage
	(in thousands)			
Revenue				
Water Infrastructure	\$ 101,614	\$ 80,855	\$ 20,759	25.7 %
Water Services	198,153	215,660	(17,507)	(8.1)%
Chemical Technologies	96,040	67,700	28,340	41.9 %
Total revenue	395,807	364,215	31,592	8.7 %
Costs of revenue				
Water Infrastructure	42,419	36,211	6,208	17.1 %
Water Services	152,654	173,312	(20,658)	(11.9)%
Chemical Technologies	76,668	55,885	20,783	37.2 %
Depreciation, amortization and accretion	47,225	41,054	6,171	15.0 %
Total costs of revenue	318,966	306,462	12,504	4.1 %
Gross profit	76,841	57,753	19,088	33.1 %
Operating expenses				
Selling, general and administrative	41,178	38,935	2,243	5.8 %
Depreciation and amortization	1,209	1,918	(709)	(37.0)%
Impairments and abandonments	239	1,477	(1,238)	NM
Lease abandonment costs	(129)	(2)	(127)	6350.0 %
Total operating expenses	42,497	42,328	169	0.4 %
Income from operations	34,344	15,425	18,919	122.7 %
Other income (expense)				
Gain on sales of property and equipment and divestitures, net	164	6,503	(6,339)	NM
Interest expense, net	(5,021)	(5,645)	624	(11.1)%
Other	5	92	(87)	NM
Income before income tax expense and equity in losses of unconsolidated entities	29,492	16,375	13,117	80.1 %
Income tax expense	(6,360)	(4,521)	(1,839)	40.7 %
Equity in losses of unconsolidated entities	(570)	(183)	(387)	NM
Net income	\$ 22,562	\$ 11,671	\$ 10,891	93.3 %

NM = Not Meaningful

Revenue

Our revenue increased by \$31.6 million, or 8.7%, to \$395.8 million for the Current Quarter compared to \$364.2 million for the Prior Quarter. This increase was composed of a \$28.3 million increase in Chemical Technologies revenue and a \$20.8 million increase in Water Infrastructure revenue, partially offset by a \$17.5 million decrease in Water Services revenue. For the Current Quarter, our Water Infrastructure, Water Services and Chemical Technologies constituted 25.7%, 50.0% and 24.3% of our total revenue, respectively, compared to 22.2%, 59.2% and 18.6%, respectively, for the Prior Quarter. The revenue changes by reportable segment are as follows:

Water Infrastructure. Revenue increased \$20.8 million, or 25.7%, to \$101.6 million for the Current Quarter compared to \$80.9 million for the Prior Quarter. The increase was primarily driven by higher recycling revenues

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associated with the continued ramp-up of volumes under long-term agreements, as well as increased activity supported by our ongoing New Mexico infrastructure buildout and related Permian customer development. Results were also supported by increased disposal and solids revenues, reflecting the expansion of our asset base through recent acquisitions, and were partially offset by lower pipeline revenue.

Water Services. Revenue decreased \$17.5 million, or 8.1%, to \$198.2 million for the Current Quarter compared to \$215.7 million in the Prior Quarter. The decrease was primarily driven by \$20.7 million lower Fluids Hauling revenue associated with divested operations in connection with the Omni transaction. Results were also impacted by lower Poly & Containment revenues, reflecting broader macroeconomic conditions. These decreases were partially offset by higher Peak Rentals revenue driven by increased power generation activity and underlying organic growth as well as higher water transfer revenues, driven by market share gains supported by our Tideline® hose offering.

Chemical Technologies. Revenue increased by \$28.3 million, or 41.9%, to \$96.0 million for the Current Quarter compared to \$67.7 million for the Prior Quarter. The increase in revenues was primarily driven by enhanced sales performance and new product developments as well as price increases to offset increased raw materials costs.

Costs of Revenue

Costs of revenue increased \$12.5 million, or 4.1%, to \$319.0 million for the Current Quarter compared to \$306.5 million for the Prior Quarter. The increase was comprised of a \$20.8 million increase in Chemical Technologies costs and a \$6.2 million increase in Water Infrastructure costs and a \$6.2 million increase in depreciation, amortization and accretion, partially offset by a \$20.7 million decrease in Water Services costs.

Water Infrastructure. Costs of revenue increased \$6.2 million, or 17.1%, to \$42.4 million for the Current Quarter compared to \$36.2 million for the Prior Quarter. Cost of revenue as a percentage of revenue decreased from 44.8% to 41.7% primarily driven by a greater mix of higher-margin recycling revenues and margin expansion within that stream, reflecting scale efficiencies.

Water Services. Costs of revenue decreased \$20.7 million, or 11.9%, to \$152.7 million for the Current Quarter compared to \$173.3 million for the Prior Quarter. As a percentage of revenue, cost of revenue decreased from 80.4% in the Prior Quarter to 77.0% in the Current Quarter. The favorable decrease was primarily driven by improved water transfer margins from increased utilization of Tideline® hose assets, which support greater efficiency and service quality, as well as effective cost controls.

Chemical Technologies. Costs of revenue increased \$20.8 million, or 37.2%, to \$76.7 million for the Current Quarter compared to \$55.9 million for the Prior Quarter. Cost of revenue as a percentage of revenue decreased from 82.5% to 79.8% attributable to a higher proportion of sales from higher margin products, coupled with reduced freight costs resulting from a shift from third-party providers to internal logistics execution.

Depreciation, amortization and accretion. Depreciation, amortization and accretion expense increased \$6.2 million, or 15.0%, to \$47.2 million for the Current Quarter compared to \$41.1 million for the Prior Quarter primarily due to increased capital expenditures made into new organic infrastructure projects as well as a higher fixed asset base resulting from recent acquisitions partially offset by a decreased asset base in our Water Services segment due to the assets divested in the Omni transaction as well as assets becoming fully depreciated.

Gross Profit

Gross profit was \$76.8 million for the Current Quarter compared to \$57.8 million for the Prior Quarter primarily driven by a \$14.6 million increase in gross profit from our Water Infrastructure segment, a \$7.6 million increase in gross profit from our Chemical Technologies segment, and a \$3.2 million increase in gross profit from our Water Services segment partially offset by a \$6.2 million increase in depreciation, amortization and accretion expense. Gross margin as a percentage of revenue was 19.4% and 15.9% in the Current Quarter and Prior Quarter, respectively.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased \$2.2 million, or 5.8%, to \$41.2 million for the Current Quarter compared to \$38.9 million for the Prior Quarter, driven primarily by a \$6.0 million increase in incentive and equity-based compensation partially offset by a \$1.2 million decrease in credit loss expense, a \$1.1 million decrease in transaction costs, a \$0.9 million decrease in wages and associated payroll taxes and \$0.6 million in other expenses.

Impairments and Abandonments

During the Current Quarter, we recognized \$0.2 million in impairments and abandonments in connection with the termination of a disposal lease. During the Prior Quarter, we recognized \$1.5 million in impairments and abandonments, consisting of \$1.3 million related to the abandonment of back-office software development costs and \$0.2 million in the Water Infrastructure segment related to the abandonment of property and equipment.

Gain on sales of property and equipment and divestitures, net

During the Current Quarter, we recognized \$0.2 million in gains on sales of property and equipment and divestitures compared to \$6.5 million in gains during the Prior Quarter. Prior Quarter amounts were comprised of \$4.7 million related to the sale of excess land in the Haynesville/E. Texas region in our Water Infrastructure segment, \$1.7 million in underutilized or obsolete property and equipment in our Water Services segment and \$0.1 million in obsolete property and equipment in our Chemical Technologies segment.

Net Interest Expense

Net interest expense decreased by \$0.6 million, or 11.1%, to \$5.0 million for the Current Quarter compared to \$5.6 million in the Prior Quarter primarily driven by lower average revolver borrowings, as no amounts were outstanding under the revolving credit facility during the Current Quarter.

Net Income

Net income increased by \$10.9 million, or 93.3%, to \$22.6 million for the Current Quarter compared to \$11.7 million for the Prior Quarter, driven primarily by higher gross profit offset by lower gains on the sale of fixed assets, increased selling, general and administrative expenses, and higher income tax expense.

