

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

FORM 10-Q

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

For the quarterly period ended March 31, 2021

or

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

For the transition period from _____ to _____

Commission File No. 001-16501



Williams Industrial Services Group Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

73-1541378
(I.R.S. Employer Identification No.)

100 Crescent Centre Parkway, Suite 1240

Tucker, GA 30084

(Address of principal executive offices) (Zip code)

(770) 879-4400

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	WLMS	NYSE American

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

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

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

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

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

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

As of May 7, 2021, there were 25,896,001 shares of common stock of Williams Industrial Services Group Inc. outstanding.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES

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Part I—FINANCIAL INFORMATION**Item 1. Financial Statements .****WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)**

(in thousands, except share data)	March 31, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 5,444	\$ 8,716
Restricted cash	468	468
Accounts receivable, net of allowance of \$333 and \$351, respectively	29,258	27,549
Contract assets	12,528	7,969
Other current assets	6,461	6,457
Total current assets	54,159	51,159
Property, plant, and equipment, net	325	309
Goodwill	35,400	35,400
Intangible assets	12,500	12,500
Other long-term assets	5,833	5,712
Total assets	\$ 108,217	\$ 105,080
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 5,373	\$ 6,210
Accrued compensation and benefits	21,760	15,800
Contract liabilities	1,978	2,529
Short-term borrowings	1,151	352
Current portion of long-term debt	1,050	1,050
Other current liabilities	6,837	7,170
Current liabilities of discontinued operations	339	342
Total current liabilities	38,488	33,453
Long-term debt, net	30,628	30,728
Deferred tax liabilities	2,427	2,440
Other long-term liabilities	1,871	2,098
Long-term liabilities of discontinued operations	4,499	4,466
Total liabilities	77,913	73,185
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.01 par value, 170,000,000 shares authorized, and 26,365,169 and 25,926,333 shares issued, respectively, and 25,896,001 and 25,336,442 shares outstanding, respectively	260	256
Paid-in capital	90,372	90,292
Accumulated other comprehensive income	32	28
Accumulated deficit	(60,354)	(58,673)
Treasury stock, at par (469,168 and 589,891 common shares, respectively)	(6)	(8)
Total stockholders' equity	30,304	31,895
Total liabilities and stockholders' equity	\$ 108,217	\$ 105,080

See accompanying notes to condensed consolidated financial statements.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(in thousands, except share and per share data)	Three Months Ended March 31,	
	2021	2020
Revenue	\$ 60,851	\$ 66,147
Cost of revenue	54,753	59,238
Gross profit	6,098	6,909
Selling and marketing expenses	211	138
General and administrative expenses	6,311	6,200
Depreciation and amortization expense	41	41
Total operating expenses	6,563	6,379
Operating income (loss)	(465)	530
Interest expense, net	1,293	1,533
Other income, net	(360)	(122)
Total other expense, net	933	1,411
Loss from continuing operations before income tax	(1,398)	(881)
Income tax expense	185	48
Loss from continuing operations	(1,583)	(929)
Loss from discontinued operations before income tax	(79)	(54)
Income tax expense	19	18
Loss from discontinued operations	(98)	(72)
Net loss	\$ (1,681)	\$ (1,001)
Basic loss per common share		
Loss from continuing operations	\$ (0.06)	\$ (0.05)
Loss from discontinued operations	(0.01)	—
Basic loss per common share	\$ (0.07)	\$ (0.05)
Diluted loss per common share		
Loss from continuing operations	\$ (0.06)	\$ (0.05)
Loss from discontinued operations	(0.01)	—
Diluted loss per common share	\$ (0.07)	\$ (0.05)

See accompanying notes to condensed consolidated financial statements.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

<u>(in thousands)</u>	Three Months Ended March 31,	
	2021	2020
Net loss	\$ (1,681)	\$ (1,001)
Foreign currency translation adjustment	4	(258)
Comprehensive loss	\$ (1,677)	\$ (1,259)

See accompanying notes to condensed consolidated financial statements.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

(in thousands, except share data)	Common Shares		Paid-in Capital	Accumulated Other Comprehensive Income (Loss)		Accumulated Deficit	Treasury Shares		Total
	\$0.01 Per Share			Shares	Amount		Shares	Amount	
	Shares	Amount							
Balance, December 31, 2019	19,794,270	\$ 198	\$ 81,964	\$ 222	\$ (60,211)	(737,075)	\$ (9)	\$ 22,164	
Issuance of common stock	5,384,615	54	6,478	—	—	—	—	6,532	
Issuance of restricted stock units	423,341	—	—	—	—	80,207	1	1	
Tax withholding on restricted stock units	—	—	(65)	—	—	(41,445)	—	(65)	
Stock-based compensation	—	—	376	—	—	—	—	376	
Foreign currency translation	—	—	—	(258)	—	—	—	(258)	
Net loss	—	—	—	—	(1,001)	—	—	(1,001)	
Balance, March 31, 2020	25,602,226	\$ 252	\$ 88,753	\$ (36)	\$ (61,212)	(698,313)	\$ (8)	\$ 27,749	

(in thousands, except share data)	Common Shares		Paid-in Capital	Accumulated Other Comprehensive Income (Loss)		Accumulated Deficit	Treasury Shares		Total
	\$0.01 Per Share			Shares	Amount		Shares	Amount	
	Shares	Amount							
Balance, December 31, 2020	25,926,333	\$ 256	\$ 90,292	\$ 28	\$ (58,673)	(589,891)	\$ (8)	\$ 31,895	
Issuance of restricted stock units	438,836	4	—	—	—	120,723	2	6	
Tax withholding on restricted stock units	—	—	(545)	—	—	—	—	(545)	
Stock-based compensation	—	—	625	—	—	—	—	625	
Foreign currency translation	—	—	—	4	—	—	—	4	
Net loss	—	—	—	—	(1,681)	—	—	(1,681)	
Balance, March 31, 2021	26,365,169	\$ 260	\$ 90,372	\$ 32	\$ (60,354)	(469,168)	\$ (6)	\$ 30,304	

See accompanying notes to condensed consolidated financial statements.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(in thousands)	Three Months Ended March 31,	
	2021	2020
Operating activities:		
Net loss	\$ (1,681)	\$ (1,001)
Adjustments to reconcile net loss to net cash used in operating activities:		
Net loss from discontinued operations	98	72
Deferred income tax provision (benefit)	(13)	33
Depreciation and amortization on plant, property, and equipment	41	41
Amortization of deferred financing costs	208	182
Amortization of debt discount	50	—
Bad debt expense	(18)	3
Stock-based compensation	715	472
Changes in operating assets and liabilities, net of businesses sold:		
Accounts receivable	(1,634)	5,444
Contract assets	(4,410)	(9,413)
Other current assets	59	(2)
Other assets	(172)	(596)
Accounts payable	(859)	(3,122)
Accrued and other liabilities	5,112	4,230
Contract liabilities	(548)	701
Net cash used in operating activities, continuing operations	(3,052)	(2,956)
Net cash used in operating activities, discontinued operations	(69)	(83)
Net cash used in operating activities	(3,121)	(3,039)
Investing activities:		
Purchase of property, plant, and equipment	(56)	(42)
Net cash used in investing activities	(56)	(42)
Financing activities:		
Repurchase of stock-based awards for payment of statutory taxes due on stock-based compensation	(541)	(65)
Proceeds from issuance of common stock	—	6,532
Debt issuance costs	—	(442)
Proceeds from short-term borrowings	57,971	53,460
Repayments of short-term borrowings	(57,435)	(57,913)
Net cash provided by (used in) financing activities	(5)	1,572
Effect of exchange rate change on cash	(90)	(136)
Net change in cash, cash equivalents and restricted cash	(3,272)	(1,645)
Cash, cash equivalents and restricted cash, beginning of period	9,184	7,818
Cash, cash equivalents and restricted cash, end of period	\$ 5,912	\$ 6,173
Supplemental Disclosures:		
Cash paid for interest	\$ 875	\$ 716
Cash paid for income taxes, net of refunds	\$ 1,066	\$ —
Noncash amendment fee related to revolving credit facility	\$ —	\$ 150

See accompanying notes to condensed consolidated financial statements.

WILLIAMS INDUSTRIAL SERVICES GROUP INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

NOTE 1—BUSINESS AND BASIS OF PRESENTATION

Business

Williams Industrial Services Group Inc. (together with its wholly owned subsidiaries, “Williams,” the “Company,” “we,” “us” or “our,” unless the context indicates otherwise) was initially incorporated in 1998, and in 2001, changed its name to “Global Power Equipment Group Inc.” under the laws of the State of Delaware and became the successor to GEEG Holdings, LLC, which was formed as a Delaware limited liability company in 1998. Effective June 29, 2018, the Company changed its name to Williams Industrial Services Group Inc. to better align its name with the Williams business, and the Company’s stock now trades on the NYSE American LLC (the “NYSE American”) under the ticker symbol “WLMS.” Williams has been safely helping plant owners and operators enhance asset value for more than 50 years. It provides a broad range of construction, maintenance, and support services to infrastructure customers in energy, power, and industrial end markets. The Company’s mission is to be the preferred provider of construction, maintenance, and specialty services through commitment to superior safety performance, focus on innovation, and dedication to delivering unsurpassed value to its customers.

Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) on a basis consistent with that used in the Annual Report on Form 10-K for the year ended December 31, 2020, filed by the Company with the U.S. Securities and Exchange Commission (“SEC”) on March 31, 2021 (the “2020 Report”). In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments, including all normal recurring adjustments, necessary to present fairly the unaudited condensed consolidated balance sheets and statements of operations, comprehensive income (loss), stockholders’ equity and cash flows for the periods indicated. All significant intercompany transactions have been eliminated. The December 31, 2020 unaudited condensed consolidated balance sheet data was derived from audited financial statements but does not include all disclosures required by GAAP. These unaudited condensed consolidated interim financial statements and accompanying notes should be read in conjunction with the audited consolidated financial statements and accompanying notes included in the 2020 Report. Accounting measurements at interim dates inherently involve greater reliance on estimates than at year-end. The results of operations for any interim period are not necessarily indicative of operations to be expected for the full year.

The Company reports on a fiscal quarter basis utilizing a “modified” 4-4-5 calendar (modified in that the fiscal year always begins on January 1 and ends on December 31). However, the Company has continued to label its quarterly information using a calendar convention. The effects of this practice are modest and only exist when comparing interim period results. The reporting periods and corresponding fiscal interim periods are as follows:

Reporting Interim Period	Fiscal Interim Period	
	2021	2020
Three Months Ended March 31	January 1, 2021 to April 4, 2021	January 1, 2020 to March 29, 2020
Three Months Ended June 30	April 5, 2021 to July 4, 2021	March 30, 2020 to June 28, 2020
Three Months Ended September 30	July 5, 2021 to October 3, 2021	June 29, 2020 to September 27, 2020

NOTE 2—RECENT ACCOUNTING PRONOUNCEMENTS

Recently Adopted Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2019-12, “Income Taxes”, which simplifies the accounting for income taxes by removing certain exceptions for investments, intraperiod allocations and interim calculations, and adding guidance to reduce complexity in accounting for income taxes. The update is effective for annual periods beginning after December 15, 2020, and interim periods within those fiscal years. Early adoption is permitted. The Company historically did not rely on the exceptions in computing the tax provision. The Company adopted the guidance as of January 1, 2021. The adoption of ASU 2019-12 did not have a material impact on the Company’s financial

statements.

NOTE 3—LEASES

On January 1, 2019, the Company adopted ASU 2016-02 using the modified retrospective method, and accordingly, the new guidance was applied to leases that existed as of January 1, 2019.

The Company primarily leases office space and related equipment, as well as equipment, modular units and vehicles directly used in providing services to its customers. The Company's leases have remaining lease terms of one to ten years. Most leases contain renewal options for varying periods, which are at the Company's sole discretion and included in the expected lease term if they are reasonably certain of being exercised. In accordance with ASU 2016-02, the Company accounts for lease components, such as fixed payments including rent, real estate taxes, and insurance costs, separately from the non-lease components, such as common area maintenance costs.

In accordance with ASU 2016-02, for leases with terms greater than twelve months, the Company records the related right-of-use assets and lease liabilities at the present value of the fixed lease payments over the lease term at the lease commencement date. The Company uses its incremental borrowing rate to determine the present value of the lease as the rate implicit in the lease is typically not readily determinable.

Short-term leases (leases with an initial term of twelve months or less or leases that are cancelable by the lessee and lessor without significant penalties) are expensed on a straight-line basis over the lease term. The majority of the Company's short-term leases relate to equipment used in delivering services to its customers. These leases are entered into at agreed upon hourly, daily, weekly, or monthly rental rates for an unspecified duration and typically have a termination for convenience provision. Such equipment leases are considered short-term in nature unless it is reasonably certain that the equipment will be leased for a term greater than twelve months.

The components of lease expense were as follows:

Lease Cost/(Sublease Income) (in thousands)	Three Months Ended March 31,	
	2021	2020
Operating lease cost	\$ 555	\$ 1,219
Short-term lease cost	620	835
Total lease cost	\$ 1,175	\$ 2,054

Lease cost related to finance leases was not significant for the three months ended March 31, 2021 and 2020.

Information related to the Company’s right-of-use assets and lease liabilities was as follows:

Lease Assets/Liabilities (in thousands)	Balance Sheet Classification	March 31, 2021	December 31, 2020
Lease Assets			
Right-of-use assets	Other long-term assets	\$ 2,018	\$ 2,029
Lease Liabilities			
Short-term lease liabilities	Other current liabilities	\$ 1,528	\$ 1,362
Long-term lease liabilities	Other long-term liabilities	802	1,011
Total lease liabilities		\$ 2,330	\$ 2,373

Supplemental information related to the Company’s leases was as follows:

(dollars in thousands)	Three Months Ended March 31,	
	2021	2020
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash used by operating leases	\$ 578	\$ 1,231
Right-of-use assets obtained in exchange for new operating lease liabilities	491	1,001
Weighted-average remaining lease term - operating leases	1.80 years	1.83 years
Weighted-average remaining lease term - finance leases	3.23 years	3.98 years
Weighted-average discount rate - operating leases	9%	9%
Weighted-average discount rate - finance leases	9%	9%

Total remaining lease payments under the Company’s operating and finance leases are as follows:

Three Months Ended March 31, 2021	Operating Leases		Finance Leases	
	(in thousands)			
Remainder of 2021	\$ 1,438	\$	\$	4
2022	950			6
2023	207			6
2024	6			1
2025	3			-
Total lease payments	\$ 2,604	\$	\$	17
Less: interest	(291)			-
Present value of lease liabilities	\$ 2,313	\$	\$	17

NOTE 4—CHANGES IN BUSINESS

Discontinued Operations

Electrical Solutions

During the fourth quarter of 2017, the Company made the decision to exit and sell its Electrical Solutions segment (which was comprised solely of Koontz-Wagner Custom Controls Holdings LLC (“Koontz-Wagner”), a wholly owned subsidiary of the Company) in an effort to reduce the Company’s outstanding term debt. The Company determined that the decision to exit this segment met the definition of a discontinued operation. As a result, this segment has been presented as a discontinued operation for all periods presented.

On July 11, 2018, Koontz-Wagner filed a voluntary petition for relief under Chapter 7 of Title 11 of the Bankruptcy Code with the U.S. Bankruptcy Court for the Southern District of Texas. The filing was for Koontz-Wagner only, not for the Company as a whole, and was completely separate and distinct from the Williams business and operations. As a result of the July 11, 2018 bankruptcy of Koontz-Wagner, the Company recorded a pension withdrawal liability of \$2.9 million related to Koontz-Wagner’s International Brotherhood of Electrical Workers Local Union 1392 multi-employer pension plan. The pension liability is expected to be satisfied by annual cash payments of \$0.3 million each, paid in quarterly installments, through 2038.

Mechanical Solutions

During the third quarter of 2017, the Company made the decision to exit and sell substantially all of the operating assets and

liabilities of its Mechanical Solutions segment and determined that the decision to exit this segment met the definition of a discontinued operation. As a result, this segment has been presented as a discontinued operation for all periods presented.

As of March 31, 2021 and December 31, 2020, the Company did not have any assets related to its Electrical Solutions' and Mechanical Solutions' discontinued operations. The following table presents a reconciliation of the carrying amounts of major classes of liabilities of Electrical Solutions' and Mechanical Solutions' discontinued operations:

(in thousands)	March 31, 2021	December 31, 2020
Liabilities:		
Other current liabilities	\$ 339	\$ 342
Current liabilities of discontinued operations	339	342
Liability for pension obligation	2,689	2,670
Liability for uncertain tax positions	1,810	1,796
Long-term liabilities of discontinued operations	4,499	4,466
Total liabilities of discontinued operations	\$ 4,838	\$ 4,808

The following table presents a reconciliation of the major classes of line items constituting the net income (loss) from discontinued operations. In accordance with GAAP, the amounts in the table below do not include an allocation of corporate overhead.

