



Select Energy Services, Inc.

Southwest IDEAS Conference | November 2022



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Cautionary Statement Regarding Forward Looking Statements

This presentation, including the oral statements made in connection herewith, contains certain statements and information that may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical fact, regarding Select Energy Services, Inc.’s (“Select” or the “Company”) strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of Select’s management are forward-looking statements. When used in this presentation, 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 current expectations and assumptions of Select’s management about future events and are based on currently available information as to the outcome and timing of future events. Although we believe that the expectations reflected, and the assumptions or bases underlying our forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Such statements are not guarantees of future performance or events and are subject to known and unknown risks and uncertainties that could cause our actual results, events or financial positions to differ materially from those included within or implied by such forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Each forward-looking statement in this presentation speaks only as of the date of this presentation. Except as required by applicable law, Select disclaims any intention or obligation to revise or update any forward-looking statements contained in this presentation.

Factors that could cause our actual results to differ materially from the results contemplated by such forward-looking statements include, but are not limited to the factors discussed or referenced in the “Risk Factors” section of our Annual Report on Form 10-K (our “Form 10-K”) filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 23, 2022. The information contained in this presentation has not been independently verified other than by the Company and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein and no reliance should be placed on it.

Industry and Market Data

This presentation has been prepared by Select and includes market data and other statistical information from third-party sources, including independent industry publications, government publications or other published independent sources. Although Select believes these third-party sources are reliable as of their respective dates, the Company has not independently verified the accuracy or completeness of this information. Some data is also based on the Company’s good faith estimates, which are derived from its review of internal sources and the third-party sources described above.

Additional Information and Where to Find It

For additional information regarding Select, please see our Form 10-K, Quarterly Reports on Form 10-Q and any recent Current Reports on Form 8-K, which are available at no charge at the SEC’s website, <http://www.sec.gov>. In addition, documents will also be available for free from the Company by contacting the Company at 1233 W Loop S, Suite 1400, Houston, TX 77027 or (713) 235-9500.

Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, gross profit before depreciation and amortization (D&A) and gross margin before D&A are not financial measures presented in accordance with GAAP. We define EBITDA as net income, plus interest expense, taxes and depreciation & amortization. We define Adjusted EBITDA as EBITDA plus/(minus) loss/(income) from discontinued operations, plus any impairment charges or asset write-offs pursuant to GAAP, plus/(minus) non-cash losses/(gains) on the sale of assets or subsidiaries, non-recurring compensation expense, 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) and plus any inventory write-downs. We define gross profit before D&A as revenue less cost of revenue, excluding cost of sales D&A expense. We define gross margin before D&A as gross profit before D&A divided by revenue. EBITDA, Adjusted EBITDA, gross profit before D&A and gross margin before D&A are supplemental non-GAAP financial measures that we believe provide useful information to external users of our financial statements, such as industry analysts, investors, lenders and rating agencies 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 and amortization) and non-recurring items outside the control of our management team. We present EBITDA, Adjusted EBITDA, gross profit before D&A and gross margin before D&A because we believe they provide useful information regarding the factors and trends affecting our business in addition to measures calculated under GAAP.

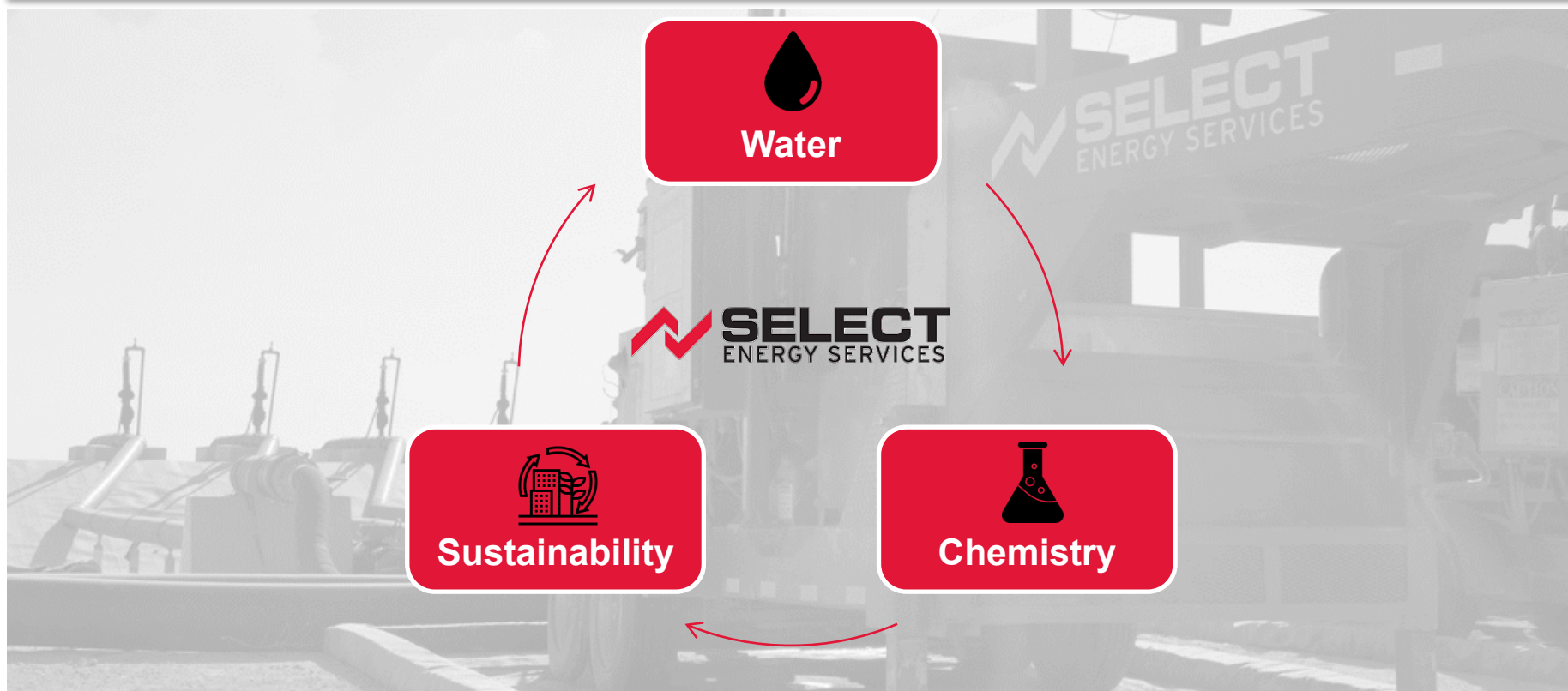
Net income is the GAAP measure most directly comparable to EBITDA and Adjusted EBITDA. Gross profit is the GAAP measure most directly comparable to gross profit before D&A. Our non-GAAP financial measures should not be considered as alternatives to the most directly comparable GAAP financial measure. Each of these non-GAAP financial measures has important limitations as an analytical tool due to exclusion of some but not all items that affect the most directly comparable GAAP financial measures. You should not consider EBITDA, Adjusted EBITDA or gross profit before D&A in isolation or as substitutes for an analysis of our results as reported under GAAP. Because EBITDA, Adjusted EBITDA and gross profit before D&A 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. For further discussion, please see “Item 7. Selected Financial Data” in our Annual Report on Form 10-K for the year ended December 31, 2021.



