




Fiscal Second Quarter


2026 Earnings

 For the quarter, our team delivered net sales and gross profit growth in both segments, along with strong free cash flow. We are committed to our three-year goals that align with our strategic plan.”

Mike Baur

Chair and CEO, ScanSource, Inc.

Key Highlights



**Strong Q2 and
YTD Cash Flow,
Executing
Strategic Plan**

**Organic Net
Sales Growth
in Both
Segments**

**New 5-Year
Credit Facility to
Support Growth
Strategy**

Net Sales and Gross Profit Growth in Both Segments

Consolidated

Q2 Net Sales
+3% Y/Y
\$767M

Q2 Gross Profit
+1% Y/Y
\$103M, 13.4% margin

Specialty Technology
Solutions Segment

STS, Net Sales
+3% Y/Y
\$742M

STS, Gross Profit
+1% Y/Y
\$78M, 10.5% margin

Intelisys & Advisory
Segment

I&A, Net Sales
+3% Y/Y
\$25M

I&A, Gross Profit
+3% Y/Y
\$25M, 98.8% margin

Second Quarter Operating Metrics

\$0.75 per share
GAAP Diluted EPS
+7% Y/Y

\$31.2M, -12% Y/Y
Adjusted EBITDA*
4.07%
Adjusted EBITDA Margin*

\$54M YTD
Operating Cash Flow
\$50M YTD
Free Cash Flow*

\$0.80 per share
Non-GAAP Diluted EPS*
-6% Y/Y

0.1x
Net Debt* to
TTM Adjusted EBITDA*

11.9%
Adjusted ROIC*
\$18M in Q2 share repurchases

Fiscal Year 2026 Annual Outlook updated February 5, 2026

Net Sales
\$3.0 billion to \$3.1 billion

Adjusted EBITDA*
\$140 million to \$150 million

Free Cash Flow*
At least \$80 million

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 second quarter fiscal year 2026 news release issued on February 5, 2026, which accompanies this presentation and is available at www.scansource.com in the Investor Relations section [[click here](#)].

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 (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)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q/Q	Y/Y
Select reported GAAP measures:							
Net sales	\$ 766,512	\$ 739,650	\$ 812,886	\$ 704,847	\$ 747,497	4%	3%
Gross profit	\$ 102,910	\$ 107,473	\$ 105,102	\$ 100,202	\$ 101,723	(4)%	1%
Gross profit margin %	13.4 %	14.5 %	12.9 %	14.2 %	13.6 %	(110) bp	(18) bp
SG&A expenses	\$ 78,114	\$ 75,275	\$ 71,610	\$ 69,698	\$ 73,920	4%	6%
Operating income	\$ 17,868	\$ 25,903	\$ 26,787	\$ 22,339	\$ 18,444	(31)%	(3)%
Operating income margin %	2.33 %	3.50 %	3.30 %	3.17 %	2.47 %	(117) bp	(14) bp
Net income	\$ 16,493	\$ 19,878	\$ 20,089	\$ 17,431	\$ 17,053	(17)%	(3)%
Diluted EPS	\$ 0.75	\$ 0.89	\$ 0.88	\$ 0.74	\$ 0.70	(16)%	7%
Select reported non-GAAP measures:							
Non-GAAP operating income	\$ 23,219	\$ 30,911	\$ 31,288	\$ 26,639	\$ 25,911	(25)%	(10)%
Non-GAAP operating income margin %	3.03 %	4.18 %	3.85 %	3.78 %	3.47 %	(115) bp	(44) bp
Non-GAAP net income	\$ 17,611	\$ 23,685	\$ 23,322	\$ 20,298	\$ 20,698	(26)%	(15)%
Non-GAAP diluted EPS	\$ 0.80	\$ 1.06	\$ 1.02	\$ 0.86	\$ 0.85	(25)%	(6)%
Adjusted EBITDA (non-GAAP)	\$ 31,193	\$ 38,590	\$ 38,639	\$ 35,053	\$ 35,299	(19)%	(12)%
Adjusted EBITDA margin % (non-GAAP)	4.07 %	5.22 %	4.75 %	4.97 %	4.72 %	(115) bp	(65) bp
Adjusted ROIC (non-GAAP)	11.9 %	14.6 %	14.9 %	13.6 %	13.3 %	(270) bp	(140) bp
Operating cash flow (QTR)	\$ 30,838	\$ 23,211	\$ 7,644	\$ 66,058	\$ (6,190)		
Less: Capital expenditures (QTR)	\$ (1,975)	\$ (2,395)	\$ (2,517)	\$ (1,420)	\$ (1,974)		
Free cash flow (QTR) (Non-GAAP)	\$ 28,863	\$ 20,816	\$ 5,127	\$ 64,638	\$ (8,164)		
Operating cash flow (TTM)	\$ 127,751	\$ 90,723	\$ 112,342	\$ 159,436	\$ 253,530		
Less: Capital expenditures (TTM)	\$ (8,307)	\$ (8,306)	\$ (8,286)	\$ (7,039)	\$ (8,039)		
Free cash flow (TTM) (Non-GAAP)	\$ 119,444	\$ 82,417	\$ 104,056	\$ 152,397	\$ 245,491		

