scansource

Fiscal First Quarter

2026 Earnings

"Our team delivered double-digit EPS growth and strong free cash flow in the first quarter. With our new three-year strategic goals as our guide, we are executing our strategic plan."

Mike Baur
Chair and CEO, ScanSource, Inc.

Key Highlights

- **Reaffirmed FY26 Annual Outlook, Executing Strategic Plan**
- **Higher Margins and Recurring Revenue Growth**
- **Strong Adjusted ROIC and Free Cash Flow Conversion**

Gross Profit Growing Faster Than Sales

Consolidated	Specialty Technology Solutions Segment	Intelisys & Advisory Segment
Net Sales -5% Y/Y $740M	**STS, Net Sales** -5% Y/Y $715M	**I&A, Net Sales** +4% Y/Y $24M
Gross Profit +6% Y/Y $107M, 14.5% margin	**STS, Gross Profit** +7% Y/Y $84M, 11.7% margin	**I&A, Gross Profit** +2% Y/Y $24M, 97.4% margin

First Quarter Operating Metrics

$0.89 per share
GAAP Diluted EPS
+29% Y/Y

$38.6M, +8% Y/Y
Adjusted EBITDA*
5.22%
Adjusted EBITDA Margin*

$23M QTR
Operating Cash Flow
$21M QTR
Free Cash Flow*

$1.06 per share
Non-GAAP Diluted EPS*
+26% Y/Y

0.1x
Net Debt* to
TTM Adjusted EBITDA*

14.6%
Adjusted ROIC*
$21M in share repurchases

Fiscal Year 2026 Annual Outlook as of November 6, 2025

Net Sales
$3.1 billion to $3.3 billion

Adjusted EBITDA*
$150 million to $160 million

Free Cash Flow*
At least $80 million

New 3-Year Strategic Goals

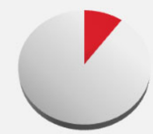
Gross Profit Growth CAGR	Recurring Revenue GP as % Gross Profit	Adjusted EBITDA Margin*	Free Cash Flow Conversion as % Non-GAAP Net Income*	Adjusted ROIC*
5%-7%	Build to 50%	~6%	Consistent 80%+ annual basis	Mid-Teens

* Non-GAAP measure

For further financial data, non-GAAP financial disclosures and cautionary language regarding forward-looking statements, please refer to the following pages and ScanSource's first quarter fiscal year 2026 news release issued on November 6, 2025, which accompanies this presentation and is available at www.scansource.com in the Investor Relations section [click here].

Specialty Technology Solutions:

Key Technologies and Growth Drivers

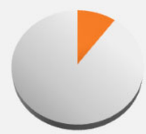
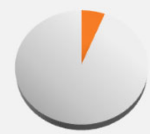
	Mobility and Barcode	Networking	Communications	Physical Security	POS, Payment Terminals
% of Sales*					
Market Growth**	Mid Single-Digit ▲▲	Mid Single-Digit ▲▲	Low Single-Digit ▲	Upper Single-Digit ▲▲▲	Low Single-Digit ▲
Growth Drivers	- Automation & worker productivity - Digitizing workflows - Asset visibility	- Connected devices - AI smart networking - Enhanced network security	- Cloud growth & shift to subscriptions - Remote/hybrid work - Integrated platforms	- Video surveillance - Advances in AI, high-res imaging - Cloud security	- Customer experience - Self-service - Omni-channel commerce

* Reflects estimated mix of FY25 gross sales for the United States/Canada business. The geographic mix for FY25 STS net sales is approximately 92% for United States/Canada and 8% for Brazil.

** Management estimates

Intelisys & Advisory Segment:

Key Technologies and Growth Drivers

	Connectivity & SDN	CX (UCaaS/CCaaS)	Cloud/Data Center	Security	Wireless & IoT
% of Net Billings*					
Market Growth**	Low Single-Digit ▲	~10%+ ▲▲▲	~10%+ ▲▲▲	~10%+ ▲▲▲	~10%+ ▲▲▲
Growth Drivers	- Demand for high-bandwidth / low latency - 5G rollouts & IoT - Automation	- AI, automation & analytics - Collaborative tools for mobile workforce	- Digital transformation - Adoption of AI and machine learning - Edge computing	- Advanced cybersecurity - Managed services - Cloud adoption	- 5G, hybrid & private cellular networks - Rapid expansion of applications & connected devices

* Reflects estimated mix of FY25 net billings for Intelisys. Intelisys represents approximately 87% of Intelisys & Advisory segment FY25 net sales.
** Management estimates.

