



Fiscal Fourth Quarter and Full Year

2025 Earnings

“We delivered strong free cash flow for our fiscal year and achieved excellent profitability growth across the board. As we enter fiscal year 2026, we plan to make strategic investments in our business to accelerate growth and expand margins.”

Mike Baur

Chair and CEO, ScanSource, Inc.

Key Highlights

**Achieved FY25
Outlook for All
Measures, Strong
Cash Flow**

**Executing
Strategic Plan,
Highest ROIC in
10 Quarters**

**Introducing
New 3-Year
Strategic
Goals**

Q4 Net Sales and Gross Profit

Consolidated

Net Sales
+9% Y/Y
\$813M

Gross Profit
+8% Y/Y
\$105M, 12.9% margin

Specialty Technology
Solutions Segment

STS, Net Sales
+9% Y/Y
\$789M

STS, Gross Profit
+10% Y/Y
\$81M, 10.3% margin

Intelisys & Advisory
Segment

I&A, Net Sales
+1% Y/Y
\$24M

I&A, Gross Profit
+1% Y/Y
\$24M, 98.9% margin

Operating Metrics

\$0.88 per share Q4, +38% Y/Y
\$3.00 per share FY25, -2% Y/Y
 GAAP Diluted EPS

4.75% Q4
4.76% FY25
 Adjusted EBITDA Margin*

\$112M FY25
 Operating Cash Flow
\$104M FY25
 Free Cash Flow*

\$1.02 per share Q4, +28% Y/Y
\$3.57 per share FY25, +16% Y/Y
 Non-GAAP Diluted EPS*

