



Fiscal Third Quarter

2025 Earnings

“Our business performed well this quarter with both segments achieving year-over-year gross profit growth and higher EBITDA margins. For our third quarter, we delivered strong free cash flow and EPS growth including the benefit from our acquisitions. Hardware demand improved late in the quarter, along with a return of large deals.”

Mike Baur

Chair and CEO, ScanSource, Inc.

Key Highlights



Gross Profit Growth in Both Segments and Strong EPS Growth

Resourceive and Advantix Acquisitions Added to Profitable Growth

Hardware Demand Improved, Along with a Return of Large Deals

Gross Profit Growing Faster Than Sales

Consolidated

Net Sales
-6% Y/Y
\$705M

Gross Profit
+6% Y/Y
\$100M, 14.2% margin

Specialty Technology Solutions Segment

STS, Net Sales
-7% Y/Y
\$678M

STS, Gross Profit
+3% Y/Y
\$74M, 10.9% margin

Intelisys & Advisory Segment

I&A, Net Sales
+16% Y/Y
\$26M

I&A, Gross Profit
+16% Y/Y
\$26M, 99.2% margin

Third Quarter Operating Metrics

\$0.74 per share
GAAP Diluted EPS
+48% Y/Y

\$35.1M, +6%Y/Y
Adjusted EBITDA*
4.97%
Adjusted EBITDA Margin*

\$105M YTD
Operating Cash Flow
\$99M YTD
Free Cash Flow*

\$0.86 per share
Non-GAAP Diluted EPS*
+25% Y/Y

(0.1)x
Net Debt* to
TTM Adjusted EBITDA*

13.6%
Adjusted ROIC*
\$29M in Q3 share repurchases

Fiscal Year 2025 Annual Outlook updated May 8, 2025

Net Sales
Approximately \$3 billion

Adjusted EBITDA*
\$140 million to \$145 million

Free Cash Flow*
At least \$70 million

Well-Positioned with Resilient Business Model and Strong Balance Sheet

Mid-Term Goals Mid-term: 3-to-4-year time frame

| Net Sales Growth per year | Adjusted EBITDA Margin* | Adjusted ROIC* | Recurring Revenue as % of Gross Profit |
|---------------------------|-------------------------|------------------|--|
| 5%-7.5% | 4.5%-5% | Mid Teens | Building to 30%+ |

* 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 third quarter fiscal year 2025 news release issued on May 8, 2025, 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 FY25 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 customers and suppliers, changes in interest and exchange rates and regulatory regimes impacting ScanSource’s international operations, risk to the business from a cyberattack, a failure of IT systems, failure to hire and retain quality employees, loss of ScanSource’s major customers, relationships with key suppliers and customers or a termination or a modification of the terms under which it operates with these key suppliers and customers, 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, 2024, 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)