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)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q/Q	Y/Y
Net sales	\$ 741,540	\$ 715,447	\$ 788,708	\$ 678,433	\$ 723,277	4%	3%
Gross profit	\$ 78,228	\$ 83,903	\$ 81,187	\$ 73,994	\$ 77,764	(7)%	1%
Gross profit margin %	10.5 %	11.7 %	10.3 %	10.9 %	10.8 %	(118) bp	(20) bp
GAAP operating income	\$ 11,001	\$ 20,375	\$ 20,937	\$ 14,294	\$ 14,077	(46)%	(22)%
GAAP operating income margin %	1.48 %	2.85 %	2.65 %	2.11 %	1.95 %	(136) bp	(46) bp
Add: Intangible amortization expense	\$ 2,097	\$ 2,216	\$ 2,739	\$ 2,753	\$ 2,741		
Add: Change in fair value	\$ 1,128	\$ 145	\$ (1,407)	\$ 94	\$ 473		
Add: Tax recovery ^(a)	\$ (789)	\$ —	\$ (470)	\$ (1,820)	\$ (750)		
Non-GAAP operating income	\$ 13,437	\$ 22,736	\$ 21,799	\$ 15,321	\$ 16,541	(41)%	(19)%
Non-GAAP operating income margin %	1.81 %	3.18 %	2.76 %	2.26 %	2.29 %	(137) bp	(48) bp
Reconciliation of Operating Income to Adjusted EBITDA							
GAAP operating income	\$ 11,001	\$ 20,375	\$ 20,937	\$ 14,294	\$ 14,077	(46)%	(22)%
Plus:							
Depreciation expense	1,606	1,753	2,134	2,511	3,095		
Intangible amortization expense	2,097	2,216	2,739	2,753	2,741		
Interest income	3,132	2,926	2,744	2,598	2,430		
Other income/(expense), net	(650)	(186)	(491)	124	482		
EBITDA (non-GAAP)	17,186	27,084	28,063	22,280	22,825	(37)%	(25)%
Adjustments:							
Share-based compensation expense	3,347	2,551	2,419	2,664	2,787	31%	20%
Change in fair value	1,128	145	(1,407)	94	473		
Tax recovery ^(a)	(789)	—	(470)	(1,820)	(750)		
Adjusted EBITDA (non-GAAP)	<u>\$ 20,872</u>	<u>\$ 29,780</u>	<u>\$ 28,605</u>	<u>\$ 23,218</u>	<u>\$ 25,335</u>	(30)%	(18)%
Adjusted EBITDA margin % (non-GAAP)	2.81 %	4.16 %	3.63 %	3.42 %	3.50 %	(135) bp	(69) 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)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q/Q	Y/Y
Net sales	\$ 24,972	\$ 24,203	\$ 24,178	\$ 26,414	\$ 24,220	3%	3%
Gross profit	\$ 24,682	\$ 23,570	\$ 23,915	\$ 26,208	\$ 23,959	5%	3%
Gross profit margin %	98.8 %	97.4 %	98.9 %	99.2 %	98.9 %	140 bp	(10) bp
GAAP operating income	\$ 7,513	\$ 5,818	\$ 6,041	\$ 8,320	\$ 6,440	29%	17%
GAAP operating income margin %	30.09 %	24.04 %	24.99 %	31.50 %	26.59 %	605 bp	350 bp
Add: Intangible amortization expense	\$ 2,188	\$ 2,188	\$ 2,188	\$ 2,188	\$ 2,260		
Add: Change in fair value	\$ 81	\$ 169	\$ 1,260	\$ 810	\$ 670		
Non-GAAP operating income	\$ 9,782	\$ 8,175	\$ 9,489	\$ 11,318	\$ 9,370	20%	4%
Non-GAAP operating income margin %	39.17 %	33.78 %	39.25 %	42.85 %	38.69 %	539 bp	48 bp
Reconciliation of Operating Income to Adjusted EBITDA							
GAAP operating income	\$ 7,513	\$ 5,818	\$ 6,041	\$ 8,320	\$ 6,440	29%	17%
Plus:							
Depreciation expense	47	42	40	39	36		
Intangible amortization expense	2,188	2,188	2,188	2,188	2,260		
Interest income	231	255	310	244	263		
Other income/(expense), net	(51)	13	(59)	1	61		
EBITDA (non-GAAP)	9,928	8,316	8,520	10,792	9,060	19%	10%
Adjustments:							
Share-based compensation expense	312	325	254	233	234		
Change in fair value	81	169	1,260	810	670		
Adjusted EBITDA (non-GAAP)	\$ 10,321	\$ 8,810	\$ 10,034	\$ 11,835	\$ 9,964	17%	4%
Adjusted EBITDA margin % (non-GAAP)	41.33 %	36.40 %	41.50 %	44.81 %	41.14 %	493 bp	19 bp

