



Fourth Quarter and Full-Year 2025 Earnings Presentation

February 20, 2026



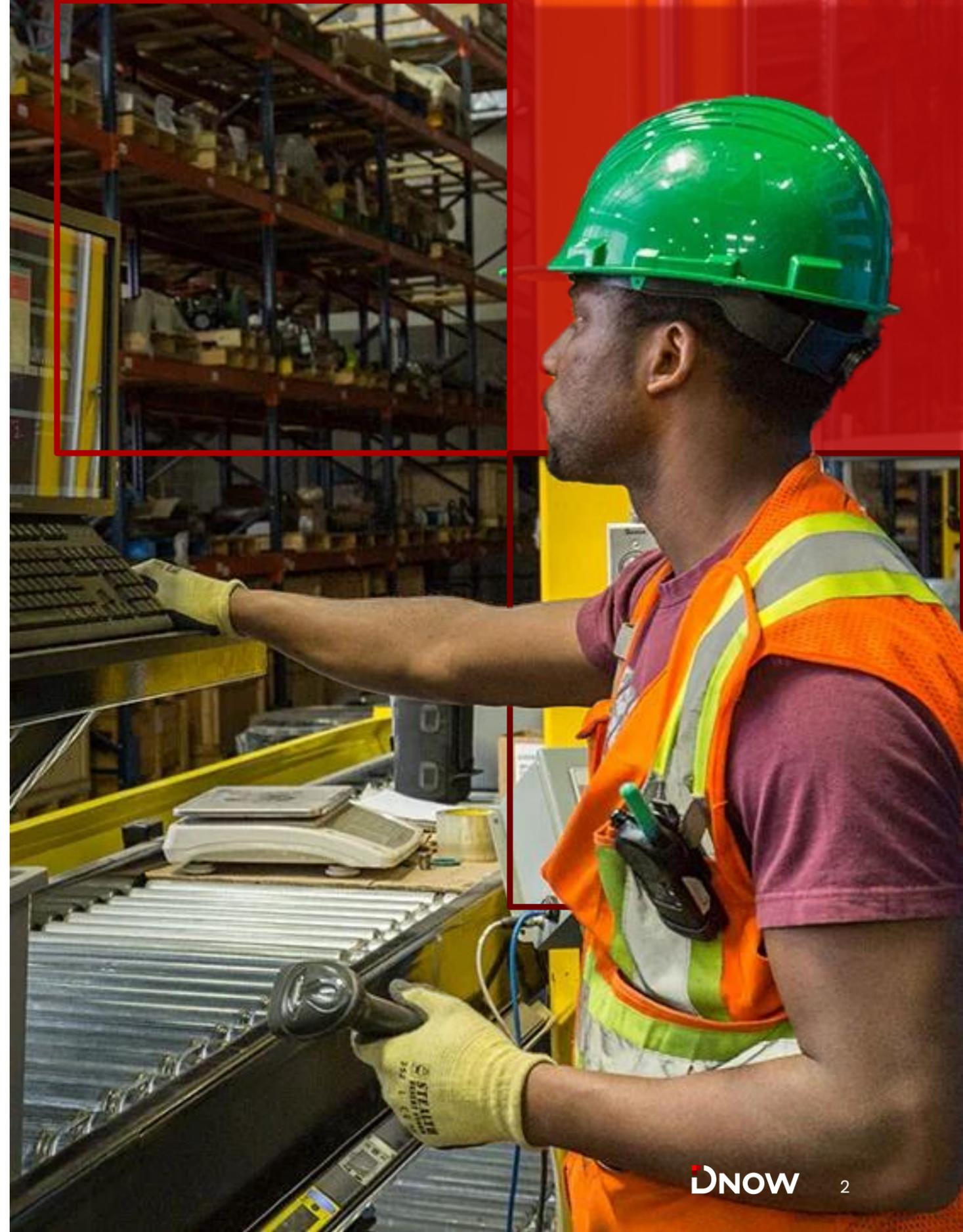
Disclosure Statement

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. 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.