Company Overview

Integrated Water and Chemistry Solutions Experts

- Our mission is to deliver operational excellence and develop sustainable water and chemistry solutions every day, with a commitment to conservation and reuse



Sustainable Water and Chemistry are Mission Critical

Key Trends in Water and Chemicals

- + **Longer laterals, simulfacs** and higher **completions intensity**
- + **Operator ESG** goals focused on lower **freshwater intensity** rates
- + **Disposal** capacity **restrictions** limiting SWD permitting
- + **Seismic Response Areas** require careful navigation and expertise while **boosting demand for recycling**

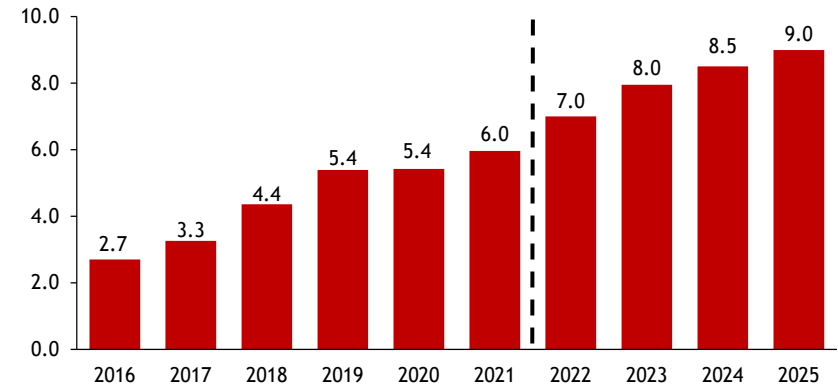


More water required per completion
Produced water recycling
Water balancing
Beneficial reuse
Associated infrastructure buildout

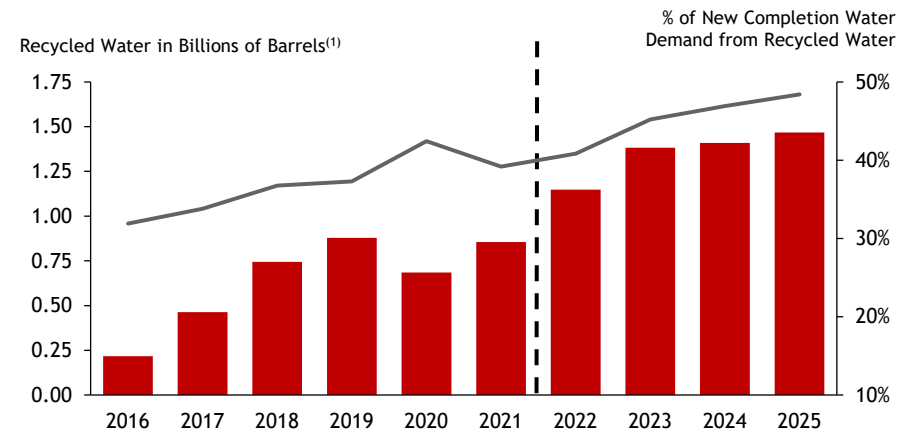
Source: Rystad Shale Intel reported dated October 10, 2022
(1) Totals represent totals for Permian basin only

Continued Growth in Permian Produced Water Volumes...

Produced Water in Billions of Barrels⁽¹⁾



... and Customer Focus on Recycling in Permian



1

Integrated Market Leader in Water & Chemistry

- Market leader with significant scale and innovative technology combined with operational excellence
- Differentiated water and chemistry infrastructure and assets in key regions with high barriers to entry

2

Deliver Durable Free Cash Flow

- Enhanced scale and earnings power provides significant through-the-cycle FCF generating capabilities
- Asset-light business model with low capex intensity

3

Strong Safety & Sustainability Focus

- Critical focus on safety, water stewardship and emissions reduction
- Key KPIs tied to management compensation

4

Strong Balance Sheet

- Conservative financial policies on leverage and M&A funding
- Strong balance sheet with no long-term debt enables operational and strategic optionality

5

Disciplined Approach to Growth

- Focused on achieving strong returns through cycles
- Organic growth through new technologies, industrial diversification and environmental solutions
- Proven strategy of executing value-accretive, strategic M&A

Segment Overviews

Water Services

- + Comprehensive suite of integrated **water technologies** and services for **pre- and post-production**
- + **Market leader** in water transfer, highly **specialized** and **high margin**
- + Activity primarily driven by completions, complexity and intensity

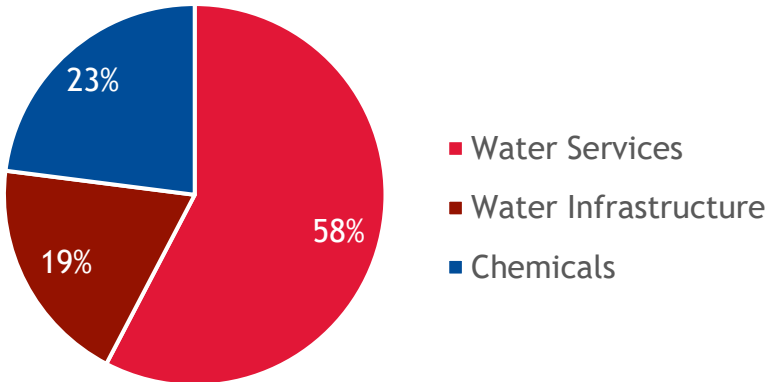
Water Infrastructure

- + **Water treatment & recycling:** ~3 MMbpd of recycling capacity; only commercially permitted facilities in Permian
- + **Water pipelines:** sourcing, gathering and associated storage
- + **Disposal:** >2 MMbpd of permitted capacity, **market leader**
- + Production-focused with diverse mix of **long-term contracts**
- + Integrated **water balancing**

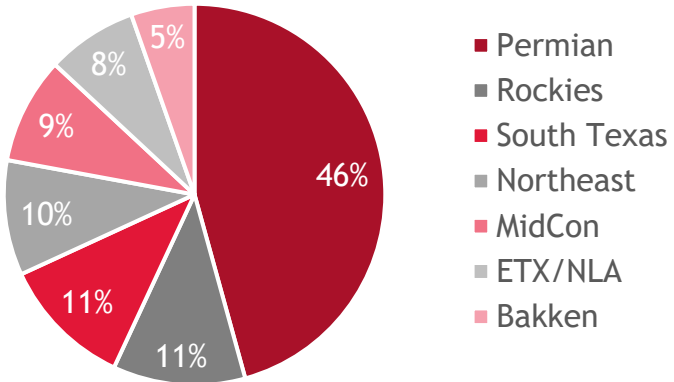
Chemicals

- + Only **Permian in-basin** manufacturer of proprietary completion chemicals
- + **Technology** and **automation** to pair chemistry and water
- + In-house **integrated logistics management**
- + Advanced water treatment solutions and flow assurance
- + Growing **non-energy** applications

