# Second Quarter 2026 Earnings Presentation

August 6, 2026

# Disclosure Statement

Statements made in the course of this presentation that state the Company's or management's intentions, hopes, beliefs, expectations or predictions of the future are forward-looking statements. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Additional information concerning factors that could cause actual results to differ materially from those in the forward-looking statements is contained from time-to-time in the Company's filings with the U.S. Securities and Exchange Commission (SEC). Any decision regarding the Company or its securities should be made upon careful consideration of not only the information here presented, but also other available information, including the information filed by the Company with the SEC. Copies of these filings may be obtained by contacting the Company or the SEC.

In an effort to provide investors with additional information regarding our results as determined by GAAP, we disclose various non-GAAP financial measures in our quarterly earnings press releases and other public disclosures. The non-GAAP financial measures include: (i) Adjusted Gross Profit, (ii) Adjusted Gross Profit as a percentage of revenue, (iii) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization and Excluding Other Costs (Adjusted EBITDA), (iv) Adjusted EBITDA as a percentage of revenue, (v) Adjusted Net Income Attributable to DNOW Inc., (vi) Adjusted Diluted Earnings Per Share Attributable to DNOW Inc. Stockholders, (vii) Net Debt and (viii) Net Debt Leverage Ratio and (ix) Free Cash Flow.  We use these non-GAAP financial measures to evaluate and manage the Company's operations because we believe they provide useful supplemental information regarding the financial performance of our business. These non-GAAP financial measures are not intended to replace the GAAP financial measures. Each of these financial measures excludes the impact of certain other costs and therefore has not been calculated in accordance with GAAP. A reconciliation of each non-GAAP financial measure to its most comparable GAAP financial measure can be found in our earnings press release.

# 2Q 2026 **Highlights**

**REVENUE**

**$1,307M**

+10% sequential growth

+13% growth in the U.S.

**ADJUSTED EBITDA[1]**

**$60M**

+54% increase from first quarter

**NET CASH PROVIDED BY OPERATING ACTIVITIES**

**$133M**

a second quarter record

**WORKING CAPITAL %[2]**

Improved to 19%

**CAPITAL ALLOCATION**

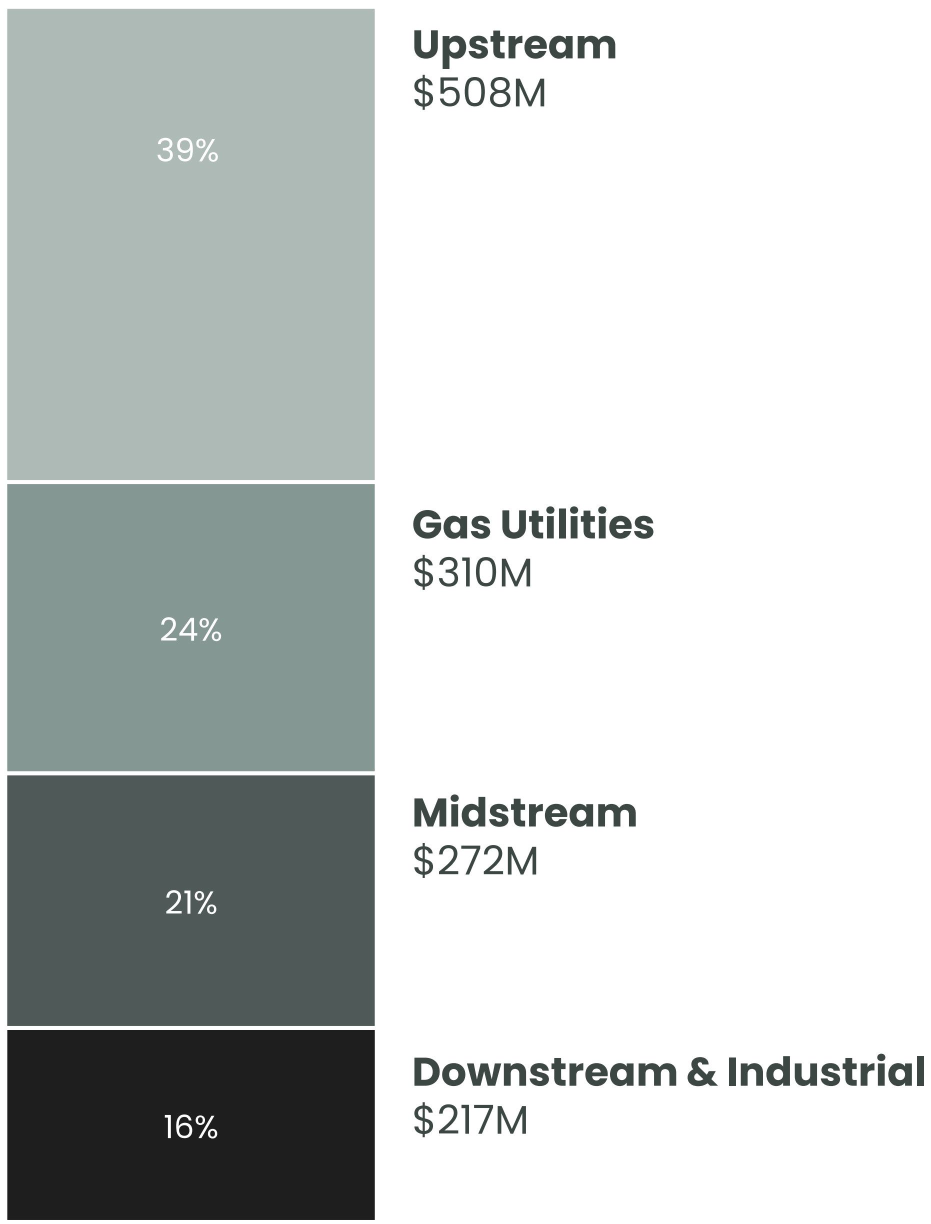
$25M share repurchases in 2Q 2026, $75M for 1H 2026
Reduced Net Debt[1] by $95M in the 2Q 2026

