QXO Reports Third Quarter 2026 Results

GREENWICH, Conn. — November 12, 2026 — QXO, Inc. ("QXO" or the "Company") (NYSE: QXO) today reported financial results for the third quarter of 2026. For the three months ended September 30, 2026, basic and diluted loss per common share was $(0.17). Adjusted Diluted Earnings per Common Share, a non-GAAP financial measure, was $0.13.

Note: The following summary of financial results for the three and nine months ended September 30, 2026, includes the legacy Kodiak Building Partners, Inc. ("Kodiak") operational results from the date of acquisition on April 1, 2026, through September 30, 2026, and the legacy TopBuild Corp. ("TopBuild") operational results from the date of the acquisition on July 1, 2026, through September 30, 2026. The summary of financial results for the nine months ended September 30, 2025, includes the legacy Beacon Roofing Supply, Inc. ("Beacon") operational results from the date of acquisition on April 29, 2025, through September 30, 2025.

THIRD QUARTER 2026 SUMMARY RESULTS

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in millions, except for per share data)	**2026**	**2025**	**2026**	**2025**
Net sales	$ 4,895	$ 2,728	$ 9,871	$ 4,648
Gross profit	$ 1,380	$ 636	$ 2,592	$ 1,043
Adjusted Gross Profit[1]	$ 1,397	$ 687	$ 2,609	$ 1,174
Gross margin	28.2 %	23.3 %	26.3 %	22.4 %
Adjusted Gross Margin[1]	28.5 %	25.2 %	26.4 %	25.3 %
Net loss	$ (123)	$ (139)	$ (405)	$ (189)
Adjusted EBITDA[1]	$ 557	$ 301	$ 830	$ 497
Adjusted Net Income[1]	$ 229	$ 166	$ 302	$ 311
Basic and diluted loss per common share	$ (0.17)	$ (0.24)	$ (0.64)	$ (0.46)
Adjusted Diluted Earnings per Common Share[1]	$ 0.13	$ 0.14	$ 0.15	$ 0.32

[1] See the "Non-GAAP Financial Measures" section of the press release.

Brad Jacobs, chairman and chief executive officer of QXO, said, "Our organic daily revenue trends improved for the second consecutive quarter despite a soft construction market. Companywide pricing increased 2.2% year over year. We're prioritizing higher-margin products; in Roofing and Waterproofing, complementary product sales grew 4.2%, and TRI-BUILT reached a record 10.6% of sales. Mechanical insulation distribution revenue grew 16%, supported by strong data center demand."

Jacobs continued, “We have significant opportunities to grow by further integrating our businesses. We serve 194,000 customers across the legacy Beacon, Kodiak, and TopBuild businesses, but typically supply only a portion of what they need for a project. Our broader offering helps customers work with fewer suppliers, coordinate installation, and reduce construction costs. We’re also improving our purchasing terms and applying successful operating practices from individual businesses across QXO.

“Technology will help us serve customers better and operate more efficiently across our network. We’re connecting our sales, inventory, and warehouse systems so employees can access information more easily and spend less time entering data in multiple applications. Our people will be able to provide quotes faster, check inventory in real time, and respond to customers more quickly. AI will help salespeople identify opportunities to sell additional products and win back dormant accounts. Better delivery planning will improve service and reduce transportation costs.

“We’re on track to reach $4 billion in adjusted EBITDA by 2030 from the businesses we already own and $50 billion in annual revenue within the decade through organic growth and disciplined acquisitions.”

In addition, the Company’s Board of Directors has authorized a common share repurchase program of $500 million with no expiration date. The authorization to repurchase common shares will be used at management’s discretion, and the amount and timing of common share repurchases under the authorization will be subject to various factors. The program does not obligate the Company to repurchase any shares and may be suspended or discontinued at any time.

Third Quarter Highlights

Net sales totaled $4.90 billion for the three months ended September 30, 2026, including $1.64 billion from TopBuild and $589 million from Kodiak.