(in thousands)	Three Months Ended March 31,	
	2021	2020
General and administrative expenses	\$ 28	\$ 1
Interest expense	51	53
Loss from discontinued operations before income tax	(79)	(54)
Income tax expense	19	18
Loss from discontinued operations	\$ (98)	\$ (72)

NOTE 5—REVENUE

Disaggregation of Revenue

Disaggregated revenue by type of contract was as follows:

(in thousands)	Three Months Ended March 31,	
	2021	2020
Cost-plus reimbursement contracts	\$ 55,593	\$ 60,296
Fixed-price contracts	5,258	5,851
Total	\$ 60,851	\$ 66,147

Disaggregated revenue by the geographic area where the work was performed was as follows:

(in thousands)	Three Months Ended March 31,	
	2021	2020
United States	\$ 51,190	\$ 57,647
Canada	9,661	8,500
Total	\$ 60,851	\$ 66,147

Contract Balances

The Company enters into contracts that allow for periodic billings over the contract term that are dependent upon specific advance billing terms, as services are provided, or as milestone billings based on completion of certain phases of work. Projects with performance obligations recognized over time that have costs and estimated earnings recognized to date in excess of cumulative billings are reported in the Company's unaudited condensed consolidated balance sheets as contract assets. Projects with performance obligations recognized over time that have cumulative billings in excess of costs and estimated earnings recognized to date are reported in the Company's unaudited condensed consolidated balance sheets as contract liabilities. At any point in time, each project in process could have either contract assets or contract liabilities.

The following table provides information about contract assets and contract liabilities from contracts with customers:

<u>(in thousands)</u>	<u>Three Months Ended March 31,</u>	
	<u>2021</u>	<u>2020</u>
Costs incurred on uncompleted contracts	\$ 54,753	\$ 59,238
Earnings recognized on uncompleted contracts	6,098	6,909
Total	60,851	66,147
Less—billings to date	(50,301)	(53,146)
Net	\$ 10,550	\$ 13,001
Contract assets	\$ 12,528	\$ 16,401
Contract liabilities	(1,978)	(3,400)
Net	\$ 10,550	\$ 13,001

For the three months ended March 31, 2021, the Company recognized revenue of approximately \$1.0 million on approximately \$2.5 million that was included in the corresponding contract liability balance at December 31, 2020.

Remaining Performance Obligations

The following table includes estimated revenue expected to be recognized in the future related to performance obligations that were unsatisfied (or partially unsatisfied) as of March 31, 2021:

<u>(in thousands)</u>	<u>Remainder of 2021</u>	<u>2022</u>	<u>2023</u>	<u>Thereafter</u>	<u>Total</u>
Remaining performance obligations	\$ 151,856	\$ 99,215	\$ 75,616	\$ 133,863	\$ 460,550

NOTE 6—EARNINGS (LOSS) PER SHARE

As of March 31, 2021, the Company's 25,896,001 shares outstanding included 215,956 shares of contingently issued but unvested restricted stock. As of March 31, 2020, the Company's 24,903,913 shares outstanding included 550,857 shares of contingently issued but unvested restricted stock. Restricted stock is excluded from the calculation of basic weighted average shares outstanding, but its impact, if dilutive, is included in the calculation of diluted weighted average shares outstanding.

Basic earnings (loss) per common share are calculated by dividing net (loss) income by the weighted average common shares outstanding during the period. Diluted earnings (loss) per common share are based on the weighted average common shares outstanding during the period, adjusted for the potential dilutive effect of common shares that would be issued upon the vesting and release of restricted stock awards and units and stock options, if any.

Basic and diluted earnings (loss) per common share from continuing operations were calculated as follows:

(in thousands, except share data)	Three Months Ended March 31,	
	2021	2020
Income (loss) from continuing operations	\$ (1,583)	\$ (929)
Basic earnings (loss) per common share:		
Weighted average common shares outstanding	24,933,894	20,347,661
Basic earnings (loss) per common share	\$ (0.06)	\$ (0.05)
Diluted earnings (loss) per common share:		
Weighted average diluted common shares outstanding	24,933,894	20,347,661
Diluted earnings (loss) per common share	\$ (0.06)	\$ (0.05)

The weighted average number of shares outstanding used in the computation of basic and diluted earnings per common share does not include the effect of the following potential outstanding common stock. The effects of the potentially outstanding service-based restricted stock and restricted stock unit awards were not included in the calculation of diluted earnings per common share because the effect would have been anti-dilutive. The effects of the potentially outstanding performance- and market-based restricted stock unit awards were not included in the calculation of diluted earnings per common share because the performance and/or market conditions had not been satisfied as of March 31, 2021 and 2020.

	Three Months Ended March 31,	
	2021	2020
Unvested service-based restricted stock and restricted stock unit awards	1,476,645	1,188,564
Unvested performance- and market-based restricted stock unit awards	1,023,740	550,016

NOTE 7—INCOME TAXES

The effective income tax expense rate for continuing operations for the three months ended March 31, 2021 and 2020 was as follows:

	Three Months Ended March 31,	
	2021	2020
Effective income tax rate for continuing operations	(13.28)%	(5.40)%

The effective income tax rate differs from the statutory federal income tax rate of 21% primarily because of the partial valuation allowances recorded on the Company's deferred tax assets and the Canadian income tax provision.

For the three months ended March 31, 2021, the Company recorded income tax expense from continuing operations of \$0.2 million, or (13.3)% of pretax loss from continuing operations, compared with income tax expense from continuing operations of less than \$0.1 million, or (5.4)% of pretax loss from continuing operations, in the same period for 2020. The increase in income tax provision from continuing operations for the three months ended March 31, 2021 compared with the corresponding period in 2020 was primarily the result of a \$0.2 million Canadian income tax provision recorded during the three months ended March 31, 2021.

As of December 31, 2020, the Company had \$220.6 million of federal net operating loss carryforwards, \$191.3 million which will expire between 2026 and 2037, and state operating loss carryforwards of \$271.9 million, with the majority expiring between 2021 and 2040. Additionally, the Company had \$5.2 million of foreign operating loss carryforwards that will expire in 2040, along with \$4.5 million in foreign tax credit carryforwards expiring between 2021 and 2030.

Under the Internal Revenue Code, the amount of and the benefits from net operating loss and tax credit carryforwards may be limited or permanently impaired in certain circumstances. In addition, under the Tax Cuts and Jobs Act, the amount of post 2017 net operating losses that the Company is permitted to deduct in any taxable year is limited to 80% of its taxable income in such year, where taxable income is determined without regard to the net operating loss deduction itself. The Tax Cuts and Jobs Act also generally eliminated the ability to carry back any net operating loss to prior taxable years, while allowing post 2017 unused net operating losses to be carried forward indefinitely.

As of March 31, 2021 and 2020, the Company would have needed to generate approximately \$273.8 million and \$269.2 million, respectively, of future taxable income in order to realize its deferred tax assets.

The Company's foreign subsidiaries may generate earnings that are not subject to U.S. income taxes so long as they are permanently reinvested in its operations outside of the U.S. Pursuant to ASC 740-30, undistributed earnings of foreign subsidiaries that are no longer permanently reinvested would become subject to deferred income taxes.

As of March 31, 2021, the Company's Canadian subsidiary had approximately \$6.5 million in Canadian currency in undistributed earnings. The Company's management asserts that all of the undistributed earnings will be reinvested in the Canadian subsidiary based on the following facts presented at the time of preparing the financial statements: (1) the Company's domestic operations are not in need of working capital from the foreign subsidiary, and any temporary intercompany payable with the Canadian subsidiary will be repaid within one year from the end of the corporation's tax year in which the indebtedness arises; (2) the Canadian subsidiary has not declared dividends since its inception in 2018, and management is not expecting the Canadian subsidiary to declare dividends in the foreseeable future; and (3) the Company's management has developed a strategic growth initiative to pursue nuclear plant maintenance, modifications, and construction in Canada for the long-term. Therefore, the accrual of deferred tax liability with respect to the Company's outside basis difference in its investment in Canada is not needed pursuant to the APB 23 exception.

As of March 31, 2021 and 2020, the Company provided for a total liability of \$2.9 million and \$2.8 million, respectively, of which, for both periods, \$1.8 million related to discontinued operations for unrecognized tax benefits related to various federal, foreign and state income tax matters, which were included in long-term deferred liabilities of discontinued operations and other long-term liabilities. If recognized, the entire amount of the liability would affect the effective tax rate. As of March 31, 2021, the Company accrued approximately \$1.5 million, of which \$0.8 million related to discontinued operations, in other long-term liabilities for potential payment of interest and penalties related to uncertain income tax positions.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security ("CARES") Act was enacted and signed into U.S. law to provide economic relief to individuals and businesses facing economic hardship as a result of the COVID-19 pandemic. The Company has incorporated the impact of the CARES Act to the tax provision. In addition, the Company deferred payments of federal employer payroll taxes of approximately \$4.9 million, as permitted by the CARES Act. The first half of the deferred amounts will be paid by December 2021, and the second half by December 2022.

NOTE 8—DEBT

As of March 31, 2021, the Company was in compliance with all debt covenants. Considering the potential effects of the COVID-19 pandemic, the Company cannot provide any assurance that the assumptions used to estimate its liquidity requirements will remain accurate due to the unprecedented nature and the unpredictability of the COVID-19 global pandemic. As a consequence, the Company's estimates of the duration of the pandemic and its impact on the Company's future earnings and cash flows could change and have a material impact on its results of operations and financial condition, including negatively affecting the Company's ability to remain in compliance with its debt covenants.

The following table provides information about the Company's debt, net of unamortized deferred financing costs:

<u>(in thousands)</u>	<u>March 31, 2021</u>	<u>December 31, 2020</u>
Revolving credit facility	\$ 1,151	\$ 352
Term loan, current portion of long-term debt	1,050	1,050
Current debt	<u>\$ 2,201</u>	<u>\$ 1,402</u>
Term loan, noncurrent portion of long-term debt	\$ 33,688	\$ 33,950
Debt discount from refinancing to new loan	(941)	(991)
Unamortized deferred financing costs	(2,119)	(2,231)
Long-term debt, net	<u>\$ 30,628</u>	<u>\$ 30,728</u>
Total debt, net	<u>\$ 32,829</u>	<u>\$ 32,130</u>

Debt Refinancing

On December 16, 2020 (the "Closing Date"), the Company and certain of its subsidiaries refinanced and replaced its revolving credit facility with MidCap Financial Trust (the "Prior ABL") and its four-year \$35.0 million term loan facility with Centre

Lane Partners, LLC and entered into (i) the Term Loan Agreement (as defined below), which provided for senior secured term loan facilities in an aggregate principal amount of up to \$50.0 million (collectively, the “Term Loan”), consisting of a \$35.0 million closing date term loan facility (the “Closing Date Term Loan”) and up to \$15.0 million of borrowings under a delayed draw facility (the “Delayed Draw Term Loan Facility”) with EICF Agent LLC, as agent, and CION Investment Corporation, as a lender and a co-lead arranger, and the other lenders party thereto; and (ii) a senior secured asset-based revolving line of credit of up to \$30.0 million (the “Revolving Credit Facility”) with PNC. As of March 31, 2021, the Company had \$1.2 million outstanding under the Revolving Credit Facility and \$34.7 million outstanding (including both the noncurrent and current portion of the Term Loan) under the Term Loan. The Term Loan Agreement provides for an interest rate of 9.0% (or 8.5% if the Total Leverage Ratio (as defined in the Term Loan Agreement) is less than 2.50:1) plus the London Interbank Offered Rate (“LIBOR”) (with a minimum rate of 1.0%) per year.

The Revolving Credit Facility

On the Closing Date, the Company and certain of its subsidiaries (the “Revolving Loan Borrowers”) entered into the Revolving Credit and Security Agreement with PNC, as agent for the lenders, and the lenders party thereto (the “Revolving Credit Agreement”), which provides for the Revolving Credit Facility. As part of the Revolving Credit Facility, the Company may access a letter of credit sublimit in an amount up to \$2.0 million, a swing loan sublimit in an aggregate principal amount of up to \$3.0 million, and a Canadian dollar sublimit in an aggregate principal amount of up to \$5.0 million. The Revolving Credit Facility matures on December 16, 2025.

Borrowings under the Revolving Credit Facility bear interest, at the Company’s election, at either (1) the base commercial lending rate of PNC, as publicly announced, plus 1.25%, payable in cash on a monthly basis, (2) the 30, 60 or 90 day LIBOR rate, subject to a minimum LIBOR floor of 1.00%, plus 2.25%, payable in cash on the last day of each interest period, or (3) with respect to Canadian dollar loans, the Canadian Dollar Offered Rate (“CDOR”), subject to a minimum CDOR rate of 1.00%, payable in cash on a monthly basis. In addition, upon the occurrence of an event of default, and for so long as such event of default continues, default interest equal to 2.00% per year in excess of the rate otherwise applicable will be payable. The Revolving Credit Agreement also includes customary replacement provisions in the event of the discontinuation of LIBOR.

The Revolving Loan Borrowers’ Obligations (as defined in the Revolving Credit Agreement) are guaranteed by certain of the Company’s material, wholly-owned subsidiaries, subject to customary exceptions (the “Revolving Loan Guarantors” and, together with the Revolving Loan Borrowers, the “Revolving Loan Credit Parties”). The Revolving Loan Credit Parties’ obligations are secured by first-priority security interests on substantially all of the Revolving Loan Credit Parties’ accounts and a second-priority security interest in substantially all other assets of the Revolving Loan Credit Parties, subject to the terms of the Intercreditor Agreement between PNC and EICF Agent LLC, as the Revolving Loan Agent and the Term Loan Agent, respectively (as each such term is defined in the Intercreditor Agreement), as described below (the “Intercreditor Agreement”).

The Revolving Loan Borrowers may from time to time voluntarily prepay outstanding amounts, plus any accrued but unpaid interest on the aggregate amount being prepaid, under the Revolving Credit Facility, in whole or in part. There is no required minimum prepayment amount. If at any time the amount outstanding under the Revolving Credit Agreement exceeds the borrowing base, or any sublimit, in effect at such time, the excess amount will be immediately due and payable. Subject to the Intercreditor Agreement, the Revolving Credit Agreement also requires mandatory prepayment of outstanding amounts in the event the Revolving Loan Borrowers receive proceeds from certain events and activities, including, among others, certain asset sales and casualty events, the issuance of indebtedness and equity interests, and the recovery of any proceeds from certain specified arbitration proceedings.

The Revolving Credit Agreement provides for a customary unused line fee equal to 0.25% per year on the unused portion of the Revolving Credit Facility, which is payable on a quarterly basis, and a collateral monitoring fee of \$2,500, which is payable on a monthly basis. The Revolving Credit Agreement also provides for an early termination fee (the “Early Termination Fee”), payable to the revolving lenders thereunder upon (1) any acceleration of the Obligations and termination of the Revolving Credit Agreement and the obligation of the revolving lenders to make advances thereunder following the occurrence of an Event of Default (as defined in the Revolving Credit Agreement), or (2) any other termination of the Revolving Credit Agreement and the obligation of revolving lenders to make advances thereunder for any reason (the “Early Termination Date”). The Early Termination Fee is calculated as follows: if the Early Termination Date occurs on or prior to the first anniversary of the Closing Date, the Early Termination Fee will be 2.00% of the Revolving Credit Facility; and if prepayment occurs after the first anniversary of the Closing Date and on or prior to the second anniversary of the Closing Date, the Early Termination Fee will be 1.00% of the Revolving Credit Facility. While any letter of credit is outstanding under the Revolving Credit Facility, the Revolving Loan Borrowers must pay a letter of credit fronting fee at a rate equal to 0.25% per year, payable quarterly, in addition to any other customary fees required by the issuer of the letter of credit.

The Revolving Credit Agreement contains customary representations and warranties, as well as customary affirmative and negative covenants, in each case, with certain exceptions, limitations and qualifications. The Revolving Credit Agreement also requires the Revolving Loan Borrowers to regularly provide certain financial information to the lenders thereunder, maintain a springing minimum fixed charge coverage ratio, and comply with certain limitations on capital expenditures.

Events of default under the Revolving Credit Agreement include, but are not limited to, a breach of certain covenants or any representations or warranties, failure to timely pay any amounts due and owing, the commencement of any bankruptcy or other insolvency proceeding, judgments in excess of certain acceptable amounts, the occurrence of a change in control, certain events related to ERISA matters, impairment of security interests in collateral or invalidity of guarantees or security documents, or a default or event of default under the Term Loan Agreement (as defined below) or the Intercreditor Agreement, in each case, with customary exceptions, limitations, grace periods and qualifications. If an event of default occurs, the revolving lenders may, among other things, declare all Obligations outstanding under the Revolving Credit Facility to be immediately due and payable, together with accrued interest and fees, and exercise remedies under the collateral documents relating to the Revolving Credit Agreement.