1. See reconciliation of GAAP to Non-GAAP measures in the appendix
2. Working capital, less cash, as a percent of revenue, annualized for the second quarter

# Consolidated Revenue Composition — 2Q 2026

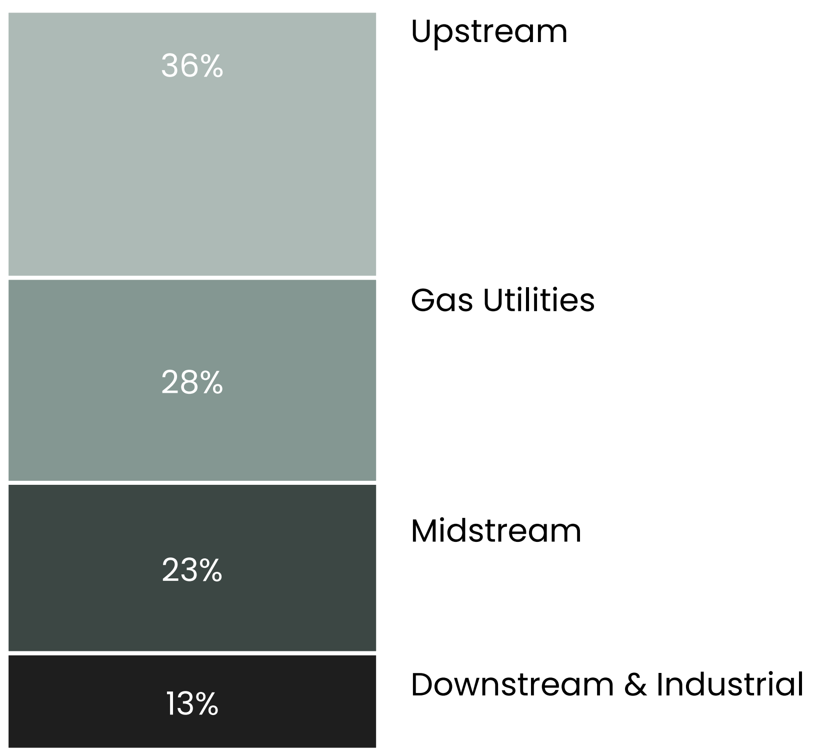
## By Geographic Segment


## By Sector

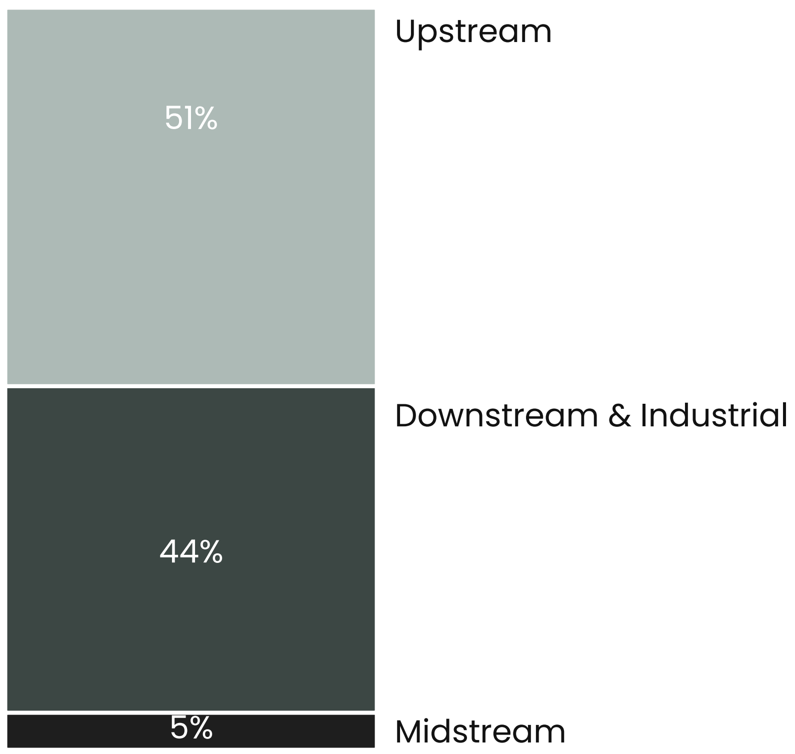


# Revenue by End-Market Sector & by Segment — 2Q 2026

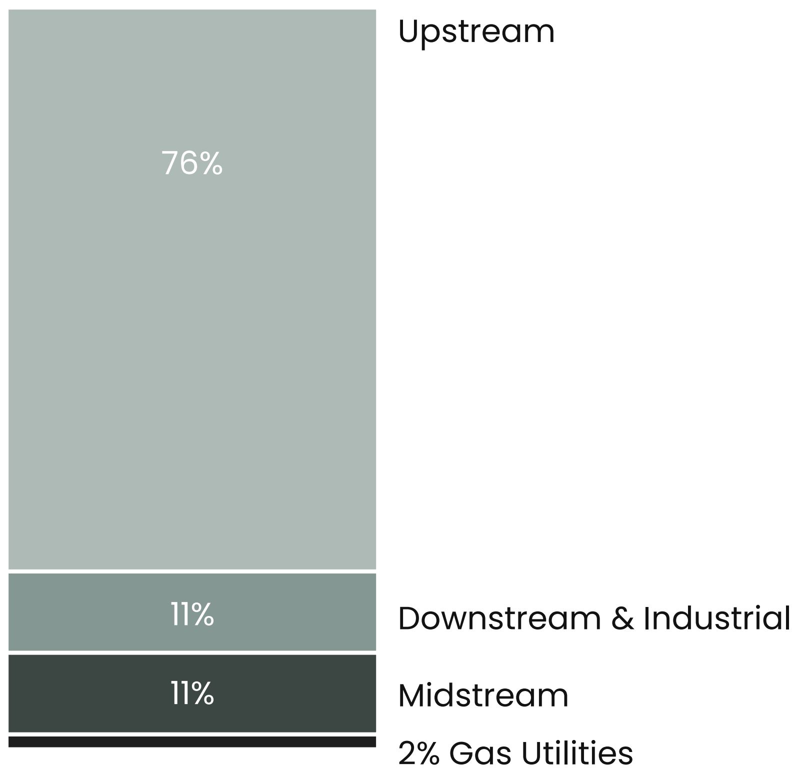