The Company defines Adjusted Gross Profit as revenue, less cost of products, plus amortization of intangibles, plus inventory-related charges incremental to normal operations, plus transaction costs associated with acquisitions, such as inventory fair value step-up or write-downs and plus or minus the impact of our Last-In, First-Out (LIFO) inventory costing methodology. We define Adjusted EBITDA as net (loss) income plus interest, taxes, depreciation and amortization and excluding other costs, such as stock-based compensation, restructuring and exit costs, transaction-related charges, long-lived asset impairments (including goodwill and intangible assets), inventory-related charges incremental to normal operations and plus or minus the impact of our LIFO inventory costing methodology. Transaction-related charges include transaction costs, inventory fair value step-up, retention bonus accruals and integration expenses associated with acquisitions. We define Net Debt as total long-term debt, including current portion, minus cash. We define our net debt leverage ratio as Net Debt divided by trailing twelve months Adjusted EBITDA. A reconciliation of each non-GAAP financial measure to its most comparable GAAP financial measure can be found in our earnings press release.

The Company's outlook is as of February 20, 2026, and is based on estimates and market conditions on that date. Actual results could differ materially from those projected.



DNOW: Premier Energy and Industrial Solutions Provider

NYSE: DNOW

◆ **300**
LOCATIONS

◆ **5,300**
EMPLOYEES

As of December 31, 2025

Balanced Portfolio Across Diverse Industries with Multiple Opportunities for Long-term Growth

- ◆ Operating for over 160 years
- ◆ Headquartered in Houston, Texas
- ◆ Comprehensive network of branches, super centers, regional distribution centers and customer onsite locations, complemented with efficient digital customer integrations leveraging B2B and online e-commerce platforms
- ◆ Key markets: U.S., Canada, UK, North Sea, Europe, Australia, New Zealand, Singapore and the Middle East



Full-Year 2025 Consolidated Financial Highlights

Includes partial fourth quarter results of MRC Global

◆ **\$2,820M**
REVENUE

Up **19% year over year**,
Q4 up **51%** sequentially

◆ **\$(89)M**
NET LOSS

attributable to DNOW Inc; Diluted EPS attributable
to DNOW Inc. stockholders of **\$(0.76)**,
primarily due to transaction charges

◆ **\$104M**¹
ADJUSTED NET INCOME

attributable to DNOW Inc; adjusted diluted EPS
attributable to DNOW Inc. stockholders of **\$0.86**

◆ **\$209M**¹
ADJUSTED EBITDA

7.4% of revenue,
Up **41%** sequentially

◆ **17.0%**
GROSS PROFIT

compared to **22.4%** for **full-year 2024**,
impacted by inventory-related
transaction charges

◆ **23.1%**¹
ADJUSTED GROSS PROFIT

Unchanged, on a full year,
year over year basis

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

4Q25 and Full-Year 2025 Key Takeaways



Continued strong execution, growing fourth quarter sequential consolidated revenue.

Fifth consecutive year of top line growth.

Expanded end market diversification strengthens our ability to **seize growth** opportunities in midstream and gas utilities.



Closed merger with MRC Global, creating a premier solutions provider to the energy and industrial markets, greatly increasing scale and scope across a broader set of diverse industries and global markets.



Generated \$155M in cash flow from operations for full year 2025 from improved earnings and efficient working capital velocity.

Maximize cash flow generation to accelerate deleveraging and enhancing financial flexibility



Progressing with post-merger integration activities, **aligning culture** and new reporting structure to position DNOW to win in the market, **cost synergies** expected to approach \$23M in the first year, **ahead of plan.**



U.S. MRC Global ERP system transition complexities have created near-term obstacles, we are actively addressing them and remain focused on positioning the business for long term growth