| | Q3 FY25 | Q2 FY25 | Q1 FY25 | Q4 FY24 | Q3 FY24 | Q/Q | Y/Y |
|---|----------------|----------------|----------------|----------------|----------------|------------|------------|
| Select reported GAAP measures: | | | | | | | |
| Net sales | \$ 704,847 | \$ 747,497 | \$ 775,580 | \$ 746,113 | \$ 752,599 | (6)% | (6)% |
| Gross profit | \$ 100,202 | \$ 101,723 | \$ 101,619 | \$ 97,315 | \$ 94,481 | (1)% | 6% |
| Gross profit margin % | 14.2 % | 13.6 % | 13.1 % | 13.0 % | 12.6 % | 61 bp | 166 bp |
| SG&A expenses | \$ 69,698 | \$ 73,920 | \$ 71,706 | \$ 68,498 | \$ 66,574 | (6)% | 5% |
| Operating income | \$ 22,339 | \$ 18,444 | \$ 17,630 | \$ 21,871 | \$ 17,542 | 21% | 27% |
| Operating income margin % | 3.17 % | 2.47 % | 2.27 % | 2.93 % | 2.33 % | 70 bp | 84 bp |
| Net income | \$ 17,431 | \$ 17,053 | \$ 16,974 | \$ 16,097 | \$ 12,806 | 2% | 36% |
| Diluted EPS | \$ 0.74 | \$ 0.70 | \$ 0.69 | \$ 0.64 | \$ 0.50 | 6% | 48% |
| Select reported non-GAAP measures: | | | | | | | |
| Non-GAAP operating income | \$ 26,639 | \$ 25,911 | \$ 27,509 | \$ 26,034 | \$ 25,306 | 3% | 5% |
| Non-GAAP operating income margin % | 3.78 % | 3.47 % | 3.55 % | 3.49 % | 3.36 % | 31 bp | 42 bp |
| Non-GAAP net income | \$ 20,298 | \$ 20,698 | \$ 20,823 | \$ 19,921 | \$ 17,461 | (2)% | 16% |
| Non-GAAP diluted EPS | \$ 0.86 | \$ 0.85 | \$ 0.84 | \$ 0.80 | \$ 0.69 | 1% | 25% |
| Adjusted EBITDA (non-GAAP) | \$ 35,053 | \$ 35,299 | \$ 35,666 | \$ 34,181 | \$ 33,095 | (1)% | 6% |
| Adjusted EBITDA margin % (non-GAAP) | 4.97 % | 4.72 % | 4.60 % | 4.58 % | 4.40 % | 25 bp | 57 bp |
| Adjusted ROIC (non-GAAP) | 13.6 % | 13.3 % | 13.3 % | 12.7 % | 12.1 % | 30 bp | 150 bp |
| Operating cash flow (QTR) | \$ 66,058 | \$ (6,190) | \$ 44,830 | \$ 54,738 | \$ 160,152 | | |
| Less: Capital expenditures (QTR) | \$ (1,420) | \$ (1,974) | \$ (2,375) | \$ (1,270) | \$ (2,420) | | |
| Free cash flow (QTR) (Non-GAAP) | \$ 64,638 | \$ (8,164) | \$ 42,455 | \$ 53,468 | \$ 157,732 | | |
| Operating cash flow (TTM) | \$ 159,436 | \$ 253,530 | \$ 322,944 | \$ 371,647 | \$ 301,647 | | |
| Less: Capital expenditures (TTM) | \$ (7,039) | \$ (8,039) | \$ (8,614) | \$ (8,555) | \$ (10,715) | | |
| Free cash flow (TTM) (Non-GAAP) | \$ 152,397 | \$ 245,491 | \$ 314,330 | \$ 363,092 | \$ 290,932 | | |

Noted: 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)

| | Q3 FY25 | Q2 FY25 | Q1 FY25 | Q4 FY24 | Q3 FY24 | Q/Q | Y/Y |
|--|------------------|------------------|------------------|------------------|------------------|------------|------------|
| Net sales | \$ 678,433 | \$ 723,277 | \$ 752,299 | \$ 722,251 | \$ 729,834 | (6)% | (7)% |
| Gross profit | \$ 73,994 | \$ 77,764 | \$ 78,457 | \$ 73,562 | \$ 71,840 | (5)% | 3% |
| Gross profit margin % | 10.9 % | 10.8 % | 10.4 % | 10.2 % | 9.8 % | 15 bp | 106 bp |
| GAAP operating income | \$ 14,294 | \$ 14,077 | \$ 16,738 | \$ 14,764 | \$ 14,581 | 2% | (2)% |
| GAAP operating income margin % | 2.11 % | 1.95 % | 2.22 % | 2.04 % | 2.00 % | 16 bp | 11 bp |
| Add: Intangible amortization expense | \$ 2,753 | \$ 2,741 | \$ 2,276 | \$ 1,817 | \$ 1,828 | | |
| Add: Change in fair value | \$ 94 | \$ 473 | \$ — | \$ — | \$ — | | |
| Add: Tax recovery ^(a) | \$ (1,820) | \$ (750) | \$ — | \$ (657) | \$ (515) | | |
| Non-GAAP operating income | \$ 15,321 | \$ 16,541 | \$ 19,014 | \$ 15,924 | \$ 15,894 | (7)% | (4)% |
| Non-GAAP operating income margin % | 2.26 % | 2.29 % | 2.53 % | 2.20 % | 2.18 % | (3) bp | 8 bp |
| Reconciliation of Operating Income to Adjusted EBITDA | | | | | | | |
| GAAP operating income | \$ 14,294 | \$ 14,077 | \$ 16,738 | \$ 14,764 | \$ 14,581 | 2% | (2)% |
| Plus: | | | | | | | |
| Depreciation expense | 2,511 | 3,095 | 3,069 | 3,012 | 2,849 | | |
| Intangible amortization expense | 2,753 | 2,741 | 2,276 | 1,817 | 1,828 | | |
| Interest income | 2,598 | 2,430 | 2,457 | 3,088 | 2,458 | | |
| Other income/(expense), net | 124 | 482 | (75) | (377) | (233) | | |
| EBITDA (non-GAAP) | 22,280 | 22,825 | 24,465 | 22,304 | 21,483 | (2)% | 4% |
| Adjustments: | | | | | | | |
| Share-based compensation expense | 2,664 | 2,787 | 2,286 | 1,680 | 2,284 | (4)% | 17% |
| Change in fair value | 94 | 473 | — | — | — | | |
| Tax recovery ^(a) | (1,820) | (750) | — | (657) | (515) | | |
| Loss on sale of a business | — | — | — | 378 | — | | |
| Adjusted EBITDA (non-GAAP) | <u>\$ 23,218</u> | <u>\$ 25,335</u> | <u>\$ 26,751</u> | <u>\$ 23,705</u> | <u>\$ 23,252</u> | (8)% | —% |
| Adjusted EBITDA margin % (non-GAAP) | 3.42 % | 3.50 % | 3.56 % | 3.28 % | 3.19 % | (8) bp | 24 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)