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

Net Sales by Segment:

	Q2 FY26	Q2 FY25	% Change
Specialty Technology Solutions:			
Net sales, as reported	\$ 741,540	\$ 723,277	2.5 %
Foreign exchange impact ^(a)	(4,412)	—	
Less: Acquisitions	(2,034)	—	
Non-GAAP net sales	<u>\$ 735,094</u>	<u>\$ 723,277</u>	1.6 %
Intelisys & Advisory:			
Non-GAAP net sales	<u>\$ 24,972</u>	<u>\$ 24,220</u>	3.1 %
Consolidated:			
Net sales, as reported	\$ 766,512	\$ 747,497	2.5 %
Foreign exchange impact ^(a)	(4,412)	—	
Less: Acquisitions	(2,034)	—	
Non-GAAP net sales	<u>\$ 760,066</u>	<u>\$ 747,497</u>	1.7 %

Net Sales by Geography:

	Q2 FY26	Q2 FY25	% Change
United States:			
Net sales, as reported ^(b)	\$ 707,366	\$ 687,111	2.9 %
Less: Acquisitions	(2,034)	—	
Non-GAAP net sales	<u>\$ 705,332</u>	<u>\$ 687,111</u>	2.7 %
Brazil:			
Net sales, as reported ^(c)	\$ 59,146	\$ 60,386	(2.1)%
Foreign exchange impact ^(a)	(4,412)	—	
Non-GAAP net sales	<u>\$ 54,734</u>	<u>\$ 60,386</u>	(9.4)%
Consolidated:			
Net sales, as reported	\$ 766,512	\$ 747,497	2.5 %
Foreign exchange impact ^(a)	(4,412)	—	
Less: Acquisitions	(2,034)	—	
Non-GAAP net sales	<u>\$ 760,066</u>	<u>\$ 747,497</u>	1.7 %

^(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 December 31, 2025 into U.S. dollars using the weighted-average foreign exchange rates for the quarter ended December 31, 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 December 31, 2025 and 2024.