Current Period Compared to the Prior Period

	Six months ended June 30,		Change	
	2026	2025	Dollars	Percentage
	(in thousands)			
Revenue				
Water Infrastructure	\$ 198,350	\$ 153,246	\$ 45,104	29.4 %
Water Services	389,384	441,308	(51,924)	(11.8)%
Chemical Technologies	174,031	144,045	29,986	20.8 %
Total revenue	761,765	738,599	23,166	3.1 %
Costs of revenue				
Water Infrastructure	84,771	69,704	15,067	21.6 %
Water Services	302,108	355,030	(52,922)	(14.9)%
Chemical Technologies	139,798	120,613	19,185	15.9 %
Depreciation, amortization and accretion	92,967	79,729	13,238	16.6 %
Total costs of revenue	619,644	625,076	(5,432)	(0.9)%
Gross profit	142,121	113,523	28,598	25.2 %
Operating expenses				
Selling, general and administrative	81,729	76,367	5,362	7.0 %
Depreciation and amortization	2,330	2,843	(513)	(18.0)%
Impairments and abandonments	5,947	2,625	3,322	NM
Lease abandonment costs	(197)	722	(919)	(127.3)%
Total operating expenses	89,809	82,557	7,252	8.8 %
Income from operations	52,312	30,966	21,346	68.9 %
Other income (expense)				
Gain on sales of property and equipment and divestitures, net	569	7,868	(7,299)	NM
Interest expense, net	(10,928)	(10,521)	(407)	3.9 %
Other	(306)	421	(727)	NM
Income before income tax expense and equity in losses of unconsolidated entities	41,647	28,734	12,913	44.9 %
Income tax expense	(8,793)	(7,415)	(1,378)	18.6 %
Equity in losses of unconsolidated entities	(860)	(88)	(772)	NM
Net income	\$ 31,994	\$ 21,231	\$ 10,763	50.7 %

NM = Not Meaningful

Revenue

Our revenue increased by \$23.2 million, or 3.1%, to \$761.8 million for the Current Period compared to \$738.6 million for the Prior Period. This increase was composed of a \$45.1 million increase in Water Infrastructure revenue and a \$30.0 million increase in Chemical Technologies revenue partially offset by a \$51.9 million decrease in Water Services revenue. For the Current Period, our Water Infrastructure, Water Services and Chemical Technologies constituted 26.0%, 51.2% and 22.8% of our total revenue, respectively, compared to 20.7%, 59.8% and 19.5%, respectively, for the Prior Period. The revenue changes by reportable segment are as follows:

Water Infrastructure. Revenue increased \$45.1 million, or 29.4%, to \$198.4 million for the Current Period compared to \$153.2 million for the Prior Period. The increase was primarily driven by higher recycling revenues associated with the continued ramp-up of volumes under long-term agreements, as well as increased activity supported by our ongoing New Mexico infrastructure buildout and related Permian customer development. Results were also

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supported by increased disposal and solids revenues, reflecting the expansion of our asset base through recent acquisitions, and were partially offset by lower pipeline revenue.

Water Services. Revenue decreased \$51.9 million, or 11.8%, to \$389.4 million for the Current Period compared to \$441.3 million in the Prior Period. The decrease was primarily driven by \$49.9 million lower Fluids Hauling revenue associated with divested operations in connection with the Omni transaction. Results were also impacted by lower Peak Rentals and Poly & Containment revenues, reflecting broader macroeconomic conditions. These decreases were partially offset by higher water transfer revenues, driven by market share gains supported by our Tideline® hose offering.

Chemical Technologies. Revenue increased by \$30.0 million, or 20.8%, to \$174.0 million for the Current Period compared to \$144.0 million for the Prior Period. The increase in revenues was primarily driven by enhanced sales performance and new product developments as well as price increases to offset increased raw materials costs.

Costs of Revenue

Costs of revenue decreased \$5.4 million, or 0.9%, to \$619.6 million for the Current Period compared to \$625.1 million for the Prior Period. The decrease was comprised of a \$52.9 million decrease in Water Services costs partially offset by a \$19.2 million increase in Chemical Technologies costs, a \$15.1 million increase in Water Infrastructure costs and a \$13.2 million increase in depreciation, amortization and accretion.

Water Infrastructure. Costs of revenue increased \$15.1 million, or 21.6%, to \$84.8 million for the Current Period compared to \$69.7 million for the Prior Period. Cost of revenue as a percentage of revenue decreased from 45.5% to 42.7% primarily driven by a greater mix of higher-margin recycling revenues and margin expansion within that stream, reflecting scale efficiencies, with additional benefit from growth in disposal and solids revenues, where higher activity levels drove economies of scale and disciplined cost management further supported margin expansion.

Water Services. Costs of revenue decreased \$52.9 million, or 14.9%, to \$302.1 million for the Current Period compared to \$355.0 million for the Prior Period. As a percentage of revenue, cost of revenue decreased from 80.4% in the Prior Period to 77.6% in the Current Period. The favorable decrease in costs as a percentage of revenue was primarily driven by higher water transfer margins resulting from increased utilization of Tideline® hose assets, which supported greater operating efficiency and service quality, as well as effective cost controls. The decrease was also favorably impacted by a lower relative revenue contribution from fluids hauling following the Omni transaction and a more favorable revenue mix within our containment solutions. These favorable factors were partially offset by lower Peak Rentals margins, as reduced activity levels limited the Company's ability to proportionally reduce costs.

Chemical Technologies. Costs of revenue increased \$19.2 million, or 15.9%, to \$139.8 million for the Current Period compared to \$120.6 million for the Prior Period. Cost of revenue as a percentage of revenue decreased from 83.7% to 80.3% attributable to a higher proportion of sales from higher margin products, coupled with reduced freight costs resulting from a shift from third-party providers to internal logistics execution.

Depreciation, amortization and accretion. Depreciation, amortization and accretion expense increased \$13.2 million, or 16.6%, to \$93.0 million for the Current Period compared to \$79.7 million for the Prior Period primarily due to increased capital expenditures made into new organic infrastructure projects as well as a higher fixed asset base resulting from recent acquisitions partially offset by a decreased asset base in our Water Services segment due to the assets divested in the Omni transaction as well as assets becoming fully depreciated.

Gross Profit

Gross profit was \$142.1 million for the Current Period compared to \$113.5 million for the Prior Period primarily driven by a \$30.0 million increase in gross profit from our Water Infrastructure segment, a \$10.8 million increase in gross profit from our Chemical Technologies segment, and a \$1.0 million increase in gross profit from our

Water Services segment partially offset by a \$13.2 million increase in depreciation, amortization and accretion expense. Gross margin as a percentage of revenue was 18.7% and 15.4% in the Current Period and Prior Period, respectively.

Selling, General and Administrative Expenses

Selling, general and administrative expenses increased \$5.4 million, or 7.0%, to \$81.7 million for the Current Period compared to \$76.4 million for the Prior Period, driven primarily by a \$8.6 million increase in incentive and equity-based compensation, \$0.9 million in higher legal and professional costs and \$0.6 million in higher information technology costs partially offset by a decrease of \$2.0 million in transaction costs, a \$0.9 million decrease in credit loss expense, a \$0.7 million decrease in wages and associated payroll taxes and \$1.1 million in other expenses.

Impairments and Abandonments

During the Current Period, we recognized \$5.9 million in impairments and abandonments primarily due to the abandonment of a SWD well in the Haynesville region of our Water Infrastructure segment. During the Prior Period, we recognized \$2.6 million in impairments and abandonments, consisting of \$1.3 million related to the abandonment of back-office software development costs, \$0.7 million in the Water Infrastructure segment primarily associated with the termination of a disposal lease and \$0.6 million of property and equipment in the Water Services segment related to the relocation of operations from a leased facility.

Gain on sales of property and equipment and divestitures, net

During the Current Period, we recognized \$0.6 million in gains on sales of property and equipment and divestitures compared to \$7.9 million in gains during the Prior Period. Prior Period amounts were comprised of \$4.7 million related to the sale of excess land in the Haynesville/E. Texas region in our Water Infrastructure segment, \$2.5 million in underutilized or obsolete property and equipment in our Water Services segment and \$0.7 million of obsolete property and equipment in our Chemical Technologies segment.

Net Interest Expense

Net interest expense increased by \$0.4 million, or 3.9%, to \$10.9 million for the Current Period compared to \$10.5 million in the Prior Period primarily driven by higher interest expense on revolver borrowings, a full period of interest expense on the term loan in the Current Period compared to a partial period in the Prior Period following its issuance on January 24, 2025, as well as lower interest income in the Current Period. This increase was partially offset by the Prior Period write-off of debt issuance costs in connection with the debt refinancing.

Net Income

Net income increased by \$10.8 million, or 50.7%, to \$32.0 million for the Current Period compared to \$21.2 million for the Prior Period, driven primarily by higher gross profit, partially offset by lower gains on sale of fixed assets, higher selling, general and administrative expenses, higher impairments and abandonments, and higher income tax expense.

Comparison of Non-GAAP Financial Measures

Our board of directors, management and investors use EBITDA and Adjusted EBITDA to assess our financial performance because it allows them to compare our operating performance on a consistent basis across periods by removing the effects of our capital structure (such as varying levels of interest expense), asset base (such as depreciation, amortization and accretion) and items outside the control of our management team. We present EBITDA and Adjusted EBITDA because we believe they provide useful information regarding the factors and trends affecting our business in addition to measures calculated under GAAP.

Note Regarding Non-GAAP Financial Measures

EBITDA and Adjusted EBITDA

EBITDA and Adjusted EBITDA are not financial measures presented in accordance with GAAP. We believe that the presentation of these non-GAAP financial measures will provide useful information to investors in assessing our financial performance and results of operations. Net income is the GAAP measure most directly comparable to EBITDA and Adjusted EBITDA. Our non-GAAP financial measures should not be considered as alternatives to the most directly comparable GAAP financial measure. Each of these non-GAAP financial measures has important limitations as an analytical tool due to the exclusion of some but not all items that affect the most directly comparable GAAP financial measures. One should not consider EBITDA or Adjusted EBITDA in isolation or as substitutes for an analysis of our results as reported under GAAP. Because EBITDA and Adjusted EBITDA may be defined differently by other companies in our industry, our definitions of these non-GAAP financial measures may not be comparable to similarly titled measures of other companies, thereby diminishing their utility.

