THE INDUSTRIAL DISTRIBUTION EXPERTS

Presented by:

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NASDAQ: DXPE

Results for Q4 Fiscal 2025

Earnings Announcement: February 26, 2026

(Quarter Ending December 31, 2025)

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of the U.S. federal securities laws that involve risks and uncertainties. Certain statements contained in this report are not purely historical, including statements regarding our expectations, beliefs, intentions or strategies regarding the future that are forward-looking. These statements include statements concerning projected revenues, expenses, gross profit, income, gross margins or other financial items.

All forward-looking statements speak only as of the date of this presentation. You should not place undue reliance on these forward-looking statements. Although we believe our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this presentation are reasonable, we may be unable to achieve these plans, intentions or expectations. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf. Risks and uncertainties that could cause actual results to differ from those in the forward-looking statements are described in “Risk Factors” and “Forward-Looking Statements” in our Quarterly Reports on Form 10-Q and in our Annual Report on Form 10-K as filed with the Securities and Exchange Commission.

Statement Regarding use of Non-GAAP Measures:

The Non-GAAP financial measures contained in this presentation (including, without limitation, EBITDA, Adjusted EBITDA, Free Cash Flow, Return on Invested Capital (ROIC) and variations thereof are not measures of financial performance calculated in accordance with GAAP and should not be considered as alternatives to net income (loss) or any other performance measure derived in accordance with GAAP or as alternatives to cash flows from operating activities as a measure of our liquidity. They should be viewed in addition to, and not as a substitute for, analysis of our results reported in accordance with GAAP, or as alternative measures of liquidity. Management believes that certain non-GAAP financial measures provide a view to measures similar to those used in evaluating our compliance with certain financial covenants under our credit facilities and provide financial statement users meaningful comparisons between current and prior year period results. They are also used as a metric to determine certain components of performance-based compensation. The adjustments and Adjusted EBITDA are based on currently available information and certain adjustments that we believe are reasonable and are presented as an aid in understanding our operating results. They are not necessarily indicative of future results of operations that may be obtained by the Company.

FY2025 KEY TAKEAWAYS

- **Sales increased 11.9 percent to $2.0 billion, compared to $1.8 billion for fiscal 2024.**
  - Organic sales grew 12.7 percent year over year.
  - Acquisition sales contributed $96.0 million.
  - Sales per business day averaged $8.0 million.
- **Net income increased 25.8 percent or $18.2 million to $88.7 million, compared to $70.5 million for fiscal 2024.**
- **Diluted earnings per share for 2025 was $5.37 based on 16.5 million diluted shares, compared to $4.22 per share in 2024, based on 16.7 million diluted shares.**
  - Adjusted diluted earnings per share was $5.42 per share compared to $4.51 per share in 2024.
- **Adjusted EBITDA for 2025 was $225.3 million compared to $191.3 million for 2024.**
  - Adjusted EBITDA as a percentage of sales was 11.2 percent and 10.6 percent, respectively.
- **Free cash flow (cash flow from operating activities less capital expenditures) for fiscal 2025 was $54.0 million or 24.7 percent of EBITDA.**
- **Completed six acquisitions and closed three subsequent to year end.**

DXP

Q4 2025 INCOME STATEMENT HIGHLIGHTS

(in thousands, except percentages and per share data)

	QTD 12/31/24	QTD 09/30/25	QTD 12/31/25
Sales	**$ 470,914**	**$ 513,724**	**$ 527,390**
% growth y/y	*15.7 %*	*8.6 %*	*12.0 %*
% growth seq	*(0.4)%*	*3.0 %*	*2.7 %*
Gross Profit	**$ 148,492**	**$ 161,259**	**$ 166,591**
% margin	*31.5 %*	*31.4 %*	*31.6 %*
Operating Income	**$ 39,291**	**$ 43,698**	**$ 46,671**
% margin	*8.3 %*	*8.5 %*	*8.8 %*
Net Income	**$ 21,363**	**$ 21,631**	**$ 22,845**
% margin	*4.5 %*	*4.2 %*	*4.3 %*
Adj. EBITDA	**$ 50,300**	**$ 56,501**	**$ 58,969**
% margin	*10.7 %*	*11.0 %*	*11.2 %*
Net cash provided by Operating Activities	**$ 32,143**	**$ 34,886**	**$ 37,759**
Free Cash Flow	**$ 22,748**	**$ 28,146**	**$ 34,473**
Diluted EPS	**$ 1.29**	**$ 1.31**	**$ 1.39**
Diluted Shares	**16,535**	**16,526**	**16,435**
Adj. Diluted EPS	**$ 1.38**	**$ 1.34**	**$ 1.39**
Sales Per Business Day	**$ 7,595**	**$ 8,027**	**$ 8,506**

Please refer to the appendix of this presentation for reconciliations of the Non-GAAP financial measures to the most directly comparable GAAP measures.