| | <u>Q3 FY25</u> | <u>Q2 FY25</u> | <u>Q1 FY25</u> | <u>Q4 FY24</u> | <u>Q3 FY24</u> | <u>Q/Q</u> | <u>Y/Y</u> |
|--|------------------|-----------------|-----------------|------------------|-----------------|------------|------------|
| Net sales | \$ 26,414 | \$ 24,220 | \$ 23,281 | \$ 23,862 | \$ 22,765 | 9% | 16% |
| Gross profit | \$ 26,208 | \$ 23,959 | \$ 23,162 | \$ 23,752 | \$ 22,641 | 9% | 16% |
| <i>Gross profit margin %</i> | 99.2 % | 98.9 % | 99.5 % | 99.5 % | 99.5 % | 30 bp | (30) bp |
| GAAP operating income | \$ 8,320 | \$ 6,440 | \$ 6,413 | \$ 8,184 | \$ 7,489 | 29% | 11% |
| <i>GAAP operating income margin %</i> | 31.50 % | 26.59 % | 27.55 % | 34.30 % | 32.90 % | 491 bp | (140) bp |
| Add: Intangible amortization expense | \$ 2,188 | \$ 2,260 | \$ 2,082 | \$ 1,924 | \$ 1,924 | | |
| Add: Change in fair value | \$ 810 | \$ 670 | \$ — | \$ — | \$ — | | |
| Non-GAAP operating income | \$ 11,318 | \$ 9,370 | \$ 8,495 | \$ 10,108 | \$ 9,413 | 21% | 20% |
| <i>Non-GAAP operating income margin %</i> | 42.85 % | 38.69 % | 36.49 % | 42.36 % | 41.35 % | 416 bp | 150 bp |
| Reconciliation of Operating Income to Adjusted EBITDA | | | | | | | |
| GAAP operating income | \$ 8,320 | \$ 6,440 | \$ 6,413 | \$ 8,184 | \$ 7,489 | 29% | 11% |
| Plus: | | | | | | | |
| Depreciation expense | 39 | 36 | 43 | 38 | 141 | | |
| Intangible amortization expense | 2,188 | 2,260 | 2,082 | 1,924 | 1,924 | | |
| Interest income | 244 | 263 | 202 | 197 | 194 | | |
| Other income/(expense), net | 1 | 61 | (10) | 5 | (9) | | |
| EBITDA (non-GAAP) | 10,792 | 9,060 | 8,730 | 10,348 | 9,739 | 19% | 11% |
| Adjustments: | | | | | | | |
| Share-based compensation expense | 233 | 234 | 185 | 128 | 104 | | |
| Change in fair value | 810 | 670 | — | — | — | | |
| Adjusted EBITDA (non-GAAP) | <u>\$ 11,835</u> | <u>\$ 9,964</u> | <u>\$ 8,915</u> | <u>\$ 10,476</u> | <u>\$ 9,843</u> | 19% | 20% |
| <i>Adjusted EBITDA margin % (non-GAAP)</i> | 44.81 % | 41.14 % | 38.29 % | 43.90 % | 43.24 % | 367 bp | 157 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:

| | Q3 FY25 | Q3 FY24 | % Change |
|--|-------------------|-------------------|----------|
| Specialty Technology Solutions: | | | |
| Net sales, as reported | \$ 678,433 | \$ 729,834 | (7.0)% |
| Foreign exchange impact ^(a) | 8,702 | — | |
| Less: Acquisitions | (6,660) | — | |
| Non-GAAP net sales | <u>\$ 680,475</u> | <u>\$ 729,834</u> | (6.8)% |
| Intelisys & Advisory: | | | |
| Net sales, as reported | \$ 26,414 | \$ 22,765 | 16.0 % |
| Foreign exchange impact ^(a) | 3 | — | |
| Less: Acquisitions | (2,662) | — | |
| Non-GAAP net sales | <u>\$ 23,755</u> | <u>\$ 22,765</u> | 4.3 % |
| Consolidated: | | | |
| Net sales, as reported | \$ 704,847 | \$ 752,599 | (6.3)% |
| Foreign exchange impact ^(a) | 8,705 | — | |
| Less: Acquisitions | (9,322) | — | |
| Non-GAAP net sales | <u>\$ 704,230</u> | <u>\$ 752,599</u> | (6.4)% |

Net Sales by Geography:

| | Q3 FY25 | Q3 FY24 | % Change |
|--|-------------------|-------------------|----------|
| United States and Canada: | | | |
| Net sales, as reported | \$ 656,964 | \$ 671,246 | (2.1)% |
| Less: Acquisitions | (9,322) | — | |
| Non-GAAP net sales | <u>\$ 647,642</u> | <u>\$ 671,246</u> | (3.5)% |
| Brazil: | | | |
| Net sales, as reported ^(b) | \$ 47,883 | \$ 81,353 | (41.1)% |
| Foreign exchange impact ^(a) | 8,705 | — | |
| Non-GAAP net sales | <u>\$ 56,588</u> | <u>\$ 81,353</u> | (30.4)% |
| Consolidated: | | | |
| Net sales, as reported | \$ 704,847 | \$ 752,599 | (6.3)% |
| Foreign exchange impact ^(a) | 8,705 | — | |
| Less: Acquisitions | (9,322) | — | |
| Non-GAAP net sales | <u>\$ 704,230</u> | <u>\$ 752,599</u> | (6.4)% |

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

(b) Countries outside of the United States, Canada and Brazil represent \$0.1 million, or 0.2% of sales, for the quarter ended March 31, 2025 and \$0.1 million, or 0.2% of sales, for the quarter ended March 31, 2024.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Average Adjusted Return on Invested Capital - QTR

(\$ in thousands)