EICF Agent LLC, as the Term Loan Agent, and PNC, as the Revolving Loan Agent, entered into an Intercreditor Agreement, dated as of the Closing Date, to which the Term Loan Credit Parties (as defined below) and Revolving Loan Credit Parties consented. The Intercreditor Agreement, among other things, specifies the relative lien priorities of the Term Loan Agent and Revolving Loan Agent in the relevant collateral, and contains customary provisions regarding, among other things, the rights of the Term Loan Agent and Revolving Loan Agent to take enforcement actions against the relevant collateral and certain limitations on amending the documentation governing each of the Term Loan and Revolving Credit Facility.

The Term Loan

On the Closing Date, the Company and certain of its subsidiaries (the “Term Loan Borrowers”) entered into the Term Loan, Guarantee and Security Agreement with EICF Agent LLC, as agent for the lenders, CION Investment Corporation, as a lender and co-lead arranger, and the other lenders party thereto (the “Term Loan Agreement”), which provides for the Term Loan. The Closing Date Term Loan was fully drawn on the Closing Date, while the Delayed Draw Term Loan Facility is available upon the satisfaction of certain conditions precedent for up to 18 months following the Closing Date. The Term Loan matures on December 16, 2025.

Borrowings under the Term Loan Agreement bear interest at LIBOR, plus a margin of 8.50% (if the Total Leverage Ratio (as defined in the Term Loan Agreement) is less than 2.50:1) or 9.00% per year (if the Total Leverage Ratio is greater than or equal to 2.50:1), subject to a minimum LIBOR floor of 1.00%, payable in cash on a quarterly basis. In addition, upon the occurrence of an event of default, and for so long as such event of default continues, default interest equal to 2.00% per year in excess of the rate otherwise applicable will be payable. The Term Loan Agreement also includes customary replacement provisions in the event of the discontinuation of LIBOR.

The Term Loan Borrowers’ Obligations (as defined in the Term Loan Agreement) are guaranteed by certain of the Company’s material, wholly-owned subsidiaries, subject to customary exceptions (the “Term Loan Guarantors” and, together with the Term Loan Borrowers, the “Term Loan Credit Parties”). The Term Loan Credit Parties’ obligations are secured by first-priority security interests on substantially all of the Term Loan Credit Parties’ assets, as well as a second-priority security interest on the Term Loan Credit Parties’ accounts receivable and inventory, subject to the Intercreditor Agreement.

Subject to certain conditions, the Term Loan Borrowers may voluntarily prepay the Term Loan on any Payment Date (as defined in the Term Loan Agreement), in whole or in part, in a minimum amount of \$1.0 million of the outstanding principal amount, plus a prepayment fee (the “Prepayment Fee”), calculated as follows: if prepayment occurs prior to the first anniversary of the Closing Date, the Prepayment Fee will be 3.00% of the principal amount being prepaid; if prepayment occurs on or after the first anniversary of the Closing Date and prior to the second anniversary of the Closing Date, the Prepayment Fee will be 2.00% of the principal amount being prepaid; and if prepayment occurs on or after the second anniversary of the Closing Date and prior to the third anniversary of the Closing Date, the Prepayment Fee will be 1.00% of the principal amount being prepaid.

Subject to certain exceptions, within 120 days of the end of each calendar year, beginning with the year ending December 31, 2021, the Term Loan Borrowers must prepay the Obligations in an amount equal to (1) (i) if the Total Leverage Ratio is greater than 3:00:1:00, 50.0% of Excess Cash Flow (as defined in the Term Loan Agreement) or (ii) if the Total Leverage Ratio is equal to or less than 3:00:1:00 and greater than 2:00:1:00, 25.0% of Excess Cash Flow, less (2) all voluntary prepayments made on the Term Loan during such calendar year; provided that, so long as no default or event of default has occurred and is continuing or would result therefrom, no such prepayment will be required unless Excess Cash Flow for such calendar year

equals or exceeds \$0.5 million. The Term Loan Agreement also requires mandatory prepayment of certain amounts in the event the Term Loan Borrowers receive proceeds from certain events and activities, including, among others, certain asset sales and casualty events, the issuance of indebtedness and equity interests, and the receipt of extraordinary receipts (with certain exclusions), plus, in certain instances, the applicable Prepayment Fee, calculated as set forth above.

The Term Loan Agreement contains customary representations and warranties, as well as customary affirmative and negative covenants, in each case, with certain exceptions, limitations and qualifications. The Term Loan Agreement also requires the Term Loan Borrowers to regularly provide certain financial information to the lenders thereunder, maintain a maximum total leverage ratio and a minimum fixed charge coverage ratio, and comply with certain limitations on capital expenditures.

Events of default under the Term Loan Agreement include, but are not limited to, a breach of certain covenants or any representations or warranties, failure to timely pay any amounts due and owing, the commencement of any bankruptcy or other insolvency proceeding, judgments in excess of certain acceptable amounts, the occurrence of a change in control, certain events related to ERISA matters, impairment of security interests in collateral or invalidity of guarantees or security documents, or a default or event of default under the Revolving Credit Agreement or the Intercreditor Agreement, in each case, with customary exceptions, limitations, grace periods and qualifications. If an event of default occurs, the Term Loan lenders may, among other things, declare all Obligations to be immediately due and payable, together with accrued interest and fees, and exercise remedies under the collateral documents relating to the Term Loan Agreement.

Letters of Credit and Bonds

In line with industry practice, the Company is often required to provide letters of credit and payment and performance surety bonds to customers. These letters of credit and bonds provide credit support and security for the customer if the Company fails to perform its obligations under the applicable contract with such customer.

The Revolving Credit Facility provides for a letter of credit sublimit in an amount up to \$2.0 million. As of March 31, 2021, there were no letters of credit outstanding under this sublimit. As of March 31, 2021, the Company had \$0.5 million cash collateralized standby letters of credit outstanding pursuant to its prior revolving credit facility with Wells Fargo Bank, National Association. There were no amounts drawn upon these letters of credit as of March 31, 2021.

In addition, as of March 31, 2021 and December 31, 2020, the Company had outstanding payment and performance surety bonds of \$50.0 million and \$31.0 million, respectively.

Deferred Financing Costs

Deferred financing costs are amortized over the terms of the related debt facilities using the straight-line method. The following table summarizes the amortization of deferred financing costs related to the Company's debt facilities and recognized in interest expense on the unaudited condensed consolidated statements of operations:

(in thousands)	Three Months Ended March 31,	
	2021	2020
Term loan	\$ 113	\$ 110
Revolving credit facility	95	72
Total	\$ 208	\$ 182

The following table summarizes unamortized deferred financing costs included on the Company's unaudited condensed consolidated balance sheets:

(in thousands)	Location	March 31, 2021	December 31, 2020
Term loan	Long-term debt, net	\$ 2,119	\$ 2,231
Revolving credit facility	Other long-term assets	1,794	1,890
Total		\$ 3,913	\$ 4,121

NOTE 9—FINANCIAL INSTRUMENTS

Fair Value of Financial Instruments

ASC 820—Fair Value Measurement defines fair value as the exit price, which is the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a three-tier fair value hierarchy, which categorizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in the active markets for identical assets and liabilities and the lowest priority to unobservable inputs.

The Company's financial instruments as of March 31, 2021 and December 31, 2020 consisted primarily of cash and cash equivalents, restricted cash, receivables, payables, and debt instruments. The carrying values of these financial instruments approximate their respective fair values, as they are either short-term in nature or carry interest rates that are periodically adjusted to market rates.

NOTE 10—COMMITMENTS AND CONTINGENCIES

Litigation and Claims

The Company is from time to time party to various lawsuits, including personal injury claims and other proceedings that arise in the ordinary course of its business. With respect to all such lawsuits, claims and proceedings, the Company records a reserve when it is probable that a liability has been incurred and the amount of loss can be reasonably estimated. The Company does not believe that the resolution of any currently pending lawsuits, claims and proceedings, either individually or in the aggregate, will have a material adverse effect on its financial position, results of operations or liquidity. However, the outcomes of any currently pending lawsuits, claims and proceedings cannot be predicted, and therefore, there can be no assurance that this will be the case.

The Company completed a bankruptcy filing of its Koontz-Wagner subsidiary on July 11, 2018. This could require the Company to incur legal fees and other expenses related to liabilities from this bankruptcy filing. While the Company does not anticipate these liabilities will have a material adverse effect on its results of operations, cash flows and financial position, and although the statute of limitations has run on certain claims that the Chapter 7 Trustee for the Koontz-Wagner estate might assert, there can be no assurance of the outcome. The filing was for Koontz-Wagner only, not for the Company as a whole, and was completely separate and distinct from the Williams business and operations. For additional information, please refer to "Note 4—Changes in Business" to the unaudited condensed consolidated financial statements.

The acquiror of certain assets from a former operating unit of the Company has been named as a defendant in an asbestos personal injury lawsuit and has submitted a claim for indemnification and tendered defense of the matter to the Company. The Company has assumed defense of the matter subject to a reservation of rights and objection to the claim for indemnification. Neither the Company nor its predecessors ever mined, manufactured, produced, or distributed asbestos fiber, the material that allegedly caused the injury underlying this action. The Company does not expect that this claim will have a material adverse effect on its financial position, results of operations or liquidity. Moreover, during 2012, the Company secured insurance coverage that will help to reimburse the defense costs and potential indemnity obligations of its former operating unit relating to these claims. The Company intends to vigorously defend all currently active actions, and it does not anticipate that any of these actions will have a material adverse effect on its financial position, results of operations or liquidity. However, the outcomes of any legal action cannot be predicted and, therefore, there can be no assurance that this will be the case.

Insurance: The Company maintains insurance coverage for most insurable aspects of its business and operations. The Company's insurance programs, including, but not limited to, health, general liability, and workers' compensation, have varying coverage limits depending upon the type of insurance. For the three months ended March 31, 2021, insurance expense, including insurance premiums related to the excess claim coverage and claims incurred for continuing operations, was \$0.7 million.

The Company's consolidated balance sheets include amounts representing its probable estimated liability related to insurance-related claims that are known and have been asserted against the Company, and for insurance-related claims that are believed to have been incurred, but had not yet been reported as of March 31, 2021. As of March 31, 2021, the Company provided \$0.5 million cash collateralized in letters of credit as security for possible workers' compensation claims.

Executive Severance: At March 31, 2021, the Company had outstanding severance arrangements with officers and senior management. The Company's maximum commitment under all such arrangements, which would apply if the employees covered by these arrangements were each terminated without cause, was \$2.7 million at December 31, 2020.

NOTE 11—STOCK-BASED COMPENSATION PLANS

During the first three months of 2021, the Company granted 164,388 service-based restricted stock awards under the 2015 Equity Incentive Plan, as amended and restated on May 12, 2020 (the "2015 Plan"), at a grant date fair value of \$3.29 per share, to its non-employee directors, which vest in full on February 4, 2022.

During the first three months of 2021, the Company granted 307,616 service-based restricted stock units under the 2021 long-term incentive ("LTI") program and the 2015 Plan at a grant date fair value of \$3.48 per share. These service-based restricted stock units could be paid in cash or shares at the election of the Compensation Committee of the Board of Directors and shall vest in full on March 31, 2024.

During the first three months of 2021, the Company also granted performance-based awards under the 2021 LTI program and the 2015 Plan with an aggregate cash value of approximately \$2.2 million, which could be paid in cash or shares at the election of the Compensation Committee of the Board of Directors. The 2021 performance-based awards have three annual performance periods (fiscal years 2021, 2022 and 2023), with operating income and free cash flow goals (equally weighted) for each year, and threshold performance resulting in awards earned at 50% of the target opportunity and maximum performance resulting in awards earned at 200% of the target. The annual achievement levels are averaged over the three-year performance period and the earned amounts, if any, vest on March 31, 2024. These are cash-based awards that will be included in other current liabilities on the consolidated balance sheet beginning in April 2021.

During the first three months of 2020, the Company granted 580,312 service-based restricted stock units and 1,178,213 performance-based restricted stock units under the 2020 LTI program and the 2015 Plan, at a grant date fair value of \$1.22 per share, which could be paid in cash or shares at the election of the Compensation Committee of the Board of Directors. The service-based restricted stock units vest in equal annual installments over a period of three years. The 2020 performance-based awards have three annual performance periods (fiscal years 2020, 2021 and 2022), with operating income and free cash flow goals (equally weighted) for each year, and threshold performance resulting in awards earned at 50% of the target opportunity and maximum performance resulting in awards earned at 200% of the target. The annual achievement levels are averaged over the three-year performance period and the earned amounts, if any, vest on March 31, 2023. The three-year average payout level for each performance objective replaces the actual payout level for any fiscal year where the actual payout is less than the three-year average.

The Company previously granted (i) performance-based restricted stock units under the 2016 LTI program, which were scheduled to vest if the Company achieved a per share stock price of \$5.50 for 30 consecutive trading days prior to August 5, 2021, (ii) performance-based restricted stock units under the 2017 LTI program, which were scheduled to vest if the Company achieved a per share stock price of \$6.00 for 30 consecutive trading days prior to March 31, 2021 (pursuant to an extension from the initial vesting date of March 31, 2020, which extension was approved by the Compensation Committee in February 2020), and (iii) performance-based restricted stock units under the 2018 LTI program, which were scheduled to vest if the Company achieved a per share stock price of at least \$5.00 for any period of 30 consecutive trading days prior to June 30, 2021 (collectively, the "LTI Performance Awards"). On March 5, 2021, the Compensation Committee of the Board of Directors extended the performance period for each of the LTI Performance Awards to December 31, 2022. In accordance to ASC Topic 718, "Compensation—Stock Compensation" ("ASC 718") the Company conducted a lattice valuation model in order to revalue the market price for the LTI Performance Awards at the March 5, 2021 modification date. The modification will result in an approximately \$0.8 million incremental cost being expensed over a twenty-month period starting in April 2021.

During the first three months of 2021, the Compensation Committee of the Board of Directors approved modifying the 2020 performance-based awards granted in 2020. This modification resulted in the adjustment of the 2021 and 2022 performance goals; in addition, the three-year average payout level for each performance objective will replace the actual payout level for any fiscal year (including, without limitation, 2020) where the actual payout is less than the three-year average. As of March 31, 2021, the payout would be 549,181 at threshold, 1,098,362 at target, and 2,196,724 at maximum. The grant price was adjusted from \$1.22 per share to \$3.49 share per the modification date of March 5, 2021.

During the first three months of 2021, the Compensation Committee approved modifying the 2019 performance-based restricted stock unit awards. The performance goal for 2020 was year-end backlog performance expressed in margin dollars. Because of COVID-19, the Company's ability to book backlog in the normal course was impaired during 2020, particularly in

Florida, New York, and Canada and with respect to new customers. As a result, the Compensation Committee authorized an adjustment to the 2020 performance results to add \$51.9 million of orders to December 31, 2020 backlog that were booked in early 2021 but delayed due to the impact of the COVID-19 pandemic, which resulted in a payout of 156,014 shares under the 2015 Plan.

While the majority of restricted stock units and awards were granted as equity, in accordance with ASC 718 the Company has two cash-based plans that are classified as a liability. Stock-based compensation expense for the three months ended March 31, 2021 and 2020 was \$0.7 million and \$0.5 million, respectively, and was included in general and administrative expenses on the Company's unaudited condensed consolidated statements of operations.