2025 INCOME STATEMENT HIGHLIGHTS

(in thousands, except percentages and per share data)

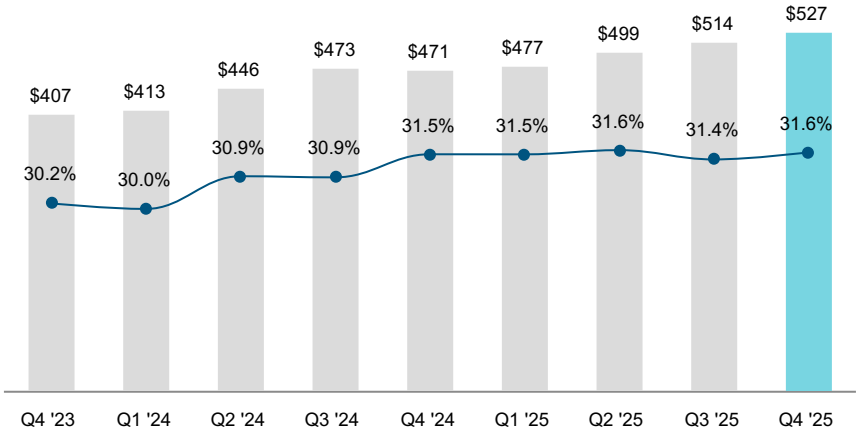
	FISCAL 2023	FISCAL 2024	FISCAL 2025
Sales	**$ 1,678,600**	**$ 1,802,040**	**$ 2,016,365**
% growth y/y	*13.4 %*	*7.4 %*	*11.9 %*
Gross Profit	**$ 505,291**	**$ 556,277**	**$ 635,928**
% margin	*30.1 %*	*30.9 %*	*31.5 %*
Operating Income	**$ 138,722**	**$ 145,382**	**$ 176,870**
% margin	*8.3 %*	*8.1 %*	*8.8 %*
Net Income	**$ 68,812**	**$ 70,489**	**$ 88,677**
% margin	*4.1 %*	*3.9 %*	*4.4 %*
Adj. EBITDA	**$ 174,305**	**$ 191,310**	**$ 225,302**
% margin	*10.4 %*	*10.6 %*	*11.2 %*
Net Cash provided by Operating Activities	**$ 106,222**	**$ 102,211**	**$ 94,264**
Free Cash Flow	**$ 93,959**	**$ 77,143**	**$ 53,978**
Diluted EPS	**$ 3.89**	**$ 4.22**	**$ 5.37**
Diluted Shares	**17,710**	**16,701**	**16,507**
Adj. Diluted EPS	**$ 4.09**	**$ 4.51**	**$ 5.42**
Sales Per Business Day	**$ 6,661**	**$ 7,123**	**$ 8,001**

Please refer to the appendix of this presentation for reconciliations of the Non-GAAP financial measures to the most directly comparable GAAP measures.

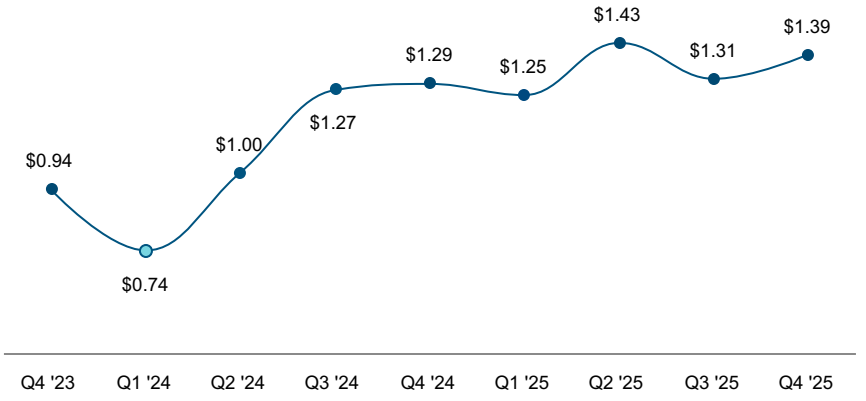
QUARTERLY FINANCIAL HIGHLIGHTS

(in millions, except percentages and per share data)