For the third quarter of 2026, net loss was $123 million and Adjusted Net Income, a non-GAAP financial measure, was $229 million. Basic and diluted loss per common share was $(0.17) and Adjusted Diluted Earnings per Common Share, a non-GAAP financial measure, was $0.13.

Adjusted EBITDA, a non-GAAP financial measure, was $557 million for the three months ended September 30, 2026.

About QXO

QXO is a leading distributor and installer of building products in North America, serving an $800 billion market. The company’s mission is to modernize the building products industry through advanced technology and a best-in-class customer experience. QXO is the largest distributor and installer of insulation, the second-largest distributor of roofing products, the second-largest publicly traded distributor of lumber and building materials, and the largest distributor of waterproofing products. The company is targeting $50 billion in annual revenue within the decade through accretive acquisitions and organic growth. For more information, visit QXO.com.

Non-GAAP Financial Measures

As required by the Securities and Exchange Commission ("SEC") rules, the financial tables attached to this press release reconcile each non-GAAP financial measure to its most directly comparable measure under GAAP.

We calculate Adjusted Gross Profit as gross profit excluding inventory fair value adjustments, and we calculate Adjusted Gross Margin as Adjusted Gross Profit divided by net sales. We calculate Adjusted Net Income (Loss) as net income (loss) excluding amortization; stock-based compensation; loss on debt extinguishment; restructuring costs; transaction costs; transformation costs; inventory fair value adjustments; and the income tax associated with such adjusting items. We calculate Adjusted Diluted Earnings (Loss) per Common Share as Adjusted Net Income (Loss) attributable to common stockholders divided by the weighted-average number of common shares outstanding during the period plus the effect of dilutive common share equivalents based on the most dilutive result of the if-converted and two-class methods. We calculate Adjusted EBITDA as net income (loss) excluding depreciation; amortization; stock-based compensation; interest (income) expense, net; loss on debt extinguishment; provision for (benefit from) income taxes; restructuring costs; transaction costs; transformation costs; and inventory fair value adjustments that we do not consider representative of our underlying operations. We calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by net sales.

The following expenses are excluded from Adjusted Net Income (Loss) and Adjusted EBITDA:

- *Restructuring costs*. Represent severance and employee-related costs and abandoned lease costs associated with a restructuring plan that is expected to yield annualized savings but excludes stock-based compensation expense recognized as a result of a restructuring plan.
- *Transaction costs*. Represent certain direct and incremental costs related to M&A activities. Transaction costs are impacted by the timing and size of the acquisitions.
- *Transformation costs*. Represent certain direct costs for strategic investments to modernize our business and operations and to integrate acquired businesses into QXO, including rebranding costs, retention costs for key employees of acquired businesses, IT infrastructure transformation costs, costs incurred to invest in new technologies such as artificial intelligence, and costs associated with non-recurring transformational initiatives to improve or optimize business operations. These costs are directed at optimizing the Company's processes to modernize the Company's operations.

We have provided a reconciliation below of Adjusted Gross Profit to gross profit, the most directly comparable financial measure as measured in accordance with GAAP, as well as a calculation of gross margin and Adjusted Gross Margin. We have provided a reconciliation below of Adjusted Net Income (Loss) to net income (loss), the most directly comparable financial measure as measured in accordance with GAAP, as well as a calculation of diluted earnings (loss) per common share and Adjusted Diluted Earnings (Loss) per Common Share. We have also provided a reconciliation below of Adjusted EBITDA to net income (loss), the most directly comparable financial measure as measured in accordance with GAAP, as well as a calculation of net margin and Adjusted EBITDA Margin. We have not reconciled our Adjusted EBITDA target to net income, the most directly comparable GAAP measure, because we cannot predict without unreasonable efforts the outcome of certain items that are necessary for the

reconciliation, including future acquisitions, stock-based compensation, transaction and transformation costs, and provision for (benefit from) income taxes, the impact of which could be significant.

Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating QXO's ongoing performance. We believe these non-GAAP financial measures facilitate analysis of our ongoing business operations because they exclude items that may not be reflective of, or are unrelated to, QXO's core operating performance, and may assist investors with comparisons to prior periods and assessing trends in our underlying business. Other companies may calculate these non-GAAP financial measures differently, and therefore our measures may not be comparable to similarly titled measures of other companies.

Forward-looking statements

This release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "potential," "predict," "should," "will," "expect," "objective," "projection," "forecast," "goal," "guidance," "outlook," "effort," "target," "trajectory" or the negative of these terms or other comparable terms. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include the risks discussed in our filings with the SEC, and the following:

- *an inability to obtain the products we distribute resulting in lost revenues and reduced margins and damaging relationships with customers;*
- *changes in supplier pricing, demand or vendor rebates adversely affecting our income and gross margins;*
- *our inability to identify potential acquisition targets, successfully complete acquisitions on acceptable terms, or successfully integrate acquired businesses into our operations;*
- *the possibility that our cost and revenue initiatives to enhance efficiencies and drive organic growth may not be effective;*
- *risks related to maintaining our safety record;*
- *liability exposure due to the nature and breadth of our installation services operations, including from construction defect and warranty claims;*
- *risks related to the identification of new products, product quality or performance issues from third-party manufacturers and suppliers;*
- *the possibility that building products distribution industry demand may soften or shift substantially due to cyclicality or dependence on general economic and political conditions,*

including inflation or deflation, interest rates, governmental subsidies or incentives, consumer confidence, labor and supply shortages, weather and commodity prices;

- *risks related to fragmentation in our industry and the possibility that regional or global barriers to trade or a global trade war could increase the cost of products in the building products distribution industry;*
- *seasonality, weather-related conditions and natural disasters;*
- *risks related to the effective development and proper functioning of our information technology systems, including from cybersecurity threats, artificial intelligence use, and digital transformation initiatives;*
- *risks relating to our ability to attract and retain key talent, work stoppages, union negotiations, labor disputes or other labor force matters;*
- *our dependence on Brad Jacobs as chairman and chief executive officer and the impact of the loss of Mr. Jacobs in these roles;*
- *the risk that Mr. Jacobs' past performance may not be representative of future results;*
- *the risk that the anticipated benefits of our acquisition of Beacon Roofing Supply, Inc. (the "Beacon Acquisition"), Kodiak Building Partners, Inc. (the "Kodiak Acquisition"), TopBuild Corp. (the "TopBuild Acquisition") or any future acquisition may not be fully realized or may take longer to realize than expected;*
- *the effect of the Beacon Acquisition, Kodiak Acquisition, and TopBuild Acquisition or any future acquisition on our business relationships with employees, customers or suppliers, operating results and business generally;*
- *risks that our rebranding initiatives following the TopBuild Acquisition may not achieve their intended benefits;*
- *the possibility of an impairment of goodwill or other intangible assets, which represent a substantial portion of our total assets as a result of our acquisitions;*
- *risks related to our obligations under the indebtedness we incurred in connection with the Beacon Acquisition and TopBuild Acquisition;*
- *the possible economic impact of the Company's outstanding warrants and preferred stock on the Company and the holders of its common stock or the impact of dividend payments or liquidation preferences from preferred stock that remains outstanding;*
- *challenges raising additional equity or debt capital and the effects that raising such capital may have on the Company and its business;*
- *the possibility that new investors in any future financing transactions could gain rights, preferences and privileges senior to those of the Company's existing stockholders;*
- *the development of alternatives to distributors in the supply chain and competitive pricing pressure from customers;*
- *changes in building codes and consumer preferences that could affect our ability to market our service offerings;*
- *risks associated with periodic litigation, regulatory proceedings and enforcement actions;*
- *the impact of legislative, regulatory, economic, competitive and technological changes;*
- *risks related to insurance and bonding, including the use of a wholly owned insurance captive to manage risks;*

- *unknown liabilities and uncertainties regarding general economic, business, competitive, legal, regulatory, tax and geopolitical conditions; and*
- *other factors, including those set forth in the Company's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q.*

All forward-looking statements set forth in this release are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this release speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements except to the extent required by law.