\$38.6M Q4, +13% Y/Y
\$144.7M FY25, +3% Y/Y
 Adjusted EBITDA*

14.9% Q4
13.6% FY25
 Adjusted ROIC*
 \$107M share repurchases in FY25

Fiscal Year 2026 Annual Outlook as of August 21, 2025

Net Sales
 \$3.1 billion to \$3.3 billion

Adjusted EBITDA*
 \$150 million to \$160 million

Free Cash Flow*
 At least \$80 million

Differentiated Leader, Pivoting to Stronger Growth











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%+	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 fourth quarter fiscal year 2025 news release issued on August 21, 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	<ul style="list-style-type: none"> - Automation & worker productivity - Digitizing workflows - Asset visibility 	<ul style="list-style-type: none"> - Connected devices - AI smart networking - Enhanced network security 	<ul style="list-style-type: none"> - Cloud growth & shift to subscriptions - Remote/hybrid work - Integrated platforms 	<ul style="list-style-type: none"> - Video surveillance - Advances in AI, high-res imaging - Cloud security 	<ul style="list-style-type: none"> - 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	<ul style="list-style-type: none"> - Demand for high-bandwidth / low latency - 5G rollouts & IoT - Automation 	<ul style="list-style-type: none"> - AI, automation & analytics - Collaborative tools for mobile workforce 	<ul style="list-style-type: none"> - Digital transformation - Adoption of AI and machine learning - Edge computing 	<ul style="list-style-type: none"> - Advanced cybersecurity - Managed services - Cloud adoption 	<ul style="list-style-type: none"> - 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, 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)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24	Q/Q	Y/Y
Select reported GAAP measures:							
Net sales	\$ 812,886	\$ 704,847	\$ 747,497	\$ 775,580	\$ 746,113	15%	9%
Gross profit	\$ 105,102	\$ 100,202	\$ 101,723	\$ 101,619	\$ 97,315	5%	8%
Gross profit margin %	12.9 %	14.2 %	13.6 %	13.1 %	13.0 %	(129) bp	(11) bp
SG&A expenses	\$ 71,610	\$ 69,698	\$ 73,920	\$ 71,706	\$ 68,498	3%	5%
Operating income	\$ 26,787	\$ 22,339	\$ 18,444	\$ 17,630	\$ 21,871	20%	22%
Operating income margin %	3.30 %	3.17 %	2.47 %	2.27 %	2.93 %	13 bp	36 bp
Net income	\$ 20,089	\$ 17,431	\$ 17,053	\$ 16,974	\$ 16,097	15%	25%
Diluted EPS	\$ 0.88	\$ 0.74	\$ 0.70	\$ 0.69	\$ 0.64	19%	38%
Select reported non-GAAP measures:							
Non-GAAP operating income	\$ 31,288	\$ 26,639	\$ 25,911	\$ 27,509	\$ 26,034	17%	20%
Non-GAAP operating income margin %	3.85 %	3.78 %	3.47 %	3.55 %	3.49 %	7 bp	36 bp
Non-GAAP net income	\$ 23,322	\$ 20,298	\$ 20,698	\$ 20,823	\$ 19,921	15%	17%
Non-GAAP diluted EPS	\$ 1.02	\$ 0.86	\$ 0.85	\$ 0.84	\$ 0.80	19%	28%
Adjusted EBITDA (non-GAAP)	\$ 38,639	\$ 35,053	\$ 35,299	\$ 35,666	\$ 34,181	10%	13%
Adjusted EBITDA margin % (non-GAAP)	4.75 %	4.97 %	4.72 %	4.60 %	4.58 %	(22) bp	17 bp
Adjusted ROIC (non-GAAP)	14.9 %	13.6 %	13.3 %	13.3 %	12.7 %	130 bp	220 bp
Operating cash flow (QTR)	\$ 7,644	\$ 66,058	\$ (6,190)	\$ 44,830	\$ 54,738		
Less: Capital expenditures (QTR)	\$ (2,517)	\$ (1,420)	\$ (1,974)	\$ (2,375)	\$ (1,270)		
Free cash flow (QTR) (Non-GAAP)	\$ 5,127	\$ 64,638	\$ (8,164)	\$ 42,455	\$ 53,468		
Operating cash flow (TTM)	\$ 112,342	\$ 159,436	\$ 253,530	\$ 322,944	\$ 371,647		
Less: Capital expenditures (TTM)	\$ (8,286)	\$ (7,039)	\$ (8,039)	\$ (8,614)	\$ (8,555)		
Free cash flow (TTM) (Non-GAAP)	\$ 104,056	\$ 152,397	\$ 245,491	\$ 314,330	\$ 363,092		