The following table sets forth our reconciliation of EBITDA and Adjusted EBITDA to our net income, which is the most directly comparable GAAP measure for the periods presented:

	Three months ended June 30,		Six months ended June 30,	
	2026	2025	2026	2025
	(in thousands)			
Net income	\$ 22,562	\$ 11,671	\$ 31,994	\$ 21,231
Interest expense, net	5,021	5,645	10,928	10,521
Income tax expense	6,360	4,521	8,793	7,415
Depreciation, amortization and accretion	48,434	42,972	95,297	82,572
EBITDA	82,377	64,809	147,012	121,739
Non-cash compensation expenses ⁽¹⁾	8,376	3,198	14,396	6,679
Non-cash loss on sale of assets or subsidiaries	76	264	118	437
Transaction costs	567	2,018	894	3,201
Lease abandonment costs	(129)	(2)	(197)	722
Impairments and abandonments	239	1,477	5,947	2,625
Equity in losses of unconsolidated entities	570	183	860	88
Other	671	667	1,341	1,154
Adjusted EBITDA	\$ 92,747	\$ 72,614	\$ 170,371	\$ 136,645

(1) Current Period includes \$0.2 million of other cash incentive compensation.

EBITDA was \$82.4 million for the Current Quarter compared to \$64.8 million for the Prior Quarter. The \$17.6 million increase in EBITDA was driven primarily by a \$25.3 million increase in gross profit, partially offset by a \$6.3 million decrease in gains on asset sales and a \$2.2 million increase in selling, general and administrative expenses. Adjusted EBITDA was \$92.7 million for the Current Quarter compared to \$72.6 million for the Prior Quarter.

EBITDA was \$147.0 million for the Current Period compared to \$121.7 million for the Prior Period. The \$25.3 million increase in EBITDA was driven primarily by a \$41.8 million increase in gross profit, partially offset by a \$7.3 million decrease in gains on asset sales, a \$5.4 million increase in selling, general and administrative expenses, and a \$3.3 million increase in impairments and abandonments. Adjusted EBITDA was \$170.4 million for the Current Period compared to \$136.6 million for the Prior Period.

Liquidity and Capital Resources

Overview

Our primary sources of liquidity are cash on hand, borrowing capacity under the Sustainability-Linked Credit Facility, cash flows from operations and proceeds from the sale of excess property and equipment and proceeds from opportunistic underwritten public offerings of our Class A common stock. Our primary uses of capital have been to fund current operations, maintain our asset base, implement technological advancements, make capital expenditures to support organic growth, fund acquisitions and equity investments, pay dividends and distributions, make payments under the TRAs, and when appropriate, repurchase shares of Class A common stock in the open market. Depending on available opportunities, market conditions and other factors, we may also issue debt and equity securities in the future, if needed.

We prioritize sustained positive FCF and a strong balance sheet and evaluate potential acquisitions and investments in the context of those priorities, in addition to the economics of the opportunity. We believe this approach provides us with additional flexibility to evaluate larger investments as well as improved resilience in a sustained downturn versus many of our peers.

Based on our current cash and cash equivalents balance, operating cash flow, available borrowings under our Sustainability-Linked Credit Facility and the ongoing actions discussed above, we believe that we will be able to maintain sufficient liquidity to satisfy our obligations and remain in compliance with our existing debt covenants through the next twelve months and beyond, prior to giving effect to any future financing that may occur.

We intend to finance most of our capital expenditures, contractual obligations and working capital needs with cash on hand, cash generated from operations and borrowings under our Sustainability-Linked Credit Facility. For a discussion of the Sustainability-Linked Credit Facility, see “—Sustainability-Linked Credit Facility” below. Although we cannot provide any assurance, we believe that our current cash balance, operating cash flow and available borrowings under our Sustainability-Linked Credit Facility will be sufficient to fund our operations for at least the next twelve months. In addition, we may opportunistically seek to raise additional capital through securities offerings or other avenues, as appropriate, based on market circumstances and other factors.

During the fourth quarter of 2022, we initiated a quarterly dividend and distribution program of \$0.05 per share and \$0.05 per unit for holders of shares of Class A and Class B common stock, respectively. We paid quarterly dividends at the same rate through the third quarter of 2023, then the board of directors increased the quarterly dividend paid on November 17, 2023 to \$0.06 per share and \$0.06 per unit for holders of shares of Class A and Class B common stock, respectively. We paid quarterly dividends at the same rate through the third quarter of 2024, then the board of directors increased the quarterly dividend paid on November 15, 2024 to \$0.07 per share and \$0.07 per unit for holders of shares of Class A and Class B common stock, respectively. This program resulted in a financing outflow of \$18.3 million in the Current Period, and this quarterly dividend program is expected to continue. All future dividend payments are subject to quarterly review and approval by our board of directors.

As of June 30, 2026 cash and cash equivalents totaled \$33.4 million, and we had approximately \$244.4 million of available borrowing capacity under the Revolving Credit Facility under our Sustainability-Linked Credit Facility. As of June 30, 2026, we had \$262.9 million in outstanding indebtedness, the borrowing base for the Revolving Credit Facility under the Sustainability-Linked Credit Facility was \$264.0 million, the borrowing base for the Term Loan Facility under the Sustainability-Linked Credit Facility was \$426.3 million and outstanding letters of credit totaled \$19.6 million. As of August 3, 2026, we had \$274.7 million in outstanding indebtedness, the borrowing base for the Revolving

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Credit Facility under the Sustainability-Linked Credit Facility was \$259.2 million, the borrowing base for the Term Loan Facility under the Sustainability-Linked Credit Facility was \$426.3 million, the outstanding letters of credit totaled \$18.7 million, and the available borrowing capacity under the Sustainability-Linked Credit Facility was \$213.0 million.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Six months ended June 30,		Change	
	2026	2025	Dollars	Percentage
	(in thousands)			
Net cash provided by operating activities	\$ 96,978	\$ 77,525	\$ 19,453	25.1 %
Net cash used in investing activities	(189,744)	(207,494)	17,750	8.6 %
Net cash provided by financing activities	108,081	161,168	(53,087)	(32.9)%
Subtotal	15,315	31,199		
Effect of exchange rate changes on cash and cash equivalents	(3)	9	(12)	NM
Net increase in cash and cash equivalents	\$ 15,312	\$ 31,208		

NM = Not Meaningful

Analysis of Cash Flow Changes between the six months ended June 30, 2026 and 2025

Operating Activities. Net cash provided by operating activities was \$97.0 million for the Current Period, compared to \$77.5 million for the Prior Period. The \$19.5 million increase is comprised primarily of an increase of \$43.0 million of net income combined with non-cash adjustments partially offset by a \$23.5 million increase in working capital.

Investing Activities. Net cash used in investing activities was \$189.7 million for the Current Period, compared to \$207.5 million for the Prior Period. The \$17.8 million decrease in net cash used in investing activities was due primarily to the \$72.1 million investment in unconsolidated entities in the Prior Period partially offset by a \$25.0 million increase in spending for acquisitions net of cash received, a \$21.6 million increase in purchases of property and equipment and \$7.2 million lower proceeds received from sales of property and equipment.

Financing Activities. Net cash provided by financing activities was \$108.1 million for the Current Period, compared to \$161.2 million for the Prior Period. The decrease was driven primarily by lower financing inflows, as proceeds from the Class A common stock offering in the Current Period were less than borrowings in the Prior Period. The \$53.1 million decrease in net cash provided by financing activities was comprised of a \$247.1 million decrease in borrowings net of repayments, a \$2.4 million decrease in cash received from noncontrolling interest holders, a \$1.7 million increase in repurchases of common stock, and a \$1.4 million increase in dividends and distributions paid partially offset by \$191.6 million in proceeds received from a public offering of our Class A common stock and \$7.8 million lower debt issuance costs.

Free Cash Flow

The following table summarizes our free cash flow for the periods indicated:

	Six months ended June 30,	
	2026	2025
	(in thousands)	
Net cash provided by operating activities	\$ 96,978	\$ 77,525
Purchase of property and equipment	(149,396)	(127,833)
Proceeds received from sale of property and equipment	2,354	9,603
Free cash flow	\$ (50,064)	\$ (40,705)

Sustainability-Linked Credit Facility

On January 24, 2025 (the “Closing Date”), SES Holdings, LLC (“SES Holdings”), a subsidiary of the Company, Select Water Solutions, LLC, a subsidiary of SES Holdings (“Select LLC”), Bank of America, N.A., as administrative agent, issuing lender and swingline lender (the “Administrative Agent”), and the other lenders party thereto, entered into that certain sustainability-linked senior secured credit facility (the “Sustainability-Linked Credit Facility”), which initially provides for \$300.0 million in revolving commitments (the “Revolving Credit Facility”) and \$250.0 million in term commitments (the “Term Loan Facility”), in each case, subject to a borrowing base. The Sustainability-Linked Credit Facility also has a sublimit of \$50.0 million for letters of credit and a sublimit of \$30.0 million for swingline loans. Subject to obtaining commitments from existing or new lenders, Select LLC has the option to increase the maximum amount under the sustainability-linked senior secured credit facility by (i) \$150.0 million for additional revolving commitments and (ii) \$50.0 million for additional term commitments, in each case, during the first four years following the Closing Date. As of the Closing Date, (i) there were no borrowings outstanding under the Revolving Credit Facility and approximately \$20.0 million of letters of credit issued and outstanding thereunder and (ii) the Term Loan Facility was fully funded. Capitalized terms used but not defined herein have the meaning ascribed to them in the Sustainability-Linked Credit Facility.