Forward-Looking Statements

This Earnings Infographic and supporting materials contain “forward-looking” statements, including ScanSource's FY26 annual outlook and mid-term goals, which involve risks and uncertainties, many of which are beyond ScanSource’s control. No undue reliance should be placed on such statements, as any number of factors could cause actual results to differ materially from anticipated or forecasted results, including, but not limited to, the following factors, which are neither presented in order of importance nor weighted: macroeconomic conditions, including potential prolonged economic weakness, inflation, tariffs and changes in trade policy, the failure to manage and implement ScanSource's growth strategy, the ability for ScanSource to realize the synergies or other benefits from acquisitions, credit risks involving ScanSource's larger channel sales partners and suppliers, changes in interest and exchange rates and regulatory regimes impacting ScanSource's international operations, including new or increased tariffs, risk to the business from a cyberattack, a failure of IT systems, failure to hire and retain quality employees, loss of ScanSource's major channel sales partners, relationships with key suppliers and channel sales partners or a termination or a modification of the terms under which it operates with these key suppliers and channel sales partners, changes in ScanSource's operating strategy, and other factors set forth in the "Risk Factors" contained in ScanSource's annual report on Form 10-K for the year ended June 30, 2025, and subsequent reports on Form 10-Q, filed with the Securities and Exchange Commission. Except as may be required by law, ScanSource expressly disclaims any obligation to update these forward-looking statements to reflect events or circumstances after the date of this Earnings Infographic or otherwise.

Non-GAAP Financial Information

In addition to disclosing results that are determined in accordance with United States Generally Accepted Accounting Principles (“GAAP”), ScanSource also discloses certain non-GAAP measures, including non-GAAP SG&A expenses, non-GAAP operating income, non-GAAP operating income margin, non-GAAP pre-tax income, non-GAAP net income, non-GAAP diluted EPS, adjusted EBITDA, adjusted EBITDA margin, net debt, adjusted ROIC, free cash flow and net sales in constant currency excluding acquisitions and divestitures (organic growth). A reconciliation of the Company's non-GAAP financial information to GAAP financial information is provided in the following supporting materials and in the Company’s Form 8-K, filed with the SEC, with the quarterly earnings press release for the period indicated. Please see the “Non-GAAP Financial Information” section in the quarterly earnings press release for additional description of ScanSource’s non-GAAP measures.

ScanSource discloses forward-looking information that is not presented in accordance with GAAP with respect to adjusted EBITDA, adjusted EBITDA margin, adjusted ROIC, and free cash flow. ScanSource believes that a quantitative reconciliation of such forward-looking information to the most directly comparable GAAP financial measure cannot be made without unreasonable efforts, because a reconciliation of these non-GAAP financial measures would require an estimate of future non-operating items such as acquisitions and divestitures, restructuring costs, impairment charges and other unusual or non-recurring items. Neither the timing nor likelihood of these events, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, a reconciliation of such forward-looking information to the most directly comparable GAAP financial measure is not provided.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Consolidated, 5-Quarter Financial Summary