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

Cautionary Statement Regarding Forward-Looking Statements

This Form 10-Q and its exhibits contain or incorporate by reference various forward-looking statements that express a belief, expectation or intention or are otherwise not statements of historical fact. Forward-looking statements generally use forward-looking words, such as “may,” “will,” “could,” “should,” “would,” “project,” “believe,” “anticipate,” “expect,” “estimate,” “continue,” “potential,” “plan,” “forecast” and other words that convey the uncertainty of future events or outcomes. These forward-looking statements are not guarantees of our future performance and involve risks, uncertainties, estimates and assumptions that are difficult to predict. Therefore, our actual outcomes and results may differ materially from those expressed in these forward-looking statements. Investors should not place undue reliance on any of these forward-looking statements. Except as required by law, we undertake no obligation to further update any such statements, or the risk factors described in our 2020 Report under the heading “Part I—Item 1A. Risk Factors,” to reflect new information, the occurrence of future events or circumstances or otherwise. The forward-looking statements in this Form 10-Q do not constitute guarantees or promises of future performance. Forward-looking statements may include information concerning the following, among other items:

- our level of indebtedness;
- our ability to make interest and principal payments on our debt and satisfy the financial and other covenants contained in our debt facilities, as well as our ability to engage in certain transactions and activities due to limitations and covenants contained in such facilities;
- our ability to generate sufficient cash resources to continue funding operations, including investments in working capital required to support growth-related commitments that we make to our customers, and the possibility that we may be unable to obtain any additional funding as needed or incur losses from operations in the future;
- exposure to market risks from changes in interest rates, including changes to or replacement of the LIBOR;
- failure to maintain effective internal control over financial reporting and disclosure controls and procedures in the future;
- our ability to attract and retain qualified personnel, skilled workers, and key officers;
- failure to successfully implement or realize our business strategies, plans and objectives of management, and liquidity, operating and growth initiatives and opportunities, including our expansion into international markets and our ability to identify potential candidates for, and consummate, acquisition, disposition, or investment transactions;
- the loss of one or more of our significant customers;
- our competitive position;
- market outlook and trends in our industry, including the possibility of reduced investment in, or increased regulation of, nuclear power plants and declines in public infrastructure construction and reductions in government funding, including funding by state and local agencies;
- the failure of the U.S. Congress to pass infrastructure-related legislation benefiting our end markets;
- costs exceeding estimates we use to set fixed-price contracts;
- harm to our reputation or profitability due to, among other things, internal operational issues, poor subcontractor performances or subcontractor insolvency;
- potential insolvency or financial distress of third parties, including our customers and suppliers;
- our contract backlog and related amounts to be recognized as revenue;
- our ability to maintain our safety record, the risks of potential liability and adequacy of insurance;
- adverse changes in our relationships with suppliers, vendors, and subcontractors;
- compliance with environmental, health, safety and other related laws and regulations;
- limitations or modifications to indemnification regulations of the U.S. or Canada;
- our expected financial condition, future cash flows, results of operations and future capital and other expenditures;
- the impact of general economic conditions including the current economic disruption and any recession resulting from the COVID-19 pandemic;
- the impact of the COVID-19 pandemic on our business, results of operations, financial condition, and cash flows, including the potential for additional COVID-19 cases to occur at our active or future job sites, as has occurred at our Plant Vogtle site in Georgia, which potentially could impact cost and labor availability;
- information technology vulnerabilities and cyberattacks on our networks;
- our failure to comply with applicable laws and regulations, including, but not limited to, those relating to privacy and anti-bribery;
- our participation in multiemployer pension plans;

- the impact of any disruptions resulting from the expiration of collective bargaining agreements;
- the impact of natural disasters and other severe catastrophic events (such as the ongoing COVID-19 pandemic);
- the impact of changes in tax regulations and laws, including future income tax payments and utilization of net operating loss and foreign tax credit carryforwards;
- volatility of the market price for our common stock;
- our ability to maintain our stock exchange listing;
- the effects of anti-takeover provisions in our organizational documents and Delaware law;
- the impact of future offerings or sales of our common stock on the market price of such stock;
- expected outcomes of legal or regulatory proceedings and their anticipated effects on our results of operations; and
- any other statements regarding future growth, future cash needs, future operations, business plans and future financial results.

These forward-looking statements represent our intentions, plans, expectations, assumptions, and beliefs about future events and are subject to risks, uncertainties, and other factors, including unpredictable or unanticipated factors that we have not discussed in this Form 10-Q. In addition, some of these risks, uncertainties and other factors have been, and may further be, exacerbated by the COVID-19 pandemic. Many of those factors are outside of our control and could cause actual results to differ materially from the results expressed or implied by the forward-looking statements.

In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than we have described. Investors should consider the areas of risk and uncertainty described above, as well as those discussed in the 2020 Report under the heading “Part I—Item 1A. Risk Factors.” Except as may be required by applicable law, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, and we caution investors not to rely upon them unduly.

The following discussion provides an analysis of the results of continuing operations, an overview of our liquidity and capital resources and other items related to our business. Unless otherwise specified, the financial information and discussion in this Form 10-Q are as of and for the three months ended March 31, 2021 and are based on our continuing operations; they exclude any results of our discontinued operations. Please refer to “Note 4—Changes in Business” to the unaudited condensed consolidated financial statements included in this Form 10-Q for additional information on our discontinued operations.

This discussion and analysis should be read in conjunction with our unaudited condensed consolidated financial statements and notes thereto included in this Form 10-Q and our audited consolidated financial statements and notes thereto included in the 2020 Report.

Backlog

The services we provide are typically carried out under construction contracts, long-term maintenance contracts and master service agreements. Total backlog represents the dollar amount of revenue expected to be recorded in the future for work performed under awarded contracts.

Revenue estimates included in our backlog can be subject to change as a result of project accelerations, cancellations or delays due to various factors, including, but not limited to, the customer’s budgetary constraints and adverse weather. These factors can also cause revenue amounts to be recognized in different periods and at levels other than those originally projected. Additional work that is not identified under the original contract is added to our estimated backlog when we reach an agreement with the customer as to the scope and pricing of that additional work. Backlog is reduced as work is performed and revenue is recognized, or upon cancellation.

Backlog is not a measure defined by GAAP, and our methodology for determining backlog may vary from the methodology used by other companies in determining their backlog amounts. Backlog may not be indicative of future operating results and projects in our backlog may be cancelled, modified, or otherwise altered by our customers. We utilize our calculation of backlog to assist in measuring aggregate awards under existing contractual relationships with our customers. We believe our backlog disclosures will assist investors in better understanding this estimate of the services to be performed pursuant to awards by our customers under existing contractual relationships.

The following tables summarize our backlog:

(in thousands)	March 31, 2021		December 31, 2020	
Cost plus	\$	410,396	\$	430,694
Lump sum		50,154		13,156
Total	\$	460,550	\$	443,850

(in thousands)	Three Months Ended March 31, 2021	
Backlog - beginning of period	\$	443,850
New awards		37,241
Adjustments and cancellations, net		40,310
Revenue recognized		(60,851)
Backlog - end of period	\$	460,550

Total backlog as of March 31, 2021 was \$460.6 million, compared with \$443.9 million at December 31, 2020. The increase in backlog was due to the award of several new contracts, driven by a construction project for a wastewater treatment plant. We estimate that approximately \$182.4 million, or 39.6% of total backlog at March 31, 2021, will be converted to revenue within the next twelve months. As of December 31, 2020, we estimated that approximately \$165.3 million, or 37.2% of total backlog, would convert to revenue in 2021.

Results of Operations

The Company continues to monitor several factors that may cause actual results of operations and financial results to differ from our historical results or current expectations. These factors include: inflationary and political environment, work delays on projects and supplies, new laws, regulations and guidelines, new project requirements, and the impact of the COVID-19 pandemic, including the consequences of governmental and other measures designed to prevent the spread of the virus and the impact of COVID-19 vaccines, including the speed at which they are approved, disseminated and widely adopted, and their effectiveness against COVID-19 and its evolving strains, some of which may be more transmissible or virulent than the initial variant, and the ultimate duration and scope of the pandemic. These and other factors could affect the Company's operational results and cause them to not be comparable to those of the same period in previous years. For instance, the effects of the COVID-19 pandemic led the Company to implement enhanced safety standards and processes on a project in Georgia that experienced COVID-19 cases on site and caused work delays on projects in New York due to specific state, local, municipal and customer mandated stay-at-home orders and new project requirements that were established to protect workers and the general public. Additionally, during the third quarter of 2020, we experienced a delay in a nuclear project and an outage cycle in Louisiana, and have experienced a slow-down in business development activities and bid opportunities, particularly on the eastern shore of the Lake Huron area in Ontario, Canada due to COVID-19. Although the majority of stay-at-home orders were phased-out by the end of the second quarter of 2020, we are still experiencing impacts associated with the COVID-19 project specific protocols. While the Company has not yet experienced a material negative impact on its operational results, these project specific requirements are expected to remain in place for the foreseeable future, which will continue to impact project schedules and workflow going forward.

In addition, federal and state governments have increased spending as part of efforts to mitigate the impact of COVID-19 on the economy. The amount and timing of such spending will be directly impacted by the duration of required efforts to contain COVID-19 and the severity of the negative impacts created by the virus and its effect on the economy. Any recovery from the COVID-19 pandemic and related economic impact may also be slowed or reversed by a number of factors, including any widespread resurgence in COVID-19 infections. The results presented in this Form 10-Q are not necessarily indicative of future operating results.

The following summary and discussion of our results of operations is based on our continuing operations and excludes any results of our discontinued operations:

(in thousands)	Three Months Ended March 31,	
	2021	2020
Revenue	\$ 60,851	\$ 66,147
Cost of revenue	54,753	59,238
Gross profit	6,098	6,909
Selling and marketing expenses	211	138
General and administrative expenses	6,311	6,200
Depreciation and amortization expense	41	41
Total operating expenses	6,563	6,379
Operating (loss) income	(465)	530
Interest expense, net	1,293	1,533
Other income, net	(360)	(122)
Loss from continuing operations before income tax	(1,398)	(881)
Income tax expense	185	48
Loss from continuing operations	\$ (1,583)	\$ (929)

Revenue for the three months ended March 31, 2021 decreased \$5.3 million, or 8.0%, compared with the corresponding period in 2020. This decrease was primarily related to reduced construction activities at Plant Vogtle, which accounted for \$15.4 million of the decline. This reduction was partially offset by \$3.8 million in new project awards and increased volume in our decommissioning business, \$2.1 million of growth of maintenance activities at several other nuclear sites, and \$1.4 million for preparation of a nuclear outage. Additionally, the Canadian nuclear market contributed \$1.2 million of incremental revenue. We also experienced a \$1.1 million increase in our energy delivery business as we continue to diversify the end markets we serve.

Gross profit for the three months ended March 31, 2021 decreased by \$0.8 million, or 11.7%, compared with the corresponding period in 2020, while gross margin declined to 10.0% from 10.4%. The decrease in gross profit reflected lower volume in our domestic nuclear markets offset in part by increased volume in our decommissioning and energy delivery markets. The decrease in gross margin reflected the change in our revenue profile as our decommissioning business expanded and we experienced reduced volume at Plant Vogtle.

Operating income for the three months ended March 31, 2021 decreased by \$1.0 million to an operating loss of \$0.5 million compared with operating income of \$0.5 million in the corresponding period of 2020, due to a decrease in gross profit and increased operating expenses primarily resulting from higher selling and marketing expenses related to our business development activities.

General and Administrative Expenses

(\$ in thousands)	Three Months Ended March 31,	
	2021	2020
Employee-related expenses	\$ 3,532	\$ 2,872
Stock-based compensation expense	715	471
Professional fees	910	1,295
Other expenses	1,154	1,562
Total	\$ 6,311	\$ 6,200

Total general and administrative expenses for the three months ended March 31, 2021 increased \$0.1 million, or 1.8%, compared with the corresponding period in 2020. The increase was largely driven by increased salaries and benefits of \$0.7 million and an increase in stock-based compensation of \$0.2 million, due to achievement of compensation incentives specifically focused on the achievement of financial targets. These increases were partially offset by a decrease of \$0.4 million in professional fees, and a decrease of \$0.4 million of other expenses due to reduction in travel and meals, compared with the corresponding period in 2020.

Other (Income) Expense, Net

(\$ in thousands)	Three Months Ended March 31,	
	2021	2020
Interest (income) expense, net	\$ 1,293	\$ 1,533
Other (income) expense, net	(360)	(122)
Total	\$ 933	\$ 1,411

Total other expense, net, for the three months ended March 31, 2021 decreased \$0.5 million, or 33.9%, compared with the corresponding period in 2020. The decrease was primarily due to a \$0.2 million decrease in interest expense resulting from lower interest rates due to refinancing our debt in December 2020 and a \$0.2 million increase in other income resulting from recognizing an exchange net gain rather than an exchange net loss in Canada, compared with the corresponding period in 2020.

Income Tax Expense

(\$ in thousands)	Three Months Ended March 31,	
	2021	2020
Income tax expense	\$ 185	\$ 48

Income tax expense for the interim periods is based on estimates of the effective tax rate for the entire fiscal year. The effective income tax rate is based upon the estimated income during the calendar year, the estimated composition of the income in different jurisdictions and discrete adjustments, if any, in the applicable quarterly periods for settlements of tax audits or assessments and the resolution or identification of tax position uncertainties.

For the three months ended March 31, 2021, we recorded income tax expense from continuing operations of \$0.2 million, or (13.3)% of pretax loss from continuing operations, compared with income tax expense from continuing operations of less than \$0.1 million, or (5.4)% of pretax loss from continuing operations, in the corresponding period of 2020. The difference between our effective tax rate and the federal statutory tax rate for the three months ended March 31, 2021 and 2020 primarily related to the current year Canadian income tax provision and the partial valuation allowance recorded on our U.S. deferred tax assets. The increase in income tax provision from continuing operations for the three months ended March 31, 2021 compared to the corresponding period in 2020 was primarily the result of a \$0.2 million Canadian income tax provision recorded during the three months ended March 31, 2021.

Tax Cuts and Jobs Acts of 2017

On December 22, 2017, the Tax Cuts and Jobs Act was signed into law, making significant changes to the Internal Revenue Code. Such changes include, but are not limited to, a U.S. federal corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S. international taxation from a worldwide tax system to a territorial system, and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings as of December 31, 2017.

Due to changes in interpretations and assumptions, and future guidance that may be issued and actions we may take in response to the Tax Cuts and Jobs Act, the ultimate impact of the Tax Cuts and Jobs Act may change in future periods. The Tax Cuts and Jobs Act is highly complex, and we will continue to assess the impact of certain aspects of the Tax Cuts and Jobs Act. For additional information, please refer to “Note 7—Income Taxes” to the consolidated financial statements included in this Form 10-Q.

Discontinued Operations

See “Note 4—Changes in Business” to the unaudited condensed consolidated financial statements included in this Form 10-Q for information regarding discontinued operations.

Liquidity and Capital Resources

During the three months ended March 31, 2021, our principal sources of liquidity were borrowings under the Revolving Credit Facility and effective management of our working capital. Our principal uses of cash were to pay for customer contract-related material, labor and subcontract labor, operating expenses, and interest expense on the Term Loan and the Revolving Credit

Facility. See discussion in “Note 8—Debt” to the condensed consolidated financial statements included in this Form 10-Q for additional information about the Term Loan and the Revolving Credit Facility.

Net Cash Flows

Our net consolidated cash flows, including cash flows related to discontinued operations, consisted of the following:

(in thousands)	Three Months Ended March 31,	
	2021	2020
Cash flows provided by (used in):		
Operating activities	\$ (3,121)	\$ (3,039)
Investing activities	(56)	(42)
Financing activities	(5)	1,572
Effect of exchange rate changes on cash	(90)	(136)
Net change in cash, cash equivalents and restricted cash	\$ (3,272)	\$ (1,645)

Cash and Cash Equivalents

As of March 31, 2021, our operating unrestricted cash and cash equivalents decreased by \$3.3 million to \$5.4 million from \$8.7 million as of December 31, 2020. As of March 31, 2021, \$4.9 million of operating cash was held in U.S. bank accounts and \$0.5 million was held in Canada. Total liquidity (the sum of unrestricted cash and availability under the Revolving Credit Facility) was \$16.9 million at the end of the first quarter of 2021.

Operating Activities

Cash flows from operating activities result primarily from earnings sources and are affected by changes in operating assets and liabilities, which consist primarily of working capital balances related to our projects. For the three months ended March 31, 2021, cash used in operating activities totaled \$3.1 million, a period over period net increase in cash used of \$0.1 million compared to the corresponding period in 2020. The increase in cash used was the result of a period over period increase in net loss of \$0.7 million, an increase in accounts receivable of \$7.1 million, and an increase in contract liabilities of \$1.2 million. These changes were partially offset by cash provided by a period over period decrease in contract assets of \$5.0 million, an increase in accounts payable of \$2.3 million, an increase in accrued and other liabilities of \$0.9 million, and a decrease in other assets of \$0.4 million.

Investing Activities

Cash flows from investing activities were insignificant for the three months ended March 31, 2021, consistent with the corresponding period in 2020.

Financing Activities

For the three months ended March 31, 2021, net cash used in financing activities was primarily due to cash used in connection with our stock-based awards for payments for statutory taxes of \$0.5 million, partially offset by cash provided from our borrowings under the Revolving Credit Facility exceeding our repayments from customer cash receipts by \$0.5 million.

During the first three months of 2020, the successful completion of our subscription rights offering in the first quarter of 2020, pursuant to which we received net proceeds of \$6.5 million and issued 5,384,615 shares of our common stock, was partially offset by repayments from customer cash receipts under the Prior ABL exceeding our borrowings by \$4.5 million.

Effect of Exchange Rate Changes on Cash

For the three months ended March 31, 2021, the effect of Canadian foreign exchange rate changes on our cash balances was not material.

Dividends

We have not declared dividends since the first quarter of 2015 and do not anticipate declaring dividends in the near term. As of March 31, 2021, the terms of the Term Loan and Revolving Credit Facility restricted our ability to pay dividends. In addition, the timing and amounts of any dividends would be subject to determination and approval by our Board of Directors.