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QXO, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(in millions, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Net sales	$ 4,895	$ 2,728	$ 9,871	$ 4,648
Cost of sales	3,515	2,092	7,279	3,605
Gross profit	1,380	636	2,592	1,043
Operating expense:				
Selling, general and administrative	1,024	453	2,170	954
Depreciation	66	40	169	67
Amortization	288	118	545	198
Total operating expense	1,378	611	2,884	1,219
Income (loss) from operations	2	25	(292)	(176)
Interest expense, net	(163)	(37)	(232)	(11)
Loss on debt extinguishment	—	—	—	(46)
Other income, net	11	1	17	3
Loss before (benefit from) provision for income taxes	(150)	(11)	(507)	(230)
(Benefit from) provision for income taxes	(27)	128	(102)	(41)
Net loss	$ (123)	$ (139)	$ (405)	$ (189)
Loss per common share - basic and diluted	$ (0.17)	$ (0.24)	$ (0.64)	$ (0.46)
Total weighted-average common shares outstanding:				
Basic and diluted	1,080.7	715.3	865.3	578.1

QXO, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in millions, except per share amounts)
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 528	$ 2,362
Accounts receivable, net	2,817	1,145
Inventories	2,542	1,497
Vendor rebates receivable	629	427
Income tax receivable	—	31
Prepaid expenses and other current assets	210	84
Total current assets	6,726	5,546
Property and equipment, net	1,240	689
Goodwill	14,536	5,111
Intangibles, net	10,767	3,819
Operating lease right-of-use assets, net	1,119	690
Other assets, net	82	32
Total assets	$ 34,470	$ 15,887
Liabilities, Mezzanine Equity and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,743	$ 819
Accrued expenses	1,252	574
Current portion of operating lease liabilities	240	108
Current portion of finance lease liabilities	60	49
Current portion of long-term debt	30	—
Total current liabilities	3,325	1,550
Long-term debt, net	8,948	3,057
Deferred income tax liabilities, net	2,422	847
Operating lease liabilities	867	562
Finance lease liabilities	132	139
Other long-term liabilities	153	25
Total liabilities	15,847	6,180
Mezzanine equity:		
Series C Preferred Stock, $0.001 par value per share; 0.3 shares and 0.0 shares authorized, issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	2,942	—
Stockholders' equity:		
Mandatory Convertible Preferred Stock, $0.001 par value; 0.6 shares authorized, issued and outstanding as of September 30, 2026 and December 31, 2025	558	558
Convertible Preferred Stock, $0.001 par value; authorized 10.0 shares, 1.0 shares issued and outstanding as of September 30, 2026 and December 31, 2025	499	499
Common stock; $0.00001 par value; authorized 4,000.0 shares and 2,000.0 shares as of September 30, 2026 and December 31, 2025, respectively; 1,039.8 and 674.5 shares issued and outstanding as of September 30, 2026 and December 31, 2025, respectively	—	—
Additional paid-in capital	15,572	9,047
Retained earnings (accumulated deficit)	(950)	(395)
Accumulated other comprehensive income (loss)	2	(2)
Total stockholders' equity	15,681	9,707
Total liabilities, mezzanine equity and stockholders' equity	$ 34,470	$ 15,887

QXO, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in millions)
(Unaudited)