9M 2022 Revenue by Segment¹



9M 2022 Revenue by Geography¹



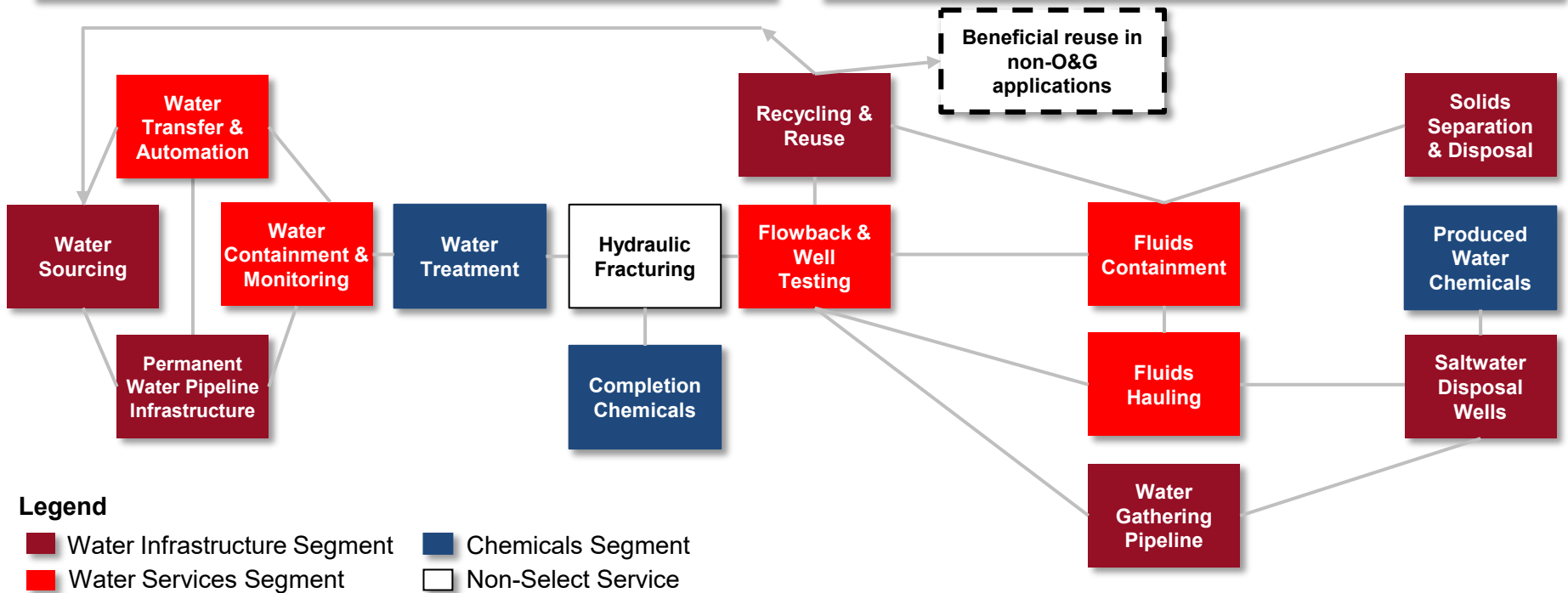
1. Based on results for the nine months ended September 30, 2022, as reported

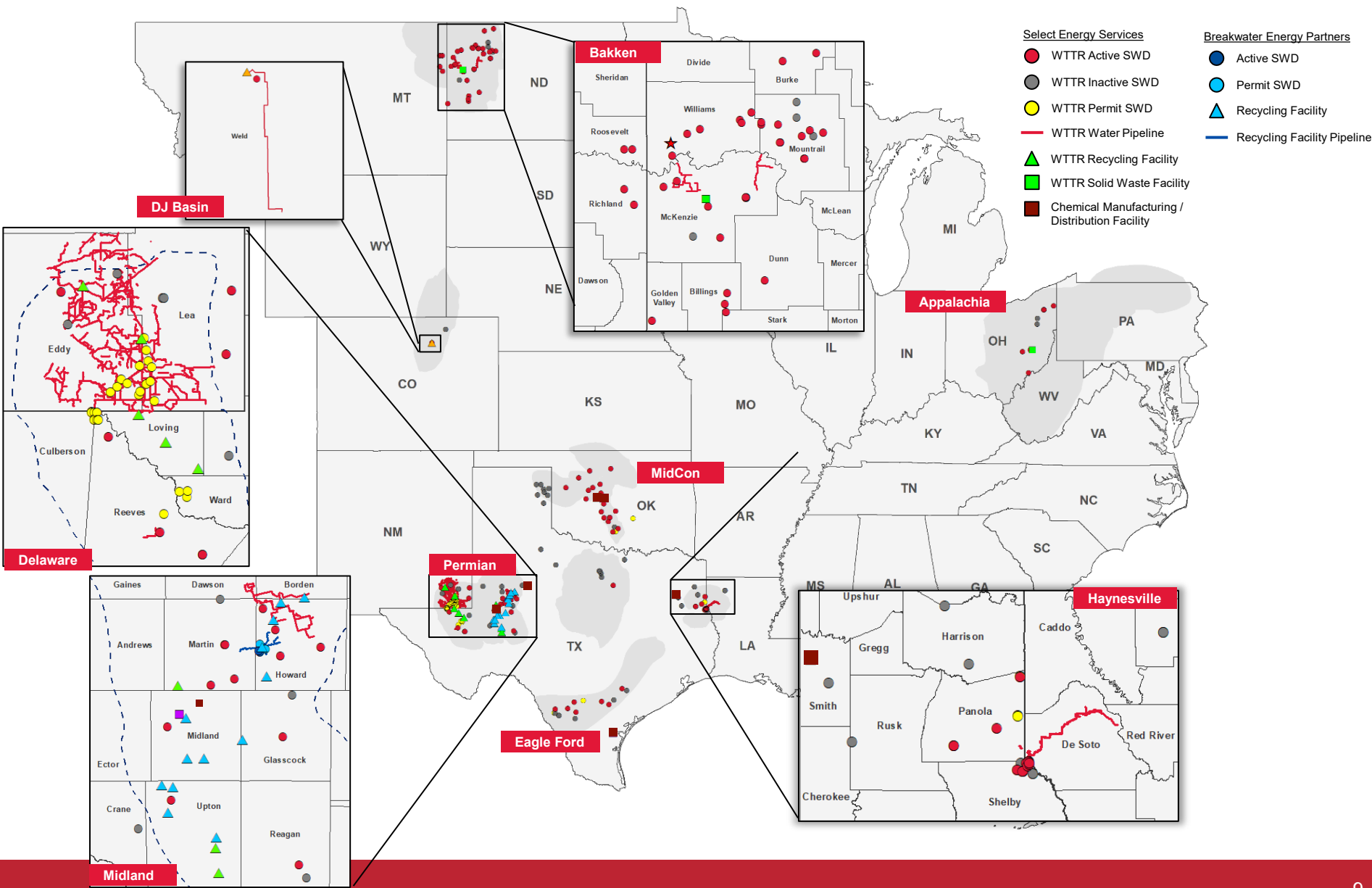
Market Leading Sustainable Water & Chemical Solutions

- Select is the only company in the industry with integrated full life cycle water & chemical solutions
 - Select has a leading market share position across most of its service capabilities

Completions-Oriented Activities: ~70% of 9M 2022 revenue

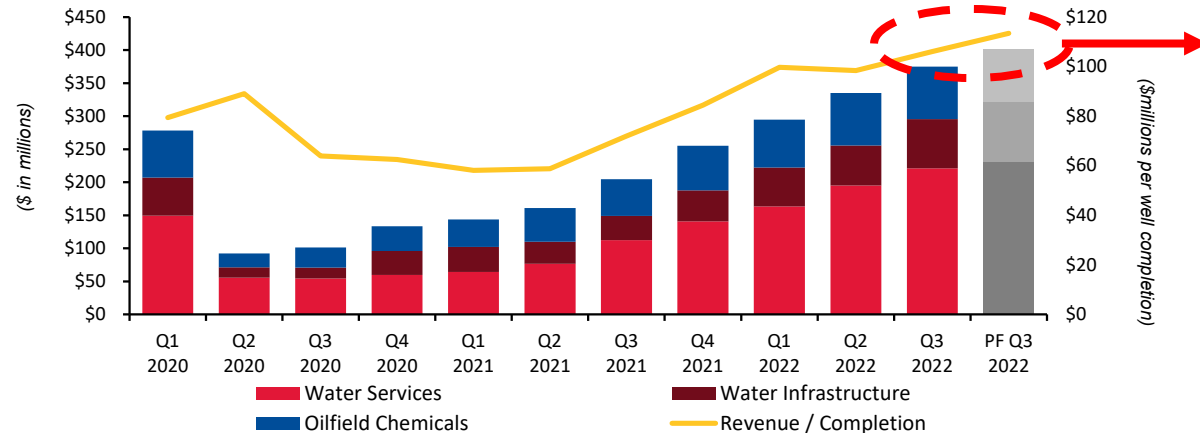
Production-Oriented Activities: ~30% of 9M 2022 revenue