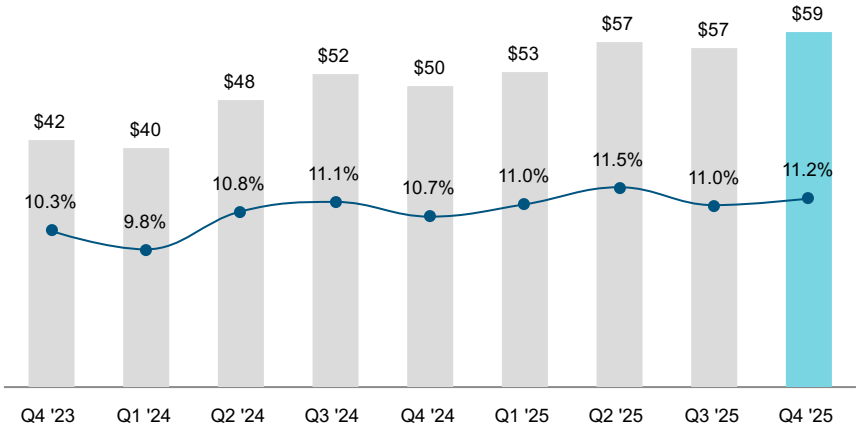
SALES AND GROSS MARGIN



DILUTED EARNINGS PER SHARE*

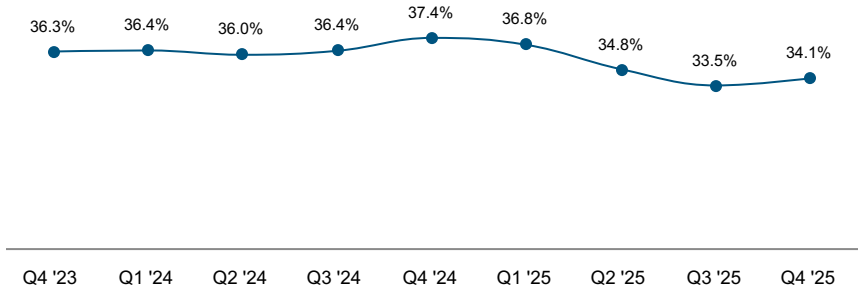


ADJ. EBITDA AND ADJ. EBITDA MARGIN



RETURN ON INVESTED CAPITAL (ROIC%)

Return on invested capital is defined as
tax-effected LTM EBITDA / average total net operating assets.

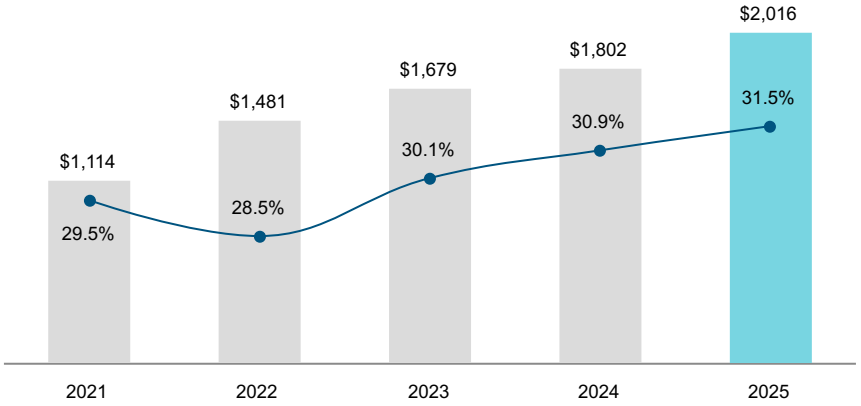


**For March 2024, diluted earnings per share (EPS) was adjusted to exclude one-time acquisition integration costs and other unique non-cash charges, resulting in an actual diluted EPS of $0.67 for Q1 2024.*