	Nine Months Ended September 30,	
	2026	2025
Operating Activities		
Net loss	$ (405)	$ (189)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation	188	67
Amortization	545	198
Stock-based compensation	147	116
Amortization of debt issuance costs	10	4
Loss on debt extinguishment	—	46
Provision for credit losses	32	7
Non-cash lease expense	134	70
Deferred income taxes	(195)	25
Changes in operating assets and liabilities, excluding the effects of acquisitions:		
Accounts receivable	(503)	(229)
Inventories	(317)	162
Vendor rebates receivable	(151)	(257)
Income tax receivable	17	(78)
Prepaid expenses and other current assets	(29)	13
Accounts payable and accrued expenses	473	177
Other assets and liabilities	(91)	(57)
Net cash (used in) provided by operating activities	(145)	75
Investing Activities		
Capital expenditures	(111)	(50)
Acquisition of businesses, net of cash and restricted cash acquired and common stock issued	(10,933)	(10,557)
Other	4	2
Net cash used in investing activities	(11,040)	(10,605)
Financing Activities		
Borrowings under revolving lines of credit	26	720
Payments under revolving lines of credit	(26)	(677)
Borrowings under term loan	2,993	2,250
Payments under term loan	—	(1,400)
Borrowings under senior notes	3,000	2,250
Payment of debt issuance costs and other financing fees	(91)	(114)
Payments under equipment financing facilities and finance leases	(41)	(18)
Proceeds from issuance of common stock related to equity awards	3	18
Proceeds from issuance of common stock, net of issuance costs	748	4,256
Proceeds from issuance of Mandatory Convertible Preferred Stock, net of issuance costs	—	558
Proceeds from the issuance of Series C Preferred Stock, net of issuance costs	2,989	—
Payment of taxes related to net share settlement of equity awards	(31)	—
Payment of costs to obtain Series C Preferred Stock commitment	(47)	—
Payment of dividends on Convertible Preferred Stock	(67)	(67)
Payment of dividends on Mandatory Convertible Preferred Stock	(24)	(7)
Payment of dividends on Series C Preferred Stock	(59)	—
Net cash provided by financing activities	9,373	7,769
Effect of exchange rate changes on cash, cash equivalents and restricted cash	—	—
Net decrease in cash, cash equivalents and restricted cash	(1,812)	(2,761)
Cash, cash equivalents and restricted cash, beginning of period	2,366	5,072
Cash, cash equivalents and restricted cash, end of period	$ 554	$ 2,311
Supplemental Cash Flow Information		
Cash paid during the period for:		
Interest	$ 181	$ 42
Income taxes, net of refunds	$ 13	$ 37
Supplemental Disclosure of Non-Cash Activities		
Common stock issued as consideration for acquisition	$ 5,641	$ —

QXO, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
(in millions, except percentages)
(Unaudited)

Adjusted Gross Profit and Adjusted Gross Profit Margin

A reconciliation of gross profit and gross margin to Adjusted Gross Profit and Adjusted Gross Margin is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Gross profit	$ 1,380	$ 636	$ 2,592	$ 1,043
Inventory fair value adjustments[1]	17	51	17	131
Adjusted Gross Profit[2]	$ 1,397	$ 687	$ 2,609	$ 1,174
Net sales	$ 4,895	$ 2,728	$ 9,871	$ 4,648
Gross margin[3]	28.2 %	23.3 %	26.3 %	22.4 %
Adjusted Gross Margin[2][3]	28.5 %	25.2 %	26.4 %	25.3 %

[1] Represents the inventory fair value adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition.

[2] See the “Non-GAAP Financial Measures” section of the press release.

[3] Gross margin is calculated as gross profit divided by net sales. Adjusted Gross Margin is calculated as Adjusted Gross Profit divided by net sales. Percentages may not recalculate due to rounding.