^(c) Includes net sales from outside of the United States, Canada and Brazil, which represent less than 0.1% of Brazil net sales for the quarters ended December 31, 2025 and 2024.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25	Q/Q	Y/Y
Net sales by product/services:							
Products and services	\$ 724,489	\$ 702,984	\$ 776,349	\$ 665,229	\$ 711,235	3.1 %	1.9 %
Recurring revenue ^(a)	42,023	36,666	36,537	39,618	36,262	14.6 %	15.9 %
Consolidated	<u>\$ 766,512</u>	<u>\$ 739,650</u>	<u>\$ 812,886</u>	<u>\$ 704,847</u>	<u>\$ 747,497</u>	<u>3.6 %</u>	<u>2.5 %</u>
Recurring revenue by segment:							
Specialty Technology Solutions	\$ 18,152	\$ 13,816	\$ 12,341	\$ 14,608	\$ 12,419	31.4 %	46.2 %
Intelisys & Advisory	23,871	22,850	24,196	25,010	23,843	4.5 %	0.1 %
Consolidated	<u>\$ 42,023</u>	<u>\$ 36,666</u>	<u>\$ 36,537</u>	<u>\$ 39,618</u>	<u>\$ 36,262</u>	<u>14.6 %</u>	<u>15.9 %</u>
Recurring revenue gross profit by segment:							
Specialty Technology Solutions	\$ 14,373	\$ 11,232	\$ 8,979	\$ 10,598	\$ 9,187	28.0 %	56.4 %
Intelisys & Advisory	23,871	22,850	24,196	25,010	23,843	4.5 %	0.1 %
Consolidated	<u>\$ 38,244</u>	<u>\$ 34,082</u>	<u>\$ 33,175</u>	<u>\$ 35,608</u>	<u>\$ 33,030</u>	<u>12.2 %</u>	<u>15.8 %</u>
Gross profit by segment:							
Specialty Technology Solutions	\$ 78,228	\$ 83,903	\$ 81,187	\$ 73,994	\$ 77,764	(6.8)%	0.6 %
Intelisys & Advisory	24,682	23,570	23,915	26,208	23,959	4.7 %	3.0 %
Consolidated	<u>\$ 102,910</u>	<u>\$ 107,473</u>	<u>\$ 105,102</u>	<u>\$ 100,202</u>	<u>\$ 101,723</u>	<u>(4.2)%</u>	<u>1.2 %</u>
Recurring revenue gross profit as % of gross profit:							
Specialty Technology Solutions	18.4 %	13.4 %	11.1 %	14.3 %	11.8 %		
Intelisys & Advisory	96.7 %	96.9 %	101.2 %	95.4 %	99.5 %		
Consolidated	37.2 %	31.7 %	31.6 %	35.5 %	32.5 %		

^(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)	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25
<u>Reconciliation of Net Income to Adjusted EBITDA</u>					
Net income - GAAP	\$ 16,493	\$ 19,878	\$ 20,089	\$ 17,431	\$ 17,053
Plus:					
Interest expense	1,946	1,914	2,099	1,836	1,970
Income taxes	2,928	7,118	7,408	6,795	2,657
Depreciation and amortization	5,938	6,200	7,101	7,492	8,132
EBITDA (non-GAAP)	27,305	35,110	36,697	33,554	29,812
Adjustments:					
Change in fair value of contingent consideration	1,209	314	(147)	904	1,143
Share-based compensation	3,660	2,876	2,673	2,896	3,021
Tax recovery ^(a)	(789)	—	(470)	(1,820)	(750)
Acquisition costs	593	261	191	204	151
Restructuring costs	—	—	—	—	313
Cyberattack restoration costs	53	29	—	71	30
Insurance recovery, net of payments	(838)	—	(305)	(756)	—
Legal settlement	—	—	—	—	1,579
Adjusted EBITDA (numerator for Adjusted ROIC) (non-GAAP)	\$ 31,193	\$ 38,590	\$ 38,639	\$ 35,053	\$ 35,299
<u>Invested Capital Calculation</u>					
Equity - beginning of quarter	\$ 914,032	\$ 906,393	\$ 901,746	\$ 900,662	\$ 920,893
Equity - end of quarter	910,886	914,032	906,393	901,746	900,662
Adjustments:					
Change in fair value of contingent consideration, net	907	236	(110)	681	861
Share-based compensation, net	2,741	2,152	2,007	2,176	2,271
Tax recovery, net	(2,991)	—	(310)	(1,201)	(2,560)
Acquisition costs	593	261	191	204	151
Restructuring costs, net	—	—	—	—	236
Cyberattack restoration costs, net	39	21	—	54	23
Insurance recovery, net	(629)	—	(229)	(570)	—
Legal settlement, net	—	—	—	—	1,189
Average equity	912,789	911,548	904,844	901,876	911,863
Average funded debt ^(b)	131,470	137,113	138,270	140,207	142,143
Invested capital (denominator for Adjusted ROIC) (non-GAAP)	\$ 1,044,259	\$ 1,048,661	\$ 1,043,114	\$ 1,042,083	\$ 1,054,006
Adjusted return on invested capital (ROIC), annualized ^(c)	11.9 %	14.6 %	14.9 %	13.6 %	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)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25
Consolidated debt (Q/E)	\$ 102,663	\$ 133,913	\$ 136,149	\$ 138,024	\$ 139,899
Less:					
Cash and cash equivalents of continuing operations (Q/E)	(83,466)	(124,924)	(126,157)	(146,287)	(110,520)
Net debt (Q/E) (non-GAAP)	\$ 19,197	\$ 8,989	\$ 9,992	\$ (8,263)	\$ 29,379
<u>Reconciliation of Net Income to Adjusted EBITDA</u>					
Net income - GAAP	\$ 16,493	\$ 19,878	\$ 20,089	\$ 17,431	\$ 17,053
Plus:					
Interest expense	1,946	1,914	2,099	1,836	1,970
Income taxes	2,928	7,118	7,408	6,795	2,657
Depreciation and amortization	5,938	6,200	7,101	7,492	8,132
EBITDA (non-GAAP)	27,305	35,110	36,697	33,554	29,812
Adjustments:					
Share-based compensation	3,660	2,876	2,673	2,896	3,021
Change in fair value of contingent consideration	1,209	314	(147)	904	1,143
Tax recovery ^(a)	(789)	—	(470)	(1,820)	(750)
Acquisition costs	593	261	191	204	151
Restructuring costs	—	—	—	—	313
Cyberattack restoration costs	53	29	—	71	30
Insurance recovery, net of payments	(838)	—	(305)	(756)	—
Legal settlement	—	—	—	—	1,579
Adjusted EBITDA (non-GAAP)	<u>\$ 31,193</u>	<u>\$ 38,590</u>	<u>\$ 38,639</u>	<u>\$ 35,053</u>	<u>\$ 35,299</u>
Adjusted EBITDA, TTM (non-GAAP) ^(b)	<u>\$ 143,475</u>				

