Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2019

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
KLX ENERGY SERVICES RETIREMENT PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 09/15/2018

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
KLX ENERGY SERVICES HOLDINGS, INC.

1300 CORPORATE CENTER WAY
WELLINGTON, FL 33414

2b Employer Identification Number (EIN)
36-4904146

2c Plan Sponsor's telephone number
832-844-1015

2d Business code (see instructions)
336410

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2020	JESSICA BOHANNON
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2020	JESSICA BOHANNON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a	Plan administrator's name and address [X] Same as Plan Sponsor	**3b**	Administrator's EIN
		3c	Administrator's telephone number
4	If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: **a** Sponsor's name **c** Plan Name	**4b**	EIN
		4d	PN

5	Total number of participants at the beginning of the plan year	**5**	1494
6	Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1)	Total number of active participants at the beginning of the plan year	**6a(1)**	1460
a(2)	Total number of active participants at the end of the plan year	**6a(2)**	1375
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	143
d	Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	1518
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	0
f	Total. Add lines **6d** and **6e**.	**6f**	1518
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	861
h	Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	0
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

2E 2F 2G 2J 2K 2T 3D 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	[ ] Insurance	**(1)**	[ ] Insurance
(2)	[ ] Code section 412(e)(3) insurance contracts	**(2)**	[ ] Code section 412(e)(3) insurance contracts
(3)	[X] Trust	**(3)**	[X] Trust
(4)	[ ] General assets of the sponsor	**(4)**	[ ] General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [ ] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2019** **This Form is Open to Public Inspection.**

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
KLX ENERGY SERVICES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KLX ENERGY SERVICES HOLDINGS, INC.

D Employer Identification Number (EIN)
36-4904146

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

AMERICAN FUNDS

95-1411037

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

DELAWARE

23-2693133

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

VANGUARD

23-1945930

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

CARILLON EAGLE

59-2385219

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

JENSEN

93-0978027

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

METROPOLITAN WEST

95-4597302

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

WELLS FARGO BANK N.A.

94-1347393

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 50 37 62 64	SERVICE PROVIDER	26468	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [X]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
KLX ENERGY SERVICES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KLX ENERGY SERVICES HOLDINGS, INC.

D Employer Identification Number (EIN)
36-4904146

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: STABLE VALUE FUND D

b Name of sponsor of entity listed in (a): WELLS FARGO BANK N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
52-2250949-001	C	1361783

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK S&P MIDCAP INDEX CIT N

b Name of sponsor of entity listed in (a): WELLS FARGO BANK N.A

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
52-2265235-001	C	1861562

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK S&P 500 INDEX CIT N

b Name of sponsor of entity listed in (a): WELLS FARGO BANK N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
94-3224211-001	C	6189778

a Name of MTIA, CCT, PSA, or 103-12 IE: BLACKROCK US AGG BOND INDEX CIT N

b Name of sponsor of entity listed in (a): WELLS FARGO BANK N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
20-5699010-001	C	4181804

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

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b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
KLX ENERGY SERVICES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KLX ENERGY SERVICES HOLDINGS, INC.

D Employer Identification Number (EIN)
36-4904146

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)	123409	241743
(9) Value of interest in common/collective trusts	1c(9)	9969642	13594926
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	13606023	23507975
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	23699074	37344644
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	23699074	37344644

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	4224899	
	(B) Participants	2a(1)(B)	7199918	
	(C) Others (including rollovers)	2a(1)(C)	492119	
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		11916936
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	10559	
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		10559
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	452793	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		452793
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2188779
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		3117225
c Other income	2c		3166
d Total income. Add all **income** amounts in column (b) and enter total	2d		17689458
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	4499954	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		4499954
f Corrective distributions (see instructions)	2f		938
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	24969	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		24969
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		4525861
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		13163597
l Transfers of assets:			
(1) To this plan	2l(1)		481973
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: DELOITTE & TOUCHE, LLC **(2)** EIN: 13-3891517

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☐ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year_____. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2019

This Form is Open to Public Inspection.

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

A Name of plan
KLX ENERGY SERVICES RETIREMENT PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KLX ENERGY SERVICES HOLDINGS, INC.

D Employer Identification Number (EIN)
36-4904146

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 41-6257133

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

20 **PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation_____

KLX ENERGY SERVICES Retirement Plan

Employer ID No: 36-4904146
Plan Number: 001

Financial Statements as of December 31, 2019 and 2018, and for the Year Ended December 31, 2019 and the Period from September 15, 2018 (Date of Inception) to December 31, 2018, Supplemental Schedules as of December 31, 2019 and 2018, and Independent Auditors' Report

KLX ENERGY SERVICES RETIREMENT PLAN

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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INDEPENDENT AUDITORS' REPORT

To the Benefits Committee and Participants of the
KLX Energy Services Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the KLX Energy Services Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statements of changes in net assets available for benefits for the year ended December 31, 2019 and the period from September 15, 2018 (date of inception) to December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2019 and 2018, and for year ended December 31, 2019 and the period from September 15, 2018 (date of inception) to December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedules listed in the Table of Contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Deloitte & Touche LLP

Tampa, FL
October 15, 2020

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2019 AND 2018
(In thousands)

	2019	2018
ASSETS:		
Investments – at fair value:		
Participant-directed investments	$ 37,103	$ 23,576
Total investments	37,103	23,576
Receivables:		
Notes receivable from participants	242	124
Employer contributions	94	165
Participant contributions	177	214
Total receivables	513	503
Total assets	37,616	24,079
NET ASSETS AVAILABLE FOR BENEFITS	$ 37,616	$ 24,079

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands)