| | Q3 FY25 | Q2 FY25 | Q1 FY25 | Q4 FY24 | Q3 FY24 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| <u>Reconciliation of Net Income to Adjusted EBITDA</u> | | | | | |
| Net income - GAAP | \$ 17,431 | \$ 17,053 | \$ 16,974 | \$ 16,097 | \$ 12,806 |
| Plus: | | | | | |
| Interest expense | 1,836 | 1,970 | 2,109 | 2,084 | 2,001 |
| Income taxes | 6,795 | 2,657 | 5,988 | 6,600 | 5,146 |
| Depreciation and amortization | 7,492 | 8,132 | 7,471 | 6,792 | 6,742 |
| EBITDA (non-GAAP) | 33,554 | 29,812 | 32,542 | 31,573 | 26,695 |
| Adjustments: | | | | | |
| Change in fair value of contingent consideration | 904 | 1,143 | — | — | — |
| Share-based compensation | 2,896 | 3,021 | 2,471 | 1,808 | 2,388 |
| Tax recovery ^(a) | (1,820) | (750) | — | (657) | (515) |
| Acquisition and divestiture costs | 204 | 151 | 377 | 503 | 511 |
| Restructuring costs | — | 313 | 5,068 | 435 | 3,923 |
| Cyberattack restoration costs | 71 | 30 | 76 | 141 | 93 |
| Insurance recovery, net of payments | (756) | — | (4,868) | — | — |
| Loss on sale of business | — | — | — | 378 | — |
| Legal settlement | — | 1,579 | — | — | — |
| Adjusted EBITDA (numerator for Adjusted ROIC) (non-GAAP) | \$ 35,053 | \$ 35,299 | \$ 35,666 | \$ 34,181 | \$ 33,095 |
| <u>Invested Capital Calculation</u> | | | | | |
| Equity - beginning of quarter | \$ 900,662 | \$ 920,893 | \$ 924,254 | \$ 944,053 | \$ 953,601 |
| Equity - end of quarter | 901,746 | 900,662 | 920,893 | 924,254 | 944,053 |
| Adjustments: | | | | | |
| Change in fair value of contingent consideration, net | 681 | 861 | — | — | — |
| Share-based compensation, net | 2,176 | 2,271 | 1,856 | 1,350 | 1,784 |
| Tax recovery, net | (1,201) | (2,560) | — | (278) | (1,648) |
| Acquisition and divestiture costs | 204 | 151 | 377 | 503 | 511 |
| Restructuring costs, net | — | 236 | 3,818 | 327 | 2,935 |
| Cyberattack restoration costs, net | 54 | 23 | 57 | 106 | 69 |
| Insurance recovery, net | (570) | — | (3,667) | — | — |
| Loss on sale of business | — | — | — | 378 | — |
| Legal settlement, net | — | 1,189 | — | — | — |
| Average equity | 901,876 | 911,863 | 923,794 | 935,347 | 950,653 |
| Average funded debt ^(b) | 140,207 | 142,143 | 144,020 | 146,121 | 153,131 |
| Invested capital (denominator for Adjusted ROIC) (non-GAAP) | \$ 1,042,083 | \$ 1,054,006 | \$ 1,067,814 | \$ 1,081,468 | \$ 1,103,784 |
| Adjusted return on invested capital (ROIC), annualized ^(c) | 13.6 % | 13.3 % | 13.3 % | 12.7 % | 12.1 % |

(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)

| | Q3 FY25 | Q2 FY25 | Q1 FY25 | Q4 FY24 | Q3 FY24 |
|--|-------------------|------------------|-------------------|--------------------|--------------------|
| Consolidated debt (Q/E) | \$ 138,024 | \$ 139,899 | \$ 143,649 | \$ 144,056 | \$ 145,881 |
| Less: | | | | | |
| Cash and cash equivalents of continuing operations (Q/E) | (146,287) | (110,520) | (145,044) | (185,460) | (159,050) |
| Net debt (Q/E) (non-GAAP) | \$ (8,263) | \$ 29,379 | \$ (1,395) | \$ (41,404) | \$ (13,169) |
| <u>Reconciliation of Net Income to Adjusted EBITDA</u> | | | | | |
| Net income - GAAP | \$ 17,431 | \$ 17,053 | \$ 16,974 | \$ 16,097 | \$ 12,806 |
| Plus: | | | | | |
| Interest expense | 1,836 | 1,970 | 2,109 | 2,084 | 2,001 |
| Income taxes | 6,795 | 2,657 | 5,988 | 6,600 | 5,146 |
| Depreciation and amortization | 7,492 | 8,132 | 7,471 | 6,792 | 6,742 |
| EBITDA (non-GAAP) | 33,554 | 29,812 | 32,542 | 31,573 | 26,695 |
| Adjustments: | | | | | |
| Share-based compensation | 2,896 | 3,021 | 2,471 | 1,808 | 2,388 |
| Change in fair value of contingent consideration | 904 | 1,143 | — | — | — |
| Tax recovery ^(a) | (1,820) | (750) | — | (657) | (515) |
| Acquisition and divestiture costs | 204 | 151 | 377 | 503 | 511 |
| Restructuring costs | — | 313 | 5,068 | 435 | 3,923 |
| Cyberattack restoration costs | 71 | 30 | 76 | 141 | 93 |
| Insurance recovery, net of payments | (756) | — | (4,868) | — | — |
| Loss on sale of business | — | — | — | 378 | — |
| Legal settlement | — | 1,579 | — | — | — |
| Adjusted EBITDA (non-GAAP) | \$ 35,053 | \$ 35,299 | \$ 35,666 | \$ 34,181 | \$ 33,095 |
| Adjusted EBITDA, TTM (non-GAAP) ^(b) | \$ 140,199 | | | | |