($ in thousands, except per share data)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q/Q	Y/Y
Select reported GAAP measures:							
Net sales	$ 739,650	$ 812,886	$ 704,847	$ 747,497	$ 775,580	(9)%	(5)%
Gross profit	$ 107,473	$ 105,102	$ 100,202	$ 101,723	$ 101,619	2%	6%
Gross profit margin %	*14.5 %*	*12.9 %*	*14.2 %*	*13.6 %*	*13.1 %*	*160 bp*	*143 bp*
SG&A expenses	$ 75,275	$ 71,610	$ 69,698	$ 73,920	$ 71,706	5%	5%
Operating income	$ 25,903	$ 26,787	$ 22,339	$ 18,444	$ 17,630	*(3)%*	*47%*
Operating income margin %	*3.50 %*	*3.30 %*	*3.17 %*	*2.47 %*	*2.27 %*	*21 bp*	*123 bp*
Net income	$ 19,878	$ 20,089	$ 17,431	$ 17,053	$ 16,974	*(1)%*	*17%*
Diluted EPS	$ 0.89	$ 0.88	$ 0.74	$ 0.70	$ 0.69	*1%*	*29%*
Select reported non-GAAP measures:							
Non-GAAP operating income	$ 30,911	$ 31,288	$ 26,639	$ 25,911	$ 27,509	(1)%	12%
Non-GAAP operating income margin %	*4.18 %*	*3.85 %*	*3.78 %*	*3.47 %*	*3.55 %*	*33 bp*	*63 bp*
Non-GAAP net income	$ 23,685	$ 23,322	$ 20,298	$ 20,698	$ 20,823	2%	14%
Non-GAAP diluted EPS	$ 1.06	$ 1.02	$ 0.86	$ 0.85	$ 0.84	4%	26%
Adjusted EBITDA (non-GAAP)	$ 38,590	$ 38,639	$ 35,053	$ 35,299	$ 35,666	—%	8%
Adjusted EBITDA margin % (non-GAAP)	*5.22 %*	*4.75 %*	*4.97 %*	*4.72 %*	*4.60 %*	*46 bp*	*62 bp*
Adjusted ROIC (non-GAAP)	14.6 %	14.9 %	13.6 %	13.3 %	13.3 %	(30) bp	130 bp
Operating cash flow (QTR)	$ 23,211	$ 7,644	$ 66,058	$ (6,190)	$ 44,830		
Less: Capital expenditures (QTR)	$ (2,395)	$ (2,517)	$ (1,420)	$ (1,974)	$ (2,375)		
Free cash flow (QTR) (Non-GAAP)	$ 20,816	$ 5,127	$ 64,638	$ (8,164)	$ 42,455		
Operating cash flow (TTM)	$ 90,723	$ 112,342	$ 159,436	$ 253,530	$ 322,944		
Less: Capital expenditures (TTM)	$ (8,306)	$ (8,286)	$ (7,039)	$ (8,039)	$ (8,614)		
Free cash flow (TTM) (Non-GAAP)	$ 82,417	$ 104,056	$ 152,397	$ 245,491	$ 314,330		

Note: Margin % reflects measure as a percentage of net sales.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Specialty Technology Solutions, 5-Quarter Financial Summary

($ in thousands)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q/Q	Y/Y
Net sales	$ 715,447	$ 788,708	$ 678,433	$ 723,277	$ 752,299	(9)%	(5)%
Gross profit	$ 83,903	$ 81,187	$ 73,994	$ 77,764	$ 78,457	3%	7%
Gross profit margin %	*11.7 %*	*10.3 %*	*10.9 %*	*10.8 %*	*10.4 %*	*143 bp*	*130 bp*
GAAP operating income	$ 20,375	$ 20,937	$ 14,294	$ 14,077	$ 16,738	(3)%	22%
GAAP operating income margin %	*2.85 %*	*2.65 %*	*2.11 %*	*1.95 %*	*2.22 %*	*19 bp*	*62 bp*
Add: Intangible amortization expense	$ 2,216	$ 2,739	$ 2,753	$ 2,741	$ 2,276		
Add: Change in fair value	$ 145	$ (1,407)	$ 94	$ 473	$ —		
Add: Tax recovery[a]	$ —	$ (470)	$ (1,820)	$ (750)	$ —		
Non-GAAP operating income	$ 22,736	$ 21,799	$ 15,321	$ 16,541	$ 19,014	*4%*	*20%*
Non-GAAP operating income margin %	*3.18 %*	*2.76 %*	*2.26 %*	*2.29 %*	*2.53 %*	*41 bp*	*65 bp*

Reconciliation of Operating Income to Adjusted EBITDA	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q/Q	Y/Y
GAAP operating income	$ 20,375	$ 20,937	$ 14,294	$ 14,077	$ 16,738	(3)%	22%
Plus:							
Depreciation expense	1,753	2,134	2,511	3,095	3,069		
Intangible amortization expense	2,216	2,739	2,753	2,741	2,276		
Interest income	2,926	2,744	2,598	2,430	2,457		
Other income/(expense), net	(186)	(491)	124	482	(75)		
EBITDA (non-GAAP)	27,084	28,063	22,280	22,825	24,465	(3)%	11%
Adjustments:							
Share-based compensation expense	2,551	2,419	2,664	2,787	2,286	5%	12%
Change in fair value	145	(1,407)	94	473	—		
Tax recovery[a]	—	(470)	(1,820)	(750)	—		
Adjusted EBITDA (non-GAAP)	$ 29,780	$ 28,605	$ 23,218	$ 25,335	$ 26,751	*4%*	*11%*
Adjusted EBITDA margin % (non-GAAP)	*4.16 %*	*3.63 %*	*3.42 %*	*3.50 %*	*3.56 %*	*54 bp*	*61 bp*