ADDITIONS:		
Contributions:		
Participant contributions	$	7,163
Rollover contributions		492
Employer matching contributions		4,153
Total contributions		11,808
Investment income:		
Net appreciation in fair value of investments		5,303
Dividends		453
Other		6
Net investment income		5,762
Interest income on notes receivable from participants		10
Total additions		17,580
DEDUCTIONS:		
Benefits paid to participants		4,500
Administrative expenses		25
Total deductions		4,525
Increase in net assets before plan transfers		13,055
NET TRANSFERS IN (OUT) OF PLAN:		
Transfer of assets from other plan		482
Transfer of assets to other plan		-
Increase in net assets after plan transfers		13,537
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of Plan year		24,079
End of Plan year	$	37,616

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE PERIOD FROM
SEPTEMBER 15, 2018 (DATE OF INCEPTION) TO DECEMBER 31, 2018
(In thousands)

ADDITIONS:		
Contributions:		
Participant contributions	$	1,514
Rollover contributions		50
Employer matching contributions		837
Total contributions		2,401
Investment (loss) income:		
Net depreciation in fair value of investments		(2,341)
Dividends		138
Net investment loss		(2,203)
Interest income on notes receivable from participants		2
Total additions		200
DEDUCTIONS:		
Benefits paid to participants		326
Administrative expenses		4
Total deductions		330
Decrease in net assets before plan transfers		(130)
NET TRANSFERS IN (OUT) OF PLAN:		
Transfer of assets from other plan		24,229
Transfer of assets to other plan		(20)
Increase in net assets after plan transfers		24,079
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of Plan period		-
End of Plan period	$	24,079

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018, AND FOR THE YEAR ENDED DECEMBER 31, 2019 AND THE PERIOD FROM SEPTEMBER 15, 2018 (DATE OF INCEPTION) TO DECEMBER 31, 2018
(Dollars in thousands)

1. DESCRIPTION OF THE PLAN

The following description of the KLX Energy Services Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's information.

General—Effective September 15, 2018 (date of inception), KLX Energy Services Holdings, Inc. (the "Company") adopted the KLX Energy Services Retirement Plan. The Plan is a defined contribution plan designed to qualify under Internal Revenue Code (the "IRC") Sections 401(a) and 501(a), Section 401(k) for the cash or deferred arrangement part of the Plan and Title 1 of Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan covers all full-time employees who have completed 30 days of employment. The assets and liabilities related to the accounts of the Plan's participants of $24,229 were transferred from the KLX Inc. Savings Plan into the Plan after the Company was spun-off from KLX Inc. in September 2018.

Wells Fargo Bank, N.A. acts as the trustee ("the Trustee") for the Plan. Among other duties, the Trustee disburses the Plan's assets as directed by the Company and participants, receives contributions, and invests and reinvests the assets of the Plan as directed by the participants. The Company acts as the administrator for the Plan.

On November 5, 2018, the Company acquired Motley Services, LLC ("Motley"). All of the participants in the Motley 401(k) plan became 100 percent vested in that plan upon termination and were provided the option to have their account balance rolled into an IRA.

On March 15, 2019, the Company acquired Tecton Energy Services ("Tecton"). The Tecton 401(k) plan continued through July 31, 2019, and employees were provided the option to have their account balance rolled into the Plan effective August 1, 2019 when they became eligible to participate in the Plan. The Tecton 401(k) plan assets were merged into the KLX Energy Services Retirement Plan on November 1, 2019.

On March 19, 2019, the Company acquired Red Bone Services LLC ("Red Bone"). Employees were provided the option to have their account balance rolled into the Plan effective April 1, 2019 when they became eligible to participate in the Plan.

Contributions—Contributions to the Plan include (i) salary reduction contributions authorized by participants, (ii) matching contributions made by the Company; and (iii) participant rollovers from other qualified plans. Participants have the option to make Roth elective salary reduction contributions to the plan.

Under the Plan, contributions are made on behalf of employees (participants) who choose to defer a portion of their total gross pay as defined. The maximum contribution rate for non-highly compensated participants is 100% of their gross pay. Participants could make contributions of up to $19 and $18.5 for the year ended December 31, 2019 and the period

September 15, 2018 (date of inception) through December 31, 2018, respectively. The Plan also allows all employees who are at least age 50 or projected to attain age 50 before the close of the Plan year to make catch-up contributions each year, which were limited to $6 for the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollovers). The annual compensation limit under Code § 401(a) (17) was $280 and $275 for 2019 and 2018, respectively.

The Plan provides for employer-matching contributions of the participant's contributions. The matching contribution for the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018 equals the sum of 100% of a participant's elective contributions up to 3% of compensation plus 50% of elective contributions for the period that exceed 3% of compensation for the period but do not exceed 5% of compensation for the period.

Participant Accounts—Individual accounts are maintained for each participant of the Plan. Each participant's account is credited with the participant's contribution, related employer matching contributions, rollover contributions and Plan earnings. Participant accounts are also charged with withdrawals, Plan losses and administrative expenses for distributions and loans. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investments—Participants may direct the investment of their contributions and/or account balances into various investment options offered by the Plan and may change investments and transfer amounts between funds daily. Upon enrollment in the Plan, a participant may direct employee and employer matching contributions into any of three common collective trust funds ("CCT"), nine mutual funds and a stable value fund.

Vesting—Participants are immediately vested in their contributions and the Company matching contributions, plus actual earnings thereon.

Notes Receivable from Participants—Participants may borrow from their accounts a minimum of $1 up to a maximum of the lesser of 50% of their vested account balances or $50, subject to certain requirements as defined in the Plan document. Loans are secured by an assignment of the participant's vested interest in the Plan and bear interest at the current prime lending rate of Wells Fargo plus one percent, or such other rate based on periodic re-evaluations of the adequacy of such rate. Principal and interest are paid ratably through payroll deductions. Loan terms shall not exceed five years, unless the loan is to be used in conjunction with the purchase of the principal residence of the participant. Participants may not have more than one loan outstanding at any time. As of December 31, 2019, participant loans have maturities through 2029 at interest rates ranging from 4.50% to 6.50%.