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)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24	Q/Q	Y/Y
Net sales	\$ 788,708	\$ 678,433	\$ 723,277	\$ 752,299	\$ 722,251	16%	9%
Gross profit	\$ 81,187	\$ 73,994	\$ 77,764	\$ 78,457	\$ 73,562	10%	10%
Gross profit margin %	10.3 %	10.9 %	10.8 %	10.4 %	10.2 %	(61) bp	11 bp
GAAP operating income	\$ 20,937	\$ 14,294	\$ 14,077	\$ 16,738	\$ 14,764	46%	42%
GAAP operating income margin %	2.65 %	2.11 %	1.95 %	2.22 %	2.04 %	55 bp	61 bp
Add: Intangible amortization expense	\$ 2,739	\$ 2,753	\$ 2,741	\$ 2,276	\$ 1,817		
Add: Change in fair value	\$ (1,407)	\$ 94	\$ 473	\$ —	\$ —		
Add: Tax recovery ^(a)	\$ (470)	\$ (1,820)	\$ (750)	\$ —	\$ (657)		
Non-GAAP operating income	\$ 21,799	\$ 15,321	\$ 16,541	\$ 19,014	\$ 15,924	42%	37%
Non-GAAP operating income margin %	2.76 %	2.26 %	2.29 %	2.53 %	2.20 %	51 bp	56 bp
Reconciliation of Operating Income to Adjusted EBITDA							
GAAP operating income	\$ 20,937	\$ 14,294	\$ 14,077	\$ 16,738	\$ 14,764	46%	42%
Plus:							
Depreciation expense	2,134	2,511	3,095	3,069	3,012		
Intangible amortization expense	2,739	2,753	2,741	2,276	1,817		
Interest income	2,744	2,598	2,430	2,457	3,088		
Other income/(expense), net	(491)	124	482	(75)	(377)		
EBITDA (non-GAAP)	28,063	22,280	22,825	24,465	22,304	26%	26%
Adjustments:							
Share-based compensation expense	2,419	2,664	2,787	2,286	1,680	(9)%	44%
Change in fair value	(1,407)	94	473	—	—		
Tax recovery ^(a)	(470)	(1,820)	(750)	—	(657)		
Loss on sale of a business	—	—	—	—	378		
Adjusted EBITDA (non-GAAP)	<u>\$ 28,605</u>	<u>\$ 23,218</u>	<u>\$ 25,335</u>	<u>\$ 26,751</u>	<u>\$ 23,705</u>	23%	21%
Adjusted EBITDA margin % (non-GAAP)	3.63 %	3.42 %	3.50 %	3.56 %	3.28 %	21 bp	35 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)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24	Q/Q	Y/Y
Net sales	\$ 24,178	\$ 26,414	\$ 24,220	\$ 23,281	\$ 23,862	(8)%	1%
Gross profit	\$ 23,915	\$ 26,208	\$ 23,959	\$ 23,162	\$ 23,752	(9)%	1%
Gross profit margin %	98.9 %	99.2 %	98.9 %	99.5 %	99.5 %	(30) bp	(60) bp
GAAP operating income	\$ 6,041	\$ 8,320	\$ 6,440	\$ 6,413	\$ 8,184	(27)%	(26)%
GAAP operating income margin %	24.99 %	31.50 %	26.59 %	27.55 %	34.30 %	(651) bp	(931) bp
Add: Intangible amortization expense	\$ 2,188	\$ 2,188	\$ 2,260	\$ 2,082	\$ 1,924		
Add: Change in fair value	\$ 1,260	\$ 810	\$ 670	\$ —	\$ —		
Non-GAAP operating income	\$ 9,489	\$ 11,318	\$ 9,370	\$ 8,495	\$ 10,108	(16)%	(6)%
Non-GAAP operating income margin %	39.25 %	42.85 %	38.69 %	36.49 %	42.36 %	(360) bp	(311) bp
Reconciliation of Operating Income to Adjusted EBITDA							
GAAP operating income	\$ 6,041	\$ 8,320	\$ 6,440	\$ 6,413	\$ 8,184	(27)%	(26)%
Plus:							
Depreciation expense	40	39	36	43	38		
Intangible amortization expense	2,188	2,188	2,260	2,082	1,924		
Interest income	310	244	263	202	197		
Other income/(expense), net	(59)	1	61	(10)	5		
EBITDA (non-GAAP)	8,520	10,792	9,060	8,730	10,348	(21)%	(18)%
Adjustments:							
Share-based compensation expense	254	233	234	185	128		
Change in fair value	1,260	810	670	—	—		
Adjusted EBITDA (non-GAAP)	\$ 10,034	\$ 11,835	\$ 9,964	\$ 8,915	\$ 10,476	(15)%	(4)%
Adjusted EBITDA margin % (non-GAAP)	41.50 %	44.81 %	41.14 %	38.29 %	43.90 %	(331) bp	(240) 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:

	Q4 FY25	Q4 FY24	% Change
Specialty Technology Solutions:			
Net sales, as reported	\$ 788,708	\$ 722,251	9.2 %
Foreign exchange impact ^(a)	4,683	—	
Less: Acquisitions	(7,140)	—	
Non-GAAP net sales	<u>\$ 786,251</u>	<u>\$ 722,251</u>	8.9 %
Intelisys & Advisory:			
Net sales, as reported	\$ 24,178	\$ 23,862	1.3 %
Foreign exchange impact ^(a)	(14)	—	
Less: Acquisitions	(1,054)	—	
Non-GAAP net sales	<u>\$ 23,110</u>	<u>\$ 23,862</u>	(3.2)%
Consolidated:			
Net sales, as reported	\$ 812,886	\$ 746,113	8.9 %
Foreign exchange impact ^(a)	4,669	—	
Less: Acquisitions	(8,194)	—	
Non-GAAP net sales	<u>\$ 809,361</u>	<u>\$ 746,113</u>	8.5 %

Net Sales by Geography:

	Q4 FY25	Q4 FY24	% Change
United States and Canada:			
Net sales, as reported	\$ 744,644	\$ 663,542	12.2 %
Less: Acquisitions	(8,194)	—	
Non-GAAP net sales	<u>\$ 736,450</u>	<u>\$ 663,542</u>	11.0 %
Brazil:			
Net sales, as reported ^(b)	\$ 68,242	\$ 82,571	(17.4)%
Foreign exchange impact ^(a)	4,669	—	
Non-GAAP net sales	<u>\$ 72,911</u>	<u>\$ 82,571</u>	(11.7)%
Consolidated:			
Net sales, as reported	\$ 812,886	\$ 746,113	8.9 %
Foreign exchange impact ^(a)	4,669	—	
Less: Acquisitions	(8,194)	—	
Non-GAAP net sales	<u>\$ 809,361</u>	<u>\$ 746,113</u>	8.5 %

^(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 June 30, 2025 into U.S. dollars using the weighted-average foreign exchange rates for the quarter ended June 30, 2024.

^(b) Countries outside of the United States, Canada and Brazil represent \$0.2 million, or 0.3% of sales, for the quarter ended June 30, 2025 and \$0.1 million, or 0.1% of sales, for the quarter ended June 30, 2024.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

Net Sales by Segment:

Net Sales by Segment:	Fiscal Year Ended June 30,		% Change
	2025	2024	
Specialty Technology Solutions:			
Net sales, as reported	\$ 2,942,717	\$ 3,167,549	(7.1)%
Foreign exchange impact ^(a)	32,754	—	
Less: Acquisitions	(24,199)	—	
Less: Divestitures	—	(4,019)	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 2,951,272</u>	<u>\$ 3,163,530</u>	(6.7)%
Intelisys & Advisory:			
Net sales, as reported	\$ 98,093	\$ 92,260	6.3 %
Foreign exchange impact ^(a)	(19)	—	
Less: Acquisitions	(5,978)	—	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 92,096</u>	<u>\$ 92,260</u>	(0.2)%
Consolidated:			
Net sales, as reported	\$ 3,040,810	\$ 3,259,809	(6.7)%
Foreign exchange impact ^(a)	32,735	—	
Less: Acquisitions	(30,177)	—	
Less: Divestitures	—	(4,019)	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 3,043,368</u>	<u>\$ 3,255,790</u>	(6.5)%

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

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

Net Sales by Geography:

Net Sales by Geography:	Fiscal Year Ended June 30,		% Change
	2025	2024	
United States and Canada:			
Net sales, as reported	\$ 2,800,739	\$ 2,921,172	(4.1)%
Less: Acquisitions	(30,177)	—	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 2,770,562</u>	<u>\$ 2,921,172</u>	(5.2)%
International:			
Net sales, as reported ^(a)	\$ 240,071	\$ 338,637	(29.1)%
Foreign exchange impact ^(b)	32,735	—	
Less: Divestitures	—	(4,019)	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 272,806</u>	<u>\$ 334,618</u>	(18.5)%
Consolidated:			
Net sales, as reported	\$ 3,040,810	\$ 3,259,809	(6.7)%
Foreign exchange impact ^(b)	32,735	—	
Less: Acquisitions	(30,177)	—	
Less: Divestitures	—	(4,019)	
Net sales, constant currency excluding divestitures (non-GAAP)	<u>\$ 3,043,368</u>	<u>\$ 3,255,790</u>	(6.5)%

^(a) Countries outside of the United States, Canada and Brazil represent \$0.6 million, or 0.2% of sales, for the fiscal year ended June 30, 2025 and \$4.4 million, or 1.3% of sales, for the fiscal year ended June 30, 2024.