Consistent Operational Execution → Strong Financial Performance

Quarterly Revenue^{1,2}

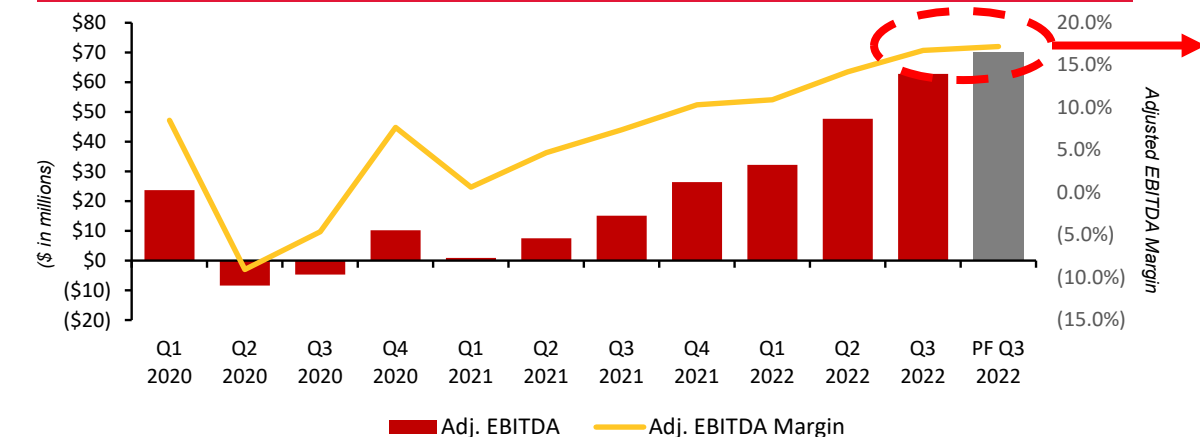


Recent Financial Performance Commentary^{1,2,3}

Market Share Gains

- + Select's revenue/completion increased 34% from 1Q20 to 3Q22 or 43% of a pro forma basis for our recent M&A
- + Q3 2022 represented strong revenue growth for Water Services & Water Infrastructure compared to Q2 2022
- + As a result of favorable pricing and expanding market share, Select's net income and EBITDA grew by 70% and 32%, respectively in Q3 2022

Quarterly Adjusted EBITDA^{1,2}



Synergistic Acquisitions

- + While pricing has improved, 3Q22 Adj. EBITDA and Adj. EBITDA margins exceeded 1Q20 levels due to substantial reductions and acquisition synergies
- + Continued Revenue and Adj. EBITDA growth is expected in 2023 driven by M&A activity, anticipated cost synergies and positive macro tailwinds

1. Revenue and Adjusted EBITDA are based on as reported financials; historical periods are not pro forma adjusted for any recent acquisitions except for PF Q3 2022 as adjusted for Breakwater and Cypress

2. See Disclaimer on page 2 for important disclosures regarding non-GAAP financial measures and the Appendix for a reconciliation of non-GAAP measures to their most closely comparable financial measures calculated in accordance with U.S. GAAP

Select is dedicated to supporting the entire water value chain. We are committed to accomplish that through the integration of services, infrastructure, chemistry and technology.

Reduced amount of water disposed downhole in the Permian

- ✓ 35.2 million barrels recycled (via fixed and mobile solutions) during 1H22 vs. FY22 target of 31.25mmbbls via fixed facilities

Near Term ESG Initiatives

- + Water Recycling and Stewardship
- + Emissions Reduction
- + Enhancing Operational Safety
- + Leveraging Automation & Monitoring Technology
- + Research & Development
- + Utilizing Environmentally-Conscious Chemistry
- + Sustainability and Diversification Strategy

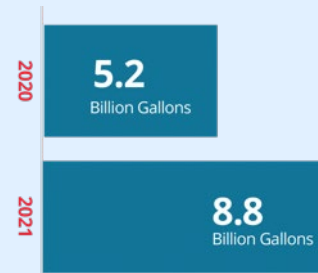
Inaugural Sustainability Report

Select recently released its 2021 Sustainability report which can be downloaded at selectenergy.com/sustainability



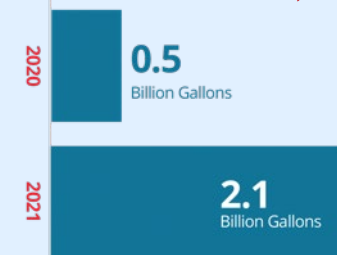
Key Metrics

Treated Water

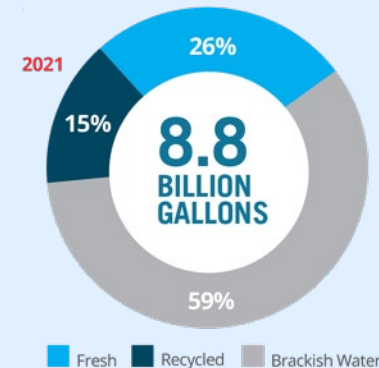
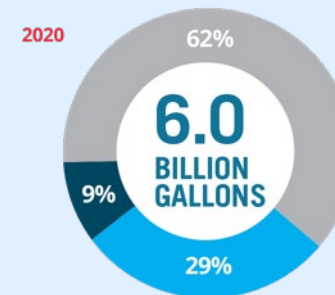


Piped Water

(distribution + gathering)



Barrels Sold



Minority Workforce

>50%

Truck Trips Eliminated in 2021

2 Million+

Select's strong debt free balance sheet and asset light business model provide significant free cash flow generating opportunities

Net Cash & Liquidity Profile As Of 09/30/22

Cash	\$13.2
Bank Debt	--
Capital Leases	--
Total Debt	\$0.0
Net Cash	\$13.2

Liquidity:

Cash	\$13.2
Plus: Revolving Borrowing Base ⁽¹⁾	\$254.4
Less: Outstanding Borrowings	--
Less: Outstanding Letters of Credit	\$22.9
Total Liquidity	\$244.7