## United States
$1,109M, 85% of total




## International
$151M, 11% of total




## Canada
$47M, 4% of total



# DNOW MRC Global **Integration & Synergy** Update

## 2Q 2026 Progress

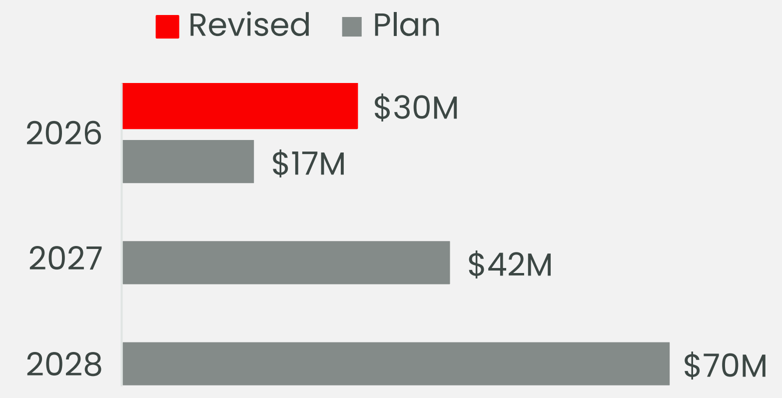
### Cost Synergies

- Expected annualized cost synergies of approximately $30M exit rate by year-end 2026, representing 43% of the $70M three-year target