[a] *Recovery of prior period indirect taxes in Brazil*

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Intelisys & Advisory, 5-Quarter Financial Summary

($ in thousands)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q/Q	Y/Y
Net sales	$ 24,203	$ 24,178	$ 26,414	$ 24,220	$ 23,281	—%	4%
Gross profit	$ 23,570	$ 23,915	$ 26,208	$ 23,959	$ 23,162	(1)%	2%
Gross profit margin %	*97.4 %*	*98.9 %*	*99.2 %*	*98.9 %*	*99.5 %*	*(150) bp*	*(210) bp*
GAAP operating income	$ 5,818	$ 6,041	$ 8,320	$ 6,440	$ 6,413	(4)%	(9)%
GAAP operating income margin %	24.04 %	24.99 %	31.50 %	26.59 %	27.55 %	*(95) bp*	*(351) bp*
Add: Intangible amortization expense	$ 2,188	$ 2,188	$ 2,188	$ 2,260	$ 2,082		
Add: Change in fair value	$ 169	$ 1,260	$ 810	$ 670	$ —		
Non-GAAP operating income	$ 8,175	$ 9,489	$ 11,318	$ 9,370	$ 8,495	(14)%	(4)%
Non-GAAP operating income margin %	*33.78 %*	*39.25 %*	*42.85 %*	*38.69 %*	*36.49 %*	*(547) bp*	*(271) bp*
Reconciliation of Operating Income to Adjusted EBITDA							
GAAP operating income	$ 5,818	$ 6,041	$ 8,320	$ 6,440	$ 6,413	(4)%	(9)%
Plus:							
Depreciation expense	42	40	39	36	43		
Intangible amortization expense	2,188	2,188	2,188	2,260	2,082		
Interest income	255	310	244	263	202		
Other income/(expense), net	13	(59)	1	61	(10)		
EBITDA (non-GAAP)	8,316	8,520	10,792	9,060	8,730	(2)%	(5)%
Adjustments:							
Share-based compensation expense	325	254	233	234	185		
Change in fair value	169	1,260	810	670	—		
Adjusted EBITDA (non-GAAP)	$ 8,810	$ 10,034	$ 11,835	$ 9,964	$ 8,915	(12)%	(1)%
Adjusted EBITDA margin % (non-GAAP)	*36.40 %*	*41.50 %*	*44.81 %*	*41.14 %*	*38.29 %*	*(510) bp*	*(189) bp*

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Net Sales, Constant Currency Excluding Acquisitions and Divestitures (Organic Growth) - QTR

($ in thousands)

Net Sales by Segment:

	Q1 FY26	Q1 FY25	% Change
Specialty Technology Solutions:			
Net sales, as reported	$ 715,447	$ 752,299	(4.9)%
Foreign exchange impact [a]	(1,085)	—	
Less: Acquisitions	(7,171)	(3,512)	
Non-GAAP net sales	$ 707,191	$ 748,787	(5.6)%
Intelisys & Advisory:			
Net sales, as reported	$ 24,203	$ 23,281	4.0 %
Foreign exchange impact [a]	(3)	—	
Less: Acquisitions	(1,336)	(577)	
Non-GAAP net sales	$ 22,864	$ 22,704	0.7 %
Consolidated:			
Net sales, as reported	$ 739,650	$ 775,580	(4.6)%
Foreign exchange impact [a]	(1,088)	—	
Less: Acquisitions	(8,507)	(4,089)	
Non-GAAP net sales	$ 730,055	$ 771,491	(5.4)%

Net Sales by Geography:

	Q1 FY26	Q1 FY25	% Change
United States:			
Net sales, as reported [b]	$ 682,217	$ 712,019	(4.2)%
Less: Acquisitions	(8,507)	(4,089)	
Non-GAAP net sales	$ 673,710	$ 707,930	(4.8)%
Brazil:			
Net sales, as reported [c]	$ 57,433	$ 63,561	(9.6)%
Foreign exchange impact [a]	(1,088)	—	
Non-GAAP net sales	$ 56,345	$ 63,561	(11.4)%
Consolidated:			
Net sales, as reported	$ 739,650	$ 775,580	(4.6)%
Foreign exchange impact [a]	(1,088)	—	
Less: Acquisitions	(8,507)	(4,089)	
Non-GAAP net sales	$ 730,055	$ 771,491	(5.4)%

[a] Year-over-year sales growth excluding the translation impact of changes in foreign currency rates. Calculated by translating net sales for the quarter ended September 30, 2025 into U.S. dollars using the weighted-average foreign exchange rates for the quarter ended September 30, 2024.