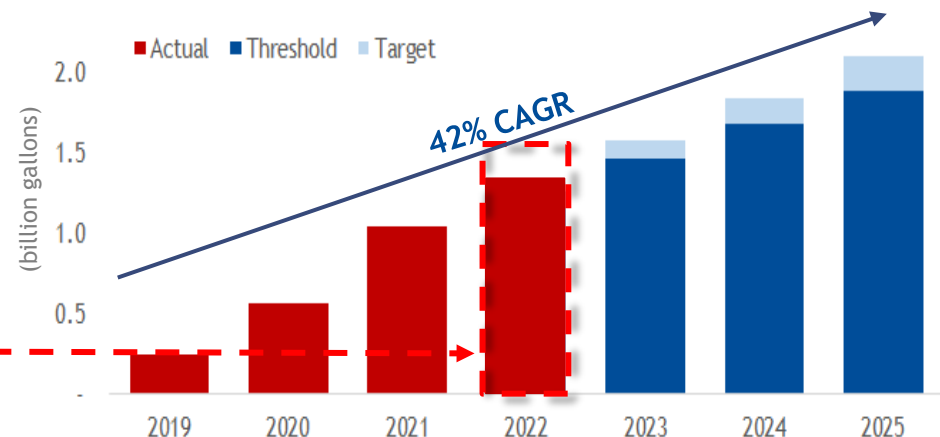
1. \$254.4 million total facility size as of September 30, 2022, with current borrowing base availability based on accounts receivable and inventory balances as of September 30, 2022

We exceeded our full year 2022 target for produced water recycling in Q3

Sustainability-Linked Credit Facility

- + On March 17, 2022, we closed out Sustainability-Linked facility
- Target 1 – Recycled Produced Water (barrels)
 - Must **double produced water** recycling **volumes** by 2025 via ratable annual growth targets
 - Well on track to **exceed 2022 target of 31 million barrels** of recycled produced water
- Target 2 – Total Recordable Incident Rate
 - Outperform industry average safety performance by at least 25% based on BLS averages

Fixed Facility Recycled Produced Water Volumes



Select believes that returning capital to shareholders out of positive and growing earnings and free cash flow is an important part of our overall capital allocation strategy

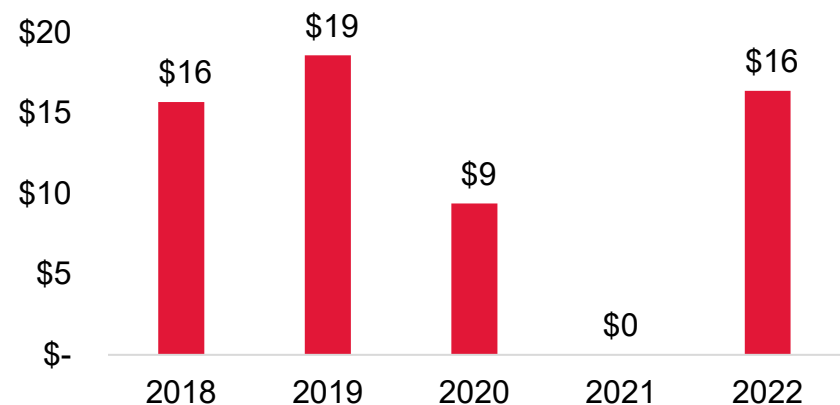
Base Dividend Initiation

- + During Q3 2022, Select **initiated dividend** of \$0.05 per share/unit per quarter (or an **annualized \$0.20 per share/unit per year**)
- + With improving earnings and growing cash flows, and supported by increasing contracted and production-based revenue streams, we believe a quarterly base dividend is an appropriate component of a shareholder return strategy
- + **Returning capital** to shareholders remains a **core component** of Select's overall capital allocation strategy

Discretionary Share Repurchase Program

- + ~\$60 million of capital to shareholders via open market share repurchases since 2018
- + Tactical and discretionary repurchases from within free cash flow
- + Buybacks were deferred during 2021 to prioritize strategic M&A execution

Annual Discretionary Share Buybacks (\$MM)

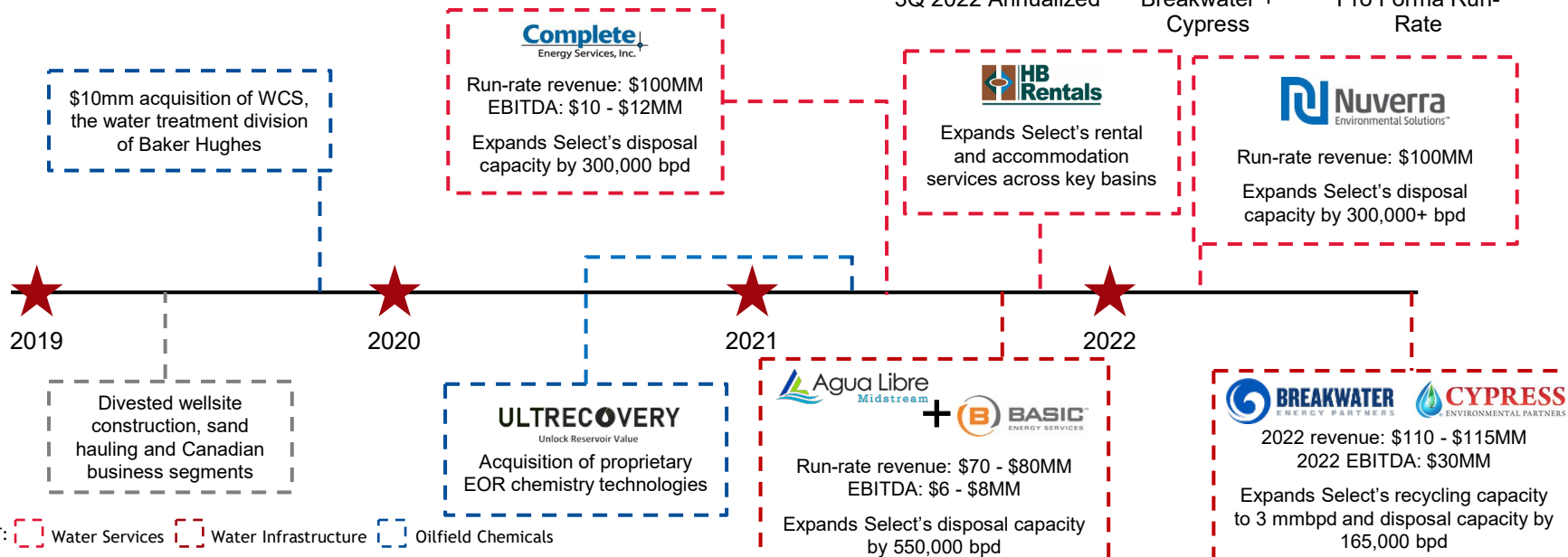
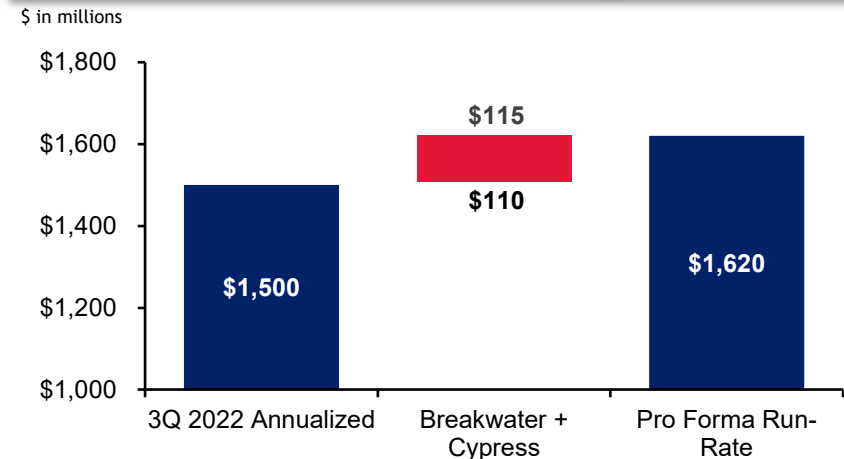


Demonstrated M&A consolidation through acquisitions at value-accretive multiples of <3.0x or less