Payment of Benefits—Upon termination of service with the Company, disability or retirement, a participant may generally elect to receive either a lump-sum amount or installments equal to the value of the participant's vested interest in his or her account. Upon termination due to death, the Plan will generally distribute either a lump-sum amount or installments equal to the value of the participant's account to designated beneficiaries. If the value of the participant's account is $5 or less, the Plan will immediately distribute the entire amount of the participant's account.

Participants are also eligible to make hardship withdrawals from their deferred contributions in the event of certain financial hardships.

Forfeited Accounts—The Plan document permits the use of forfeitures to reduce future employer contributions or pay Plan administrative expenses. At December 31, 2019 and 2018, forfeited nonvested accounts totaled $0, respectively. During the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2019, employer contributions were reduced $0 from forfeited nonvested accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties—The Plan provides various investment options to its participants. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the value of the participants' account balances and the amounts reported in the financial statements.

Investment Valuation and Income Recognition—The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Stable Value Fund D is reported at fair value using net asset value (NAV). See Note 4 for discussion on fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Notes Receivable from Participants—Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. If a participant ceases to make loan repayments and the participant loan is deemed in default, the participant loan balance is recorded as a distribution based on the terms of the Plan document.

Administrative Expenses—Certain administrative expenses are paid by the Plan as provided in the plan document. All investment management and transaction fees directly related to the Plan investments are paid by Plan participants through a reduction in their account balances and are not separately reflected. Participants pay administrative costs for distributions and loans.

Payment of Benefits—Benefit payments to participants are recorded upon distribution. There were no participants, who elected to withdraw from the Plan, that had not yet been paid at December 31, 2019 and 2018.

Excess Contributions Payable — The Plan is required to return contributions received during the Plan year in excess of the IRC limits.

Subsequent Events— As part of the Bipartisan Budget Act of 2018, effective prior to inception date, the Company expanded the list of expenses which qualify for a hardship distribution, which now includes participants principal residence or place of employment in qualifying FEMA disaster areas. Additionally, effective January 1, 2020, the Company amended its hardship distribution provisions to no longer suspend contributions for six-months following the receipt of a hardship distribution, to no longer require participants to first take all nontaxable loans from the Plan before taking a hardship withdrawal and to expand the amounts that can be withdrawn on account of a hardship, which now includes earnings on salary deferral contributions.

Subsequent to the date of the statement of net assets available for benefits, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. This contagious disease outbreak has continued to spread across the globe and is impacting worldwide economic activity and financial markets. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was passed by Congress. The CARES Act, among other things, includes several relief provisions available to tax qualified retirement plans and their participants. Plan management is evaluating the impact of the CARES Act on the Plan.

On May 3, 2020, the Company entered into an Agreement and Plan of Merger with Quintana Energy Services Inc., a Delaware corporation ("QES"), Krypton Intermediate LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of the Company ("Acquiror"), and Krypton Merger Sub Inc., a Delaware corporation and an indirect wholly owned subsidiary of the Company ("Merger Sub"). On July 28, 2020, the Company and QES, completed the acquisition of QES, by means of an all-stock merger of Merger Sub with and into QES, with QES surviving the merger as a subsidiary of the Company.

Subsequent events were evaluated through October 15 2020, the date the financial statements were available to be issued.

3. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2019 and 2018 and for year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018, included in the Plan's financial statements and supplemental schedules, that was prepared by or derived from information prepared by Wells Fargo Bank, N.A., the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

Statement of Net Assets Available for Benefits	**2019**	**2018**
Investments – at fair value:		
Participant-directed investments	$ 37,103	$ 23,576
Notes receivable from participants	242	124
Total	$ 37,345	$ 23,700

Statement of Changes in Net Assets Available for Benefits	**2019**	**2018**
Net appreciation (depreciation) in fair value of investments	$ 5,303	$ (2,341)
Dividends	453	138
Interest income on notes receivable from participants	10	2
Other	6	-

Supplemental schedules: All investment balances and information included in the supplemental schedules of assets (held at end of year).

Notes 4, 5 and 6: All investment balances and investment information, excluding the classification and level of investments in Note 4, Fair Value Measurement.

4. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset Valuation Techniques—Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds—Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable Value Fund— A stable value fund that is composed primarily of fully benefit-responsive investment contracts that is valued at the NAV of units of the bank collective trust. The NAV is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the stable value fund, the issuer reserves the right to temporarily delay withdrawal from the fund in order to ensure that securities liquidations will be carried out in an orderly business manner.

Collective Trust Funds—Valued at the NAV of units of a bank collective trust. The NAV as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2019 and 2018.

	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2019 Total
Mutual funds	$ 23,508	$ -	$ -	$ 23,508
Total	$ 23,508	$ -	$ -	23,508
Investments measured at NAV:				
Collective trust funds				12,233
Stable value fund D				1,362
Total investments				$ 37,103

	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2018 Total
Mutual funds	$ 13,606	$ -	$ -	$ 13,606
Total	$ 13,606	$ -	$ -	13,606
Investments measured at NAV:				
Collective trust funds				9,031
Stable value fund D				939
Total investments				$ 23,576

Transfers between Levels—The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial

instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers between levels is evaluated based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018, there were no transfers between levels.

5. NET ASSET VALUE (NAV) PER SHARE

The following tables set forth a summary of the Plan's investments with a reported NAV at December 31, 2019 and 2018.