Liquidity Outlook

Overall, we expect liquidity to continue to improve through 2021 as a result of refinancing our debt with terms that reflect improving operational performance and expected increased net profits. However, we may experience periodic short-term constraints on our liquidity as a result of the cash flow requirements of specific projects. A high percentage of our cost of service comes from weekly craft labor payrolls, and the lag between incurrence of those payrolls and the subsequent collection of the resulting customer billings results in negative cash flows for that time period. Although we utilize the Revolving Credit Facility to address those time period negative cash flows, contract terms restricting customer invoicing frequency, delays in customer payments, and underlying surety bonds negatively impact our available borrowing base.

We believe that we have sufficient resources to satisfy our 2021 working capital requirements, as we successfully refinanced and replaced our prior credit facilities with new credit facilities to better accommodate our growth initiatives as we pass our restructuring phase and move to implement our future growth initiatives.

While we have been adversely affected by the COVID-19 pandemic, we currently cannot predict the ultimate impact of the COVID-19 pandemic on our business, results of operations, financial condition and cash flows, as such impact is dependent on future developments, including the duration and severity of the pandemic and the related length of its impact on the global economy, which remain uncertain and cannot be predicted at this time. In April 2020, the Company experienced a temporary suspension for projects in New York, which required a phased reopening that resulted in the job sites being fully functional by the beginning of June 2020. In addition, there was an increase in COVID-19 cases at Plant Vogtle in July 2020, which resulted in the Company working with customers, clients, and job site leadership to provide more strategic focus and resources towards implementing enhanced safety protocols to fight the spread of the COVID-19 virus. Although, during the third quarter of 2020, the Company was informed of delays for a nuclear project and outage cycle in Louisiana, and experienced a slow-down in business development activities and bid opportunities, particularly on the eastern shore of the Lake Huron area in Ontario, Canada, due to COVID-19, these developments did not materially impact our cash and the deployment of our capital resources during 2020. We have seen a decrease in new business development based on restrictions on travel and in-person meetings, and stricter safety guidelines, coupled with decreased spending related to market uncertainty due to COVID-19. Any recovery from the COVID-19 pandemic and related economic impact may also be slowed or reversed by a number of factors, including the impact of COVID-19 vaccines, including the speed at which they are approved, disseminated and widely adopted, and their effectiveness against COVID-19 and its evolving strains, some of which may be more transmissible or virulent than the initial variant, or additional widespread resurgences in COVID-19 infections. Management will continue to closely monitor conditions using the data available and will draw on the expertise of health officials, including the latest recommendations from the Centers for Disease Control and Prevention and the on-site medical professionals. Our liquidity, as well as our ability to satisfy our working capital requirements, may be adversely affected to some degree by the COVID-19 pandemic. We currently believe that the impact of COVID-19 will not negatively impact our ability to comply with the covenants under our existing credit facilities. However, we cannot provide any assurance that the assumptions used to estimate our liquidity requirements will remain accurate due to the unprecedented nature and the unpredictability of the COVID-19 global pandemic and its potential impact on us and our customer base. As a consequence, our estimates of the duration and severity of the pandemic and its impact on our future earnings and cash flows could change and have a material impact on our results of operations and financial condition. In addition, even after the COVID-19 pandemic has subsided, we may continue to experience an adverse impact to our business as a result of the pandemic's global economic impact, including any recession that has occurred or may occur in the future. In the event that we are unable to address potential liquidity shortfalls in the future, management will need to seek additional funding, which may not be available on reasonable terms, if at all.

Off-Balance Sheet Transactions

Our liquidity is currently not dependent on the use of off-balance sheet transactions but, in line with industry practice, we are often required to provide payment and performance surety bonds to customers and may be required to provide letters of credit. If performance assurances are extended to customers, generally our maximum potential exposure is limited in the contract with our customers. We frequently obtain similar performance assurances from third-party vendors and subcontractors for work performed in the ordinary course of contract execution. However, the total costs of a project could exceed our original cost

estimates, and we could experience reduced gross profit or possibly a loss for a given project. In some cases, if we fail to meet certain performance standards, we may be subject to contractual liquidated damages.

As of March 31, 2021, we had a contingent liability for issued and outstanding standby letters of credit, generally issued to secure performance on customer contracts. As of March 31, 2021, we had \$0.5 million of outstanding standby letters of credit pursuant to a prior revolving credit facility with Wells Fargo Bank, National Association, and there were no amounts drawn upon these letters of credit. In addition, as of March 31, 2021, we had outstanding surety bonds of \$50.0 million. Our subsidiaries also provide financial guarantees for certain contractual obligations in the ordinary course of business.

Critical Accounting Policies and Use of Estimates

There have been no material changes to our critical accounting policies as set forth in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations,” included in our 2020 Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are not required to provide the information required under this item.

Item 4. Controls and Procedures .

Disclosure controls and procedures are those controls and procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure. The Company’s management, under the supervision of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of the Company’s disclosure controls and procedures as of the end of the period covered by this Form 10-Q. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of that date, the Company’s disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

Under the applicable SEC rules, management is required to evaluate any changes in internal control over financial reporting that occurred during each fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

While we continue to implement design enhancements to our internal control procedures, we believe there were no changes to our internal control over financial reporting which were identified in connection with the evaluation required by Rules 13a-15(d) or 15d-15(d) under the Exchange Act during the first quarter of 2021 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II—OTHER INFORMATION

Item 1. Legal Proceedings.

The information included in “[Note 10—Commitments and Contingencies](#)” to the unaudited condensed consolidated financial statements in this Form 10-Q is incorporated by reference into this Item.

**Item 1A. Risk
Factor s.**

Our business faces significant risks and uncertainties. Certain important factors may have a material adverse effect on our business prospects, financial condition, and results of operations, and you should carefully consider them. There have not been any material changes to our risk factors from those reported in our 2020 Report, although some of those risk factors have been, and may further be, exacerbated by the impact of the COVID-19 pandemic.

Item 6. Exhibit s.

Exhibit	Description
10.1*	Form of Time-Based Unit Agreement (March 31, 2021). ♦
10.2*	Form of Performance-Based Award Agreement (March 31, 2021). ♦
10.3*	Form of Restricted Shares Award Agreement (February 4, 2021). ♦
31.1	Certification by the Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. ♦
31.2	Certification by the Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. ♦
32.1	Certification by the Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification by the Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
101.INS	XBRL Instance Document♦
101.SCH	XBRL Taxonomy Extension Schema Document♦
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document♦
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document♦
101.LAB	XBRL Taxonomy Extension Labels Linkbase Document♦
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document♦

*Indicates a management contract or compensatory plan or arrangement.

♦ Filed herewith.

SIGNATURE S

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

WILLIAMS INDUSTRIAL SERVICES GROUP INC.

Date: May 19, 2021

By: /s/ Randall R. Lay
Randall R. Lay
Senior Vice President and Chief Financial Officer
(Duly authorized officer and principal financial and accounting officer of
the registrant)

**WILLIAMS INDUSTRIAL SERVICES GROUP INC.
TIME-BASED UNIT AGREEMENT**

Notice of Unit Award

Williams Industrial Services Group Inc. (the “Company”) grants to the Grantee named below, in accordance with the terms of the Williams Industrial Services Group Inc. 2015 Equity Incentive Plan (the “Plan”) and this Time-Based Unit Agreement (the “Agreement”), the number of Units set forth below, as of the Date of Grant set forth below. Capitalized terms used in this Agreement without definition shall have the meanings assigned to them in the Plan.

Name of Grantee:	[•]
Date of Grant:	March 31, 2021
Number of Units:	[•]
Vesting Date:	March 31, 2024

Terms of Agreement

1. Grant of Units. Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Plan, the Company hereby grants to the Grantee as of the Date of Grant, the Units set forth above. Each Unit shall represent the contingent opportunity to receive one Share or a cash payment and generally shall be equal in value to one Share, subject to the provisions below. The Units shall be credited in a book entry account established for the Grantee until payment in accordance with Section 4 hereof (or forfeiture in accordance with Section 3 hereof).

2. Vesting of Units.

(a) In General. Subject to the Grantee’s compliance with the restrictions of Section 8 hereof, or the terms of the Restrictive Covenants Agreement (as defined in Section 8) or of any separately executed covenant not to compete with the Company, as applicable:

(i) Units. The number of Units set forth above shall vest on the Vesting Date set forth above, provided that the Grantee shall have remained in the continuous employ of the Company or a Subsidiary through such Vesting Date.

(ii) Continuous Employment. For purposes of this Section 2, the continuous employment of the Grantee with the Company and its Subsidiaries shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Company and its Subsidiaries, by reason of the transfer of his or her employment among the Company and its Subsidiaries.

(b) Involuntary Termination or Termination for Good Reason. If, prior to the Vesting Date, the Grantee’s employment with the Company or a Subsidiary is terminated (x) by the Company or a Subsidiary without Cause (as defined in the Plan) or by reason of the Grantee’s Disability (as defined in the long-term disability plan of the Company or a Subsidiary applicable to the Grantee), (y) by the Grantee for Good Reason (as defined in the Plan), or (z) as a result of the Grantee’s death, then, except as otherwise provided in paragraph (c) below and provided that, within forty-five (45) days after such termination, the Grantee (or the Grantee’s estate, beneficiary or other successor) shall have executed and delivered a release of claims in a form provided by the Company and such release of claims shall have become effective and

irrevocable in accordance with its terms, the Grantee shall become vested in a prorated portion of the Units based on the number of days of Grantee's continuous employment with the Company or a Subsidiary during the three-year vesting period.

(c) Change in Control. The provisions of Section 21 of the Plan shall apply in the event of a Change in Control.

3. Forfeiture of Units.

(a) Forfeiture of Unvested Award. The Units that have not yet vested pursuant to Section 2 (and any right to unpaid Dividend Equivalents under Section 7 with respect to the Units), shall be forfeited automatically without further action or notice if (i) the Grantee ceases to be employed by the Company or a Subsidiary prior to the Vesting Date, except as otherwise provided in Section 2(b) or 2(c), or (ii) the Grantee breaches any of the restrictions of Section 8 hereof, the Restrictive Covenants Agreement or of any separately executed covenant not to compete with the Company, as applicable.

(b) Repayment of Award. The Units shall be subject to the provisions of Section 20 of the Plan regarding forfeiture and repayment of awards in the event of (i) the Grantee engaging in Detrimental Activity, (ii) the Grantee's breach of any of the restrictions of Section 8 hereof, the Restrictive Covenants Agreement (as defined herein) or of any separately executed covenant not to compete with the Company, as applicable, or (iii) as provided pursuant to the Company's Compensation Recovery Policy. Clause (ii) of the immediately preceding sentence shall be construed as a return of consideration due to the Grantee's violation of his or her promises under Section 8 of this Agreement, the Restrictive Covenants Agreement or any separately executed covenant not to compete with the Company, as applicable, and not as a liquidated damages clause. Nothing contained herein shall eliminate, reduce or compromise (x) the Company's right to assert that the restrictions provided for in Section 8 of this Agreement, the Restrictive Covenants Agreement or any separately executed covenant not to compete with the Company, as applicable, are fully enforceable as written, or as modified by a court of competent jurisdiction as provided therein, (y) the application of temporary or permanent injunctive relief as a fully appropriate and applicable remedy to enforce the restrictions as provided therein, or (z) the Company's right to pursue other remedies at law or in equity. This Section 3(b) shall survive and continue in full force in accordance with its terms and the terms of the Plan notwithstanding any termination of the Grantee's employment or the payment of the Units as provided herein.

4. Payment of Vested Units. Except as otherwise provided in Section 14 of this Agreement, the Company shall deliver to the Grantee the Shares underlying the vested Units (if any) within thirty (30) days following the Vesting Date (or within thirty (30) days following such earlier date as the Units become vested pursuant to this Agreement). Notwithstanding anything in this Agreement to the contrary, the Company, in its sole discretion, may elect to settle all or any portion of the vested Units in cash, in which case the amount of cash payable shall equal the product of (a) the number of Shares otherwise deliverable under this Agreement, and (b) the lesser of (i) the Fair Market Value per Share on the trading day immediately preceding the payment date, or (ii) two times the Fair Market Value per Share as of the Date of Grant.

5. Transferability. The Units may not be transferred, assigned, pledged or hypothecated in any manner, or be subject to execution, attachment or similar process, by operation of law or otherwise, unless otherwise provided under the Plan. Any purported transfer or encumbrance in violation of the provisions of this Section 5 shall be void, and the other party to any such purported transaction shall not obtain any rights to or interest in such Units.

6. Dividend, Voting and Other Rights. The Grantee shall not possess any incidents of ownership (including, without limitation, dividend and voting rights) in the Shares underlying the Units until such Shares have been delivered to the Grantee in accordance with Section 4 hereof. The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver Shares in the future, subject to the terms and conditions of this Agreement and the Plan, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. Payment of Dividend Equivalents. Upon payment of a vested Unit, the Grantee shall be entitled to a cash payment (without interest) equal to the aggregate cash dividends declared and payable with respect to one (1) Share for each record date, if any, that occurs during the period beginning on the Date of Grant and ending on the date the vested Unit is paid (the “Dividend Equivalent”). The Dividend Equivalents shall be forfeited to the extent that the underlying Unit is forfeited and shall be paid to the Grantee, if at all, at the same time that the related vested Unit is paid to the Grantee in accordance with Section 4.

8. Non-Solicitation; Confidentiality; Ownership of Work Product. In the event that the Grantee is a party to one or more separately executed agreements with the Company, the terms of which restrict (w) the Grantee’s ability to solicit customers of the Company, (x) the Grantee’s ability to solicit employees of the Company, (y) the Grantee’s ability to use or disclose confidential information or trade secrets of the Company, or (z) the ownership of works (collectively, the “Restrictive Covenants Agreement”), then the terms of such applicable restriction or restrictions in the Restrictive Covenants Agreement shall govern in lieu of the corresponding restriction or restrictions set forth in this Section 8, respectively. In consideration of, and as a condition to, the Grantee’s employment by the Company, the grant of the Units, a portion of the compensation and other benefits to be paid to the Grantee during such employment, the potential disclosure to the Grantee of Confidential Information (as hereinafter defined) in connection with such employment and other good and valuable consideration, the Grantee and the Company agree as follows:

8.1 Non-solicitation of or provision of competitive activities or services to Customers. During the Restricted Period, subject to (e) below, the Grantee hereby covenants and agrees that the Grantee shall not (either directly or indirectly, individually, on behalf of or in concert with others, or as an owner, a shareholder, partner, director, officer, employee, agent, or advisor of any business or entity) undertake or engage in any of the following activities without the prior written consent of the Company:

(a) Solicit (or assist in soliciting), provide, or offer to provide activities or services that are competitive with the Business of the Company to any customer (past or current) or actively sought prospective customer (or any owner, shareholder, partner, employee, agent or advisor of any past, current or prospective customer) with whom the Grantee had material contact at any time during the Grantee’s employment with the Company; and/or

(b) Ask, suggest, intimate or imply to any customer (past or current) or actively sought prospective customer of the Company with whom Grantee had any material contact during the Grantee’s employment with the Company, that such customer consider placing or moving an order for services that are competitive with the Business of the Company, or all or any portion of such customer’s business relating to services that are competitive with the Business of the Company, to any other supplier or service provider that provides services that are competitive with the Business of the Company;

(c) Solicit, induce or attempt to induce any customer, supplier, distributor, franchisee, licensee, or other individual or entity with whom Grantee had any material contact during the Grantee’s employment with the Company that has any business relationship with the Company or any of its affiliates

to cease doing business with the Company or any of its affiliates, or in any way interfere with the relationship between any such customer, supplier, distributor, franchisee, licensee, or any other individual or entity and the Company or any of its affiliates; and/or

(d) Disparage, criticize, derogate, denigrate, or deprecate the Company or any of its products services or employees to any past, current or prospective customer of the Company; provided, however,

(e) If the Company does not provide Grantee with a Severance Payment, then the Grantee may undertake the activities described in Sections 8.1 (a) and (b) on behalf of himself/herself or a competing business or entity provided that such activities relate to projects, bids, or jobs that are not related (directly or indirectly) to past or existing projects, bids, jobs, or opportunities for which, on behalf of the Company, Grantee performed services, worked on, was involved with, or about which Grantee had access to confidential information.

Nothing in this Agreement shall be construed to prohibit the conduct described in Section 8.1 by Grantee on behalf of and for the benefit of the Company during the term of Grantee's employment by the Company.

8.2 Non-solicitation of Employees. During the Restricted Period the Grantee hereby covenants and agrees that the Grantee shall not (either directly or indirectly, individually, on behalf of or in concert with others, or as an owner, shareholder, partner, director, officer, employee, agent, or advisor of any business or entity) solicit, recruit, induce, entice, endeavor or assist in any effort to cause any person employed by the Company to end such person's employment with the Company (whether or not such person would commit a breach of contract by accepting such other employment).