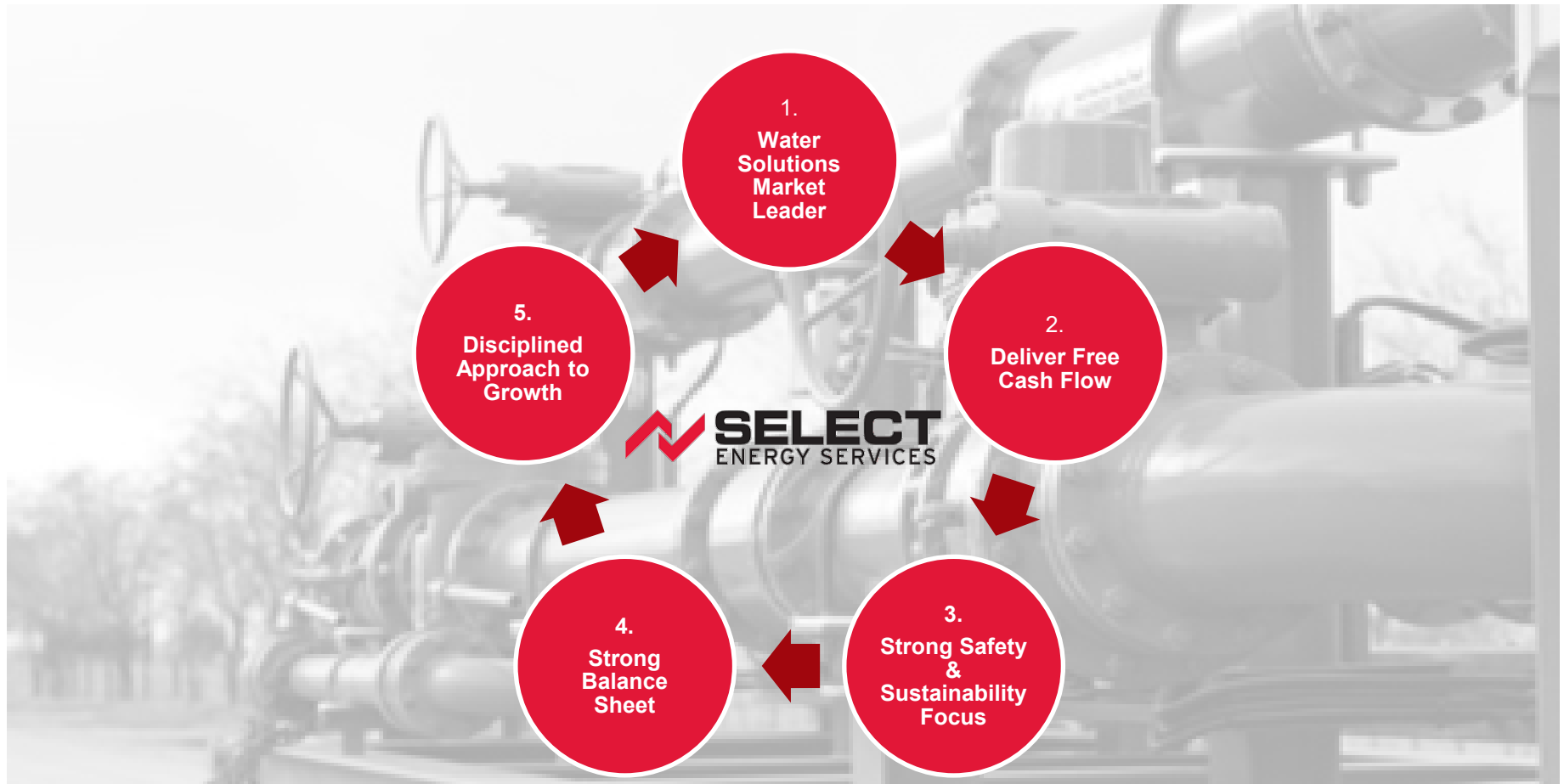
Update on M&A Consolidation

- Over the last five quarters, strategic M&A transactions **added annualized run-rate revenue of \$400+ million and EBITDA of ~\$75 million**
 - Acquisitions reinforce the base business, while expanding our **water infrastructure** footprint
 - Meaningful opportunity for future gathering and recycling infrastructure development
- De-risked by ~\$24mm in asset sales and expect additional non-core asset sales of acquired businesses, with additional asset sales still expected

Run-Rate Revenue Bridge



Key Summary Highlights

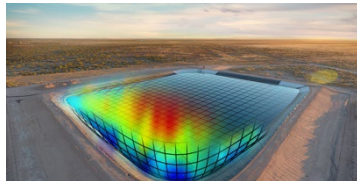




Appendix

Technology From Start to Finish

Distinct Operational Capabilities



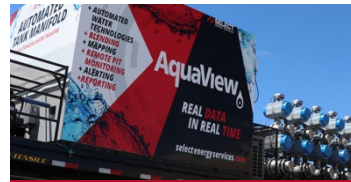
Measuring & Monitoring

- Pond and Pit Mapping
- 100% Water Network Monitoring/Audit
- VFD-Water Well Automation
- Boat & Drone Survey



Pump Automation

- Increased Efficiency
- Spill Prevention
- 24/7 Monitoring
- Reduced Downtime
- Decreased Labor Costs



Data Lake

- Water Metrics
- Chemical and Water Composition Analytics
- Customer Production, Well, Lease, and Permit Data
- Key Assets: Measuring & monitoring of pits, water, and water wells
- Boat and drone surveying



Field Automation

- Flow Meter Skids
- Chemical Injection
- Comprehensive View of Infrastructure Operations
- Treatment Facility App
- Key assets: automated tanks, skids and proportioning units



Predictive Failures

- Hose Testing & Analysis
- Improved customer services
- Improved decisions and business optimization through timely information

Technology Suites



Select's technologies provide real-time monitoring, feedback, automation and control of water throughout the completions lifecycle which reduces risk of spills and reduces emissions

Blue-Chip Customer Base – TTM Top 30⁽¹⁾



Select's expertise, technology and financial strength lead to a premier, diversified customer base with no customer representing more than 8% of our revenue

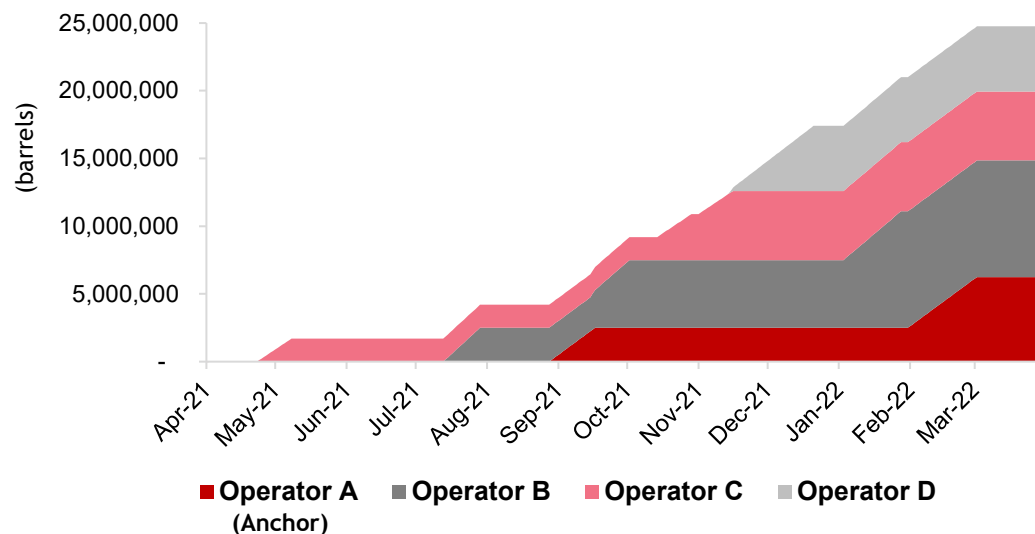
1. Represents Select's top 30 Customers for the trailing twelve month period ending June 30, 2022