QXO, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures (cont.)
(in millions, except per share data)
(Unaudited)

Adjusted Net Income and Adjusted Diluted Earnings per Common Share

A reconciliation of net loss and diluted loss per common share to Adjusted Net Income and Adjusted Diluted Earnings per Common Share is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (123)	$ (139)	$ (405)	$ (189)
(Benefit from) provision for income taxes	(27)	128	(102)	(41)
Loss before (benefit from) provision for income taxes	(150)	(11)	(507)	(230)
Amortization	288	118	545	198
Stock-based compensation	79	31	147	116
Loss on debt extinguishment[1]	—	—	—	46
Restructuring costs	9	8	33	43
Transaction costs	40	4	111	80
Transformation costs	28	23	64	35
Inventory fair value adjustments[2]	17	51	17	131
Adjusted income before benefit from income taxes	311	224	410	419
Income tax associated with the adjustments above[3]	(82)	(58)	(108)	(108)
Adjusted Net Income[4]	$ 229	$ 166	$ 302	$ 311
Convertible Preferred Stock dividend	(22)	(22)	(67)	(67)
Mandatory Convertible Preferred Stock dividend	(8)	(8)	(24)	(11)
Series C Preferred Stock dividend	(36)	—	(59)	—
Undistributed income allocated to participating securities	(12)	(14)	—	(18)
Adjusted Net Income attributable to common stockholders	$ 151	$ 122	$ 152	$ 215
Basic and diluted loss per common share	$ (0.17)	$ (0.24)	$ (0.64)	$ (0.46)
Adjusted Diluted Earnings per Common Share[4][5]	$ 0.13	$ 0.14	$ 0.15	$ 0.32
Adjusted diluted weighted-average common shares outstanding[5]	1,192.9	875.3	1,006.0	679.6

[1] Represents extinguishment costs resulting from the partial prepayment of borrowings under the Company's senior secured term loan facility (the "2032 Term Loan Facility") in May 2025.

[2] Represents the inventory fair value adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition.

[3] The effective tax rates used to calculate Adjusted Net Income for the three months ended September 30, 2026 and 2025 were 26.3% and 26.0%, respectively. The effective tax rates used to calculate Adjusted Net Income for the nine months ended September 30, 2026 and 2025 were 26.4% and 25.9%, respectively.

[4] See the "Non-GAAP Financial Measures" section of the press release.

[5] Adjusted Diluted Earnings per Common Share is calculated as Adjusted Net Income attributable to common stockholders divided by the weighted-average number of common shares outstanding during the period plus the effect of dilutive common share equivalents based on the most dilutive result of the if-converted and two-class methods.

QXO, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures (cont.)
(in millions, except percentages)
(Unaudited)

Adjusted EBITDA and Adjusted EBITDA Margin

A reconciliation of net loss and net margin to Adjusted EBITDA and Adjusted EBITDA Margin is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (123)	$ (139)	$ (405)	$ (189)
Depreciation[1]	83	40	188	67
Amortization	288	118	545	198
Stock-based compensation	79	31	147	116
Interest expense, net	163	37	232	11
Loss on debt extinguishment[2]	—	—	—	46
(Benefit from) provision for income taxes	(27)	128	(102)	(41)
Restructuring costs	9	8	33	43
Transaction costs	40	4	111	80
Transformation costs	28	23	64	35
Inventory fair value adjustments[3]	17	51	17	131
Adjusted EBITDA[4]	$ 557	$ 301	$ 830	$ 497
Net sales	$ 4,895	$ 2,728	$ 9,871	$ 4,648
Net margin[5]	(2.5)%	(5.1)%	(4.1)%	(4.1)%
Adjusted EBITDA Margin[4][5]	11.4 %	11.1 %	8.4 %	10.7 %

[1] Depreciation for the three and nine months ended September 30, 2026 includes depreciation expense recognized within cost of sales on the condensed consolidated statements of operations of $17 million and $19 million, respectively.

[2] Represents extinguishment costs resulting from the partial prepayment of borrowings under the 2032 Term Loan Facility in May 2025.

[3] Represents the inventory fair value adjustments related to recording the inventory of acquired businesses at fair value on the date of acquisition.

[4] See the “Non-GAAP Financial Measures” section of the press release.

[5] Net margin is calculated as net loss divided by net sales. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by net sales. Percentages may not recalculate due to rounding.