Refer to “Note 8—Debt” for further discussion of the Sustainability-Linked Credit Facility.

Common Stock Offering

In February 2026, the Company completed an underwritten public offering of 15,784,315 shares of Class A common stock at a public offering price of \$12.75 per share. Refer to “Note 1—Business and Basis of Presentation” for further discussion of the underwritten public offering.

Contractual Obligations

Our contractual obligations include, among other things, our Sustainability-Linked Credit Facility and operating leases. Refer to “Note 6—Leases” in our 2025 Form 10-K for operating lease obligations as of December 31, 2025 and “Note 8—Debt” in Part I, Item 1 of this Quarterly Report for an update to our Sustainability-Linked Credit Facility as of June 30, 2026.

Critical Accounting Policies and Estimates

There were no changes to our critical accounting policies from those disclosed in our 2025 Form 10-K.

Recent Accounting Pronouncements

Refer to “Note 2—Significant Accounting Policies” for recent accounting pronouncements.

Off-Balance-Sheet Arrangements

As of June 30, 2026, we had no material off-balance-sheet arrangements. As such, we are not exposed to any material financing, liquidity, market or credit risk that could arise if we had engaged in such financing arrangements.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

The demand, pricing and terms for oilfield services provided by us are largely dependent upon the level of drilling and completion activity in the U.S. oil and gas industry as well as the level of oil and gas production. The level of drilling and completion activity is influenced by numerous factors over which we have no control, including, but not limited to: the supply of and demand for oil and gas; war, armed conflicts, economic sanctions and other constraints to

global trade and economic growth; current price levels as well as expectations about future prices of oil and gas, including announcements and actions taken by the members of OPEC+ with respect to oil production levels; such as announced production cuts and the willingness of member countries to follow such cuts; the magnitude and timing of capital spending by our customers; the cost of exploring for, developing, producing and delivering oil and gas; the extent to which our E&P customers choose to drill and complete new wells to offset decline from their existing wells; the extent to which our E&P customers choose to invest to grow production; discoveries of new oil and gas reserves; available storage capacity and pipeline and other transportation capacity; weather conditions; domestic and worldwide economic conditions; instability in oil-producing countries; environmental regulations; technical advances in alternative forms of energy (e.g., wind and solar electricity, electric vehicles) that encourage substitution for or displacement of oil and gas consumption in end-use markets; the price and availability of alternative fuels; the ability of oil and gas producers to raise equity capital and debt financing; changes in global trade policy, including the imposition or lifting of tariffs and sanctions; global health events; merger and acquisition activity and consolidation in our industry, and other factors.

Any combination of these factors that results in sustained low oil and gas prices and, therefore, lower capital spending and / or reduced drilling and completion activity by our customers, would likely have a material adverse effect on our business, financial condition, results of operations and cash flows.

Interest Rate Risk

As of June 30, 2026, we had \$250.0 million in outstanding borrowings and \$244.4 million of available borrowing capacity under our Sustainability-Linked Credit Facility. As of August 3, 2026, we had \$261.9 million in outstanding borrowings and \$213.0 million of available borrowing capacity under our Sustainability-Linked Credit Facility. Interest is calculated under the terms of our Sustainability-Linked Credit Facility based on our selection, from time to time, of one of the index rates available to us plus an applicable margin that varies based on certain factors. A hypothetical one percentage point increase in interest rates on our borrowings under our Sustainability-Linked Credit Facility as of June 30, 2026, would increase our annual interest expense by approximately \$2.5 million. We do not currently have or intend to enter into any derivative arrangements to protect against fluctuations in interest rates applicable to our outstanding indebtedness.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that the information required to be disclosed by us in our reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

As required by Rule 13a-15(b) under the Exchange Act, we have evaluated, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, 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 period covered by this Quarterly Report. Based upon that evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2026.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) during the quarter ended June 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any legal proceedings that, if determined adversely against us, individually or in the aggregate, would have a material adverse effect on our financial position, results of operations or cash flows. We are, however, named defendants in certain lawsuits, investigations and claims arising in the ordinary course of conducting our business, including certain environmental claims and employee-related matters, and we expect that we will be named defendants in similar lawsuits, investigations and claims in the future. While the outcome of these lawsuits, investigations and claims cannot be predicted with certainty, we do not expect these matters to have a material adverse impact on our business, results of operations, cash flows or financial condition. We have not assumed any liabilities arising out of these existing lawsuits, investigations and claims.

Item 1A. Risk Factors

Our results of operations and financial condition are subject to various risks and uncertainties as disclosed in Part I, Item 1A. of our Annual Report on Form 10-K for the year ended December 31, 2025 (“2025 Form 10-K”). The following information updates, and should be read in conjunction with, the information disclosed in Part I, Item 1A, Risk Factors of our 2025 Form 10-K, which are incorporated herein by reference. You should carefully consider the risks set forth in our 2025 Form 10-K and the following risks, together with all the other information in this report, including our condensed consolidated financial statements and notes thereto. If any of the risks actually materialize, our operating results, financial condition and liquidity could be materially and adversely affected. Except as disclosed below, there have been no material changes from the risk factors disclosed in our 2025 Form 10-K. The following risk factors below are hereby added to the risk factors disclosed in our 2025 Form 10-K.

Global geopolitical conflicts may increase our costs and disrupt our supply chain.

Escalating conflict in or near major oil-producing or shipping corridors could lead to higher fuel and energy prices, increasing our transportation, manufacturing, and distribution costs, as well as resulting in downstream effects to global chemicals commodities markets. In particular, ongoing geopolitical tensions and military conflicts in key oil-producing regions, including potential disruptions to major shipping routes, may adversely affect our operations. Disruptions to global shipping corridors have caused disruptions to the global chemicals and oil-derived goods markets, reducing supplies and availability worldwide and resulting in increased prices. While we are not reliant on any chemicals or other commodities that are exclusively transported through any single shipping corridor due to our continued focus on domestic sourcing, such global disruptions to commodities markets can have downstream effects in the domestic markets, including elevated domestic prices, reduced supply and business interruptions to our suppliers. These events may also cause shipping delays, rerouted freight, port congestion, or higher logistics and insurance costs, which could disrupt the movement of raw materials upon which our suppliers rely. While the ultimate duration, impact and magnitude of these disruptions is currently unknown, a prolonged interruption to the global chemicals commodities and oil-derived goods markets has the potential to materially adversely affect our business and operations and those of our suppliers.

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

(c) Common Stock Repurchases Made in the Quarter

During the Current Quarter, we repurchased the shares of Class A Common Stock as shown in the table below, which included 67,422 shares purchased to satisfy the cashless exercise of options and tax withholding obligations related to vested shares under the Select Energy Services, Inc. 2016 Equity Incentive Plan and Select Water Solutions, Inc. 2024 Equity Incentive Plan previously awarded to certain of our current and former employees. The Company did not make any open market repurchases in the Current Quarter.

Period	Total Number of Shares Purchased	Weighted-Average Price Paid Per Share ⁽¹⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs ⁽²⁾
April 1, 2026 to April 30, 2026	5,152	\$14.36	—	\$21,177,432
May 1, 2026 to May 31, 2026	38,056	\$17.75	—	\$21,177,432
June 1, 2026 to June 30, 2026	24,214	\$18.98	—	\$21,177,432

(1) The average price paid per share includes commissions.

(2) On November 8, 2023, our board of directors authorized a share repurchase program of up to \$25.0 million of outstanding shares of Class A common stock. This new authorization was in addition to the \$7.5 million remaining outstanding under our previous authorization, as of November 8, 2023. Repurchases under the share repurchase program may be made at any time or from time to time, without prior notice, in the open market or in privately negotiated transactions at prevailing market prices, or such other means as will comply with applicable state and federal securities laws and regulations, including the provisions of the Securities Exchange Act of 1934, including Rule 10b5-1 and, to the extent practicable or advisable, Rule 10b-18 thereunder, and consistent with the Company's contractual limitations and other requirements.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2026, none of our directors or officers adopted and/or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K.

Item 6. Exhibits

The following exhibits are filed, furnished or incorporated by reference, as applicable, as part of this report.

Exhibit Number	Description
3.1	Fifth Amended and Restated Certificate of Incorporation of Select Water Solutions, Inc. dated as of May 8, 2023 (incorporated by reference herein to Exhibit 3.1 to Select Water Solutions, Inc.'s Current Report on Form 8-K, filed May 8, 2023).
3.2	Third Amended and Restated Bylaws of Select Water Solutions, Inc. dated as of May 8, 2023 (incorporated by reference herein to Exhibit 3.2 to Select Water Solutions, Inc.'s Current Report on Form 8-K, filed May 8, 2023).
*†10.1	Severance Agreement between Select Water Solutions, LLC and Robert Wilson, dated April 1, 2026.
*31.1	Certification of Chief Executive Officer required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934.
*31.2	Certification of Chief Financial Officer required by Rules 13a-14 and 15d-14 under the Securities Exchange Act of 1934.
**32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
**32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*101	The following financial statements from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline XBRL: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income, (iv) Consolidated Statements of Changes in Equity, (v) Consolidated Statements of Cash Flow, and (vi) Notes to Consolidated Financial Statements.
*104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

*Filed herewith

†Management contract or compensatory plan or arrangement.