^(b) Year-over-year sales growth excluding the translation impact of changes in foreign currency rates. Calculated by translating net sales for the fiscal year ended June 30, 2025 into U.S. dollars using the weighted-average foreign exchange rates for the fiscal year ended June 30, 2024.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24	Q/Q	Y/Y
Net sales by product/services:							
Products and services	\$ 776,349	\$ 665,650	\$ 711,494	\$ 741,618	\$ 718,003	16.6 %	8.1 %
Recurring revenue ^(a)	36,537	39,197	36,003	33,962	28,110	(6.8)%	30.0 %
Consolidated	<u>\$ 812,886</u>	<u>\$ 704,847</u>	<u>\$ 747,497</u>	<u>\$ 775,580</u>	<u>\$ 746,113</u>	<u>15.3 %</u>	<u>8.9 %</u>
Recurring revenue by segment:							
Specialty Technology Solutions	\$ 12,341	\$ 14,187	\$ 12,491	\$ 11,655	\$ 5,194	(13.0)%	137.6 %
Intelisys & Advisory	24,196	25,010	23,512	22,307	22,916	(3.3)%	5.6 %
Consolidated	<u>\$ 36,537</u>	<u>\$ 39,197</u>	<u>\$ 36,003</u>	<u>\$ 33,962</u>	<u>\$ 28,110</u>	<u>(6.8)%</u>	<u>30.0 %</u>
Recurring revenue gross profit by segment:							
Specialty Technology Solutions	\$ 8,979	\$ 10,717	\$ 9,260	\$ 10,082	\$ 4,861	(16.2)%	84.7 %
Intelisys & Advisory	24,196	25,010	23,512	22,307	22,916	(3.3)%	5.6 %
Consolidated	<u>\$ 33,175</u>	<u>\$ 35,727</u>	<u>\$ 32,772</u>	<u>\$ 32,389</u>	<u>\$ 27,777</u>	<u>(7.1)%</u>	<u>19.4 %</u>
Gross profit by segment:							
Specialty Technology Solutions	\$ 81,187	\$ 73,994	\$ 77,764	\$ 78,457	\$ 73,562	9.7 %	10.4 %
Intelisys & Advisory	23,915	26,208	23,959	23,162	23,752	(8.7)%	0.7 %
Consolidated	<u>\$ 105,102</u>	<u>\$ 100,202</u>	<u>\$ 101,723</u>	<u>\$ 101,619</u>	<u>\$ 97,315</u>	<u>4.9 %</u>	<u>8.0 %</u>
Recurring revenue gross profit as % of gross profit:							
Specialty Technology Solutions	11.1 %	14.5 %	11.9 %	12.9 %	6.6 %		
Intelisys & Advisory	101.2 %	95.4 %	98.1 %	96.3 %	96.5 %		
Consolidated	31.6 %	35.7 %	32.2 %	31.9 %	28.5 %		

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

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

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

(\$ in thousands)