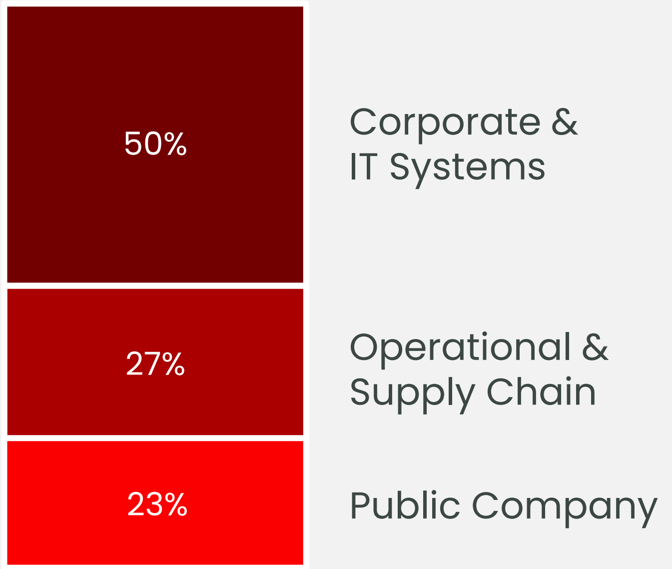
### Revenue Growth, Recovery and Retrieval Opportunities

- Commercial cross-selling and opportunity sales pipeline collaboration
- Using complementary inventory as a commercial lever for growth
- Migrating locations in Upstream and Midstream to optimized SAP ERP platform
- Combined capabilities unlocking new customers, suppliers and markets
- Integrated supply and inventory improving bid competitiveness and capturing incremental revenue

**Annual Cost Synergy Target Timeline**




**Breakdown of Synergy Opportunity**



# **Strong Balance Sheet** with **Financial Flexibility**

**Strong balance sheet** while executing a strategy to maximize strategic flexibility through the cycle

**Ample Liquidity**
$472M in total liquidity
plus access to $500M accordion

Cash of $114M ◆ Debt of $474M ◆ Net Debt[1] of $360M

**Net Debt Leverage Ratio[1] currently at 1.7x**

2Q 2026 cash provided by operating activities of $133M



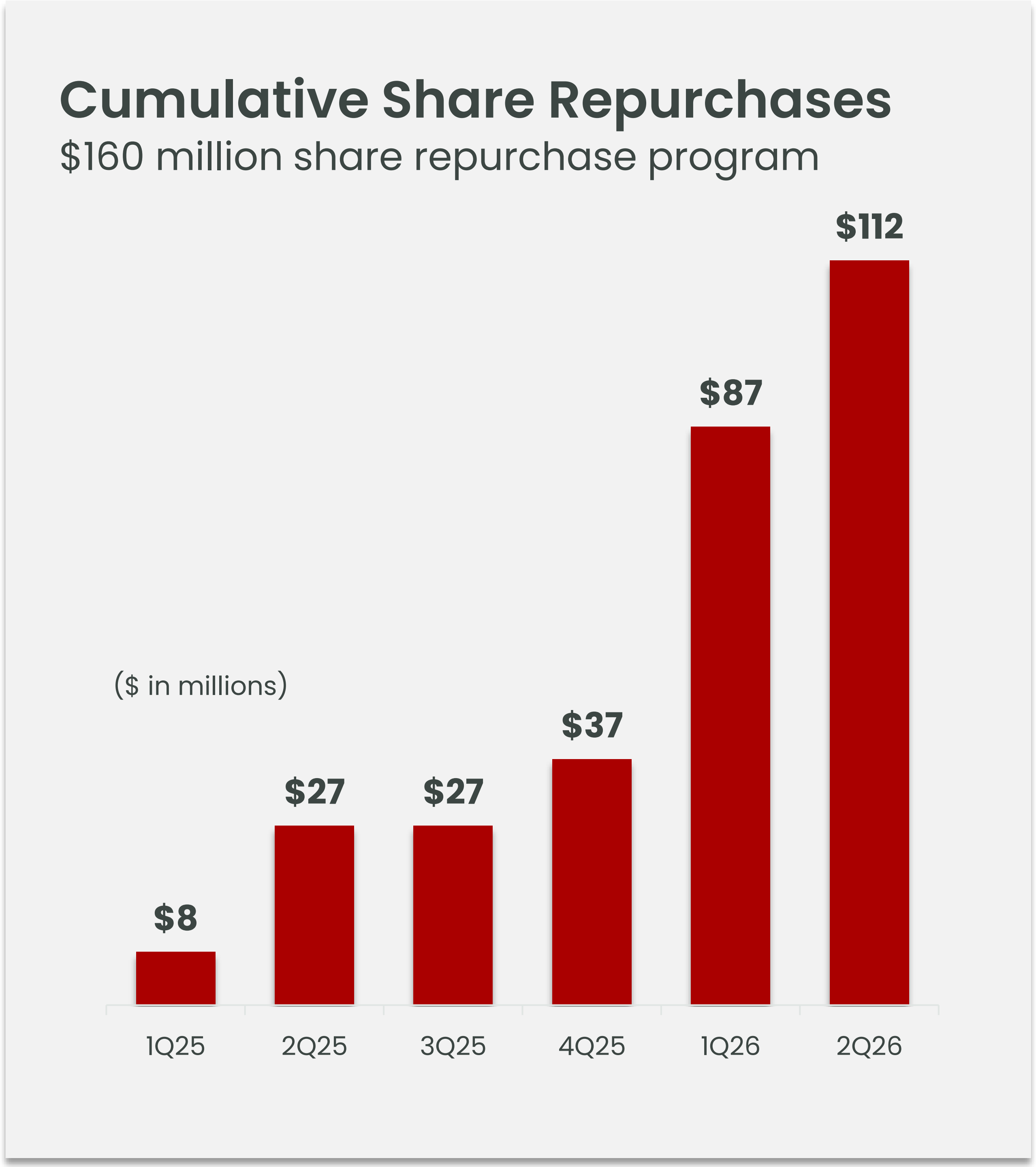
1. See reconciliation of GAAP to Non-GAAP measures in the appendix