**Furnished herewith

SIGNATURE

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

SELECT WATER SOLUTIONS, INC.

Date: August 5, 2026

By: /s/ John D. Schmitz
John D. Schmitz
Chairman, President and Chief Executive Officer

Date: August 5, 2026

By: /s/ Chris George
Chris George
Executive Vice President and Chief Financial Officer

SEVERANCE AGREEMENT

This Severance Agreement (“**Agreement**”) is made and entered into by and between Select Water Solutions, LLC, a Delaware limited liability company (the “**Company**”), and Robert A. Wilson (“**Executive**”), effective as of April 1, 2026 (the “**Effective Date**”). Executive and the Company are each referred to herein as a “**Party**” and together as the “**Parties**.”

WITNESSETH:

WHEREAS, the Company acknowledges that Executive possesses skills and knowledge that are valuable to the Company and the Company wishes to enter this Agreement in order to better ensure itself of access to the continued services of Executive, to provide further incentive for Executive to build and preserve the goodwill of the Company, and in order to protect its legitimate business interests, including the preservation of its goodwill and Confidential Information (as defined below); and

WHEREAS, Executive wishes to assume or continue in employment with the Company, advance the business interests of the Company, and be eligible for the benefits set forth herein;

NOW, THEREFORE, for and in consideration of the mutual promises, covenants and obligations contained herein, the Company and Executive agree as follows:

1. **Definitions.**

In addition to the terms defined in the body of this Agreement, for purposes of this Agreement, the following capitalized words shall have the meanings indicated below:

(a) “**Accrued Obligations**” means (i) accrued but unpaid base salary through the Date of Termination, (ii) any accrued but unpaid Bonus Award earned for any completed performance period prior to the Date of Termination, and (iii) any unreimbursed business expenses properly incurred prior to the Date of Termination (so long as Executive timely submitted all documentation required for reimbursement in accordance with applicable policies of the Company).

(b) “**Affiliate**” means any corporation, partnership, limited liability company, limited liability partnership, association, trust or other organization that, directly or indirectly, controls, is controlled by, or is under common control with, the Company. For purposes of the preceding sentence, “control” (including, with correlative meanings, the terms “controlled by” and “under common control with”), as used with respect to any entity or organization, shall mean the possession, directly or indirectly, of the power (i) to vote more than 50% of the securities having ordinary voting power for the election of directors of the controlled entity or organization or (ii) to direct or cause the direction of the management and policies of the controlled entity or organization, whether through the ownership of voting securities, by contract, or otherwise.

(c) “**Board**” means the Board of Directors of Select Water Solutions, Inc.

(d) “**Bonus Award**” means the payment described in Company’s Annual Short Term Incentive Plan. As used in this Agreement, this term incorporates the definition and

calculation methodology of Bonus Award detailed within Company's Annual Short Term Incentive Plan.

(e) **"Bonus Opportunity %"** means the percentage described in Company's Annual Short Term Incentive Plan. As used in this Agreement, this term incorporates the definition of Bonus Opportunity % and the Executive's opportunity percentages referred to within Company's Annual Short Term Incentive Plan.

(f) **"Business"** means the business and operations that are the same or similar to those engaged in by the Company or any Affiliate for which Executive provides services during Executive's employment with the Company or any Affiliates, or in which the Company or any such Affiliate has material plans to engage of which Executive is aware during the period of Executive's employment with the Company, which business and operations relate to water management (including water transfer) and chemical solutions, and related services, for the oil and gas industry.

(g) **"Business Opportunity"** shall mean any commercial, investment or other business opportunity relating to the Business.

(h) **"Cause"** means a determination by the Company in its sole discretion that Executive has: (i) engaged in gross negligence or willful misconduct in the performance of Executive's duties with respect to the Company or an Affiliate, (ii) materially breached any material provision of this Agreement or any other written agreement between Executive and the Company or an Affiliate or corporate policy or code of conduct established by the Company or an Affiliate and applicable to Executive; (iii) willfully engaged in conduct that is materially injurious to the Company or an Affiliate; or (iv) been convicted of, pleaded no contest to or received adjudicated probation or deferred adjudication in connection with, a felony involving fraud, dishonesty or moral turpitude (or a crime of similar import in a foreign jurisdiction).

(i) **"Change in Control"** shall have the meaning given such term in the Select Water Solutions, Inc. 2024 Equity Incentive Plan, as amended.

(j) **"COBRA"** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(k) **"Code"** means the Internal Revenue Code of 1986, as amended, and applicable administrative guidance issued thereunder.

(l) **"Date of Termination"** means the effective date of the termination of Executive's employment with the Company and its Affiliates, as applicable, such that Executive is no longer employed by the Company or any of its Affiliates.

(m) **"Disability"** means Executive's inability to perform the essential functions of Executive's position (after accounting for reasonable accommodation, if applicable and required by applicable law), due to physical or mental impairment that continues, or can reasonably be expected to continue, for a period in excess of one hundred-twenty (120) consecutive days or one hundred-eighty (180) days, whether or not consecutive (or for any longer period as may be required by applicable law), in any twelve (12)-month period.

(n) “**Good Reason**” means (i) a material diminution in Executive’s base salary (other than as part of one or more decreases that shall not exceed, in the aggregate, more than ten percent (10%) of Executive’s base salary as in effect at the time of such reduction and that are applied to all of the Company’s similarly situated executives), (ii) a material diminution in Executive’s title, authority, duties or responsibilities with the Company Group (provided that if Executive is serving as an officer or member of the board of directors (or similar governing body) of any member of the Company Group (other than the Company or Parent) or any other entity in which a member of the Company Group holds an equity interest, in no event shall the removal of Executive as an officer or board member from such entity, regardless of the reason for such removal, constitute Good Reason or be considered when determining if Good Reason exists), (iii) a material reduction in Executive’s Bonus Opportunity %, other than as part of one or more decreases that are applied to all of the Company’s similarly situated executives, or (iv) the relocation of the geographic location of Executive’s principal place of employment by more than fifty (50) miles from the location of Executive’s principal place of employment as of the Effective Date; provided that, in the case of Executive’s assertion of Good Reason, (A) the condition described in the foregoing clauses must have arisen without Executive’s consent; (B) Executive must provide written notice to the Company of such condition in accordance with this Agreement within forty-five (45) days of the initial existence of the condition; (C) the condition specified in such notice must remain uncorrected for thirty (30) days after receipt of such notice by the Company; and (D) the date of termination of Executive’s employment or other service relationship with the Company or an Affiliate must occur within ninety (90) days after such notice is received by the Company.

(o) “**Market Area**” shall mean (i) the counties and parishes set forth on Exhibit A hereto; and (ii) and any other geographic area or market where or with respect to which (x) Executive provides or has provided services on behalf of the Company or any other member of the Company Group in the twenty-four (24) months preceding the Date of Termination, or (y) the Company or any other member of the Company Group has specific plans to conduct any business as of the Date of Termination and Executive provides material services with respect to such plans.

(p) “**Parent**” means Select Water Solutions, Inc.

(q) “**Prohibited Period**” means the period during which Executive is employed by any member of the Company Group and continuing for a period of twelve (12) months following the Date of Termination.

(r) “**Protected Customer or Supplier**” means any customer or supplier of any member of the Company Group for whom or which Executive had direct or indirect responsibilities or about whom or which Executive obtained Confidential Information, in each case within the twenty-four (24) months prior to the Date of Termination.

(s) “**Release Conditions**” means Executive’s execution and delivery to the Company on or prior to the Release Expiration Date of a release of claims agreement in a form acceptable to the Company (which form shall be provided by the Company to Executive within seven (7) days of the Date of Termination), and, where applicable, Executive’s non-revocation of such release in the time set forth within such release to do so.

(t) “**Release Expiration Date**” is that date that is twenty-one (21) days following the date upon which the Company delivers a release of claims to Executive or, in the event that such termination of employment is “in connection with an exit incentive or other employment termination program” (as such phrase is defined in the Age Discrimination in Employment Act of 1967) and Executive is age forty (40) or over on the Date of Termination, the date that is forty-five (45) days following such delivery date.

2. **Severance Benefits.**

(a) Termination For Cause, Other than for Good Reason, or due to Death or Disability. If Executive’s employment is terminated (i) by the Company for Cause, (ii) by Executive other than for Good Reason, or (iii) due to Executive’s death or Disability, then Executive shall be entitled to receive the Accrued Obligations, but Executive shall not be entitled to any Severance Payment, Pro-Rata Bonus, or additional benefits described in Section 2(b) or 2(c) hereunder.