	FY 25	FY 24	\$ Change	% Change
Net sales by product/services:				
Products and services	\$ 2,895,110	\$ 3,149,234	\$ (254,124)	(8.1)%
Recurring revenue ^(a)	145,700	110,575	35,125	31.8 %
Consolidated	<u>\$ 3,040,810</u>	<u>\$ 3,259,809</u>	<u>\$ (218,999)</u>	<u>(6.7)%</u>
Recurring revenue by segment:				
Specialty Technology Solutions	\$ 50,674	\$ 22,781	\$ 27,893	122.4 %
Intelisys & Advisory	95,026	87,794	7,232	8.2 %
Consolidated	<u>\$ 145,700</u>	<u>\$ 110,575</u>	<u>\$ 35,125</u>	<u>31.8 %</u>
Recurring revenue gross profit by segment:				
Specialty Technology Solutions	\$ 39,037	\$ 21,754	\$ 17,283	79.4 %
Intelisys & Advisory	95,026	87,794	7,232	8.2 %
Consolidated	<u>\$ 134,063</u>	<u>\$ 109,548</u>	<u>\$ 24,515</u>	<u>22.4 %</u>
Gross profit by segment:				
Specialty Technology Solutions	\$ 311,402	\$ 307,257	\$ 4,145	1.3 %
Intelisys & Advisory	97,244	91,795	5,449	5.9 %
Consolidated	<u>\$ 408,646</u>	<u>\$ 399,052</u>	<u>\$ 9,594</u>	<u>2.4 %</u>
Recurring revenue gross profit as % of gross profit:				
Specialty Technology Solutions	12.5 %	7.1 %		
Intelisys & Advisory	97.7 %	95.6 %		
Consolidated	32.8 %	27.5 %		

^(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)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24
<u>Reconciliation of Net Income to Adjusted EBITDA</u>					
Net income - GAAP	\$ 20,089	\$ 17,431	\$ 17,053	\$ 16,974	\$ 16,097
Plus:					
Interest expense	2,099	1,836	1,970	2,109	2,084
Income taxes	7,408	6,795	2,657	5,988	6,600
Depreciation and amortization	7,101	7,492	8,132	7,471	6,792
EBITDA (non-GAAP)	36,697	33,554	29,812	32,542	31,573
Adjustments:					
Change in fair value of contingent consideration	(147)	904	1,143	—	—
Share-based compensation	2,673	2,896	3,021	2,471	1,808
Tax recovery ^(a)	(470)	(1,820)	(750)	—	(657)
Acquisition and divestiture costs	191	204	151	377	503
Restructuring costs	—	—	313	5,068	435
Cyberattack restoration costs	—	71	30	76	141
Insurance recovery, net of payments	(305)	(756)	—	(4,868)	—
Gain on sale of business	—	—	—	—	378
Legal settlement	—	—	1,579	—	—
Adjusted EBITDA (numerator for Adjusted ROIC) (non-GAAP)	\$ 38,639	\$ 35,053	\$ 35,299	\$ 35,666	\$ 34,181
<u>Invested Capital Calculation</u>					
Equity - beginning of quarter	\$ 901,746	\$ 900,662	\$ 920,893	\$ 924,254	\$ 944,053
Equity - end of quarter	906,393	901,746	900,662	920,893	924,254
Adjustments:					
Change in fair value of contingent consideration, net	(110)	681	861	—	—
Share-based compensation, net	2,007	2,176	2,271	1,856	1,350
Tax recovery, net	(310)	(1,201)	(2,560)	—	(278)
Acquisition and divestiture costs	191	204	151	377	503
Restructuring costs, net	—	—	236	3,818	327
Cyberattack restoration costs, net	—	54	23	57	106
Insurance recovery, net	(229)	(570)	—	(3,667)	—
Gain on sale of business	—	—	—	—	378
Legal settlement, net	—	—	1,189	—	—
Average equity	904,844	901,876	911,863	923,794	935,347
Average funded debt ^(b)	138,270	140,207	142,143	144,020	146,121
Invested capital (denominator for Adjusted ROIC) (non-GAAP)	\$ 1,043,114	\$ 1,042,083	\$ 1,054,006	\$ 1,067,814	\$ 1,081,468
Adjusted return on invested capital (ROIC), annualized ^(c)	14.9 %	13.6 %	13.3 %	13.3 %	12.7 %

(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

Average Adjusted Return on Invested Capital - FY

(\$ in thousands)