[b] Includes net sales in Canada that are supported by U.S. operations and represent less than 5.0% of United States net sales for the quarters ended September 30, 2025 and 2024.

[c] Includes net sales from outside of the United States, Canada and Brazil, which represent less than 0.2% of Brazil net sales for the quarters ended September 30, 2025 and 2024.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Recurring Revenue Gross Profit as a % of Gross Profit - QTR

($ in thousands)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q/Q	Y/Y
Net sales by product/services:							
Products and services	$ 702,984	$ 776,349	$ 665,650	$ 711,494	$ 741,618	(9.5)%	(5.2)%
Recurring revenue [(a)]	36,666	36,537	39,197	36,003	33,962	0.4 %	8.0 %
Consolidated	$ 739,650	$ 812,886	$ 704,847	$ 747,497	$ 775,580	(9.0)%	(4.6)%
Recurring revenue by segment:							
Specialty Technology Solutions	$ 13,816	$ 12,341	$ 14,187	$ 12,491	$ 11,655	12.0 %	18.5 %
Intelisys & Advisory	22,850	24,196	25,010	23,512	22,307	(5.6)%	2.4 %
Consolidated	$ 36,666	$ 36,537	$ 39,197	$ 36,003	$ 33,962	0.4 %	8.0 %
Recurring revenue gross profit by segment:							
Specialty Technology Solutions	$ 11,232	$ 8,979	$ 10,717	$ 9,260	$ 10,082	25.1 %	11.4 %
Intelisys & Advisory	22,850	24,196	25,010	23,512	22,307	(5.6)%	2.4 %
Consolidated	$ 34,082	$ 33,175	$ 35,727	$ 32,772	$ 32,389	2.7 %	5.2 %
Gross profit by segment:							
Specialty Technology Solutions	$ 83,903	$ 81,187	$ 73,994	$ 77,764	$ 78,457	3.3 %	6.9 %
Intelisys & Advisory	23,570	23,915	26,208	23,959	23,162	(1.4)%	1.8 %
Consolidated	$ 107,473	$ 105,102	$ 100,202	$ 101,723	$ 101,619	2.3 %	5.8 %
Recurring revenue gross profit as % of gross profit:							
Specialty Technology Solutions	13.4 %	11.1 %	14.5 %	11.9 %	12.9 %		
Intelisys & Advisory	96.9 %	101.2 %	95.4 %	98.1 %	96.3 %		
Consolidated	31.7 %	31.6 %	35.7 %	32.2 %	31.9 %		

[(a)] Recurring revenue represents primarily agency commissions, managed connectivity, SaaS, subscription, and hardware rentals.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Average Adjusted Return on Invested Capital - QTR

($ in thousands)	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25
Reconciliation of Net Income to Adjusted EBITDA					
Net income - GAAP	$ 19,878	$ 20,089	$ 17,431	$ 17,053	$ 16,974
Plus:					
Interest expense	1,914	2,099	1,836	1,970	2,109
Income taxes	7,118	7,408	6,795	2,657	5,988
Depreciation and amortization	6,200	7,101	7,492	8,132	7,471
EBITDA (non-GAAP)	35,110	36,697	33,554	29,812	32,542
Adjustments:					
Change in fair value of contingent consideration	314	(147)	904	1,143	—
Share-based compensation	2,876	2,673	2,896	3,021	2,471
Tax recovery [(a)]	—	(470)	(1,820)	(750)	—
Acquisition and divestiture costs	261	191	204	151	377
Restructuring costs	—	—	—	313	5,068
Cyberattack restoration costs	29	—	71	30	76
Insurance recovery, net of payments	—	(305)	(756)	—	(4,868)
Legal settlement	—	—	—	1,579	—
Adjusted EBITDA (numerator for Adjusted ROIC) (non-GAAP)	**$ 38,590**	**$ 38,639**	**$ 35,053**	**$ 35,299**	**$ 35,666**
Invested Capital Calculation					
Equity - beginning of quarter	$ 906,393	$ 901,746	$ 900,662	$ 920,893	$ 924,254
Equity - end of quarter	914,032	906,393	901,746	900,662	920,893
Adjustments:					
Change in fair value of contingent consideration, net	236	(110)	681	861	—
Share-based compensation, net	2,152	2,007	2,176	2,271	1,856
Tax recovery, net	—	(310)	(1,201)	(2,560)	—
Acquisition and divestiture costs	261	191	204	151	377
Restructuring costs, net	—	—	—	236	3,818
Cyberattack restoration costs, net	21	—	54	23	57
Insurance recovery, net	—	(229)	(570)	—	(3,667)
Legal settlement, net	—	—	—	1,189	—
Average equity	911,548	904,844	901,876	911,863	923,794
Average funded debt [(b)]	137,113	138,270	140,207	142,143	144,020
Invested capital (denominator for Adjusted ROIC) (non-GAAP)	**$ 1,048,661**	**$ 1,043,114**	**$ 1,042,083**	**$ 1,054,006**	**$ 1,067,814**
Adjusted return on invested capital (ROIC), annualized [(c)]	**14.6 %**	**14.9 %**	**13.6 %**	**13.3 %**	**13.3 %**