Case Study: Permian Produced Water Recycling Facility



- + Recently commenced operations on state-of-the-art operator-owned produced water recycling facility in Martin County, TX in the core of the Midland Basin
- + Select connected existing infrastructure from adjacent operators to increase facility utilization and recycled water volumes
- + Facility eliminated need in 2021 for disposal and prevented need to build a new disposal facility in development area, which has seismicity and formation pressure issues
- + Facility projected to provide 75% of total frac water demand in the area and eliminate the need for 20mm bbls of disposal over the next 12 months

Cumulative Completion Water Demand



Project Economics

\$6 million investment
5 year take-or-pay contract
~3 year payback on anchor contract

What is fluidmatch™?

Evaluate each well with

fluidmatch™

By designing and implementing entire water and chemical systems, we are the only company that combines visibility on each component to see how it impacts your bottom line—including:

- Water quality issues
- Pre-frac spec and delivered spec differ
- Continuous optimization of frac chemistry reduces impact of costly on-the-fly applications

Resulting in a better well and a cheaper well



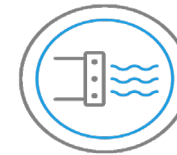
Sourcing

Identifying and evaluating water data to match the right source whether produced, blended or fresh



Treatment

Comprehensive on-the-fly treatment and disinfection aligned with pre and post frac KPIs



Delivery

Leveraging an established network of automated water logistics that can evaluate and adapt in real-time

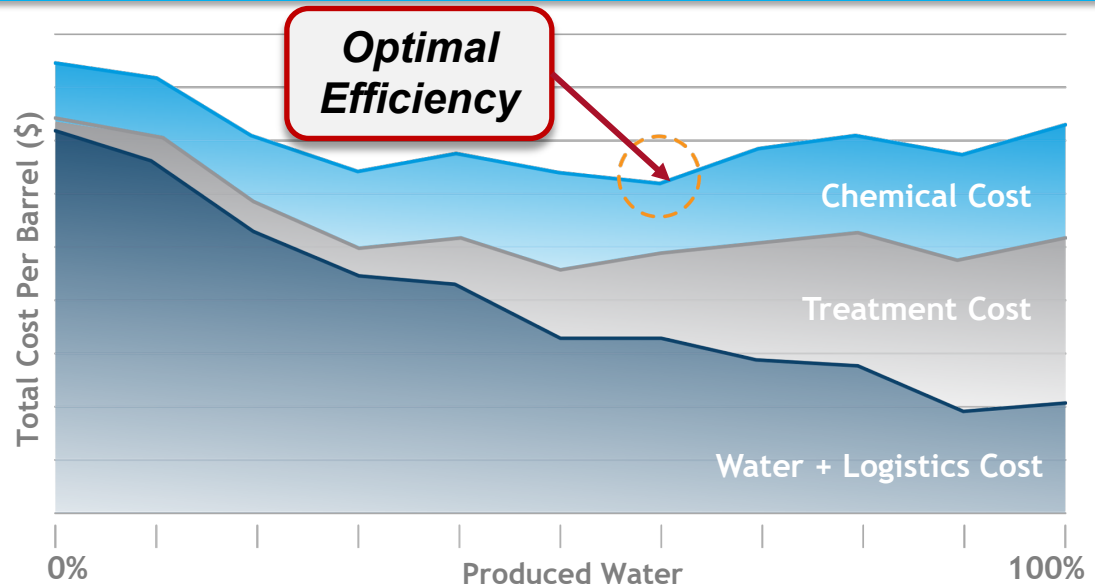


Chemistry

Developing, testing and manufacturing chemical solutions to match water chemistry on a per-project basis

Keeping Costs in Check

Without a clear picture of each segment, you run the risk of over-treating, overdosing chemistry, and overpaying for your well.



Select's suite of WaterONE™ automated equipment and AquaView® monitoring & measurement solutions provide real-time and reliable data and control that ensures best-in-class environmental management that's customizable, powered by SCADA and accessible from phone, tablet, or laptop

Pond/Impoundment Mapping & Monitoring

Monitor levels & volumes from Select's mapping via boat & drone survey

Water Quality KPI Matching & Automated Blending

Temperature, Conductivity, TDS, and more

Leak Detection

Automatic notification

Flow Meters

Follow water through the entire process

VFD Water Well Control

Remotely and automatically control a well

Reporting

Automatic, customizable daily reports

Local Command Center

24 / 7 Monitoring & Support

AquaView® provides the ability to have a 100% water audit in real-time

AquaView®
Real data in real time.



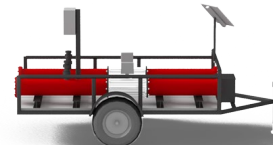
Fleet Management of  **WATERONE™** Automated Equipment



Automated Pumps



Automated Proportioning Systems



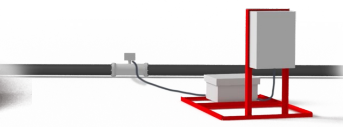
Meter Trailers



Automated Manifolds



Automated Tank Monitoring



VFD Automation Equipment

Case Study: Methane & Waste Gas Management

- + Select has an exclusive contractual relationship with Emission Rx for high efficiency waste gas combustors (emission control devices) used in the management of methane emissions
- + Emission Rx enclosed combustor design highlights include:
 - 99.99% combustion efficiency
 - High level of operator safety
 - Portable and easily maintained
 - Solar-powered ignition capabilities
- + Waste gas is not economic to conserve, and it has historically been dealt with in two ways:

Old Methods

Venting

- + Regulatory Limits
- + Significant GHG Emissions
- + Environmental degradation
- + Major health risks
- + Safety Concerns



Flaring

- + Incomplete combustion
- + Unburned hydrocarbons
- + Difficult to burn rich gas
- + Visible flame
- + Black smoke and carbon



New Method - EmissionRx

Enclosed Combustion

- + Enclosed combustion chamber
- + Measurable efficiency
- + Effective combustion of rich gas
- + No exposed flame



+ On November 1, 2022 closed on the acquisition of Breakwater Energy Partners, LLC (“Breakwater”)



- Total consideration of ~\$90 million, consisting of 9.6 million Class A shares and the assumption and repayment of approximately \$13 million of debt
- Leading provider of water infrastructure, recycling, transfer and disposal solutions to leading E&P customers in the Permian Basin, with supplemental logistics operations in the Eagle Ford Shale
- Breakwater operates four commercial recycling facilities, supported by a portfolio of long-term contracts, with 600,000 barrels per day of operational capacity
- Breakwater’s footprint expands Select’s recycling capabilities to more than 3 million barrels of total daily capacity across fixed and mobile capabilities

+ On November 1, 2022 closed on the acquisition of a portfolio of water gathering and disposal assets in the Bakken Shale from Cypress Environmental Solutions, LLC (“Cypress”)