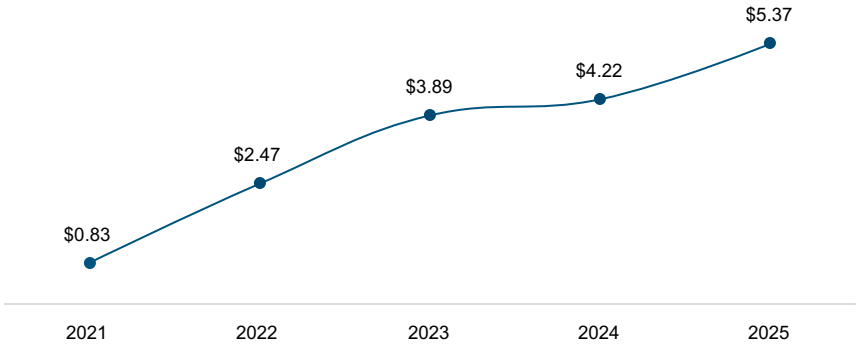
ANNUAL FINANCIAL HIGHLIGHTS

(in millions, except percentages and per share data)

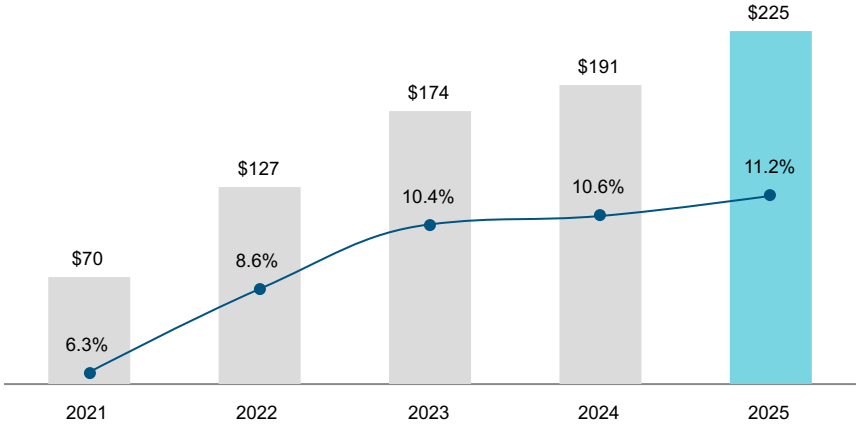
SALES AND GROSS MARGIN



DILUTED EARNINGS PER SHARE



ADJ. EBITDA AND ADJ. EBITDA MARGIN



RETURN ON INVESTED CAPITAL (ROIC%)

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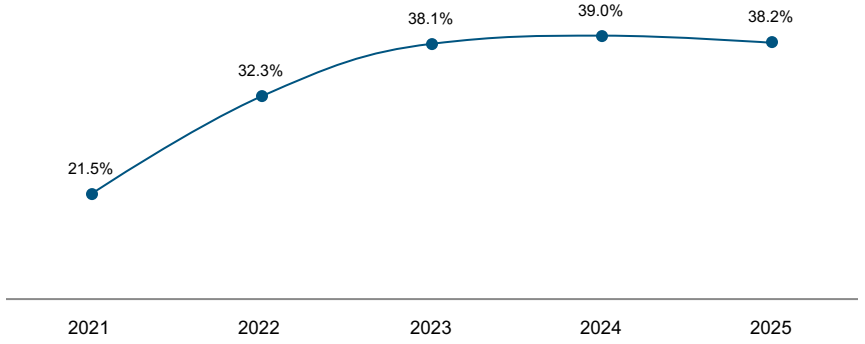
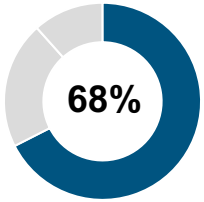
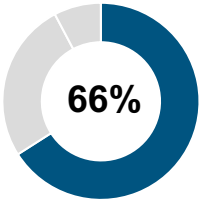
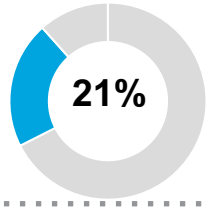
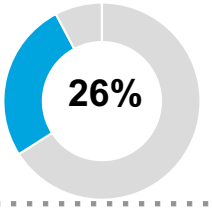
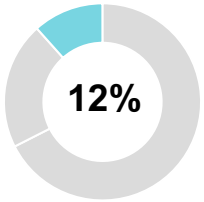
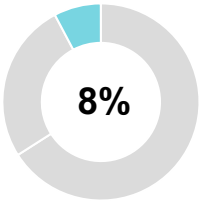