(a) Recovery of prior period indirect taxes in Brazil.

(b) Average funded debt is calculated as the daily average amounts outstanding on our short-term and long-term interest-bearing debt.

(c) Calculated as net income plus interest expense, income taxes, depreciation and amortization (EBITDA) with other non-GAAP adjustments (Adjusted EBITDA), annualized, divided by invested capital for the period. The annualized Adjusted EBITDA amount is divided by days in the quarter times 365 days per year, or 366 days for a leap year.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Net Debt and Adjusted EBITDA Metrics

($ in thousands)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25
Consolidated debt (Q/E)	$ 133,913	$ 136,149	$ 138,024	$ 139,899	$ 143,649
Less:					
Cash and cash equivalents of continuing operations (Q/E)	(124,924)	(126,157)	(146,287)	(110,520)	(145,044)
Net debt (Q/E) (non-GAAP)	**$ 8,989**	**$ 9,992**	**$ (8,263)**	**$ 29,379**	**$ (1,395)**
Reconciliation of Net Income to Adjusted EBITDA					
Net income - GAAP	$ 19,878	$ 20,089	$ 17,431	$ 17,053	$ 16,974
Plus:					
Interest expense	1,914	2,099	1,836	1,970	2,109
Income taxes	7,118	7,408	6,795	2,657	5,988
Depreciation and amortization	6,200	7,101	7,492	8,132	7,471
EBITDA (non-GAAP)	35,110	36,697	33,554	29,812	32,542
Adjustments:					
Share-based compensation	2,876	2,673	2,896	3,021	2,471
Change in fair value of contingent consideration	314	(147)	904	1,143	—
Tax recovery [a]	—	(470)	(1,820)	(750)	—
Acquisition and divestiture costs	261	191	204	151	377
Restructuring costs	—	—	—	313	5,068
Cyberattack restoration costs	29	—	71	30	76
Insurance recovery, net of payments	—	(305)	(756)	—	(4,868)
Legal settlement	—	—	—	1,579	—
Adjusted EBITDA (non-GAAP)	$ 38,590	$ 38,639	$ 35,053	$ 35,299	$ 35,666
Adjusted EBITDA, TTM (non-GAAP) [b]	**$ 147,581**				
Net Debt / Adjusted EBITDA, TTM (non-GAAP)	**0.1x**				

(a) Recovery of prior period indirect taxes in Brazil

(b) Adjusted EBITDA for the trailing 12-month period

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Working Capital, 5-Quarter Summary

($ in thousands)

	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25
Accounts receivable (Q/E)	$ 557,071	$ 635,521	$ 562,820	$ 549,112	$ 567,127
Days sales outstanding in receivables	68	70	72	66	66
Inventory (Q/E)	$ 505,339	$ 483,815	$ 476,206	$ 491,978	$ 504,078
Inventory turns	5.1	5.9	5.0	5.2	5.3
Accounts payable (Q/E)	$ 529,578	$ 598,595	$ 540,765	$ 520,408	$ 578,657
Paid for inventory days*	12.4	(1.1)	7.6	11.1	4.4
Working capital (Q/E) (AR+INV-AP)	$ 532,832	$ 520,741	$ 498,261	$ 520,682	$ 492,548
Cash conversion cycle	80	69	80	77	70

**Paid for inventory days represent Q/E inventory days less Q/E accounts payable days*

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Operating Income, Net Income, EPS & Other - QTR