# Disciplined Approach to **Capital Allocation**

Repurchased $25M of shares during the quarter, with $112M accumulated on the $160M share repurchase program

Capex of $9M in the second quarter 2026 to support growth and ERP initiatives

Combined with the previous $80M share repurchase program, $192M shares have been repurchased



# Outlook

| Guidance | 2Q 2026 | 3Q 2026 | Full-Year 2026 |
|---|---|---|---|
| Revenue | $1,307 million<br><br>**BEAT**<br>guidance | Up low-to-mid single digits percentage range from 2Q 2026<br><br>**RAISE**<br>guidance | Ranging from<br>$5.0 - $5.1 billion<br><br>**RAISE**<br>guidance |
| Adjusted EBITDA[1] | $60 million<br><br>**BEAT**<br>guidance | Ranging from 5.0 to 5.5 percent of revenue<br><br>**RAISE**<br>guidance | Approaching 4.5 percent of revenue<br><br>**RAISE**<br>guidance |
| Net Cash Provided by Operating Activities | | | Ranging from<br>$125 - $200 million<br><br>**RAISE**<br>guidance |



1. See reconciliation of GAAP to Non-GAAP measures in the appendix

# Investor Relations

**Brad Wise**
Vice President
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For the most up to date investor information, please click here

# Appendix

# Adjusted EBITDA Reconciliation

| ($ millions) | THREE MONTHS ENDED June 30, 2026 Amount | % of Revenue |
|---|---|---|
| **Revenue** | **$1,307** | |
| **Net (loss) attributable to DNOW Inc.** | **$(21)** | **(1.6%)** |
| Interest expense, net | 9 | |
| Income tax provision | 12 | |
| Depreciation and amortization | 23 | |
| Increase in LIFO reserve | 19 | |
| Stock-based compensation | 4 | |
| Transaction-related charges | 6 | |
| Inventory-related transaction charges | 3 | |
| Impairment and other charges | 4 | |
| Other | 1 | |
| **Adjusted EBITDA** | **$ 60** | **4.6%** |

Note: Adjusted EBITDA is a non-GAAP measure. For a discussion of the use of Adjusted EBITDA, see our Current Report on Form 8-K dated August 6, 2026.

# Net Debt & Leverage Ratio Calculation

| *($ millions)* | **June 30, 2026** |
|---|---|
| **Long-term debt** | **$474** |
| Plus: current portion of debt obligations | **-** |
| **Total debt** | **$474** |
| Less: cash | **$114** |
| **Net Debt** | **$ 360** |

| | |
|---|---|
| Net Debt | **$ 360** |
| Trailing twelve months Adjusted EBITDA | **$211** |
| **Net Debt Leverage Ratio** | **1.7x** |

Note: Net Debt, Net Debt Leverage Ratio and Adjusted EBITDA are non-GAAP measures. For a discussion of the use of Net Debt, Net Debt Leverage Ratio and Adjusted EBITDA, see our Current Report on Form 8-K dated August 6, 2026.