- Total consideration of ~\$8 million, consisting of 0.9 million Class A shares
- Cypress’s water solutions operations consist of eight saltwater disposal facilities with daily permitted capacity of 85,000 barrels per day across North Dakota
- The business currently receives approximately 60% of its daily volumes via pipeline and is supported by a number of long-term contracts with key customers in the region

+ On February 23, 2022 closed on the acquisition of Nuverra Environmental Services, Inc. (NYSE American: NES) (“Nuverra”)





- Total consideration of ~\$55 million, consisting of 4.2 million Class A shares and the assumption and repayment of approximately \$19 million of debt
- Nuverra provides environmental solutions, including the removal, treatment, recycling, transportation and disposal of restricted solids, fluids and hydrocarbons for E&P companies with operations across the United States, including in the Bakken, Haynesville, Marcellus and Utica Shales
- 300,000+ barrels per day of permitted disposal capacity in Bakken, Haynesville & Northeast regions
- Current annualized run-rate contribution of approximately \$100 million of revenue
- Significant opportunity for cost synergies provides meaningfully accretive financial benefits

+ On December 3, 2021 closed on the acquisition of the U.S. onshore assets of HB Rentals, L.C., the rentals and accommodations subsidiary of Superior Energy Services, Inc.




- Total consideration of ~\$9.7 million, consisting of \$2.6 million in cash and 1.2 million Class A shares
- Rentals and accommodations services with operations across the United States, including the Permian, Mid-Continent, DJ and Powder River Basins and the Haynesville, Marcellus and Utica Shales
- Operating the HB assets within the Peak business within the Water Services segment

+ On October 1, 2021 closed on the acquisition of substantially all of the assets of Agua Libre Midstream, LLC and other water-related assets, operations and assumed liabilities (together "Agua Libre") from Basic Energy Services, Inc. ("Basic")



- Total consideration of ~\$21.1 million, made up of \$16.4 million in cash and 0.9 million Class A shares
- Agua Libre is a leading provider of water midstream, logistics and production services to the oil and gas industry, including operations in the Permian and Mid-Continent Basins and the Bakken, Eagle Ford, and Haynesville Shales
- Anticipate current annualized run-rate contribution of \$70-80 million of revenue and \$6-8 million of EBITDA
- Nearly 100% of revenue weighted to production-related services & infrastructure
- Approximately 50% of current production volumes delivered via pipelines, supported by a number of long-term contracts
- Adds more than 550,000 barrels per day of disposal capacity across Texas, Oklahoma, New Mexico & North Dakota

+ On July 9, 2021 closed on the acquisition of Complete Energy Services, Inc., the water solutions subsidiary of Superior Energy Services, Inc.



- Total consideration of ~\$34.7 million, consisting of \$14.4 million in cash and 3.6 million Class A shares
- 2H21 annualized run-rate of \$100+ million of revenue and \$10 – 12 million of EBITDA
- ~60% of revenue weighted to production-related activities
- Produced water gathering and disposal, fluids handling, water transfer, flowback and well testing, water heating and containment
- Operations across the United States, including the Permian, Mid-Continent, DJ and Powder River Basins and the Marcellus and Utica Shales
- Adds more than 300,000 barrels per day of disposal capacity across Texas and Oklahoma

Non-GAAP Reconciliations



(\$ in 000's)

	2020					2021					2022		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3
Net Income / (Loss)	(\$291,219)	(\$53,047)	(\$36,259)	(\$21,208)	(\$401,732)	(\$27,421)	(\$19,616)	(\$14,204)	\$11,155	(\$50,086)	\$7,985	\$14,581	\$24,717
Interest Expense	331	513	789	503	2,136	435	400	419	457	1,711	720	494	616
Depreciation and Amortization	26,867	26,343	24,562	23,901	101,672	22,299	21,641	23,467	25,051	92,458	27,067	29,780	27,215
Tax (Benefit) / Expense	(164)	(130)	(201)	(981)	(1,476)	(263)	84	(32)	358	147	214	182	276
EBITDA	(264,186)	(26,321)	(11,109)	2,215	(299,400)	(4,951)	2,510	9,650	37,020	44,229	35,986	45,037	52,824
Non-cash Compensation Expense	574	1,242	2,242	1,707	5,765	1,422	2,522	2,302	3,223	9,469	3,275	3,944	3,804
Nonrecurring Severance Expenses	3,502	3,665	--	--	7,168	3,225	--	--	--	3,225	--	--	--
Non-cash Loss on Sale of Subsidiaries & Other Asset	1,627	3,875	1,400	2,866	9,767	697	2,151	189	1,561	4,596	520	1,013	1,608
Nonrecurring Transaction Costs	12	2,611	127	1,689	4,439	412	149	2,709	2,385	5,656	3,617	2,879	965
Lease Abandonment Costs	953	868	672	1,858	4,350	104	222	154	414	894	91	161	83
Impairment of Goodwill and Trademark	276,016	--	--	--	276,016	--	--	--	--	--	--	--	--
Impairment of Property & Equipment	3,184	4,726	--	--	7,910	--	--	--	--	--	--	--	--
Impairment of Investment	--	--	--	--	--	--	--	--	--	--	--	--	--
Bargain Purchase Gain	--	--	--	--	--	--	--	--	(18,985)	(18,985)	(11,434)	(5,607)	3,273
Other Nonrecurring Charges	1,950	1,011	2,022	(53)	4,930	--	--	--	608	608	--	--	--
Equity in Losses of Unconsolidated Entities	--	--	--	--	--	--	--	129	150	279	129	228	218
Foreign Currency (Gains) / Losses	46	(26)	(13)	(45)	(39)	(3)	(3)	6	(1)	(2)	(3)	6	6
Adjusted EBITDA	23,678	(8,349)	(4,659)	10,237	20,907	906	7,550	15,138	26,376	49,969	32,181	47,661	62,781

Non-GAAP Financial Measures

EBITDA, Adjusted EBITDA, gross profit before depreciation and amortization (D&A) and gross margin before D&A are not financial measures presented in accordance with GAAP. We define EBITDA as net income, plus interest expense, taxes and depreciation & amortization. We define Adjusted EBITDA as EBITDA plus/(minus) loss/(income) from discontinued operations, plus any impairment charges or asset write-offs pursuant to GAAP, plus/(minus) non-cash losses/(gains) on the sale of assets or subsidiaries, non-recurring compensation expense, 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) and plus any inventory write-downs. We define gross profit before D&A as revenue less cost of revenue, excluding cost of sales D&A expense. We define gross margin before D&A as gross profit before D&A divided by revenue. EBITDA, Adjusted EBITDA, gross profit before D&A and gross margin before D&A are supplemental non-GAAP financial measures that we believe provide useful information to external users of our financial statements, such as industry analysts, investors, lenders and rating agencies 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 and amortization) and non-recurring items outside the control of our management team. We present EBITDA, Adjusted EBITDA, gross profit before D&A and gross margin before D&A because we believe they provide useful information regarding the factors and trends affecting our business in addition to measures calculated under GAAP.

Net income is the GAAP measure most directly comparable to EBITDA and Adjusted EBITDA. Gross profit is the GAAP measure most directly comparable to gross profit before D&A. 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 exclusion of some but not all items that affect the most directly comparable GAAP financial measures. You should not consider EBITDA, Adjusted EBITDA or gross profit before D&A in isolation or as substitutes for an analysis of our results as reported under GAAP. Because EBITDA, Adjusted EBITDA and gross profit before D&A 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. For further discussion, please see "Item 7. Selected Financial Data" in our Annual Report on Form 10-K for the year ended December 31, 2021.