

DXP Enterprises, Inc. Announces Acquisition of Hartwell Environmental Corporation

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- Furthers and continues to scale DXP's National Water & Wastewater efforts
- Establishes presence in Texas and Oklahoma
- Attractive Margins and Cash Flow

HOUSTON--(BUSINESS WIRE)-- DXP Enterprises, Inc. (NASDAQ: DXPE) today announced that it has completed the acquisition of Hartwell Environmental Corporation ("Hartwell"). Founded in 1976, Hartwell is headquartered in Tomball, Texas and operates out of three locations servicing the Texas, Oklahoma and surrounding markets.

Hartwell is a leading manufacturer's representative of pumps, controls and process equipment focused on serving the water and wastewater industry. DXP funded the acquisition with cash from the balance sheet.

"We are pleased to announce the acquisition of Hartwell Environmental. Hartwell adds another great company to our water and wastewater platform. Hartwell provides DXP with exceptional sales expertise that will enhance our efforts and ability to collaborate and serve our customers and grow DXP Water. Hartwell provides us with a clear leader in our home market of Texas," commented David Little, Chairman, and Chief Executive Officer of DXP.

The signing of the definitive agreement occurred on September 1, 2024. Sales and adjusted EBITDA for Hartwell for the last twelve months ending July 31, 2024, were approximately \$18.4 million and \$4.1 million, respectively. Adjusted EBITDA was calculated as income before tax, plus interest, plus depreciation and amortization, plus non-recurring items less go-forward selling costs.

"Hartwell's expertise and strategic presence in Texas and Oklahoma will complement DXP's breadth of technical

products and services. This transaction will not only allow us to continue with our existing marketing strategies, but also gives us notable talent as we continue to find resources to serve our customers better," added David Little.

Kent Yee, Chief Financial Officer, stated "We are very excited to have Hartwell as a part of DXP. We have dialogued for some time and welcome Hartwell's talented and hardworking employees to the DXP team. We continue to execute on our strategy of making acquisitions in markets and business models where we can continue to enhance DXP. Hartwell complements our recent focus on water and wastewater acquisitions and provides us with platforms in both Texas and Oklahoma and completes our eleventh acquisition under our DXP Water efforts. This transaction will be positive for Hartwell and DXP's customers, employees, and shareholders."

About DXP Enterprises, Inc.

DXP Enterprises, Inc. is a leading products and service distributor that adds value and total cost savings solutions to industrial customers throughout the United States, Canada, Mexico, and Dubai. DXP provides innovative pumping solutions, supply chain services and maintenance, repair, operating and production ("MROP") services that emphasize and utilize DXP's vast product knowledge and technical expertise in rotating equipment, bearings, power transmission, metal working, industrial supplies and safety products and services. DXP's breadth of MROP products and service solutions allows DXP to be flexible and customer-driven, creating competitive advantages for our customers. DXP's business segments include Service Centers, Innovative Pumping Solutions and Supply Chain Services. For more information, go to www.dxpe.com .

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made by or to be made by the Company) contains statements that are forward-looking. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future; and accordingly, such results may differ from those expressed in any forward-looking statement made by or on behalf of the Company. These risks and uncertainties include but are not limited to; ability to obtain needed capital, dependence on existing management, leverage, and debt service, domestic or global economic conditions, and changes in customer preferences and attitudes. In some cases, you can identify forward-looking statements by terminology such as, but not limited to, "may," "will," "should," "intend," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "goal," or "continue" or the negative of such terms or other comparable terminology. For more information, review the Company's filings with the Securities and Exchange Commission.

Kent Yee

Senior Vice President CFO

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Source: DXP Enterprises, Inc.