8.3 Tolling. In the event that a court of competent jurisdiction determines that Grantee has violated, or is in violation of, Grantee's obligations under Section 8, the Restricted Period shall be deemed tolled for an amount of time equal to the amount of time a court finds that Grantee was or acted in violation of this section. Moreover, in the event the enforceability of any of the terms of Section 8 shall be challenged in court and as a result, Grantee is not enjoined from breaching any of this Section 7, and a court of competent jurisdiction (including appellate courts) subsequently finds that the challenged covenant is enforceable and orders compliance with the covenant, the Restricted Period shall be deemed tolled for an amount of time equal to the time from entry of an order finding that the covenant is not enforceable through such time as Grantee is ordered by a court to comply with the covenant.

8.4 "Restricted Period." For purposes of this Section 8, if the Grantee terminates his or her employment with the Company for any reason other than Good Reason, or if the Company terminates Grantee's employment with the Company for Cause, both as defined in the Plan, the term Restricted Period means the duration of the Grantee's employment with the Company and a period of one (1) year following the last date that the Grantee is employed by the Company. If the Company terminates Grantee's employment without Cause or the Grantee terminates his or her employment with the Company for Good Reason, then the term Restricted Period means the duration of the Grantee's employment with the Company and a period of time equal to the Grantee's employment with the Company, but in any event not to exceed six (6) months, following the last date that the Grantee is employed by the Company.

8.5 "Severance Payment" for purposes of this Section 8, means the payment, if any, provided by the Company to the Grantee as part of an agreement regarding the termination of the employer-employee relationship which provides or a severance payment, or other compensation, as the result of termination of employment.

8.6 Trade Secrets.

(a) The Grantee shall hold in confidence all Trade Secrets of the Company and/or its customers (the “Associated Companies”) that have or will come into the Grantee’s knowledge or possession during the Grantee’s employment by the Company and shall not disclose, publish or make use of such Trade Secrets at any time without the prior written consent of the Company for so long as the Trade Secret remains a trade secret.

(b) Notice of Immunity under Defend Trade Secrets Act. Grantee is hereby notified that the following immunities exist under the U.S. Defend Trade Secrets Act of 2016: (1) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (2) An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

8.7 Confidential Information. The Grantee shall hold in confidence all Confidential Information of the Company or of the Associated Companies that have or will come into the Grantee’s knowledge or possession during the Grantee’s employment by the Company and shall not disclose, publish or make use of such Confidential Information without the prior written consent of the Company for so long as the Confidential Information remains confidential.

8.8 Return of Company Property. Upon the request of the Company or, in any event with or without a request upon the termination of the Grantee’s employment with the Company, the Grantee shall deliver to the Company all memoranda, notes, records, manuals or other documents (including, but not limited to, written instruments, voice or data recordings, or computer tapes, disks or files of any nature), including all copies of such materials and all documentation prepared or produced in connection therewith, pertaining to the performance of the Grantee’s services for the Company, the Business of the Company or of the Associated Companies, or containing Trade Secrets or Confidential Information of the Company or pertaining to the Company’s Business or the Associated Companies’ business, whether made or compiled by the Grantee or furnished to the Grantee. Upon the request of the Company and, in any event, upon the termination of the Grantee’s employment with the Company, the Grantee shall also deliver to the Company all computers, credit cards, telephones, office equipment, software, and other property the Company furnished to or in the possession of the Grantee.

8.9 Interpretation. The restrictions stated in this Section 8 are in addition to and not in lieu of protections afforded to trade secrets and confidential information under applicable law. Nothing in this Agreement is intended to or shall be interpreted as diminishing or otherwise limiting the Company’s right under applicable law to protect its trade secrets and confidential information.

8.10 “Trade Secret” means information without regard to form, including but not limited to any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

8.11 “Confidential Information” means any data or information, other than Trade Secrets, that is valuable to the Company (and/or its customers) and not generally known to the public or to competitors of the Company.

8.12 The Company shall own all Work Product. “Work Product” means all intellectual property rights including all Trade Secrets, registered and unregistered copyrights under U.S. and international law, copyrightable material or works, patents, patentable inventions, discoveries and improvements, and other intellectual property rights, in any technology software, data files documentation, or other work product or material that relates to the business and/or interests of the Company and that the Employee conceives, develops, creates or delivers (whether individually or working with others) to the Company at any time during the Employee’s employment with the Company. All Work Product shall be considered work made for hire by the Grantee and owned by the Company.

The Grantee hereby irrevocably relinquishes for the benefit of the Company and its assigns any moral rights in and to the Work Product recognized by applicable law.

8.13 If any of the Work Product may not, by operation of law, be considered work made for hire by the Grantee for the Company, or if ownership of all right, title, and interest in and to the intellectual property rights therein shall not otherwise vest exclusively in the Company, the Grantee hereby agrees to assign, and upon creation thereof automatically assigns, without further consideration, the ownership of all Trade Secrets, registered and unregistered copyrights under United States and international law, copyrightable material or works, patents, patentable inventions: and other intellectual property rights therein to the Company, its successors and assigns.

8.14 The Company, its successors and assigns, shall have the right to obtain and hold in its or their own name copyright registrations, trademark registrations, patents and any other protection available in the foregoing.

8.15 The Grantee agrees to perform, upon the reasonable request of the Company, during or after employment such further acts as may be necessary or desirable to transfer, perfect, and defend the Company’s ownership of the Work Product, including but not limited to: (a) executing, acknowledging, and delivering any requested affidavits and documents of assignment and conveyance; (b) assisting in the preparation, prosecution, procurement, maintenance and enforcement of all copyrights and, if applicable, patents with respect to the Work Product in any countries; (c) providing testimony in connection with any proceeding affecting the right, title, or interest of the Company in any Work Product; and (d) performing any other acts deemed necessary or desirable to carry out the purposes of this Agreement. The Company shall reimburse any reasonable out-of-pocket expenses incurred by the Grantee at the Company’s request in connection with the foregoing, including (unless the Grantee is otherwise being compensated at the time) a reasonable and pre-agreed per diem or hourly fee for services rendered following termination of the Grantee’s employment.

8.16 Miscellaneous.

(i) The Grantee acknowledges that the restrictions, prohibitions and other provisions in Section 8 are reasonable, fair and equitable in scope, terms and duration, and are necessary to protect the legitimate business interests of the Company. The terms and provisions of Section 8 are intended to be separate and divisible provisions and if, for any reason, any one or more of them is held to be invalid or unenforceable, neither the validity nor the enforceability of any other provision of this Agreement shall thereby be affected. It is the intention of the parties to this Agreement that the potential restrictions on the Grantee imposed by Section 8 be reasonable in scope and in all other respects. If for any reason any court of competent jurisdiction shall find any provisions of Section 8 unreasonable in scope or otherwise, the

Grantee and the Company agree that the restrictions and prohibitions contained herein may be modified by a court of competent jurisdiction and shall be effective to the fullest extent allowed under Applicable Law in such jurisdiction. The Grantee agrees to disclose the existence of this Agreement to any subsequent employer.

(ii) The Grantee hereby agrees that any remedy at law for any breach or threatened breach of the provisions of Section 8 will be inadequate and that the Company will be entitled to injunctive relief in addition to any other remedy the Company might have under this Agreement. The Grantee hereby expressly acknowledges that the harm which might result to the Company's business as a result of any noncompliance by the Grantee with the provisions of this Section 8 would be largely irreparable. The parties agree that if the Company pursues legal action to enforce the terms and conditions of this Section 8 and obtains all or part of the relief sought, the Grantee shall be responsible for the reasonable attorney's fees and costs of the Company in bringing such action.

(iii) Notwithstanding any other provision of this Agreement or the Plan, the rights and obligations of the parties hereto, and any claims or disputes relating to this Section 8 shall be governed by and construed in accordance with the laws of the State of Georgia without giving effect to the principles of conflict of laws thereof. Each party agrees that any action arising out of or relating to this Section 8 shall be brought in the Superior Court of DeKalb County, Georgia or the United States District Court for the Northern District of Georgia, or if the action is brought by the Company and if Grantee resides in Georgia, the Superior Court of the Georgia county in which Grantee resides in Georgia if so required by law, and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts, and irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of *forum non conveniens*, which it may now or hereafter have to the bringing of any action in those jurisdictions.

(iv) For purposes of this Section 8, the term "Company" shall be deemed to include Williams Industrial Services Group Inc., its Subsidiaries and affiliates, and all of their respective successors and assigns.

9. No Employment Contract. Nothing contained in this Agreement shall confer upon the Grantee any right with respect to continuance of employment by the Company and its Subsidiaries, nor limit or affect in any manner the right of the Company and its Subsidiaries to terminate the employment or adjust the compensation of the Grantee, in each case with or without Cause.

10. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or a Subsidiary.

11. Taxes and Withholding. The Grantee is responsible for any federal, state, local or other taxes with respect to the Units and the Dividend Equivalents. The Company does not guarantee any particular tax treatment or results in connection with the grant or vesting of the Units, the delivery of Shares or cash or the payment of Dividend Equivalents. To the extent the Company or any Subsidiary is required to withhold any federal, state, local, foreign or other taxes in connection with the delivery of Shares or cash under this Agreement, then, except as otherwise provided below, the Company or Subsidiary (as applicable) shall retain a number of Shares (or an amount of cash) otherwise deliverable hereunder with a value equal to the required withholding (based on the Fair Market Value of the Shares on the date of delivery); provided that in no event shall the value of the Shares retained exceed the minimum amount of taxes required to be withheld or such other amount that will not result in a negative accounting impact. If the Company or any

Subsidiary is required to withhold any federal, state, local or other taxes at any time other than upon delivery of the Shares under this Agreement, then the Company or Subsidiary (as applicable) shall have the right in its sole discretion to (a) require the Grantee to pay or provide for payment of the required tax withholding, or (b) deduct the required tax withholding from any amount of salary, bonus, incentive compensation or other amounts otherwise payable in cash to the Grantee (other than deferred compensation subject to Section 409A of the Code). If the Company or any Subsidiary is required to withhold any federal, state, local or other taxes with respect to Dividend Equivalents, then the Company or Subsidiary (as applicable) shall have the right in its sole discretion to reduce the cash payment related to the Dividend Equivalent by the applicable tax withholding.

12. Adjustments. The number and kind of shares of stock deliverable pursuant to the Units are subject to adjustment as provided in Section 16 of the Plan.

13. Compliance with Law. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws and listing requirements with respect to the Units; provided that, notwithstanding any other provision of this Agreement, and only to the extent permitted under Section 409A of the Code, the Company shall not be obligated to deliver any Shares pursuant to this Agreement if the delivery thereof would result in a violation of any such law or listing requirement.

14. Section 409A of the Code. It is intended that the Units and any Dividend Equivalents provided pursuant to this Agreement shall be exempt from, or comply with, the requirements of Section 409A of the Code, and this Agreement shall be interpreted, administered and governed in accordance with such intent. To the extent necessary to give effect to such intent, the Grantee's termination of employment shall mean, for purposes of this Agreement, the Grantee's "separation from service" within the meaning of Section 409A of the Code. In particular, it is intended that the Units and any Dividend Equivalents shall be exempt from Section 409A of the Code, to the maximum extent possible, pursuant to the "short-term deferral" exception thereto. However, to the extent that the Units or any Dividend Equivalents constitute a deferral of compensation subject to the requirements of Section 409A of the Code (for example, because the Grantee's governing employment agreement defines "Good Reason" in a manner such that the Grantee's termination of employment for Good Reason would not be treated as an involuntary separation from service for purposes of Section 409A of the Code), then the following rules shall apply, notwithstanding any other provision of this Agreement to the contrary:

(a) The Company will deliver the Shares underlying any Units that become vested in accordance with Section 2(b) or 2(c) of this Agreement and pay any Dividend Equivalents with respect to those vested Units within thirty (30) days after the first to occur of (i) the Vesting Date; (ii) the occurrence of a Change in Control that is also a "change in the ownership," a "change in the effective control," or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code; or (iii) the Grantee's "separation from service" within the meaning of Section 409A of the Code; and

(b) If the Units (and any related Dividend Equivalents) become payable as a result of the Grantee's separation from service (other than as a result of the Grantee's death) and the Grantee is a "specified employee" at that time within the meaning of Section 409A of the Code (as determined pursuant to the Company's policy for identifying specified employees), the Company will deliver the Shares underlying the vested Units and pay any related Dividend Equivalents to the Grantee on the first business day that is at least six months after the date of the Grantee's separation from service (or upon the Grantee's death if the Grantee dies before the end of that six-month period).

15. Amendments. Subject to the terms of the Plan, the Compensation Committee of the Board (the "Committee") may modify this Agreement upon written notice to the Grantee. Any amendment to the

Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto. Notwithstanding the foregoing, no amendment of the Plan or this Agreement shall adversely affect in a material way the rights of the Grantee under this Agreement without the Grantee's consent unless the Committee determines, in good faith, that such amendment is required for the Agreement to either be exempt from the application of, or comply with, the requirements of Section 409A of the Code, or as otherwise may be provided in the Plan.

16. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

17. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. Except with respect to the provisions of the Restrictive Covenants Agreement and of any separately executed covenant not to compete with the Company expressly referenced herein, this Agreement and the Plan contain the entire agreement and understanding of the parties with respect to the subject matter contained in this Agreement, and supersede all prior written or oral communications, representations and negotiations in respect thereto. Except as otherwise provided in Section 8 hereof, in the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein, have the right to determine any questions that arise in connection with the grant of the Units.

18. Successors and Assigns. Without limiting Section 5, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

19. Governing Law. Except as otherwise provided in Section 8 hereof, the interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

20. Use of Grantee's Information. Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Company and its Subsidiaries and by third-party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

21. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Director of Financial Reporting of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and

delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

22. No Fractional Shares. Fractional Shares or units will be subject to rounding conventions adopted by the Company from time to time; provided that in no event will the total shares issued exceed the total units granted under this award.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Date of Grant.

WILLIAMS INDUSTRIAL SERVICES GROUP INC.

By: _____

Name: Tracy D. Pagliara

Title: President and Chief Executive Officer

By executing this Agreement, you acknowledge that a copy of the Plan, Plan Summary and Prospectus, and the Company's most recent Annual Report and Proxy Statement (the "Prospectus Information") either have been received by you or are available for viewing on the Company's intranet site, and you consent to receiving this Prospectus Information electronically, or, in the alternative, agree to contact Korey Daniel, CPA, Director of Financial Reporting, at 770.879.4405, to request a paper copy of the Prospectus Information at no charge.

GRANTEE

[•]

**WILLIAMS INDUSTRIAL SERVICES GROUP INC.
PERFORMANCE-BASED AWARD AGREEMENT**

Notice of Performance-Based Award

Williams Industrial Services Group Inc. (the “Company”) grants to the Grantee named below, in accordance with the terms of the Williams Industrial Services Group Inc. 2015 Equity Incentive Plan (the “Plan”) and this Performance-Based Award Agreement (the “Agreement”), the opportunity to earn all, a portion, or a multiple of the Cash Award Amount set forth below, as of the Date of Grant set forth below. Capitalized terms used in this Agreement without definition shall have the meanings assigned to them in the Plan.

Name of Grantee:	[•]
Date of Grant:	March 31, 2021
Cash Award Amount:	[\$•]
Vesting Date:	March 31, 2024
Performance Periods:	The 2021, 2022 and 2023 fiscal years of the Company
Performance Objective:	Achievement of the Company’s annual operating income and free cash flow targets for each Performance Period, as set forth on <u>Exhibit A</u>

Terms of Agreement

1. Grant of Performance-Based Award. Subject to and upon the terms, conditions, and restrictions set forth in this Agreement and in the Plan, the Company hereby grants to the Grantee as of the Date of Grant, the opportunity to earn all, a portion, or a multiple of the Cash Award Amount set forth above. The Cash Award Amount shall be credited in a book entry account established for the Grantee, without any interest or other earnings, until payment in accordance with Section 4 hereof (or forfeiture in accordance with Section 3 hereof).

2. Vesting of Cash Award Amount.

(a) In General. Subject to the Grantee’s compliance with the restrictions of Section 8 hereof, or the terms of the Restrictive Covenants Agreement (as defined in Section 8) or of any separately executed covenant not to compete with the Company, as applicable:

(i) Award. The Cash Award Amount shall be allocated in three equal portions to each of the three Performance Periods identified above. The Grantee’s right to receive all, a portion, or a multiple of the portion of the Cash Award Amount allocated to a Performance Period shall be contingent upon the extent to which the Company achieves the Performance Objectives established for that Performance Period in accordance with the payout levels set forth in the attached Exhibit A. After the end of each Performance Period, the Compensation Committee of the Board (the “Committee”) shall determine in writing the extent, if any, to which the Performance Objective(s) for that Performance Period have been satisfied and shall determine the percentage, if any, of the Cash Award Amount allocated to that

Performance Period that shall be payable to Grantee, subject to the vesting requirements set forth below. The earned portion of the Cash Award Amount allocated to a Performance Period shall vest on the Vesting Date, provided that the Grantee shall have remained in the continuous employ of the Company or a Subsidiary through the Vesting Date.