QUARTERLY OPERATING PERFORMANCE BY SEGMENT

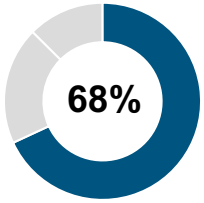
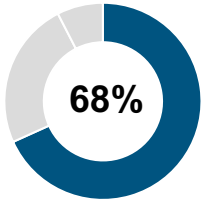
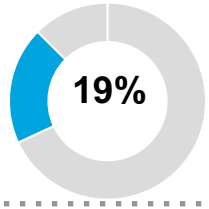
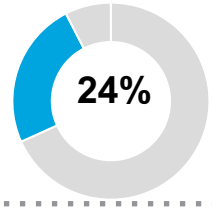
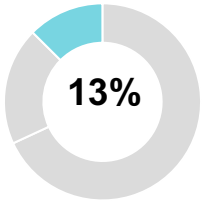
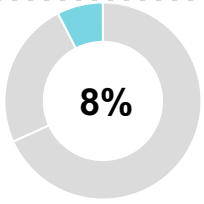
*(in millions, except percentages)**

	SALES	SALES MIX	OPERATING PROFIT (OP)	OP CONTRIBUTION	OPERATING MARGIN
DXP SERVICE CENTERS	$356.2		$49.6		13.9%
DXP INNOVATIVE PUMPING SOLUTIONS®	$110.0		$19.8		18.0%
DXP SUPPLY CHAIN SERVICES	$61.2		$5.8		9.5%
SEGMENT TOTAL	$527.4		$75.2		14.3%
CORPORATE (expenses & amortization of intangibles)	$—		$(28.5)		
TOTAL	$527.4		$46.7		8.9%

*Amounts may not foot/reconcile due to rounding

ANNUAL OPERATING PERFORMANCE BY SEGMENT

*(in millions, except percentages)**

	SALES	SALES MIX	OPERATING PROFIT (OP)	OP CONTRIBUTION	OPERATING MARGIN
DXP SERVICE CENTERS	$1,373.1		$198.2		14.4%
DXP INNOVATIVE PUMPING SOLUTIONS®	$390.3		$70.2		18.0%
DXP SUPPLY CHAIN SERVICES	$252.9		$21.9		8.7%
SEGMENT TOTAL	$2,016.4		$290.3		14.4%
CORPORATE (expenses & amortization of intangibles)	$—		$(113.4)		
TOTAL	$2,016.4		$176.9		8.8%

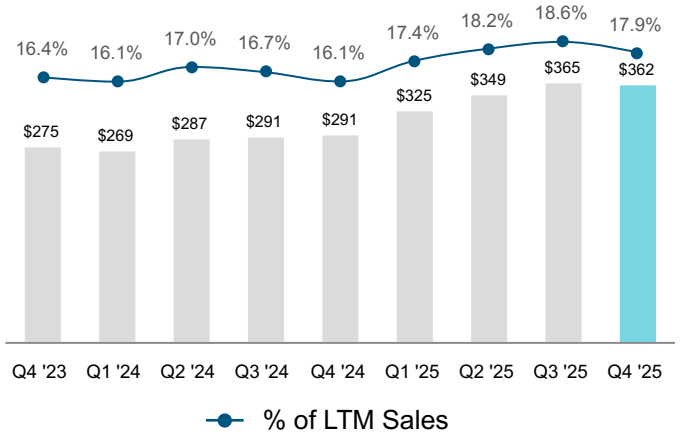
*Amounts may not foot/reconcile due to rounding

QUARTERLY CASH FLOW AND WORKING CAPITAL

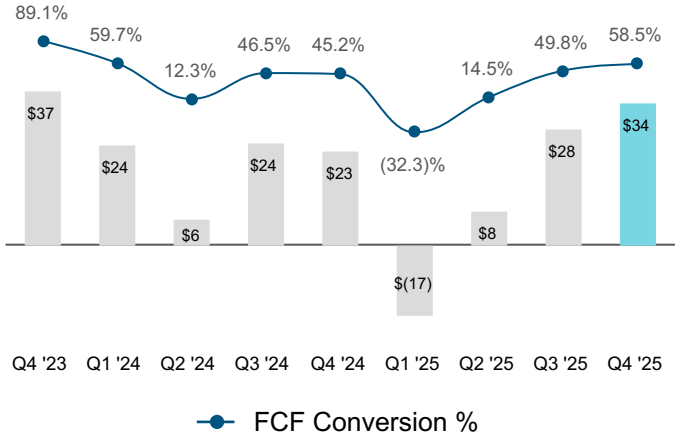
(in thousands, except percentages)