Fair Value Estimated Using Net Asset Value per Share
December 31, 2019

Investment	Fair Value*	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Stable value fund D	$ 1,362	$ -	Daily	Generally none**	1-6 days
Collective trust funds	12,233	-	Daily	Generally none**	1-6 days
Total	$ 13,595	$ -			

December 31, 2018

Investment	Fair Value*	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Stable value fund D	$ 939	$ -	Daily	Generally none**	1-6 days
Collective trust funds	9,031	-	Daily	Generally none**	1-6 days
Total	$ 9,970	$ -			

* The fair value of the investment has been estimated using the NAV of the investment.
**Subject to applicable legal and regulatory restrictions, Wells Fargo may impose reasonable notice requirements at its discretion, and may suspend redemption privileges or postpone the date of payment of redemption proceeds indefinitely.

6. STABLE VALUE FUND

The Stable Value Fund D (the "Fund") is a collective investment fund trusteed by Wells Fargo Bank, N.A. ("Wells Fargo") as managed by Galliard Capital Management, Inc. ("Galliard"), a wholly owned subsidiary of Wells Fargo Asset Management Holdings, LLC and a registered investment advisor and fiduciary under ERISA Section 3(21). The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the Fund's NAV.

Participants ordinarily may direct either the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses. Certain events may limit the ability of the Plan to transact at contract value with the stable value fund (for example, partial or complete termination of the Plan or its merger with another plan, plant closings,

layoffs, bankruptcy, mergers, early retirement incentives, certain transfers of assets from the stable value fund) and may also limit the ability of the stable value fund to transact at contract value with the participants. Plan management believes that the occurrence of events that would cause the Fund to transact at less than $1.00 per unit is not probable.

7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain plan investments are shares of various common and collective funds and mutual funds that are managed by Wells Fargo Bank, N.A., who has been designated trustee. Fees paid for investment management services were included as a reduction of the return earned on each fund. The Plan issues loans to participants, which are secured by the vested balances in the participants' accounts.

8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

9. FEDERAL INCOME TAX STATUS

The Plan uses a volume submitter plan document sponsored by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. received an opinion letter from the Internal Revenue Service ("IRS") dated March 31, 2014, which states that the volume submitter plan satisfied the applicable provisions of the IRS. The Plan itself has not received a determination letter from the IRS. The Company and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and the related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the U.S. federal, state, or local tax authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and concluded that as of December 31, 2019 and 2018 there are no uncertain tax positions taken or expected to be taken that would require recognition as a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits as of December 31, 2019 and 2018 per the financial statements to the Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 37,616	$ 24,079
Participant contributions receivable	(177)	(214)
Employer contributions receivable	(94)	(165)
Net assets available for benefits per Form 5500	$ 37,345	$ 23,700

For the year ended December 31, 2019, the following is a reconciliation of contributions per the financial statements to the Form 5500:

Total participant contributions per the financial statements	$	7,163
Deduct participant contributions receivable—December 31, 2019		(177)
Add participant contributions receivable—December 31, 2018		214
Total participant contributions per the Form 5500	$	7,200
Employer matching contributions per the financial statements	$	4,153
Deduct employer contributions receivable—December 31, 2019		(94)
Add employer contributions receivable—December 31, 2018		165
Total employer contributions per the Form 5500	$	4,224

For the period September 15, 2018 (date of inception) through December 31, 2018, the following is a reconciliation of contributions per the financial statements to the Form 5500:

Total participant contributions per the financial statements	$	1,514
Deduct participant contributions receivable—December 31, 2018		(214)
Total participant contributions per the Form 5500	$	1,300
Employer matching contributions per the financial statements	$	837
Deduct employer contributions receivable—December 31, 2018		(165)
Total employer contributions per the Form 5500	$	672

SUPPLEMENTAL SCHEDULES

KLX ENERGY SERVICES RETIREMENT PLAN
Employer ID No: 36-4904146
Plan No: 001

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2019
(In thousands)

	(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost		(e) Current Value
*		Stable Value Fund D	Stable value fund	**	$	1,362
*		WF/Blackrock S&P Midcap Index CIT N	Collective trust fund	**		1,861
*		WF/Blackrock S&P 500 Index CIT N	Collective trust fund	**		6,190
*		WF/Blackrock US AGG Bond Index CIT N	Collective trust fund	**		4,182
		American Funds EUROPAC GRTH R6	Mutual fund	**		802
		Carillon Eagle M/C GRW-R6	Mutual fund	**		767
		Delaware Value Fund CL I	Mutual fund	**		944
		Jensen Quality Growth Fund	Mutual fund	**		1,122
		Vanguard M/C VAL INDX-ADM	Mutual fund	**		477
		Vanguard Small Cap Index FD-ADM	Mutual fund			1,719
		Vanguard Total INT ST IDX-AD	Mutual fund	**		4,006
		Metropolitan West T/R BD-PLN	Mutual fund	**		473
		American Balanced Fund-R6	Mutual fund	**		13,198
*		Various participants	Participant loans (maturing 2020 to 2029 at interest rates of 4.50% to 6.50%)	**		242
					$	37,345

* Party-in-interest
** Cost information is not required for participant-directed investments and therefore is not included.

See accompanying Independent Auditors' Report.