(ii) Continuous Employment. For purposes of this Section 2, the continuous employment of the Grantee with the Company and its Subsidiaries shall not be deemed to have been interrupted, and the Grantee shall not be deemed to have ceased to be an employee of the Company and its Subsidiaries, by reason of the transfer of his or her employment among the Company and its Subsidiaries.

(b) Involuntary Termination or Termination for Good Reason. If, prior to the Vesting Date, the Grantee's employment with the Company or a Subsidiary is terminated (x) by the Company or a Subsidiary without Cause (as defined in the Plan) or by reason of the Grantee's Disability (as defined in the long-term disability plan of the Company or a Subsidiary applicable to the Grantee), (y) by the Grantee for Good Reason (as defined in the Plan), or (z) as a result of the Grantee's death, then, except as otherwise provided in paragraph (c) below, and provided that, within forty-five (45) days after such termination, the Grantee (or the Grantee's estate, beneficiary or other successor) shall have executed and delivered a release of claims in a form provided by the Company and such release of claims shall have become effective and irrevocable in accordance with its terms, the Grantee shall become vested in the portion of the Cash Award Amount equal to the product of: (i) the portion of the Cash Award Amount that would have become vested under this Agreement had the Grantee remained continuously employed with the Company or a Subsidiary through the Vesting Date (based on actual performance results for each of the three Performance Periods), multiplied by (ii) a fraction based on the number of days of continuous employment with the Company or a Subsidiary completed by the Grantee from the Date of Grant through the Vesting Date.

(c) Change in Control. The provisions of Section 21 of the Plan shall apply in the event of a Change in Control.

3. Forfeiture of Cash Award Amount.

(a) Forfeiture of Unvested Award. The Cash Award Amount that has not yet vested pursuant to Section 2, shall be forfeited automatically without further action or notice if (i) the Grantee ceases to be employed by the Company or a Subsidiary prior to the Vesting Date, except as otherwise provided in Section 2(b) or 2(c), (ii) the Grantee breaches any of the restrictions of Section 8 hereof, the Restrictive Covenants Agreement or of any separately executed covenant not to compete with the Company, as applicable, or (iii) the Company fails to achieve the Performance Objectives during the applicable Performance Periods.

(b) Repayment of Award. The Cash Award Amount shall be subject to the provisions of Section 20 of the Plan regarding forfeiture and repayment of awards in the event of (i) the Grantee engaging in Detrimental Activity, (ii) the Grantee's breach of any of the restrictions of Section 8 hereof, the Restrictive Covenants Agreement (as defined herein) or of any separately executed covenant not to compete with the Company, as applicable, or (iii) as provided pursuant to the Company's Compensation Recovery Policy. Clause (ii) of the immediately preceding sentence shall be construed as a return of consideration due to the Grantee's violation of his or her promises under Section 8 of this Agreement, the Restrictive Covenants Agreement or any separately executed covenant not to compete with the Company, as applicable, and not as a liquidated damages clause. Nothing contained herein shall eliminate, reduce or compromise (x) the Company's right to assert that the restrictions provided for in Section 8 of this Agreement, the Restrictive Covenants Agreement or any separately executed covenant not to compete with the Company, as applicable, are fully enforceable as written, or as modified by a court of competent jurisdiction as provided therein, (y) the application of temporary or permanent injunctive relief as a fully

appropriate and applicable remedy to enforce the restrictions as provided therein, or (z) the Company's right to pursue other remedies at law or in equity. This Section 3(b) shall survive and continue in full force in accordance with its terms and the terms of the Plan notwithstanding any termination of the Grantee's employment or the payment of the Cash Award Amount as provided herein.

4. Payment of Vested Cash Award Amount. Except as otherwise provided in Section 12 of this Agreement, the Company shall pay the vested portion of the Cash Award Amount allocated to a Performance Period (without any interest or earnings) to the Grantee in a single lump sum payment in cash within thirty (30) days following the Vesting Date (or within thirty (30) days following such earlier date as the Grantee's right to receive the Cash Award Amount becomes vested pursuant to this Agreement).

Notwithstanding anything in this Agreement to the contrary, the Company, in its sole discretion, may settle all or any portion of the vested Cash Award Amount in Shares under the Plan, with the number of Shares deliverable hereunder determined by dividing the vested Cash Award Amount by the Fair Market Value per Share on the trading day immediately preceding the settlement date, and with any fractional Shares rounded to the nearest whole Share.

5. Transferability. This award may not be transferred, assigned, pledged or hypothecated in any manner, or be subject to execution, attachment or similar process, by operation of law or otherwise, unless otherwise provided under the Plan. Any purported transfer or encumbrance in violation of the provisions of this Section 5 shall be void, and the other party to any such purported transaction shall not obtain any rights to or interest in the Cash Award Amount.

6. Dividend, Voting and Other Rights. The Grantee shall not possess any incidents of ownership (including, without limitation, dividend and voting rights) in any Shares unless and until such Shares have been delivered to the Grantee in accordance with Section 4 hereof. The obligations of the Company under this Agreement will be merely that of an unfunded and unsecured promise of the Company to deliver cash or Shares in the future, subject to the terms and conditions of this Agreement and the Plan, and the rights of the Grantee will be no greater than that of an unsecured general creditor. No assets of the Company will be held or set aside as security for the obligations of the Company under this Agreement.

7. Payment of Dividend Equivalents. The Grantee shall not be entitled to dividend equivalents with respect to the Cash Award Amount.

8. Non-Solicitation; Confidentiality; Ownership of Work Product. In the event that the Grantee is a party to one or more separately executed agreements with the Company, the terms of which restrict (w) the Grantee's ability to solicit customers of the Company, (x) the Grantee's ability to solicit employees of the Company, (y) the Grantee's ability to use or disclose confidential information or trade secrets of the Company, or (z) the ownership of works (collectively, the "Restrictive Covenants Agreement"), then the terms of such applicable restriction or restrictions in the Restrictive Covenants Agreement shall govern in lieu of the corresponding restriction or restrictions set forth in this Section 8, respectively. In consideration of, and as a condition to, the Grantee's employment by the Company, the grant of the Cash Award Amount, a portion of the compensation and other benefits to be paid to the Grantee during such employment, the potential disclosure to the Grantee of Confidential Information (as hereinafter defined) in connection with such employment and other good and valuable consideration, the Grantee and the Company agree as follows:

8.1 Non-solicitation of or provision of competitive activities or services to Customers. During the Restricted Period, subject to (e) below, the Grantee hereby covenants and agrees that the Grantee shall not (either directly or indirectly, individually, on behalf of or in concert with others, or as an owner, a shareholder, partner, director, officer, employee, agent, or advisor of any business or entity) undertake or engage in any of the following activities without the prior written consent of the Company:

(a) Solicit (or assist in soliciting), provide, or offer to provide activities or services that are competitive with the Business of the Company to any customer (past or current) or actively sought prospective customer (or any owner, shareholder, partner, employee, agent or advisor of any past, current or prospective customer) with whom the Grantee had material contact at any time during the Grantee's employment with the Company; and/or

(b) Ask, suggest, intimate or imply to any customer (past or current) or actively sought prospective customer of the Company with whom Grantee had any material contact during the Grantee's employment with the Company, that such customer consider placing or moving an order for services that are competitive with the Business of the Company, or all or any portion of such customer's business relating to services that are competitive with the Business of the Company, to any other supplier or service provider that provides services that are competitive with the Business of the Company;

(c) Solicit, induce or attempt to induce any customer, supplier, distributor, franchisee, licensee, or other individual or entity with whom Grantee had any material contact during the Grantee's employment with the Company that has any business relationship with the Company or any of its affiliates to cease doing business with the Company or any of its affiliates, or in any way interfere with the relationship between any such customer, supplier, distributor, franchisee, licensee, or any other individual or entity and the Company or any of its affiliates; and/or

(d) Disparage, criticize, derogate, denigrate, or deprecate the Company or any of its products services or employees to any past, current or prospective customer of the Company; provided, however,

(e) If the Company does not provide Grantee with a Severance Payment, then the Grantee may undertake the activities described in Sections 8.1 (a) and (b) on behalf of himself/herself or a competing business or entity provided that such activities relate to projects, bids, or jobs that are not related (directly or indirectly) to past or existing projects, bids, jobs, or opportunities for which, on behalf of the Company, Grantee performed services, worked on, was involved with, or about which Grantee had access to confidential information.

Nothing in this Agreement shall be construed to prohibit the conduct described in Section 8.1 by Grantee on behalf of and for the benefit of the Company during the term of Grantee's employment by the Company.

8.2 Non-solicitation of Employees. During the Restricted Period the Grantee hereby covenants and agrees that the Grantee shall not (either directly or indirectly, individually, on behalf of or in concert with others, or as an owner, shareholder, partner, director, officer, employee, agent, or advisor of any business or entity) solicit, recruit, induce, entice, endeavor or assist in any effort to cause any person employed by the Company to end such person's employment with the Company (whether or not such person would commit a breach of contract by accepting such other employment).

8.3 Tolling. In the event that a court of competent jurisdiction determines that Grantee has violated, or is in violation of, Grantee's obligations under this Section 8, the Restricted Period shall be deemed tolled for an amount of time equal to the amount of time a court finds that Grantee was or acted in violation of this section. Moreover, in the event the enforceability of any of the terms of this Section 8 shall be challenged in court and as a result, Grantee is not enjoined from breaching any of Section 8, and a court of competent jurisdiction (including appellate courts) subsequently finds that the challenged covenant is enforceable and orders compliance with the covenant, the Restricted Period shall be deemed

tolled for an amount of time equal to the time from entry of an order finding that the covenant is not enforceable through such time as Grantee is ordered by a court to comply with the covenant.

8.4 “Restricted Period.” For purposes of this Section 8, if the Grantee terminates his or her employment with the Company for any reason other than Good Reason, or if the Company terminates Grantee’s employment with the Company for Cause, both as defined in the Plan, the term Restricted Period means the duration of the Grantee’s employment with the Company and a period of one (1) year following the last date that the Grantee is employed by the Company. If the Company terminates Grantee’s employment without Cause or the Grantee terminates his or her employment with the Company for Good Reason, then the term Restricted Period means the duration of the Grantee’s employment with the Company and a period of time equal to the Grantee’s employment with the Company, but in any event not to exceed six (6) months, following the last date that the Grantee is employed by the Company.

8.5 “Severance Payment” for purposes of this Section 8, means the payment, if any, provided by the Company to the Grantee as part of an agreement regarding the termination of the employer-employee relationship which provides or a severance payment, or other compensation, as the result of termination of employment.

8.6 Trade Secrets.

(a) The Grantee shall hold in confidence all Trade Secrets of the Company and/or its customers (the “Associated Companies”) that have or will come into the Grantee’s knowledge or possession during the Grantee’s employment by the Company and shall not disclose, publish or make use of such Trade Secrets at any time without the prior written consent of the Company for so long as the Trade Secret remains a trade secret.

(b) Notice of Immunity under Defend Trade Secrets Act. Grantee is hereby notified that the following immunities exist under the U.S. Defend Trade Secrets Act of 2016: (1) An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made—(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (2) An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

8.7 Confidential Information. The Grantee shall hold in confidence all Confidential Information of the Company or of the Associated Companies that have or will come into the Grantee’s knowledge or possession during the Grantee’s employment by the Company and shall not disclose, publish or make use of such Confidential Information without the prior written consent of the Company for so long as the Confidential Information remains confidential.

8.8 Return of Company Property. Upon the request of the Company or, in any event with or without a request upon the termination of the Grantee’s employment with the Company, the Grantee shall deliver to the Company all memoranda, notes, records, manuals or other documents (including, but not limited to, written instruments, voice or data recordings, or computer tapes, disks or files of any nature), including all copies of such materials and all documentation prepared or produced in connection therewith, pertaining to the performance of the Grantee’s services for the Company, the Business of the Company or of the Associated Companies, or containing Trade Secrets or Confidential Information of the

Company or pertaining to the Company's Business or the Associated Companies' business, whether made or compiled by the Grantee or furnished to the Grantee. Upon the request of the Company and, in any event, upon the termination of the Grantee's employment with the Company, the Grantee shall also deliver to the Company all computers, credit cards, telephones, office equipment, software, and other property the Company furnished to or in the possession of the Grantee.

8.9 Interpretation. The restrictions stated in this Section 8 are in addition to and not in lieu of protections afforded to trade secrets and confidential information under applicable law. Nothing in this Agreement is intended to or shall be interpreted as diminishing or otherwise limiting the Company's right under applicable law to protect its trade secrets and confidential information.

8.10 "Trade Secret" means information without regard to form, including but not limited to any technical or nontechnical data, formula, pattern, compilation, program, device, method, technique drawing, process, financial data, financial plan, product plan, list of actual or potential customers or suppliers or other information similar to any of the foregoing, which (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can derive economic value from its disclosure or use, and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

8.11 "Confidential Information" means any data or information, other than Trade Secrets, that is valuable to the Company (and/or its customers) and not generally known to the public or to competitors of the Company.

8.12 The Company shall own all Work Product. "Work Product" means all intellectual property rights including all Trade Secrets, registered and unregistered copyrights under U.S. and international law, copyrightable material or works, patents, patentable inventions, discoveries and improvements, and other intellectual property rights, in any technology software, data files documentation, or other work product or material that relates to the business and/or interests of the Company and that the Employee conceives, develops, creates or delivers (whether individually or working with others) to the Company at any time during the Employee's employment with the Company. All Work Product shall be considered work made for hire by the Grantee and owned by the Company. The Grantee hereby irrevocably relinquishes for the benefit of the Company and its assigns any moral rights in and to the Work Product recognized by applicable law.

8.13 If any of the Work Product may not, by operation of law, be considered work made for hire by the Grantee for the Company, or if ownership of all right, title, and interest in and to the intellectual property rights therein shall not otherwise vest exclusively in the Company, the Grantee hereby agrees to assign, and upon creation thereof automatically assigns, without further consideration, the ownership of all Trade Secrets, registered and unregistered copyrights under United States and international law, copyrightable material or works, patents, patentable inventions: and other intellectual property rights therein to the Company, its successors and assigns.

8.14 The Company, its successors and assigns, shall have the right to obtain and hold in its or their own name copyright registrations, trademark registrations, patents and any other protection available in the foregoing.

8.15 The Grantee agrees to perform, upon the reasonable request of the Company, during or after employment such further acts as may be necessary or desirable to transfer, perfect, and defend the Company's ownership of the Work Product, including but not limited to: (a) executing, acknowledging, and delivering any requested affidavits and documents of assignment and conveyance; (b) assisting in the preparation, prosecution, procurement, maintenance and enforcement of all copyrights and, if applicable,

patents with respect to the Work Product in any countries; (c) providing testimony in connection with any proceeding affecting the right, title, or interest of the Company in any Work Product; and (d) performing any other acts deemed necessary or desirable to carry out the purposes of this Agreement. The Company shall reimburse any reasonable out-of-pocket expenses incurred by the Grantee at the Company's request in connection with the foregoing, including (unless the Grantee is otherwise being compensated at the time) a reasonable and pre-agreed per diem or hourly fee for services rendered following termination of the Grantee's employment.

8.16 Miscellaneous.

(i) The Grantee acknowledges that the restrictions, prohibitions and other provisions in this Section 8 are reasonable, fair and equitable in scope, terms and duration, and are necessary to protect the legitimate business interests of the Company. The terms and provisions of this Section 8 are intended to be separate and divisible provisions and if, for any reason, any one or more of them is held to be invalid or unenforceable, neither the validity nor the enforceability of any other provision of this Agreement shall thereby be affected. It is the intention of the parties to this Agreement that the potential restrictions on the Grantee imposed by Section 8 be reasonable in scope and in all other respects. If for any reason any court of competent jurisdiction shall find any provisions of Section 8 unreasonable in scope or otherwise, the Grantee and the Company agree that the restrictions and prohibitions contained herein may be modified by a court of competent jurisdiction and shall be effective to the fullest extent allowed under Applicable Law in such jurisdiction. The Grantee agrees to disclose the existence of this Agreement to any subsequent employer.

(ii) The Grantee hereby agrees that any remedy at law for any breach or threatened breach of the provisions of Section 8 will be inadequate and that the Company will be entitled to injunctive relief in addition to any other remedy the Company might have under this Agreement. The Grantee hereby expressly acknowledges that the harm which might result to the Company's business as a result of any noncompliance by the Grantee with the provisions of this Section 8 would be largely irreparable. The parties agree that if the Company pursues legal action to enforce the terms and conditions of this Section 8 and obtains all or part of the relief sought, the Grantee shall be responsible for the reasonable attorney's fees and costs of the Company in bringing such action.