	QTD 12/31/2024	QTD 9/30/2025	QTD 12/31/2025
Net Income	$ 21,363	$ 21,631	$ 22,845
Depreciation and Amortization	9,020	9,920	10,306
Change in Net Working Capital	(542)	(13,591)	1,654
Other Operating Cash Flows, Net	2,302	16,926	2,954
Net Cash provided by Operating Activities	**$ 32,143**	**$ 34,886**	**$ 37,759**
Purchase of Property & Equipment	(9,395)	(6,740)	(3,286)
Free Cash Flow	**$ 22,748**	**$ 28,146**	**$ 34,473**
Other Investing Cash Flows, Net	(7,184)	(10,588)	(37,227)
Net Cash used in Investing Activities	**$ (16,579)**	**$ (17,328)**	**$ (40,513)**
Net Cash (used in) provided by Financing Activities	**$ 99,187**	**$ (6,600)**	**$ 182,062**
Effect of foreign currency on cash	$ (1,431)	$ (59)	$ 646
Net change in cash and restricted cash	$ 113,320	$ 10,899	$ 179,954
Cash and restricted cash at beginning of the period	$ 35,091	$ 112,930	$ 123,829
Cash and restricted cash at end of the period	**$ 148,411**	**$ 123,829**	**$ 303,783**
Supplemental Information			
Purchase of businesses	$ 7,184	$ 10,588	$ 37,227
Cash paid for interest	$ 23,039	$ 13,527	$ 13,473
Cash paid for income taxes	$ 2,522	$ 1,147	$ 1,304
Net Debt	$ 500,465	$ 520,176	$ 543,002
Proceeds from issuance of Senior Secured Term Loan B, net of deferred financing costs	$ 102,716	$ —	$ 202,077

NET WORKING CAPITAL (in millions)(1)



FREE CASH FLOW (in millions)(2)



Notes:

(1) Net working capital is calculated as current assets less current liabilities excluding cash and restricted cash, short term debt obligations, and short term operating leases.

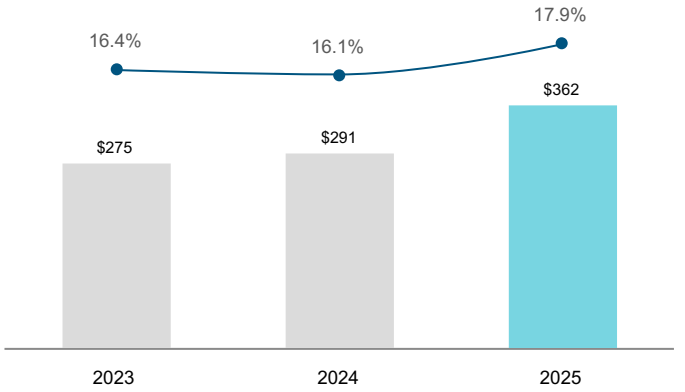
(2) Free cash flow conversion percentage is calculated as free cash flow over adjusted EBITDA.

ANNUAL CASH FLOW AND WORKING CAPITAL

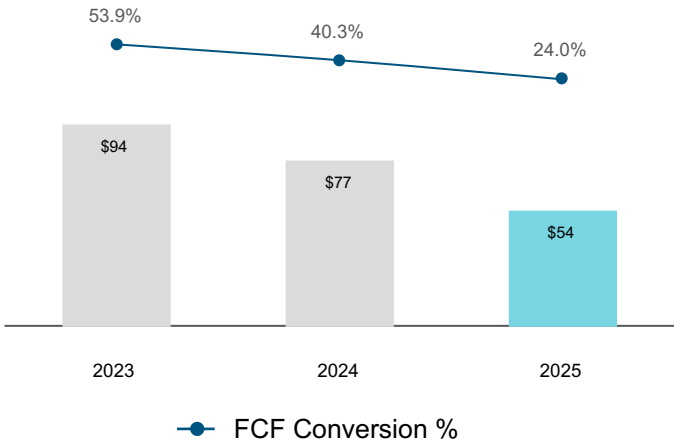
(in thousands, except percentages)