KLX ENERGY SERVICES RETIREMENT PLAN
Employer ID No: 36-4904146
Plan No: 001

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2018
(In thousands)

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost		(e) Current Value
*	Stable Value Fund D	Stable value fund	**	$	939
*	WF/Blackrock S&P Midcap Index CIT N	Collective trust fund	**		1,407
*	WF/Blackrock S&P 500 Index CIT N	Collective trust fund	**		4,509
*	WF/Blackrock US AGG Bond Index CIT N	Collective trust fund	**		3,115
	American Funds EUROPAC GRTH R6	Mutual fund	**		551
	Carillon Eagle M/C GRW-R6	Mutual fund	**		429
	Delaware Value Fund CL I	Mutual fund	**		721
	Jensen Quality Growth Fund	Mutual fund	**		688
	Vanguard M/C VAL INDX-ADM	Mutual fund	**		278
	Vanguard Small Cap Index FD-ADM	Mutual fund			836
	Vanguard Total INT ST IDX-AD	Mutual fund	**		3,130
	Metropolitan West T/R BD-PLN	Mutual fund	**		402
	American Balanced Fund-R6	Mutual fund	**		6,212
*	WF Disciplined Small Cap-ADM	Mutual fund	**		359
*	Various participants	Participant loans (maturing 2019 to 2028 at interest rates of 4.50% to 6.25%)	**		124
				$	23,700

* Party-in-interest

** Cost information is not required for participant-directed investments and therefore is not included.

See accompanying Independent Auditors' Report.

KLX ENERGY SERVICES Retirement Plan

Employer ID No: 36-4904146
Plan Number: 001

Financial Statements as of December 31, 2019 and 2018, and for the Year Ended December 31, 2019 and the Period from September 15, 2018 (Date of Inception) to December 31, 2018, Supplemental Schedules as of December 31, 2019 and 2018, and Independent Auditors' Report

KLX ENERGY SERVICES RETIREMENT PLAN

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NOTE: All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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INDEPENDENT AUDITORS' REPORT

To the Benefits Committee and Participants of the
KLX Energy Services Retirement Plan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the KLX Energy Services Retirement Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2019 and 2018, and the related statements of changes in net assets available for benefits for the year ended December 31, 2019 and the period from September 15, 2018 (date of inception) to December 31, 2018, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 3, which was certified by Wells Fargo Bank, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2019 and 2018, and for year ended December 31, 2019 and the period from September 15, 2018 (date of inception) to December 31, 2018, that the information provided to the plan administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter

The supplemental schedules listed in the Table of Contents are required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are presented for the purpose of additional analysis and are not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedules.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedules, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Deloitte & Touche LLP

Tampa, FL
October 15, 2020

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2019 AND 2018
(In thousands)

	2019	2018
ASSETS:		
Investments – at fair value:		
Participant-directed investments	$ 37,103	$ 23,576
Total investments	37,103	23,576
Receivables:		
Notes receivable from participants	242	124
Employer contributions	94	165
Participant contributions	177	214
Total receivables	513	503
Total assets	37,616	24,079
NET ASSETS AVAILABLE FOR BENEFITS	$ 37,616	$ 24,079

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2019
(In thousands)

ADDITIONS:		
Contributions:		
Participant contributions	$	7,163
Rollover contributions		492
Employer matching contributions		4,153
Total contributions		11,808
Investment income:		
Net appreciation in fair value of investments		5,303
Dividends		453
Other		6
Net investment income		5,762
Interest income on notes receivable from participants		10
Total additions		17,580
DEDUCTIONS:		
Benefits paid to participants		4,500
Administrative expenses		25
Total deductions		4,525
Increase in net assets before plan transfers		13,055
NET TRANSFERS IN (OUT) OF PLAN:		
Transfer of assets from other plan		482
Transfer of assets to other plan		-
Increase in net assets after plan transfers		13,537
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of Plan year		24,079
End of Plan year	$	37,616

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE PERIOD FROM
SEPTEMBER 15, 2018 (DATE OF INCEPTION) TO DECEMBER 31, 2018
(In thousands)

ADDITIONS:		
Contributions:		
Participant contributions	$	1,514
Rollover contributions		50
Employer matching contributions		837
Total contributions		2,401
Investment (loss) income:		
Net depreciation in fair value of investments		(2,341)
Dividends		138
Net investment loss		(2,203)
Interest income on notes receivable from participants		2
Total additions		200
DEDUCTIONS:		
Benefits paid to participants		326
Administrative expenses		4
Total deductions		330
Decrease in net assets before plan transfers		(130)
NET TRANSFERS IN (OUT) OF PLAN:		
Transfer of assets from other plan		24,229
Transfer of assets to other plan		(20)
Increase in net assets after plan transfers		24,079
NET ASSETS AVAILABLE FOR BENEFITS:		
Beginning of Plan period		-
End of Plan period	$	24,079

See notes to financial statements.

KLX ENERGY SERVICES RETIREMENT PLAN

NOTES TO FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2019 AND 2018, AND FOR THE YEAR ENDED DECEMBER 31, 2019 AND THE PERIOD FROM SEPTEMBER 15, 2018 (DATE OF INCEPTION) TO DECEMBER 31, 2018
(Dollars in thousands)

1. DESCRIPTION OF THE PLAN

The following description of the KLX Energy Services Retirement Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's information.

General—Effective September 15, 2018 (date of inception), KLX Energy Services Holdings, Inc. (the "Company") adopted the KLX Energy Services Retirement Plan. The Plan is a defined contribution plan designed to qualify under Internal Revenue Code (the "IRC") Sections 401(a) and 501(a), Section 401(k) for the cash or deferred arrangement part of the Plan and Title 1 of Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan covers all full-time employees who have completed 30 days of employment. The assets and liabilities related to the accounts of the Plan's participants of $24,229 were transferred from the KLX Inc. Savings Plan into the Plan after the Company was spun-off from KLX Inc. in September 2018.

Wells Fargo Bank, N.A. acts as the trustee ("the Trustee") for the Plan. Among other duties, the Trustee disburses the Plan's assets as directed by the Company and participants, receives contributions, and invests and reinvests the assets of the Plan as directed by the participants. The Company acts as the administrator for the Plan.

On November 5, 2018, the Company acquired Motley Services, LLC ("Motley"). All of the participants in the Motley 401(k) plan became 100 percent vested in that plan upon termination and were provided the option to have their account balance rolled into an IRA.