(iii) Notwithstanding any other provision of this Agreement or the Plan, the rights and obligations of the parties hereto, and any claims or disputes relating to this Section 8 shall be governed by and construed in accordance with the laws of the State of Georgia without giving effect to the principles of conflict of laws thereof. Each party agrees that any action arising out of or relating to this Section 8 shall be brought in the Superior Court of DeKalb County, Georgia or the United States District Court for the Northern District of Georgia, or if the action is brought by the Company and if Grantee resides in Georgia, the Superior Court of the Georgia county in which Grantee resides in Georgia if so required by law, and accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of those courts, and irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of *forum non conveniens*, which it may now or hereafter have to the bringing of any action in those jurisdictions.

(iv) For purposes of this Section 8, the term "Company" shall be deemed to include Williams Industrial Services Group Inc., its Subsidiaries and affiliates, and all of their respective successors and assigns.

9. No Employment Contract. Nothing contained in this Agreement shall confer upon the Grantee any right with respect to continuance of employment by the Company and its Subsidiaries, nor

limit or affect in any manner the right of the Company and its Subsidiaries to terminate the employment or adjust the compensation of the Grantee, in each case with or without Cause.

10. Relation to Other Benefits. Any economic or other benefit to the Grantee under this Agreement or the Plan shall not be taken into account in determining any benefits to which the Grantee may be entitled under any profit-sharing, retirement or other benefit or compensation plan maintained by the Company or a Subsidiary and shall not affect the amount of any life insurance coverage available to any beneficiary under any life insurance plan covering employees of the Company or a Subsidiary.

11. Taxes and Withholding. The Grantee is responsible for any federal, state, local or other taxes with respect to the Cash Award Amount. The Company does not guarantee any particular tax treatment or results in connection with the grant, vesting or payment of the Cash Award Amount. The Company and its Subsidiaries will have the right to deduct from any payment of the Cash Award Amount (or any other payment to the Grantee) any federal, state, local or other taxes which, in the opinion of the Company, are required to be withheld; provided that, to the extent the Company elects to pay the amount due hereunder in Shares, in no event shall the value of the Shares retained exceed the minimum amount of taxes required to be withheld or such other amount that will not result in a negative accounting impact.

12. Section 409A of the Code. It is intended that the Cash Award Amount provided pursuant to this Agreement shall be exempt from, or comply with, the requirements of Section 409A of the Code, and this Agreement shall be interpreted, administered and governed in accordance with such intent. To the extent necessary to give effect to such intent, the Grantee's termination of employment shall mean, for purposes of this Agreement, the Grantee's "separation from service" within the meaning of Section 409A of the Code. In particular, it is intended that the Cash Award Amount shall be exempt from Section 409A of the Code, to the maximum extent possible, pursuant to the "short-term deferral" exception thereto. However, to the extent that the Cash Award Amount constitute a deferral of compensation subject to the requirements of Section 409A of the Code (for example, because the Grantee's governing employment agreement defines "Good Reason" in a manner such that the Grantee's termination of employment for Good Reason would not be treated as an involuntary separation from service for purposes of Section 409A of the Code), then the following rules shall apply, notwithstanding any other provision of this Agreement to the contrary:

(a) The Company will deliver the cash or Shares underlying the Cash Award Amount that becomes vested in accordance with Section 2(b) or 2(c) of this Agreement within thirty (30) days after the first to occur of (i) the applicable Vesting Date; (ii) the occurrence of a Change in Control that is also a "change in the ownership," a "change in the effective control," or a "change in the ownership of a substantial portion of the assets" of the Company within the meaning of Section 409A of the Code; or (iii) the Grantee's "separation from service" within the meaning of Section 409A of the Code; and

(b) If the Cash Award Amount becomes payable as a result of the Grantee's separation from service (other than as a result of the Grantee's death) and the Grantee is a "specified employee" at that time within the meaning of Section 409A of the Code (as determined pursuant to the Company's policy for identifying specified employees), the Company will deliver the cash or Shares underlying the vested Cash Award Amount to the Grantee on the first business day that is at least six months after the date of the Grantee's separation from service (or upon the Grantee's death if the Grantee dies before the end of that six-month period).

13. Amendments. Subject to the terms of the Plan, the Committee may modify this Agreement upon written notice to the Grantee. Any amendment to the Plan shall be deemed to be an amendment to this Agreement to the extent that the amendment is applicable hereto. Notwithstanding the foregoing, no amendment of the Plan or this Agreement shall adversely affect in a material way the rights

of the Grantee under this Agreement without the Grantee's consent unless the Committee determines, in good faith, that such amendment is required for the Agreement to either be exempt from the application of, or comply with, the requirements of Section 409A of the Code, or as otherwise may be provided in the Plan.

14. Severability. In the event that one or more of the provisions of this Agreement shall be invalidated for any reason by a court of competent jurisdiction, any provision so invalidated shall be deemed to be separable from the other provisions hereof, and the remaining provisions hereof shall continue to be valid and fully enforceable.

15. Relation to Plan. This Agreement is subject to the terms and conditions of the Plan. Except with respect to the provisions of the Restrictive Covenants Agreement and of any separately executed covenant not to compete with the Company expressly referenced herein, this Agreement and the Plan contain the entire agreement and understanding of the parties with respect to the subject matter contained in this Agreement, and supersede all prior written or oral communications, representations and negotiations in respect thereto. Except as otherwise provided in Section 8 hereof, in the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern. The Committee acting pursuant to the Plan, as constituted from time to time, shall, except as expressly provided otherwise herein, have the right to determine any questions that arise in connection with the grant of this award.

16. Successors and Assigns. Without limiting Section 5, the provisions of this Agreement shall inure to the benefit of, and be binding upon, the successors, administrators, heirs, legal representatives and assigns of the Grantee, and the successors and assigns of the Company.

17. Governing Law. Except as otherwise provided in Section 8 hereof, the interpretation, performance, and enforcement of this Agreement shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof.

18. Use of Grantee's Information. Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Company and its Subsidiaries and by third-party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

19. Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to the Director of Financial Reporting of the Company, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Date of Grant.

WILLIAMS INDUSTRIAL SERVICES GROUP INC.

By: _____
Name: Tracy D. Pagliara
Title: President and Chief Executive Officer

By executing this Agreement, you acknowledge that a copy of the Plan, Plan Summary and Prospectus, and the Company's most recent Annual Report and Proxy Statement (the "Prospectus Information") either have been received by you or are available for viewing on the Company's intranet site, and you consent to receiving this Prospectus Information electronically, or, in the alternative, agree to contact Korey Daniel, CPA, Director of Financial Reporting, at 770.879.4405, to request a paper copy of the Prospectus Information at no charge.

GRANTEE

[•]

Williams Industrial Services Group Inc.

Restricted Shares Award Agreement

Notice of Restricted Shares Award

Williams Industrial Services Group Inc. (the "Company") grants to the Grantee named below, in accordance with the terms and conditions of the Williams Industrial Services Group Inc. 2015 Equity Incentive Plan (the "Plan") and this Restricted Shares Award Agreement (the "Agreement"), the following number of restricted shares (the "Restricted Shares"), as of the Date of Grant set forth below (the "Date of Grant"). Capitalized terms used in this Agreement without definition shall have the meanings assigned to them in the Plan.

Name of Grantee:	[•]
Date of Grant:	February 4, 2021
Number of Restricted Shares:	[•]
Vesting Date:	February 4, 2022

Terms of Agreement:

1. Grant of Restricted Shares. Subject to and upon the terms, conditions and restrictions set forth in this Agreement and in the Plan, and in consideration of past services which have a value in excess of the par value of the Restricted Shares, the Company hereby grants to the Grantee as of the Date of Grant the total number of Restricted Shares set forth above. Any certificates evidencing the Restricted Shares will be held in custody by the Company together with a stock power endorsed in blank by the Grantee with respect thereto, until the Restricted Shares have become vested in accordance with Section 2.

2. Vesting. The Restricted Shares granted under this Agreement shall vest on the Vesting Date set forth above, subject to the Grantee continuing to serve as a member of the Board through the Vesting Date. Notwithstanding anything herein to the contrary, upon the death or Disability of the Grantee prior to the Vesting Date, a pro-rated number of Restricted Shares shall become vested based on the number of days that the Grantee served on the Board during the vesting period. For purposes of this Agreement, "Disability" shall have the meaning set forth in the Company's long term disability plan. Upon a Change in Control, the provisions of Section 21 of the Plan shall apply.

3. Forfeiture of Restricted Shares. The Restricted Shares that have not yet vested pursuant to Section 2 (and any right to unpaid dividends under Section 5 with respect to the Restricted Shares) shall be forfeited automatically without further action or notice if the Grantee ceases to serve as a member of the Board prior to the Vesting Date, except as otherwise provided in Section 2.

4. Nontransferability. Prior to the Vesting Date, the Restricted Shares granted pursuant to this Agreement may not be transferred, assigned, pledged or hypothecated in any

manner, or be subject to execution, attachment or similar process, by operation of law or otherwise, unless otherwise provided under the Plan. Any purported transfer or encumbrance in violation of the provisions of this Section 4 shall be void, and the other party to any such purported transaction shall not obtain any rights to or interest in the Restricted Shares.

5. Dividend, Voting and Other Rights. Except as otherwise provided herein, from and after the Date of Grant, the Grantee shall have all of the rights of a stockholder with respect to the Restricted Shares, including the right to vote the Restricted Shares. Notwithstanding the foregoing, the payment of dividends or distributions on the Restricted Shares shall be subject to the following rules:

(a) Cash Dividends. Any cash dividends or distributions paid with respect to Restricted Shares that have not yet vested will be subject to the same restrictions on transferability and the possibility of forfeiture to the Company as the Restricted Shares to which the cash dividends or distributions relate. To facilitate the enforcement of this provision, any such cash dividends or distributions paid with respect to unvested Restricted Shares will be held by the Company or its agent designated for that purpose until such time as the Restricted Shares to which the cash dividends or distributions relate become vested or are forfeited. To the extent that the Restricted Shares become vested in accordance with Section 2 hereof, the cash dividends or distributions with respect thereto will be paid or transferred to the Grantee (without interest) within 30 calendar days after the date that the Restricted Shares become vested. To the extent the Restricted Shares are forfeited in accordance with Section 3 hereof, all of the Grantee's right, title and interest in and to such cash dividends or distributions with respect thereto will automatically be forfeited by the Grantee and transferred to the Company. The Grantee agrees to take any and all other actions (including without limitation executing, delivering, performing and filing such other agreements, instruments and documents) as the Company may deem necessary or appropriate to carry out and give effect to this Section 5(a). The obligations of the Company under this Section 5(a) will be merely that of an unfunded and unsecured promise of the Company to deliver cash in the future, subject to the terms and conditions herein, and the rights of the Grantee to such cash payment will be no greater than that of an unsecured general creditor. Any cash paid to the Grantee pursuant to this Section 5(a) shall be reported on the Grantee's Form 1099-NEC as compensation income for services as a director.

(b) In-Kind Distributions. Any additional Shares or other securities that the Grantee may become entitled to receive pursuant to a stock dividend, stock split, combination of shares, recapitalization, merger, consolidation, separation or reorganization or any other change in the capital structure of the Company shall be considered Restricted Shares and shall be subject to the same restrictions as the Restricted Shares covered by this Agreement.

6. Compliance with Laws.

(a) Taxes. The Grantee shall be liable and responsible for all taxes owed in connection with the Restricted Shares, including the awarding and vesting thereof. The Company does not commit and is under no obligation to structure the Restricted Shares to reduce or eliminate the Grantee's tax liability.

(b) Securities Law Compliance. The Company shall make reasonable efforts to comply with all applicable federal and state securities laws and listing requirements with respect to the Restricted Shares.

(c) General. No Restricted Shares shall be delivered unless and until the Company is satisfied, in its sole discretion, that there has been compliance with all legal requirements applicable to the issuance of such Restricted Shares.

7. Miscellaneous.

(a) Discretion of the Board. Unless otherwise explicitly provided herein, the Board, or an authorized committee thereof, shall make all determinations required to be made hereunder, including determinations required to be made by the Company, and shall interpret all provisions of this Agreement and the underlying Restricted Shares, as it deems necessary or desirable, in its sole and unfettered discretion. Such determinations and interpretations shall be binding and conclusive with respect to the Company, the Grantee and any person claiming an interest in the Restricted Shares under or through the Grantee.

(b) No Right to Reelection. Nothing contained in this Agreement shall confer upon the Grantee any right to be nominated for reelection by the Company's stockholders, or any right to remain a member of the Board for any period of time, or at any particular rate of compensation.

(c) Amendment. This Agreement may only be modified or amended by a writing signed by both parties.

(d) Notices. Any notices required to be given under this Agreement shall be sufficient if in writing and if sent by certified mail, return receipt requested, and addressed as follows:

if to the Company:

Williams Industrial Services Group Inc.
Attention: General Counsel
100 Crescent Centre Parkway, Suite 1240
Tucker, GA 30084

if to the Grantee: the address of the Grantee most recently provided to the Company, or to such other address as either party may designate under the provisions hereof.

(e) Relation to Plan; Entire Agreement. This Agreement is subject to the terms and conditions of the Plan. This Agreement and the Plan contain the entire agreement and understanding of the parties with respect to the subject matter contained in this Agreement, and supersede all prior written or oral communications, representations and negotiations in respect thereto. In the event of any inconsistency between the provisions of this Agreement and the Plan, the Plan shall govern.

(f) Successors and Assigns. The rights and obligations of the Company under this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Company.

(g) Applicable Law; Severability. All rights and obligations under this Agreement shall be governed by the laws of the State of Delaware, without giving effect to the principles of conflict of laws thereof. In the event that any court of competent jurisdiction shall determine that any provision, or any portion thereof, contained in this Agreement shall be unenforceable in any respect, then such provision shall be deemed limited to the extent that such court deems it enforceable, and as so limited shall remain in full force and effect. In the event that such court shall deem any such provision, or portion thereof, wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

(h) Paragraph Headings; Rules of Construction. The paragraph headings used in this Agreement are for convenience of reference, and are not to be construed as part of this Agreement. The parties hereto acknowledge and agree that the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement.

(i) Use of Grantee's Information. Information about the Grantee and the Grantee's participation in the Plan may be collected, recorded and held, used and disclosed for any purpose related to the administration of the Plan. The Grantee understands that such processing of this information may need to be carried out by the Company and its Subsidiaries and by third party administrators whether such persons are located within the Grantee's country or elsewhere, including the United States of America. The Grantee consents to the processing of information relating to the Grantee and the Grantee's participation in the Plan in any one or more of the ways referred to above.

(j) Electronic Delivery. The Grantee hereby consents and agrees to electronic delivery of any documents that the Company may elect to deliver (including, but not limited to, prospectuses, prospectus supplements, grant or award notifications and agreements, account statements, annual and quarterly reports, and all other forms of communications) in connection with this and any other award made or offered under the Plan. The Grantee understands that, unless earlier revoked by the Grantee by giving written notice to Corey Daniel, Director Financial Reporting, this consent shall be effective for the duration of the Agreement. The Grantee also understands that he or she shall have the right at any time to request that the Company deliver written copies of any and all materials referred to above at no charge. The Grantee hereby consents to any and all procedures the Company has established or may establish for an electronic signature system for delivery and acceptance of any such documents that the Company may elect to deliver, and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. The Grantee consents and agrees that any such procedures and delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan.

(k) No Waiver of Rights, Powers and Remedies. No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of the party, unless explicitly provided for herein. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder.

(1) Counterparts. This Agreement may be executed in multiple counterparts, including by electronic or facsimile signature, each of which shall be deemed in original but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Date of Grant.

WILLIAMS INDUSTRIAL SERVICES GROUP INC.

By: _____
Tracy Pagliara
President and Chief Executive Officer

By executing this Agreement, you acknowledge that a copy of the Plan, Plan Summary and Prospectus, and the Company's most recent Annual Report and Proxy Statement (the "Prospectus Information") have been received by you, and you consent to receiving this Prospectus Information electronically, or, in the alternative, agree to contact Korey Daniel, Director of Financial Reporting at 770.879.4405, to request a paper copy of the Prospectus Information at no charge.

GRANTEE

[•]

Date: _____

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Tracy D. Pagliara, certify that:

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

Date: May 19, 2021

By: /s/ Tracy D. Pagliara

Tracy D. Pagliara
President and Chief Executive Officer

**CERTIFICATION PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Randall R. Lay, certify that:

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

Date: May 19, 2021

By: /s/ Randall R. Lay

Randall R. Lay
Senior Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Tracy D. Pagliara, the President and Chief Executive Officer of Williams Industrial Services Group Inc. (the "**Company**"), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2021 (the "**Report**") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 19, 2021

By: /s/ Tracy D. Pagliara

Tracy D. Pagliara
President and Chief Executive Officer

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002**

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Randall R. Lay, the Senior Vice President and Chief Financial Officer of Williams Industrial Services Group Inc. (the “**Company**”), hereby certify, that, to my knowledge:

1. The Quarterly Report on Form 10-Q for the period ended March 31, 2021 (the “**Report**”) of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 19, 2021

By: /s/ Randall R. Lay

Randall R. Lay

Senior Vice President and Chief Financial Officer

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.