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)

	Q2 FY26	Q1 FY26	Q4 FY25	Q3 FY25	Q2 FY25
Accounts receivable (Q/E)	\$ 605,411	\$ 557,071	\$ 635,521	\$ 562,820	\$ 549,112
Days sales outstanding in receivables	71	68	70	72	66
Inventory (Q/E)	\$ 490,259	\$ 505,339	\$ 483,815	\$ 476,206	\$ 491,978
Inventory turns	5.3	5.1	5.9	5.0	5.2
Accounts payable (Q/E)	\$ 576,662	\$ 529,578	\$ 598,595	\$ 540,765	\$ 520,408
Paid for inventory days*	3.1	12.4	(1.1)	7.6	11.1
Working capital (Q/E) (AR+INV-AP)	<u>\$ 519,008</u>	<u>\$ 532,832</u>	<u>\$ 520,741</u>	<u>\$ 498,261</u>	<u>\$ 520,682</u>
Cash conversion cycle	74	80	69	80	77

*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 December 31, 2025

	Reported GAAP measure	Intangible amortization expense	Acquisition 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	\$ 78,114	\$ —	\$ (593)	\$ —	\$ —	\$ 789	\$ (53)	\$ —	\$ 78,257
Operating income	17,868	4,285	593	—	1,209	(789)	53	—	23,219
Pre-tax income	19,421	4,285	593	—	1,209	(789)	53	(838)	23,934
Net income	16,493	3,199	593	—	907	(2,991)	39	(629)	17,611
Diluted EPS	\$ 0.75	\$ 0.14	\$ 0.03	\$ —	\$ 0.04	\$ (0.14)	\$ —	\$ (0.03)	\$ 0.80

(\$ in thousands, except for share data)

Quarter ended September 30, 2025

	Reported GAAP measure	Intangible amortization expense	Acquisition 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

^(a) Acquisition 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 June 30, 2025

	Reported GAAP measure	Intangible amortization expense	Acquisition 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

(\$ in thousands, except for share data)

Quarter ended March 31, 2025

	Reported GAAP measure	Intangible amortization expense	Acquisition 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

^(a) Acquisition 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 December 31, 2024

	Reported GAAP measure	Intangible amortization expense	Acquisition 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 costs are generally nondeductible for tax purposes.