On March 15, 2019, the Company acquired Tecton Energy Services ("Tecton"). The Tecton 401(k) plan continued through July 31, 2019, and employees were provided the option to have their account balance rolled into the Plan effective August 1, 2019 when they became eligible to participate in the Plan. The Tecton 401(k) plan assets were merged into the KLX Energy Services Retirement Plan on November 1, 2019.

On March 19, 2019, the Company acquired Red Bone Services LLC ("Red Bone"). Employees were provided the option to have their account balance rolled into the Plan effective April 1, 2019 when they became eligible to participate in the Plan.

Contributions—Contributions to the Plan include (i) salary reduction contributions authorized by participants, (ii) matching contributions made by the Company; and (iii) participant rollovers from other qualified plans. Participants have the option to make Roth elective salary reduction contributions to the plan.

Under the Plan, contributions are made on behalf of employees (participants) who choose to defer a portion of their total gross pay as defined. The maximum contribution rate for non-highly compensated participants is 100% of their gross pay. Participants could make contributions of up to $19 and $18.5 for the year ended December 31, 2019 and the period

September 15, 2018 (date of inception) through December 31, 2018, respectively. The Plan also allows all employees who are at least age 50 or projected to attain age 50 before the close of the Plan year to make catch-up contributions each year, which were limited to $6 for the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018. Participants may also contribute amounts representing distributions from other qualified defined benefit or defined contribution plans (rollovers). The annual compensation limit under Code § 401(a) (17) was $280 and $275 for 2019 and 2018, respectively.

The Plan provides for employer-matching contributions of the participant's contributions. The matching contribution for the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018 equals the sum of 100% of a participant's elective contributions up to 3% of compensation plus 50% of elective contributions for the period that exceed 3% of compensation for the period but do not exceed 5% of compensation for the period.

Participant Accounts—Individual accounts are maintained for each participant of the Plan. Each participant's account is credited with the participant's contribution, related employer matching contributions, rollover contributions and Plan earnings. Participant accounts are also charged with withdrawals, Plan losses and administrative expenses for distributions and loans. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Investments—Participants may direct the investment of their contributions and/or account balances into various investment options offered by the Plan and may change investments and transfer amounts between funds daily. Upon enrollment in the Plan, a participant may direct employee and employer matching contributions into any of three common collective trust funds ("CCT"), nine mutual funds and a stable value fund.

Vesting—Participants are immediately vested in their contributions and the Company matching contributions, plus actual earnings thereon.

Notes Receivable from Participants—Participants may borrow from their accounts a minimum of $1 up to a maximum of the lesser of 50% of their vested account balances or $50, subject to certain requirements as defined in the Plan document. Loans are secured by an assignment of the participant's vested interest in the Plan and bear interest at the current prime lending rate of Wells Fargo plus one percent, or such other rate based on periodic re-evaluations of the adequacy of such rate. Principal and interest are paid ratably through payroll deductions. Loan terms shall not exceed five years, unless the loan is to be used in conjunction with the purchase of the principal residence of the participant. Participants may not have more than one loan outstanding at any time. As of December 31, 2019, participant loans have maturities through 2029 at interest rates ranging from 4.50% to 6.50%.

Payment of Benefits—Upon termination of service with the Company, disability or retirement, a participant may generally elect to receive either a lump-sum amount or installments equal to the value of the participant's vested interest in his or her account. Upon termination due to death, the Plan will generally distribute either a lump-sum amount or installments equal to the value of the participant's account to designated beneficiaries. If the value of the participant's account is $5 or less, the Plan will immediately distribute the entire amount of the participant's account.

Participants are also eligible to make hardship withdrawals from their deferred contributions in the event of certain financial hardships.

Forfeited Accounts—The Plan document permits the use of forfeitures to reduce future employer contributions or pay Plan administrative expenses. At December 31, 2019 and 2018, forfeited nonvested accounts totaled $0, respectively. During the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2019, employer contributions were reduced $0 from forfeited nonvested accounts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting—The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates—The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Risks and Uncertainties—The Plan provides various investment options to its participants. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the value of the participants' account balances and the amounts reported in the financial statements.

Investment Valuation and Income Recognition—The Plan's investments are stated at fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Stable Value Fund D is reported at fair value using net asset value (NAV). See Note 4 for discussion on fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Management fees and operating expenses charged to the Plan for investments in the mutual funds are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

Notes Receivable from Participants—Notes receivable from participants are measured at their unpaid principal balance plus any accrued but unpaid interest. If a participant ceases to make loan repayments and the participant loan is deemed in default, the participant loan balance is recorded as a distribution based on the terms of the Plan document.

Administrative Expenses—Certain administrative expenses are paid by the Plan as provided in the plan document. All investment management and transaction fees directly related to the Plan investments are paid by Plan participants through a reduction in their account balances and are not separately reflected. Participants pay administrative costs for distributions and loans.

Payment of Benefits—Benefit payments to participants are recorded upon distribution. There were no participants, who elected to withdraw from the Plan, that had not yet been paid at December 31, 2019 and 2018.

Excess Contributions Payable — The Plan is required to return contributions received during the Plan year in excess of the IRC limits.

Subsequent Events— As part of the Bipartisan Budget Act of 2018, effective prior to inception date, the Company expanded the list of expenses which qualify for a hardship distribution, which now includes participants principal residence or place of employment in qualifying FEMA disaster areas. Additionally, effective January 1, 2020, the Company amended its hardship distribution provisions to no longer suspend contributions for six-months following the receipt of a hardship distribution, to no longer require participants to first take all nontaxable loans from the Plan before taking a hardship withdrawal and to expand the amounts that can be withdrawn on account of a hardship, which now includes earnings on salary deferral contributions.