(b) Termination Without Cause or Termination For Good Reason. If Executive’s employment is terminated (x) by the Company without Cause, or (y) by Executive for Good Reason, then Executive shall be entitled to receive the Accrued Obligations and, so long as (and only if) Executive satisfies the Release Conditions and abides by the terms of Section 4, then the Company shall provide Executive with the following:

(i) A severance payment in an amount equal to one (1) times the sum of (A) Executive’s annualized base salary immediately prior to the Date of Termination *plus* (B) if applicable, the Executive’s annualized base salary immediately prior to the Date of Termination multiplied by the Bonus Opportunity % , if any, for the bonus year during which the Date of Termination occurs (such payment, the “**Severance Payment**”), which Severance Payment shall be paid as described in Section 2(e);

(ii) An amount equal to the Bonus Award that Executive would have actually been entitled to receive for the calendar year in which the Date of Termination occurs, calculated based on actual performance for the applicable performance period, and multiplied by a fraction, the numerator of which is the number of days during which Executive was employed by the Company in the calendar year of termination and the denominator of which is 365 (such payment, the “**Pro-Rata Bonus**”), which Pro-Rata Bonus shall be payable at the same time Bonus Awards for such calendar year are paid to similarly-situated executives of the Company, but in no event no later than March 15 of the calendar year following the calendar year in which the Date of Termination occurs; and

(iii) COBRA premium reimbursement for group health care coverage continuation for a period of up to twelve (12) months following the Date of Termination in accordance with Section 2(d).

(c) Termination Without Cause or Termination For Good Reason Following a Change in Control. Notwithstanding Section 2(b) to the contrary, if Executive’s employment is terminated (x) by the Company without Cause, or (y) by Executive for Good Reason, in each case, within twenty-four (24) months following a Change in Control, then Executive shall be entitled to

receive the Accrued Obligations, and so long as (and only if) Executive satisfies the Release Conditions and abides by the terms of Section 4, then the Company shall provide Executive with the following instead of the payments and benefits prescribed in Section 2(b):

(i) A severance payment in an amount equal to two (2) times the sum of (1) Executive's annualized base salary immediately prior to the Date of Termination *plus* (2) if applicable, the Executive's annualized base salary immediately prior to the Date of Termination multiplied by the Bonus Opportunity % , if any, for the calendar year during which the Date of Termination occurs (such payment, the "**CIC Severance Payment**"), which CIC Severance Payment shall be paid as described in Section 2(e);

(ii) The Pro-Rata Bonus, which Pro-Rata Bonus shall be payable at the same time Bonus Awards for such calendar year are paid to similarly-situated executives of the Company, but in no event no later than March 15 of the calendar year following the calendar year in which the Date of Termination occurs; and

(iii) COBRA premium reimbursement for group health care coverage continuation for a period of up to twenty-four (24) months following the Date of Termination in accordance with Section 2(d).

(d) COBRA. During the portion, if any, of the applicable period described in Section 2(b)(iii) or 2(c)(iii) (as applicable, the "**Reimbursement Period**") that Executive elects to continue coverage for Executive and Executive's spouse and eligible dependents, if any, under the Company's group health plans pursuant to COBRA, the Company shall promptly reimburse Executive on a monthly basis for the difference between the amount Executive pays to effect and continue such coverage and the employee contribution amount that similarly-situated executives of the Company pay for the same or similar coverage under such group health plans (the "**COBRA Benefit**"). Each payment of the COBRA Benefit shall be paid to Executive on the Company's first regularly scheduled pay date in the calendar month immediately following the calendar month in which Executive submits to the Company documentation of the applicable premium payment having been paid by Executive, which documentation shall be submitted by Executive to the Company within thirty (30) days following the date on which the applicable premium payment is paid. Notwithstanding the foregoing, Executive shall only be eligible to receive such reimbursement payments until the earliest of: (i) the last day of the Reimbursement Period; (ii) the date Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which Executive becomes eligible to receive coverage under a group health plan sponsored by another employer (and any such eligibility shall be promptly reported to the Company by Executive); *provided, however*, that the election of COBRA continuation coverage and the payment of any premiums due with respect to such COBRA continuation coverage shall remain Executive's sole responsibility, and the Company shall not assume any obligation for payment of any such premiums relating to such COBRA continuation coverage. Notwithstanding the foregoing, if the provision of the benefits described in this paragraph cannot be provided in the manner described above without penalty, tax or other adverse impact on the Company or an Affiliate, then the Company and Executive shall negotiate in good faith to determine an alternative manner in which the Company may provide substantially equivalent benefits to Executive without such adverse impact on the Company or an Affiliate.

(e) Timing of Severance Payment or CIC Severance Payment. The Severance Payment or the CIC Severance Payment (as applicable) will be divided into substantially equal installments paid over the number of months following the Date of Termination equal to the number of months' worth of Executive's base salary included in the Severance Payment or CIC Severance Payment, as applicable. No later than the Company's first regularly scheduled pay date that is on or after the date that is sixty (60) days after the Date of Termination (the "**First Payment Date**"), the Company shall pay to Executive, without interest, a number of such installments equal to the number of such installments that would have been paid during the period beginning on the Date of Termination and ending on the First Payment Date had the installments been paid on the Company's regularly scheduled pay dates on or following the Date of Termination, and each of the remaining installments shall be paid on the Company's regularly scheduled pay dates during the remainder of such twelve (12)-month period (or, if the Date of Termination is on or within twenty-four (24) months following the date of a Change in Control, such twenty-four (24)-month period); *provided, however*, that (i) to the extent, if any, that the aggregate amount of the installments of the Severance Payment or the CIC Severance Payment (as applicable) that would otherwise be paid pursuant to the preceding provisions of this Section 2(e) after March 15 of the calendar year following the calendar year in which the Date of Termination occurs (the "**Applicable March 15**") exceeds the maximum exemption amount under Treasury Regulation Section 1.409A-1(b)(9)(iii)(A), then such excess shall be paid to Executive in a lump sum on the Applicable March 15 (or the first business day preceding the Applicable March 15 if the Applicable March 15 is not a business day) and the installments of the Severance Payment or the CIC Severance Payment (as applicable) payable after the Applicable March 15 shall be reduced by such excess (beginning with the installment first payable after the Applicable March 15 and continuing with the next succeeding installment until the aggregate reduction equals such excess), and (ii) all remaining installments of the Severance Payment or the CIC Severance Payment (as applicable), if any, that would otherwise be paid pursuant to the preceding provisions of this Section 2(e) after December 31 of the second calendar year following the calendar year in which the Date of Termination occurs shall be paid with the installment of the Severance Payment or the CIC Severance Payment (as applicable), if any, due in December of the second calendar year following the calendar year in which the Date of Termination occurs. For the avoidance of doubt, in no event shall Executive be eligible to receive both the Severance Payment and the CIC Severance Payment.

3. Certain Excise Taxes. Notwithstanding anything to the contrary in this Agreement, if Executive is a "disqualified individual" (as defined in Section 280G(c) of the Code), and the payments and benefits provided for in this Agreement, together with any other payments and benefits which Executive has the right to receive from Company or any of its Affiliates, would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the payments and benefits provided for in this Agreement shall be either (a) reduced (but not below zero) so that the present value of such total amounts and benefits received by Executive from Company or any of its Affiliates shall be one dollar (\$1.00) less than three times Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of such amounts and benefits received by Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to Executive (taking into account any applicable excise tax under Section 4999 of the Code and any other applicable taxes). The reduction of payments and benefits hereunder, if applicable, shall be made by reducing, first, payments or benefits to be paid in cash hereunder in the order in which such

payment or benefit would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time) and, then, reducing any benefit to be provided in-kind hereunder in a similar order. The determination as to whether any such reduction in the amount of the payments and benefits provided hereunder is necessary shall be made by Company in good faith. If a reduced payment or benefit is made or provided and through error or otherwise that payment or benefit, when aggregated with other payments and benefits from Company or any of its Affiliates used in determining if a “parachute payment” exists, exceeds one dollar (\$1.00) less than three times Executive’s base amount, then Executive shall immediately repay such excess to Company upon notification that an overpayment has been made. Nothing in this Section 3 shall require the Company to be responsible for, or have any liability or obligation with respect to, Executive’s excise tax liabilities under Section 4999 of the Code.

4. Restrictive Covenants.

(a) Confidentiality. In the course of Executive’s employment with the Company and the performance of Executive’s duties on behalf of the Company or any of its Affiliates (collectively, the Company and its Affiliates are referred to as the “**Company Group**”) following the Effective Date, Executive will be provided with, and will have access to, Confidential Information (as defined below). In consideration of Executive’s receipt and access to such Confidential Information and, as an express inducement for the Company to enter into this Agreement, Executive shall comply with this Section 4.

(i) Both during the term of Executive’s employment with the Company and thereafter, except as expressly permitted by this Agreement or by an authorized representative of the Company in writing, Executive shall not disclose any Confidential Information to any person or entity and shall not use any Confidential Information except for the benefit of the Company Group. Executive shall follow all Company policies and protocols regarding the security of all documents and other materials containing Confidential Information (regardless of the medium on which Confidential Information is stored). The covenants of this Section 4(a) shall apply to all Confidential Information, whether now known or later to become known to Executive during the period that Executive is employed by or affiliated with the Company or any other member of the Company Group.

(ii) Notwithstanding any provision of this Agreement to the contrary, Executive may make the following disclosures and uses of Confidential Information: (A) disclosures to other employees of the Company Group who have a need to know the information in connection with the businesses of the Company Group; (B) disclosures to customers and suppliers when, in the reasonable and good faith belief of Executive, such disclosure is in connection with Executive’s performance of Executive’s duties and is in the best interests of the Company Group; (C) disclosures and uses that are approved in writing by the Company; or (D) disclosures to a person or entity that has (1) been retained by a member of the Company Group to provide services to one or more members of the Company Group and (2) agreed in writing to abide by the terms of a confidentiality agreement in a form acceptable to the Company.