	Fiscal Year Ended June 30,	
	2025	2024
<u>Reconciliation of Net Income to Adjusted EBITDA</u>		
Net income from continuing operations - GAAP	\$ 71,548	\$ 77,060
Plus:		
Interest expense	8,013	13,031
Income taxes	22,848	22,781
Depreciation and amortization	30,195	28,009
EBITDA (non-GAAP)	132,604	140,881
Adjustments:		
Change in fair value of contingent consideration	1,900	—
Share-based compensation	11,062	9,537
Tax recovery ^(a)	(3,041)	4,358
Acquisition and divestiture costs	926	1,717
Restructuring costs	5,381	(2,558)
Cyberattack restoration costs	177	874
Insurance recovery, net of payments	(5,928)	—
Gain on sale of business	—	(14,155)
Legal settlement	1,579	—
Adjusted EBITDA (numerator for Adjusted ROIC) (non-GAAP)	\$ 144,660	\$ 140,654
<u>Invested Capital Calculation</u>		
Equity - beginning of year	924,255	905,298
Equity - end of year	906,409	924,255
Adjustments:		
Change in fair value of contingent consideration, net	1,432	—
Share-based compensation, net	8,310	7,120
Tax recovery, net	(4,072)	(2,566)
Acquisition and divestiture costs	926	1,717
Restructuring costs, net	4,054	3,262
Cyberattack restoration costs, net	133	655
Insurance recovery, net	(4,466)	—
Gain on sale of business	—	(14,155)
Legal settlement, net	1,189	—
Average equity	919,085	912,793
Average funded debt ^(b)	141,173	220,528
Invested capital (denominator for Adjusted ROIC) (non-GAAP)	\$ 1,060,258	\$ 1,133,321
Adjusted return on invested capital (ROIC), annualized ^(c)	13.6 %	12.4 %

(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) divided by invested capital for the period.

SUPPORTING MATERIALS AND RECONCILIATIONS FOR NON-GAAP FINANCIAL INFORMATION

Net Debt and Adjusted EBITDA Metrics

(\$ in thousands)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24
Consolidated debt (Q/E)	\$ 136,149	\$ 138,024	\$ 139,899	\$ 143,649	\$ 144,056
Less:					
Cash and cash equivalents of continuing operations (Q/E)	(126,157)	(146,287)	(110,520)	(145,044)	(185,460)
Net debt (Q/E) (non-GAAP)	\$ 9,992	\$ (8,263)	\$ 29,379	\$ (1,395)	\$ (41,404)

Reconciliation of Net Income to Adjusted EBITDA

Net income - GAAP	\$ 20,089	\$ 17,431	\$ 17,053	\$ 16,974	\$ 16,097
Plus:					
Interest expense	2,099	1,836	1,970	2,109	2,084
Income taxes	7,408	6,795	2,657	5,988	6,600
Depreciation and amortization	7,101	7,492	8,132	7,471	6,792
EBITDA (non-GAAP)	36,697	33,554	29,812	32,542	31,573
Adjustments:					
Share-based compensation	2,673	2,896	3,021	2,471	1,808
Change in fair value of contingent consideration	(147)	904	1,143	—	—
Tax recovery ^(a)	(470)	(1,820)	(750)	—	(657)
Acquisition and divestiture costs	191	204	151	377	503
Restructuring costs	—	—	313	5,068	435
Cyberattack restoration costs	—	71	30	76	141
Insurance recovery, net of payments	(305)	(756)	—	(4,868)	—
Loss on sale of business	—	—	—	—	378
Legal settlement	—	—	1,579	—	—
Adjusted EBITDA (non-GAAP)	\$ 38,639	\$ 35,053	\$ 35,299	\$ 35,666	\$ 34,181

Adjusted EBITDA, TTM (non-GAAP) ^(b) **\$ 144,657**

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)