Subsequent to the date of the statement of net assets available for benefits, the World Health Organization declared the outbreak of COVID-19, a novel strain of Coronavirus, a pandemic. This contagious disease outbreak has continued to spread across the globe and is impacting worldwide economic activity and financial markets. The financial statements do not reflect any adjustments as a result of the subsequent increase in economic uncertainty. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was passed by Congress. The CARES Act, among other things, includes several relief provisions available to tax qualified retirement plans and their participants. Plan management is evaluating the impact of the CARES Act on the Plan.

On May 3, 2020, the Company entered into an Agreement and Plan of Merger with Quintana Energy Services Inc., a Delaware corporation ("QES"), Krypton Intermediate LLC, a Delaware limited liability company and an indirect wholly owned subsidiary of the Company ("Acquiror"), and Krypton Merger Sub Inc., a Delaware corporation and an indirect wholly owned subsidiary of the Company ("Merger Sub"). On July 28, 2020, the Company and QES, completed the acquisition of QES, by means of an all-stock merger of Merger Sub with and into QES, with QES surviving the merger as a subsidiary of the Company.

Subsequent events were evaluated through October 15 2020, the date the financial statements were available to be issued.

3. INFORMATION CERTIFIED BY THE TRUSTEE

The following is a summary of the unaudited information regarding the Plan as of December 31, 2019 and 2018 and for year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018, included in the Plan's financial statements and supplemental schedules, that was prepared by or derived from information prepared by Wells Fargo Bank, N.A., the trustee of the Plan, and furnished to the Plan administrator. The Plan administrator has obtained certifications from the trustee that such information is complete and accurate.

Statement of Net Assets Available for Benefits	**2019**	**2018**
Investments – at fair value:		
Participant-directed investments	$ 37,103	$ 23,576
Notes receivable from participants	242	124
Total	$ 37,345	$ 23,700

Statement of Changes in Net Assets Available for Benefits	**2019**	**2018**
Net appreciation (depreciation) in fair value of investments	$ 5,303	$ (2,341)
Dividends	453	138
Interest income on notes receivable from participants	10	2
Other	6	-

Supplemental schedules: All investment balances and information included in the supplemental schedules of assets (held at end of year).

Notes 4, 5 and 6: All investment balances and investment information, excluding the classification and level of investments in Note 4, Fair Value Measurement.

4. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, provides a framework for measuring fair value. Fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value, as follows: Level 1, which refers to securities valued using unadjusted quoted prices from active markets for identical assets; Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available; and Level 3, which refers to securities valued based on significant unobservable inputs. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Asset Valuation Techniques—Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value.

Mutual Funds—Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-ended mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily NAV and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Stable Value Fund— A stable value fund that is composed primarily of fully benefit-responsive investment contracts that is valued at the NAV of units of the bank collective trust. The NAV is used as a practical expedient to estimate fair value. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported net asset value. Participant transactions (purchases and sales) may occur daily. If the Plan initiates a full redemption of the stable value fund, the issuer reserves the right to temporarily delay withdrawal from the fund in order to ensure that securities liquidations will be carried out in an orderly business manner.

Collective Trust Funds—Valued at the NAV of units of a bank collective trust. The NAV as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. Were the Plan to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly business manner.

The following table sets forth by level within the fair value hierarchy a summary of the Plan's investments measured at fair value on a recurring basis at December 31, 2019 and 2018.

	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2019 Total
Mutual funds	$ 23,508	$ -	$ -	$ 23,508
Total	$ 23,508	$ -	$ -	23,508
Investments measured at NAV:				
Collective trust funds				12,233
Stable value fund D				1,362
Total investments				$ 37,103

	Active Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	2018 Total
Mutual funds	$ 13,606	$ -	$ -	$ 13,606
Total	$ 13,606	$ -	$ -	13,606
Investments measured at NAV:				
Collective trust funds				9,031
Stable value fund D				939
Total investments				$ 23,576

Transfers between Levels—The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial

instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

The significance of transfers between levels is evaluated based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2019 and the period September 15, 2018 (date of inception) through December 31, 2018, there were no transfers between levels.

5. NET ASSET VALUE (NAV) PER SHARE

The following tables set forth a summary of the Plan's investments with a reported NAV at December 31, 2019 and 2018.

Fair Value Estimated Using Net Asset Value per Share
December 31, 2019

Investment	Fair Value*	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Stable value fund D	$ 1,362	$ -	Daily	Generally none**	1-6 days
Collective trust funds	12,233	-	Daily	Generally none**	1-6 days
Total	$ 13,595	$ -			

December 31, 2018

Investment	Fair Value*	Unfunded Commitment	Redemption Frequency	Other Redemption Restrictions	Redemption Notice Period
Stable value fund D	$ 939	$ -	Daily	Generally none**	1-6 days
Collective trust funds	9,031	-	Daily	Generally none**	1-6 days
Total	$ 9,970	$ -			

* The fair value of the investment has been estimated using the NAV of the investment.
**Subject to applicable legal and regulatory restrictions, Wells Fargo may impose reasonable notice requirements at its discretion, and may suspend redemption privileges or postpone the date of payment of redemption proceeds indefinitely.

6. STABLE VALUE FUND

The Stable Value Fund D (the "Fund") is a collective investment fund trusteed by Wells Fargo Bank, N.A. ("Wells Fargo") as managed by Galliard Capital Management, Inc. ("Galliard"), a wholly owned subsidiary of Wells Fargo Asset Management Holdings, LLC and a registered investment advisor and fiduciary under ERISA Section 3(21). The beneficial interest of each participant is represented by units. Units are issued and redeemed daily at the Fund's NAV.