(iii) Upon the Date of Termination, and at any other time upon request of the Company, Executive shall promptly surrender and deliver to the Company all documents

(including electronically stored information) and all copies thereof and all other materials of any nature containing or pertaining to all Confidential Information and any other Company Group property (including any Company Group-issued computer, mobile device or other equipment) in Executive's possession, custody or control and Executive shall not retain any such documents or other materials or property of the Company Group. Within five (5) days of any such request, Executive shall certify to the Company in writing that all such documents, materials and property have been returned to the Company.

(iv) All trade secrets, non-public information, designs, ideas, concepts, improvements, product developments, discoveries and inventions, whether patentable or not, that are or have been conceived, made, developed or acquired by or disclosed to Executive, individually or in conjunction with others, during the period that Executive is or has been employed by the Company or any other member of the Company Group (whether during business hours or otherwise and whether on the Company's premises or otherwise) that relate to any member of the Company Group's businesses or properties, products or services (including all such information relating to corporate opportunities, operations, future plans, methods of doing business, business plans, strategies for developing business and market share, research, financial and sales data, pricing terms, evaluations, opinions, interpretations, acquisition prospects, the identity of customers or acquisition targets or their requirements, the identity of key contacts within customers' organizations or within the organization of acquisition prospects, or marketing and merchandising techniques, prospective names and marks) is defined as "**Confidential Information**." For purposes of this Agreement, Confidential Information shall not include any information that (A) is or becomes generally available to the public other than as a result of a disclosure or wrongful act of Executive or any of Executive's agents; (B) was available to Executive on a non-confidential basis before its disclosure by a member of the Company Group; or (C) becomes available to Executive on a non-confidential basis from a source other than a member of the Company Group; *provided, however*, that such source is not bound by a confidentiality agreement with, or other obligation with respect to confidentiality to, a member of the Company Group.

(v) Notwithstanding the foregoing, nothing in this Agreement or in any other agreement between Executive and the Company or any other member of the Company Group shall prohibit or restrict Executive from (A) initiating communications directly with, cooperating with, providing information to, causing information to be provided to, or otherwise assisting in an investigation by, any governmental agency (including the Securities and Exchange Commission, Department of Justice, Department of Labor, Equal Employment Opportunity Commission, National Labor Relations Board, Congress, any Inspector General, and any other applicable governmental agency or regulatory authority) regarding a possible violation of any law; (B) responding to any inquiry or legal process directed to Executive from any governmental agency; (C) testifying, participating or otherwise assisting in any action or proceeding by any governmental agency relating to a possible violation of law, (D) making any other disclosures that are protected under the whistleblower provisions of any applicable law, or (E) disclosing an act of sexual abuse or facts related to an act of sexual abuse to any other person. Nothing in this Agreement or in any other agreement between Executive and any member of the Company Group requires Executive to obtain prior authorization before engaging in any conduct described in the immediately preceding sentence, or to notify the Company or any other member of the Company Group that Executive has engaged in any such conduct. Additionally, pursuant to the federal Defend Trade

Secrets Act of 2016, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that: (1) is made (a) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made to the individual's attorney in relation to a law suit for retaliation against the individual for reporting a suspected violation of law or (3) is made in a complaint or other document filed in a law suit or proceeding, if such filing is made under seal.

(b) Non-Competition; Non-Solicitation.

(i) The Company shall provide Executive access to Confidential Information, and Executive acknowledges and agrees that the Company will be entrusting Executive, in Executive's unique and special capacity, with developing the goodwill of the Company Group, and in consideration of the Company providing Executive with access to Confidential Information and as an express incentive for the Company to enter into this Agreement, Executive has voluntarily agreed to the covenants set forth in this Section 4(b). Executive agrees and acknowledges that the limitations and restrictions set forth herein, including geographical and temporal restrictions on certain competitive activities, are reasonable in all respects, will not cause Executive undue hardship, and are material and substantial parts of this Agreement intended and necessary to prevent unfair competition and to protect the Company Group's Confidential Information, goodwill and legitimate business interests.

(ii) During the Prohibited Period, Executive shall not, without the prior written approval of the Board, directly or indirectly, for Executive or on behalf of or in conjunction with any other person or entity of any nature:

(A) engage or carry on within the Market Area in competition with any member of the Company Group in any aspect of the Business, which prohibition shall prevent Executive from directly or indirectly (A) owning, managing, operating or being an officer or director of any business that competes with any member of the Company Group in the Market Area, or (B) joining, becoming an employee or consultant of, or otherwise being affiliated with, any person or entity engaged in, or planning to engage in, the Business in the Market Area in competition, or anticipated competition, with any member of the Company Group in any capacity (with respect to this clause (B)) in which Executive's duties or responsibilities involve direct or indirect responsibilities with respect to the Business;

(B) appropriate any Business Opportunity of, or relating to, any member of the Company Group located in the Market Area;

(C) solicit, canvass, approach, encourage, entice or induce any Protected Customer or Supplier of any member of the Company Group to cease or lessen such Protected Customer's or Supplier's business in the Market Area with any member of the Company Group; or

(D) solicit, canvass, approach, encourage, entice or induce any employee or contractor of any member of the Company Group with respect to whom or which Executive had direct or indirect responsibilities or about whom Executive obtained Confidential Information to terminate his, her or its employment or engagement with any member of the Company Group.

(iii) Because of the difficulty of measuring economic losses to the Company Group as a result of a breach or threatened breach of the covenants set forth in this Section 4(b), and because of the immediate and irreparable damage that would be caused to the members of the Company Group for which they would have no other adequate remedy, the Company and each other member of the Company Group shall be entitled to enforce the foregoing covenants, in the event of a breach or threatened breach, by injunctions and restraining orders from any court or arbitrator of competent jurisdiction, without the necessity of showing any actual damages or that money damages would not afford an adequate remedy, and without the necessity of posting any bond or other security. The aforementioned equitable relief shall not be the Company's or any other member of the Company Group's exclusive remedy for a breach, but instead shall be in addition to all other rights and remedies available to the Company and each other member of the Company Group, at law and equity.

(iv) Notwithstanding the foregoing, nothing in this Section 4(b) shall be interpreted or applied in a manner to prevent or restrict Executive from practicing law, as it is the intent of this Section 4(b) to create certain limitations on Executive's business activities only, and not to create limitations that would restrict Executive from practicing law. Executive acknowledges and agrees that, both before and after the Date of Termination, Executive shall be bound by all ethical and professional obligations (including those with respect to conflicts and confidentiality) that arise from Executive's provision of legal services to, and acting as legal counsel for, the Company and (as applicable) the other members of the Company Group.

(v) Further notwithstanding the foregoing, during the portion of the Prohibited Period that occurs following the Date of Termination, Sections 4(b)(i), 4(b)(ii), and 4(b)(iii) of this Agreement shall not apply in that portion of the Market Area located within the State of Oklahoma. Instead, during that portion of the Prohibited Period that occurs following the Date of Termination, within that portion of the Market Area that is within the State of Oklahoma, the restrictions on Executive's activities (in addition to all restrictions set forth in Sections 4(a) and 4(b)(iv), and all restrictions that may be created due to statutory or common law requirements) shall be as follows: during that portion of the Prohibited Period that occurs following the Date of Termination, Executive shall not directly solicit the sale of goods, services or a combination of goods and services from established customers of the Company or any other member of the Company Group.

(vi) The covenants in this Section 4(b), and each provision and portion hereof, are severable and separate, and the unenforceability of any specific covenant (or portion thereof) shall not affect the provisions of any other covenant (or portion thereof). Moreover, in the event any arbitrator or court of competent jurisdiction shall determine that the scope, time or territorial restrictions set forth are unreasonable, then it is the intention

of the parties that such restrictions be enforced to the fullest extent which such arbitrator or court deems reasonable, and this Agreement shall thereby be reformed.

5. **At-Will Employment**. Notwithstanding anything to the contrary herein, the Company shall have the right to terminate Executive's employment at any time and for any reason or no reason at all, upon written notice to Executive. Executive shall have the right to terminate Executive's employment with the Company at any time and for any reason or no reason at all, upon thirty days' advance written notice to the Company. Executive acknowledges that nothing in this Agreement or in any of the Company's policies will be construed as altering the at-will nature of Executive's employment. It is understood and agreed that Executive is not being employed for any specific duration or period of time.

6. **Withholdings; Deductions**. The Company may withhold and deduct from any benefits and payments made or to be made pursuant to this Agreement (a) all federal, state, local and other taxes as may be required pursuant to any law or governmental regulation or ruling and (b) any deductions consented to in writing by Executive.

7. **Applicable Law; Submission to Jurisdiction; Attorneys' Fees**. This Agreement shall in all respects be construed according to the laws of the State of Texas without regard to its conflict of laws principles that would result in the application of the laws of another jurisdiction. With respect to any claim or dispute related to or arising under this Agreement, the Parties hereby recognize and agree that should any resort to a court be necessary and permitted under this Agreement (after giving effect to Section 8 below), then they consent to the exclusive jurisdiction, forum and venue of the state and federal courts (as applicable) located in Harris County, Texas. Following the occurrence of a Change in Control, if a dispute between the Parties (or between Executive and any successor to the Company or any of its Affiliates) arises: (i) by virtue of the Company's or its applicable successor's or Affiliate's failure to provide the severance payments or benefits set forth in Section 2(c) above, and (ii) following Executive's good faith written demand for such payments or benefits, then the Company shall be responsible for paying Executive's reasonable legal fees incurred after such written demand is provided.