	FISCAL 2023	FISCAL 2024	FISCAL 2025
Net Income	$ 68,812	$ 70,489	$ 88,677
Depreciation and Amortization	30,105	33,405	38,850
Change in Net Working Capital	6,065	826	(58,885)
Other Operating Cash Flows, Net	1,240	(2,509)	25,622
Net Cash provided by Operating Activities	**$ 106,222**	**$ 102,211**	**$ 94,264**
Purchase of Property & Equipment	(12,263)	(25,068)	(40,286)
Free Cash Flow	**$ 93,959**	**$ 77,143**	**$ 53,978**
Other Investing Cash Flows, Net	(10,384)	(156,624)	(58,960)
Net Cash used in Investing Activities	**$ (22,647)**	**$ (181,692)**	**$ (99,246)**
Net Cash provided by Financing Activities	**$ 43,579**	**$ 56,803**	**$ 158,868**
Effect of foreign currency on cash	$ (60)	$ (2,122)	$ 1,486
Net change in cash and restricted cash	$ 127,094	$ (24,800)	$ 155,372
Cash and restricted cash at beginning of the period	$ 46,117	$ 173,211	$ 148,411
Cash and restricted cash at end of the period	**$ 173,211**	**$ 148,411**	**$ 303,783**
Supplemental Information			
Purchase of businesses	$ 10,384	$ 156,624	$ 61,675
Cash paid for interest	$ 48,954	$ 67,005	$ 53,698
Cash paid for income taxes	$ 21,839	$ 20,433	$ 36,399
Net Debt	$ 375,414	$ 500,465	$ 543,002
Proceeds from issuance of Senior Secured Term Loan B, net of deferred financing costs	$ 113,108	$ 102,716	$ 202,077

NET WORKING CAPITAL (in millions)(1)



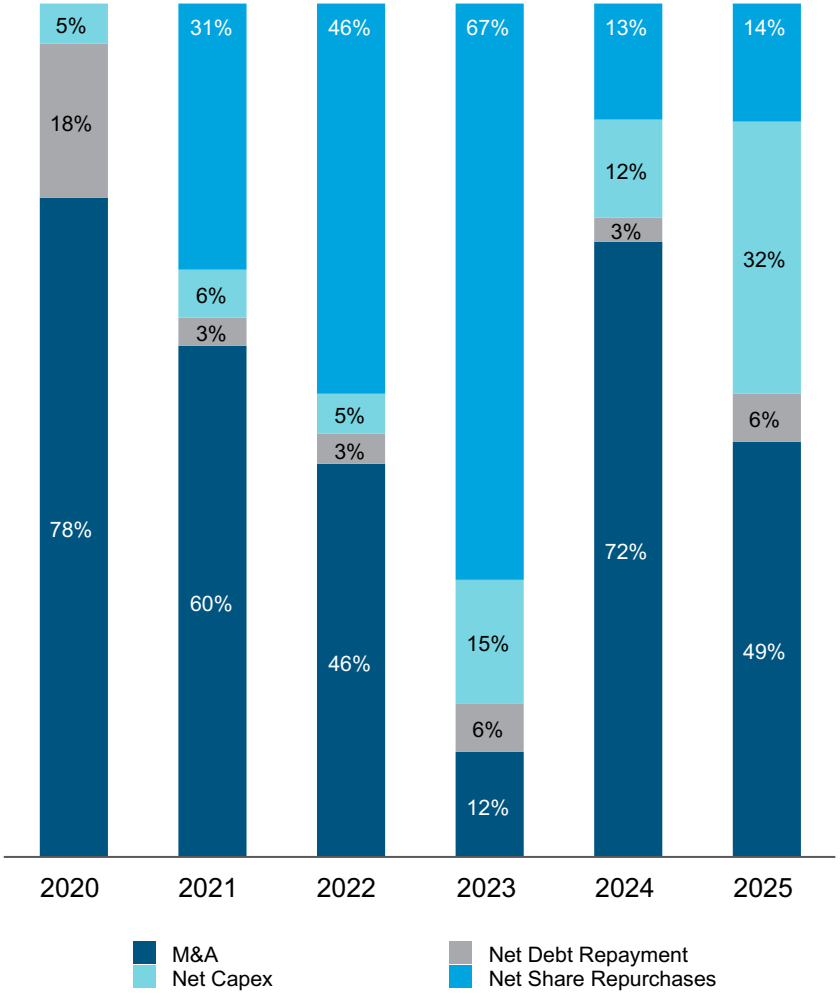
FREE CASH FLOW (in millions)(2)



Notes:
(1) Net working capital is calculated as current assets less current liabilities excluding cash and restricted cash, short term debt obligations, and short term leases.
(2) Free cash flow conversion percentage is calculated as free cash flow over adjusted EBITDA.