Participants ordinarily may direct either the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the Fund, plus earnings, less participant withdrawals and administrative expenses. Certain events may limit the ability of the Plan to transact at contract value with the stable value fund (for example, partial or complete termination of the Plan or its merger with another plan, plant closings,

layoffs, bankruptcy, mergers, early retirement incentives, certain transfers of assets from the stable value fund) and may also limit the ability of the stable value fund to transact at contract value with the participants. Plan management believes that the occurrence of events that would cause the Fund to transact at less than $1.00 per unit is not probable.

7. EXEMPT PARTY-IN-INTEREST TRANSACTIONS

The Plan allows for transactions with certain parties who may perform services or have fiduciary responsibilities to the Plan. Certain plan investments are shares of various common and collective funds and mutual funds that are managed by Wells Fargo Bank, N.A., who has been designated trustee. Fees paid for investment management services were included as a reduction of the return earned on each fund. The Plan issues loans to participants, which are secured by the vested balances in the participants' accounts.

8. PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA.

9. FEDERAL INCOME TAX STATUS

The Plan uses a volume submitter plan document sponsored by Wells Fargo Bank, N.A. Wells Fargo Bank, N.A. received an opinion letter from the Internal Revenue Service ("IRS") dated March 31, 2014, which states that the volume submitter plan satisfied the applicable provisions of the IRS. The Plan itself has not received a determination letter from the IRS. The Company and Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and the related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the U.S. federal, state, or local tax authorities. The Plan Administrator has analyzed the tax positions taken by the Plan and concluded that as of December 31, 2019 and 2018 there are no uncertain tax positions taken or expected to be taken that would require recognition as a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

10. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits as of December 31, 2019 and 2018 per the financial statements to the Form 5500:

	2019	2018
Net assets available for benefits per the financial statements	$ 37,616	$ 24,079
Participant contributions receivable	(177)	(214)
Employer contributions receivable	(94)	(165)
Net assets available for benefits per Form 5500	$ 37,345	$ 23,700

For the year ended December 31, 2019, the following is a reconciliation of contributions per the financial statements to the Form 5500:

Total participant contributions per the financial statements	$	7,163
Deduct participant contributions receivable—December 31, 2019		(177)
Add participant contributions receivable—December 31, 2018		214
Total participant contributions per the Form 5500	$	7,200
Employer matching contributions per the financial statements	$	4,153
Deduct employer contributions receivable—December 31, 2019		(94)
Add employer contributions receivable—December 31, 2018		165
Total employer contributions per the Form 5500	$	4,224

For the period September 15, 2018 (date of inception) through December 31, 2018, the following is a reconciliation of contributions per the financial statements to the Form 5500:

Total participant contributions per the financial statements	$	1,514
Deduct participant contributions receivable—December 31, 2018		(214)
Total participant contributions per the Form 5500	$	1,300
Employer matching contributions per the financial statements	$	837
Deduct employer contributions receivable—December 31, 2018		(165)
Total employer contributions per the Form 5500	$	672

SUPPLEMENTAL SCHEDULES

KLX ENERGY SERVICES RETIREMENT PLAN
Employer ID No: 36-4904146
Plan No: 001

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2019
(In thousands)

	(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost		(e) Current Value
*		Stable Value Fund D	Stable value fund	**	$	1,362
*		WF/Blackrock S&P Midcap Index CIT N	Collective trust fund	**		1,861
*		WF/Blackrock S&P 500 Index CIT N	Collective trust fund	**		6,190
*		WF/Blackrock US AGG Bond Index CIT N	Collective trust fund	**		4,182
		American Funds EUROPAC GRTH R6	Mutual fund	**		802
		Carillon Eagle M/C GRW-R6	Mutual fund	**		767
		Delaware Value Fund CL I	Mutual fund	**		944
		Jensen Quality Growth Fund	Mutual fund	**		1,122
		Vanguard M/C VAL INDX-ADM	Mutual fund	**		477
		Vanguard Small Cap Index FD-ADM	Mutual fund			1,719
		Vanguard Total INT ST IDX-AD	Mutual fund	**		4,006
		Metropolitan West T/R BD-PLN	Mutual fund	**		473
		American Balanced Fund-R6	Mutual fund	**		13,198
*		Various participants	Participant loans (maturing 2020 to 2029 at interest rates of 4.50% to 6.50%)	**		242
					$	37,345

* Party-in-interest
** Cost information is not required for participant-directed investments and therefore is not included.

See accompanying Independent Auditors' Report.

KLX ENERGY SERVICES RETIREMENT PLAN
Employer ID No: 36-4904146
Plan No: 001

FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
AS OF DECEMBER 31, 2018
(In thousands)

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	(d) Cost		(e) Current Value
*	Stable Value Fund D	Stable value fund	**	$	939
*	WF/Blackrock S&P Midcap Index CIT N	Collective trust fund	**		1,407
*	WF/Blackrock S&P 500 Index CIT N	Collective trust fund	**		4,509
*	WF/Blackrock US AGG Bond Index CIT N	Collective trust fund	**		3,115
	American Funds EUROPAC GRTH R6	Mutual fund	**		551
	Carillon Eagle M/C GRW-R6	Mutual fund	**		429
	Delaware Value Fund CL I	Mutual fund	**		721
	Jensen Quality Growth Fund	Mutual fund	**		688
	Vanguard M/C VAL INDX-ADM	Mutual fund	**		278
	Vanguard Small Cap Index FD-ADM	Mutual fund			836
	Vanguard Total INT ST IDX-AD	Mutual fund	**		3,130
	Metropolitan West T/R BD-PLN	Mutual fund	**		402
	American Balanced Fund-R6	Mutual fund	**		6,212
*	WF Disciplined Small Cap-ADM	Mutual fund	**		359
*	Various participants	Participant loans (maturing 2019 to 2028 at interest rates of 4.50% to 6.25%)	**		124
				$	23,700

* Party-in-interest

** Cost information is not required for participant-directed investments and therefore is not included.

See accompanying Independent Auditors' Report.