	Q4 FY25	Q3 FY25	Q2 FY25	Q1 FY25	Q4 FY24
Accounts receivable (Q/E)	\$ 635,521	\$ 562,820	\$ 549,112	\$ 567,127	\$ 581,523
Days sales outstanding in receivables	70	72	66	66	71
Inventory (Q/E)	\$ 483,815	\$ 476,206	\$ 491,978	\$ 504,078	\$ 512,634
Inventory turns	5.9	5.0	5.2	5.3	5.0
Accounts payable (Q/E)	\$ 598,595	\$ 540,765	\$ 520,408	\$ 578,657	\$ 587,984
Paid for inventory days*	(1.1)	7.6	11.1	4.4	4.2
Working capital (Q/E) (AR+INV-AP)	<u>\$ 520,741</u>	<u>\$ 498,261</u>	<u>\$ 520,682</u>	<u>\$ 492,548</u>	<u>\$ 506,173</u>
Cash conversion cycle	69	80	77	70	75

*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 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

(\$ 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

^(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 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

(\$ 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.

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, 2024

	Reported GAAP measure	Intangible amortization expense	Acquisition & divestiture costs ^(a)	Restructuring costs	Insurance recovery, net	Tax recovery	Cyberattack restoration costs	Loss on sale of business ^(b)	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)	141	378	27,238
Net income	16,097	2,788	503	327	—	(278)	106	378	19,921
Diluted EPS	\$ 0.64	\$ 0.11	\$ 0.02	\$ 0.01	\$ —	\$ (0.01)	\$ —	\$ 0.02	\$ 0.80

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

^(a) 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 - FY

(\$ in thousands, except for share data)

Year ended June 30, 2025

	Reported GAAP measure	Intangible amortization expense	Change in fair value of contingent consideration	Acquisition & divestiture costs ^(a)	Restructuring costs	Tax recovery, net	Cyberattack restoration costs	Legal Settlement	Insurance Recovery	Non-GAAP measure
SG&A expenses	\$ 286,934	\$ —	\$ —	\$ (926)	\$ —	\$ 3,041	\$ (177)	\$ (1,579)	\$ —	\$ 287,293
Operating income	85,200	19,227	1,900	926	5,381	(3,041)	177	1,579	—	111,349
Pre-tax income	94,396	19,227	1,900	926	5,381	(3,041)	177	1,579	(5,928)	114,617
Net income	71,548	14,400	1,432	926	4,054	(4,072)	133	1,189	(4,466)	85,144
Diluted EPS	\$ 3.00	\$ 0.60	\$ 0.06	\$ 0.04	\$ 0.17	\$ (0.17)	\$ 0.01	\$ 0.05	\$ (0.19)	\$ 3.57

(\$ in thousands, except for share data)

Year ended June 30, 2024

	Reported GAAP measure	Intangible amortization expense	Change in fair value of contingent consideration	Acquisition & divestiture costs ^(a)	Restructuring costs	Tax recovery, net	Cyberattack restoration costs	Gain on sale of business ^(b)	Insurance Recovery	Non-GAAP measure
SG&A expenses	\$ 277,428	\$ —	\$ —	\$ (1,717)	\$ —	\$ 2,558	\$ (874)	\$ —	\$ —	\$ 277,395
Operating income	90,324	15,723	—	1,717	4,358	(2,558)	874	—	—	110,438
Pre-tax income	99,841	15,723	—	1,717	4,358	(2,558)	874	(14,155)	—	105,800
Net income	77,060	11,697	—	1,717	3,262	(2,566)	655	(14,155)	—	77,670
Diluted EPS	\$ 3.06	\$ 0.46	\$ —	\$ 0.07	\$ 0.13	\$ (0.10)	\$ 0.03	\$ (0.56)	\$ —	\$ 3.08

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

^(b) Reflects gain on sale of the UK-based intY business. This transaction resulted in a capital loss for tax purposes. The Company did not record a tax provision on the capital loss as there were no offsetting capital gains.