DISCIPLINED CAPITAL ALLOCATION PRIORITIES

2020 - 2025 Capital Allocation*



Balanced Capital Deployment

- Track record of sustainable and proactive debt management through the cycle
- Net leverage target of ≤ 3.5x

- Disciplined M&A strategy focused on end market diversification, portfolio enhancement and geographic expansion

- Flexible capital deployment policy with ability to shift capital based on business requirements

- Flexible share repurchase program that allows opportunistic buyback of DXP stock
- ROIC should continue to improve as the company focuses on margins and operating leverage and improving run rate EBITDA

*Amounts may not foot/reconcile due to rounding

APPENDIX

RECONCILIATION OF OPERATING INCOME

(in thousands)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	**2024**	**2025**	**2024**
Operating Income for Reportable Segments	**$ 75,203**	**$ 65,303**	**$ 290,308**	**$ 252,327**
Adjustments for:				
Amortization of intangibles	5,617	5,494	21,670	19,827
Corporate expenses	22,915	20,518	91,768	87,118
Total Operating Income	**$ 46,671**	**$ 39,291**	**$ 176,870**	**$ 145,382**
Interest Expense	16,232	17,283	60,530	63,927
Other (Income) expense, net	(562)	(673)	(2,882)	(3,517)
Income before Income Taxes	**$ 31,001**	**$ 22,681**	**$ 119,222**	**$ 84,972**

RECONCILIATION OF NON-GAAP MEASURES

(in thousands, except days)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2025	**2024[1]**	**2025**	**2024[1]**
Service Centers	$ 356,155	$ 314,673	$ 1,373,140	$ 1,236,775
Innovative Pumping Solutions	110,018	93,752	390,291	308,850
Supply Chain Services	61,217	62,489	252,934	256,415
Total DXP Sales	**$ 527,390**	**$ 470,914**	**$ 2,016,365**	**$ 1,802,040**
Acquisition Sales	**$ 21,923**	**$ 34,787**	**$ 96,043**	**$ 98,500**
Organic Sales	**$ 505,467**	**$ 436,127**	**$ 1,920,322**	**$ 1,703,540**
Business Days	62	62	252	253
Sales per Business Day	**$ 8,506**	**$ 7,595**	**$ 8,001**	**$ 7,123**
Organic Sales per Business Day	**$ 8,153**	**$ 7,034**	**$ 7,620**	**$ 6,733**
Net Income	$ 22,845	$ 21,363	$ 88,677	$ 70,489
Interest expense	16,232	17,283	60,530	63,927
Provision for income taxes	8,156	1,318	30,545	14,483
Depreciation and Amortization	10,306	9,020	38,850	33,405
EBITDA	**$ 57,539**	**$ 48,984**	**$ 218,602**	**$ 182,304**
Plus: stock compensation expense	1,430	1,316	5,708	4,714
Plus: other non-recurring items	—	—	992	4,292
Adjusted EBITDA	**$ 58,969**	**$ 50,300**	**$ 225,302**	**$ 191,310**

(1) Prior period segment disclosures have been recast

DEFINITIONS

Organic Sales and Acquisition Sales

We define and calculate organic sales to include locations and acquisitions under our ownership for at least twelve months. "Acquisition Sales" are sales from acquisitions that have been under our ownership for less than twelve months and are excluded in our calculation of Organic Sales.

Business Days

"Business Days" are days of the week, excluding Saturdays, Sundays, and holidays, that our locations are open during the year. Depending on the location and the season, our branches may be open on Saturdays and Sundays; however, for consistency, those days have been excluded from the calculation of Business Days.

Sales per Business Day

We define and calculate Sales per Business Day as sales divided by the number of Business Days in the relevant reporting period.

Organic Sales per Business Days

We define and calculate Organic Sales per Business Day as Organic Sales divided by the number of Business Days in the relevant reporting period.

EBITDA and Adjusted EBITDA

We define and calculate EBITDA as Net income attributable to DXP Enterprises, Inc., plus interest, taxes, depreciation, and amortization. We define and calculate Adjusted EBITDA as Net income attributable to DXP Enterprises, Inc., plus interest, taxes, depreciation, and amortization plus stock-based compensation expense, and all other non-cash charges, adjustments, and non-recurring items. We identify the impact of all other non-cash charges, adjustments and non-recurring items because we believe these items do not directly reflect our underlying operations.

EBITDA Margin and Adjusted EBITDA Margin

We define and calculate EBITDA Margin as EBITDA divided by sales. We define and calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by sales.

Free Cash Flow

We define and calculate free cash flow as net cash (used in) provided by operating activities less purchases of property and equipment.