8. **Arbitration**.

(a) Subject to Section 8(b) and Section 8(c) below, any dispute, controversy or claim arising out of or relating to this Agreement or Executive's employment or engagement with any member of the Company Group ("***Disputes***") will be finally settled by arbitration in Houston, Texas in accordance with the then-existing American Arbitration Association ("***AAA***") Employment Arbitration Rules. Any arbitration conducted under this Section 8 shall be private, and shall be heard by a single arbitrator (the "***Arbitrator***") selected in accordance with the then-applicable rules of the AAA. The Arbitrator shall expeditiously hear and decide all matters concerning the Dispute. Except as expressly provided to the contrary in this Agreement, the Arbitrator shall have the power to (i) gather such materials, information, testimony and evidence as the Arbitrator deems relevant to the Dispute before him or her (and each party will provide such materials, information, testimony and evidence requested by the Arbitrator), and (ii) grant injunctive relief and enforce specific performance. *All Disputes shall be arbitrated on an individual basis, and each party hereto hereby foregoes and waives any right to arbitrate any Dispute as a class action or collective action or on a consolidated basis or in a representative*

capacity on behalf of other persons or entities who are claimed to be similarly situated, or to participate as a class member in such a proceeding. The decision of the Arbitrator shall be reasoned, rendered in writing, be final and binding upon the disputing parties and the Parties agree that judgment upon the award may be entered by any court of competent jurisdiction.

(b) Notwithstanding Section 8(a), either Party may make a timely application for, and obtain, judicial emergency or temporary injunctive relief to enforce any of the provisions of Section 4; *provided, however*, that the remainder of any such Dispute (beyond the application for emergency or temporary injunctive relief) shall be subject to arbitration under this Section 8. Further, nothing in this Section 8 precludes Executive from filing a charge or complaint with a federal, state or other governmental administrative agency, but Executive expressly waives any right to the recovery of monetary damages awarded by such agency.

(c) Further notwithstanding Section 8(a), any dispute, controversy or claim between Executive and any member of the Company Group arising out of or relating to any Company Group equity incentive plan or any equity award between Executive and any member of the Company Group shall be subject to the dispute resolution terms set forth in and applicable to the applicable equity incentive plan or award agreement.

(d) By entering into this Agreement and entering into the arbitration provisions of this Section 8 THE PARTIES EXPRESSLY ACKNOWLEDGE AND AGREE THAT THEY ARE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVING THEIR RIGHTS TO A JURY TRIAL.

9. **Entire Agreement and Amendment.** This Agreement contains the entire agreement of the Parties with respect to the matters covered herein and supersede all prior and contemporaneous agreements and understandings, oral or written, between the parties hereto concerning the subject matter hereof; provided, however, this Agreement shall be in addition to and complement (and not replace or supersede) any other obligation that Executive may have to any member of the Company Group with respect to non-disclosure or confidentiality, return of property, non-competition or non-solicitation (regardless of whether such obligation arises by contract, statute, common law or otherwise). This Agreement may be amended only by a written instrument executed by both Parties hereto.

10. **Severability and Reformation.** If an arbitrator or court of competent jurisdiction determines that any provision of this Agreement (or portion thereof) is invalid or unenforceable, then the invalidity or unenforceability of that provision (or portion thereof) shall not affect the validity or enforceability of any other provision of this Agreement, and all other provisions shall remain in full force and effect. In the event an arbitrator or court of competent jurisdiction shall determine that the scope of restrictions set forth herein are unreasonable, then it is the intention of Executive and the Company that such restrictions be enforced to the fullest extent which the court deems reasonable, and this Agreement shall thereby be reformed.

11. **Counterparts.** This Agreement may be executed in any number of counterparts, including by electronic mail or .pdf, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each

counterpart may consist of a copy hereof containing multiple signature pages, each signed by one party, but together signed by both parties hereto.

12. **Clawback.** Notwithstanding any provision in this Agreement to the contrary, to the extent required by (a) applicable law, including, without limitation, the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, any Securities and Exchange Commission rule or any applicable securities exchange listing standards and/or (b) any policy that may be adopted or amended by the Board from time to time, all payments hereunder shall be subject to forfeiture, repurchase, recoupment and/or cancellation to the extent necessary to comply with such law(s) and/or policy.

13. **Section 409A.**

(a) Notwithstanding any provision of this Agreement to the contrary, all provisions of this Agreement are intended to comply with Section 409A of the Code, and the applicable Treasury regulations and administrative guidance issued thereunder (collectively, “**Section 409A**”) or an exemption therefrom and shall be construed and administered in accordance with such intent. Any payments under this Agreement that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. Any payments to be made under this Agreement upon a termination of Executive’s employment shall only be made if such termination of employment constitutes a “separation from service” under Section 409A. For purposes of Section 409A, each installment payment provided under this Agreement shall be treated as a separate payment.

(b) To the extent that any right to reimbursement of expenses or payment of any benefit in-kind under this Agreement constitutes nonqualified deferred compensation (within the meaning of Section 409A), (i) any such expense reimbursement shall be made by the Company no later than the last day of Executive’s taxable year following the taxable year in which such expense was incurred by Executive, (ii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (iii) the amount of expenses eligible for reimbursement or in-kind benefits provided during any taxable year shall not affect the expenses eligible for reimbursement or in-kind benefits to be provided in any other taxable year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period in which the arrangement is in effect.

(c) Notwithstanding any provision in this Agreement to the contrary, if any payment or benefit provided for herein would be subject to additional taxes and interest under Section 409A if Executive’s receipt of such payment or benefit is not delayed until the earlier of

(i) the date of Executive’s death or (ii) the date that is six (6) months after the Date of Termination (such date, the “**Section 409A Payment Date**”), then such payment or benefit shall not be provided to Executive until the Section 409A Payment Date. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Agreement are exempt from, or compliant with, Section 409A and in no event shall any member of the Company Group be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by Executive on account of non-compliance with Section 409A.

[Remainder of Page Intentionally Blank; Signature Page Follows]

IN WITNESS WHEREOF, the Company and Executive have caused this Agreement to be executed and effective as of the Effective Date.

COMPANY

Select Water Solutions, LLC

By: - - - - -

Name:

Title:

EXECUTIVE

Name: Robert A. Wilson - - - - -

SIGNATURE PAGE TO SEVERANCE
AGREEMENT

EXHIBIT A MARKET AREA

STATE	COUNTY/PARISH/BOROUGH			
LOUISIANA	Bossier	De Soto	Lincoln	Sabine
	Caddo	Jackson	Red River	
NEW MEXICO	Chaves Eddy	Lea	San Juan	
OHIO	Ashland	Guernsey	Jefferson	Summit
	Belmont	Harrison	Monroe	Trumbull
OKLAHOMA	Alfalfa	Dewey Ellis	Lincoln	Pittsburg
	Beckham	Garfield	Logan Love	Roger Mills
	Blaine	Garvin	Major	Stephens
	Canadian	Grady	McClain	Washita
	Carter	Hughes	Oklahoma	Woods
	Coal	Kingfisher		Woodward
	Custer			
PENNSYLVANIA	Armstrong	Greene	Tioga Washington	Westmoreland Wyoming
	Bradford	Lycoming		
	Elk	Sullivan		
TEXAS	Andrews	Hemphill	Maverick	Shelby
	Angelina	Henderson	McMullen	Tarrant Tom
	Atascosa	Howard	Midland	Green Upton
	Borden	Irion	Nacogdoches	Ward Webb
	Culberson	Jackson	Panola	Wheeler
	DeWitt	Karnes	Pecos	Winkler
	Dimmit	La Salle	Reagan	Wise Zavala
	Ector	Lavaca	Reeves	
	Frio	Live Oak	Roberts	
	Glasscock	Loving	Rusk	
	Gonzales	Martin	San Augustine	
UTAH	Duchesne			
WEST VIRGINIA	Brooke	Marion Marshall	Ohio	Tyler
	Doddridge	Monongalia	Ritchie	Wetzel
	Harrison			
WYOMING	Campbell	Johnson	Laramie	Sweetwater
	Converse			

**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, John Schmitz, certify that:

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

Date: August 5, 2026

/s/ John D. Schmitz

John D. Schmitz

Chairman, President and Chief Executive Officer

**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, Chris George, certify that:

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

Date: August 5, 2026

/s/ Chris George

Chris George

Executive Vice President and Chief Financial Officer

**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 Select Water Solutions, Inc. (the “Company”), as filed with the Securities and Exchange Commission on the date hereof (the “Report”), John Schmitz, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his 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.

Date: August 5, 2026

/s/ John D. Schmitz

John D. Schmitz
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

**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 Select Water Solutions, Inc. (the “Company”), as filed with the Securities and Exchange Commission on the date hereof (the “Report”), Chris George, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his 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.

Date: August 5, 2026

/s/ Chris George

Chris George
Executive Vice President and Chief Financial
Officer
(Principal Financial Officer)