Net Debt / Adjusted EBITDA, TTM (non-GAAP) (0.1)x

(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)

| | Q3 FY25 | Q2 FY25 | Q1 FY25 | Q4 FY24 | Q3 FY24 |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Accounts receivable (Q/E) | \$ 562,820 | \$ 549,112 | \$ 567,127 | \$ 581,523 | \$ 589,847 |
| Days sales outstanding in receivables | 72 | 66 | 66 | 71 | 71 |
| Inventory (Q/E) | \$ 476,206 | \$ 491,978 | \$ 504,078 | \$ 512,634 | \$ 529,163 |
| Inventory turns | 5.0 | 5.2 | 5.3 | 5.0 | 4.8 |
| Accounts payable (Q/E) | \$ 540,765 | \$ 520,408 | \$ 578,657 | \$ 587,984 | \$ 555,733 |
| Paid for inventory days* | 7.6 | 11.1 | 4.4 | 4.2 | 11.2 |
| Working capital (Q/E) (AR+INV-AP) | <u>\$ 498,261</u> | <u>\$ 520,682</u> | <u>\$ 492,548</u> | <u>\$ 506,173</u> | <u>\$ 563,277</u> |
| Cash conversion cycle | 80 | 77 | 70 | 75 | 82 |

**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

| | Quarter ended March 31, 2025 | | | | | | | | |
|------------------|------------------------------|---------------------------------|---------------------------------|---------------------|--|--------------|-------------------------------|-------------------------|------------------|
| | Reported GAAP measure | Intangible amortization expense | Acquisition & divestiture costs | 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 |

| | Quarter ended December 31, 2024 | | | | | | | | |
|------------------|---------------------------------|---------------------------------|---------------------------------|---------------------|--|--------------|-------------------------------|------------------|------------------|
| | Reported GAAP measure | Intangible amortization expense | Acquisition & divestiture costs | 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 |

(\$ in thousands)

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

Quarter ended September 30, 2024

| | Reported GAAP measure | Intangible amortization expense | Acquisition & divestiture costs | Restructuring costs | Insurance recovery, net | Tax recovery | Loss on sale of business | Cyberattack restoration costs | 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 |

(\$ in thousands)

Quarter ended June 30, 2024

| | Reported GAAP measure | Intangible amortization expense | Acquisition & divestiture costs | Restructuring costs | Insurance recovery, net | Tax recovery | Loss on sale of business ^(e) | Cyberattack restoration costs | Non-GAAP measure |
|------------------|-----------------------|---------------------------------|---------------------------------|---------------------|-------------------------|--------------|---|-------------------------------|------------------|
| SG&A expenses | \$68,498 | \$— | \$(503) | \$— | \$— | \$657 | \$— | \$(141) | \$68,511 |
| Operating income | 21,871 | 3,741 | 503 | 435 | — | (657) | — | 141 | 26,034 |
| Pre-tax income | 22,697 | 3,741 | 503 | 435 | — | (657) | 378 | 141 | 27,238 |
| Net income | 16,097 | 2,788 | 503 | 327 | — | (278) | 378 | 106 | 19,921 |
| Diluted EPS | \$0.64 | \$0.11 | \$0.02 | \$0.01 | \$— | \$(0.01) | \$0.02 | \$— | \$0.80 |

^(e) Reflects adjustment to the gain on the sale of the UK-based intY business.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

Quarter ended March 31, 2024

| | Reported GAAP measure | Intangible amortization expense | Acquisition & divestiture costs | Restructuring costs | Insurance recovery, net | Tax recovery | Loss on sale of business | Cyberattack restoration costs | Non-GAAP measure |
|------------------|-----------------------|---------------------------------|---------------------------------|---------------------|-------------------------|--------------|--------------------------|-------------------------------|------------------|
| SG&A expenses | \$66,574 | \$— | \$(511) | \$— | \$— | \$515 | \$— | \$(93) | \$66,485 |
| Operating income | 17,542 | 3,752 | 511 | 3,923 | — | (515) | — | 93 | 25,306 |
| Pre-tax income | 17,952 | 3,752 | 511 | 3,923 | — | (515) | — | 93 | 25,716 |
| Net income | 12,806 | 2,788 | 511 | 2,935 | — | (1,648) | — | 69 | 17,461 |
| Diluted EPS | \$0.50 | \$0.11 | \$0.02 | \$0.12 | \$— | \$(0.06) | \$— | \$— | \$0.69 |

(\$ in thousands)