($ in thousands, except for share data)

	Quarter ended September 30, 2025								
	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs [(a)]	Restructuring costs	Change in fair value of contingent consideration	Tax recovery	Cyberattack restoration costs	Insurance recovery, net	Non-GAAP measure
SG&A expenses	$ 75,275	$ —	$ (261)	$ —	$ —	$ —	$ (29)	$ —	$ 74,985
Operating income	25,903	4,404	261	—	314	—	29	—	30,911
Pre-tax income	26,996	4,404	261	—	314	—	29	—	32,004
Net income	19,878	3,289	261	—	236	—	21	—	23,685
Diluted EPS	$ 0.89	$ 0.15	$ 0.01	$ —	$ 0.01	$ —	$ —	$ —	$ 1.06

($ in thousands, except for share data)

	Quarter ended June 30, 2025								
	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs [(a)]	Restructuring costs	Change in fair value of contingent consideration	Tax recovery	Cyberattack restoration costs	Insurance recovery, net	Non-GAAP measure
SG&A expenses	$ 71,610	$ —	$ (191)	$ —	$ —	$ 470	$ —	$ —	$ 71,889
Operating income	26,787	4,927	191	—	(147)	(470)	—	—	31,288
Pre-tax income	27,497	4,927	191	—	(147)	(470)	—	(305)	31,693
Net income	20,089	3,691	191	—	(110)	(310)	—	(229)	23,322
Diluted EPS	$ 0.88	$ 0.16	$ 0.01	$ —	$ —	$ (0.01)	$ —	$ (0.01)	$ 1.02

[(a)] Acquisition and divestiture costs are generally nondeductible for tax purposes.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Operating Income, Net Income, EPS & Other - QTR, continued

($ in thousands, except for share data)

Quarter ended March 31, 2025	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs [a]	Restructuring costs	Change in fair value of contingent consideration	Tax recovery	Cyberattack restoration costs	Insurance recovery, net	Non-GAAP measure
SG&A expenses	$ 69,698	$ —	$ (204)	$ —	$ —	$ 1,820	$ (71)	$ —	$ 71,243
Operating income	22,339	4,941	204	—	904	(1,820)	71	—	26,639
Pre-tax income	24,226	4,941	204	—	904	(1,820)	71	(756)	27,770
Net income	17,431	3,699	204	—	681	(1,201)	54	(570)	20,298
Diluted EPS	$ 0.74	$ 0.16	$ 0.01	$ —	$ 0.03	$ (0.05)	$ —	$ (0.02)	$ 0.86

($ in thousands, except for share data)

Quarter ended December 31, 2024	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs [a]	Restructuring costs	Change in fair value of contingent consideration	Tax recovery	Cyberattack restoration costs	Legal Settlement	Non-GAAP measure
SG&A expenses	$ 73,920	$ —	$ (151)	$ —	$ —	$ 750	$ (30)	$ (1,579)	$ 72,910
Operating income	18,444	5,001	151	313	1,143	(750)	30	1,579	25,911
Pre-tax income	19,710	5,001	151	313	1,143	(750)	30	1,579	27,177
Net income	17,053	3,745	151	236	861	(2,560)	23	1,189	20,698
Diluted EPS	$ 0.70	$ 0.15	$ 0.01	$ 0.01	$ 0.04	$ (0.11)	$ —	$ 0.05	$ 0.85

[a] Acquisition and divestiture costs are generally nondeductible for tax purposes.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Operating Income, Net Income, EPS & Other - QTR, continued

($ in thousands, except for share data)

	Quarter ended September 30, 2024								
	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs [a]	Restructuring costs	Insurance recovery, net	Tax recovery	Cyberattack restoration costs	Legal Settlement	Non-GAAP measure
SG&A expenses	$ 71,706	$ —	$ (377)	$ —	$ —	$ —	$ (76)	$ —	$ 71,253
Operating income	17,630	4,358	377	5,068	—	—	76	—	27,509
Pre-tax income	22,962	4,358	377	5,068	(4,868)	—	76	—	27,973
Net income	16,974	3,264	377	3,818	(3,667)	—	57	—	20,823
Diluted EPS	$ 0.69	$ 0.13	$ 0.02	$ 0.15	$ (0.15)	$ —	$ —	$ —	$ 0.84

[a] Acquisition and divestiture costs are generally nondeductible for tax purposes.