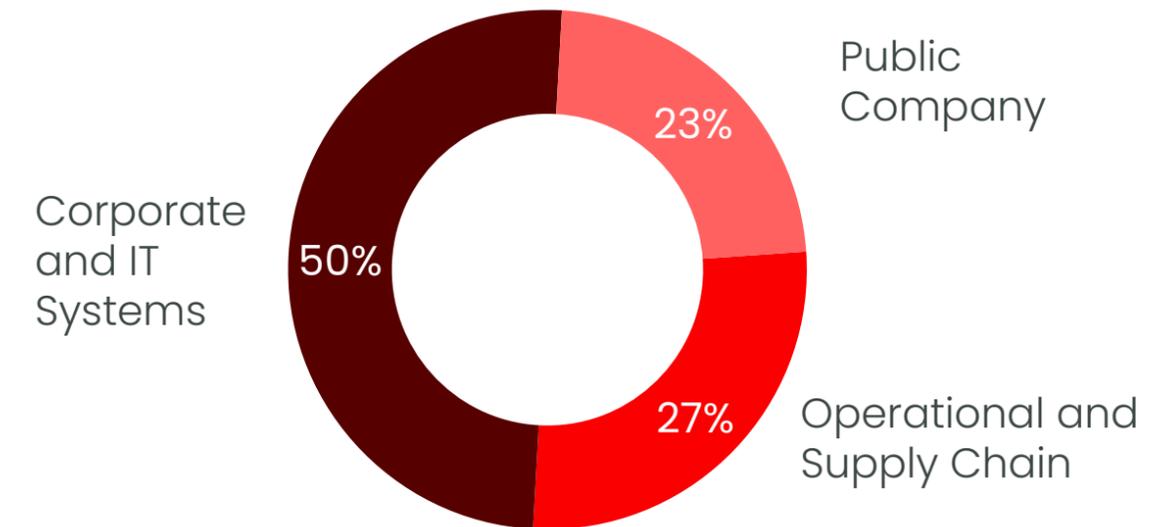
Ample liquidity to fund growth and capital allocation program, bought back \$37M shares of stock for full-year 2025, reaching \$117M in total share repurchases.

DNOW MRC Global Integration and Cost Synergies Update

4Q 2025 Progress

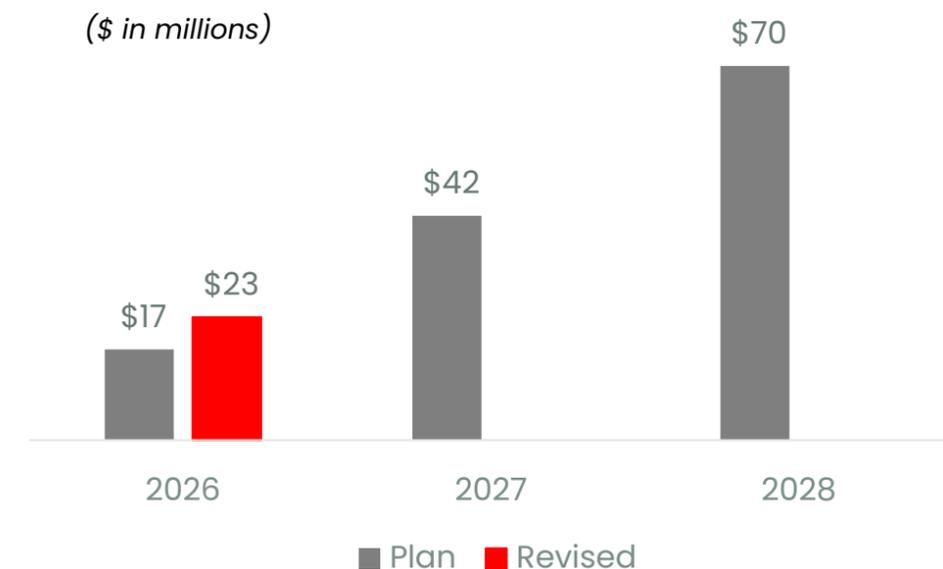
- ▶ Closed merger on November 6, 2025
- ▶ Established Steering Committee and Integration Management Office (IMO) to oversee integration activities
- ▶ Announced new Board of Directors, executive leadership team and organizational leadership
- ▶ Acceleration of annual cost synergies realized in year one, estimated to approach \$23M at the end of 2026, a 35% improvement over initial year one goal and one-third of the \$70M three-year goal
- ▶ External reporting segments established: United States, Canada and International; sales and operations aligned by sectors: Upstream, Midstream, Gas Utilities and Downstream and Industrial
- ▶ Initial cross selling opportunities identified
- ▶ Significant upside potential in growth, cost improvements, margin and cash flow targets beyond 2026

Breakdown of Synergy Opportunity



Annual Cost Synergy Target Timeline

(\$ in millions)

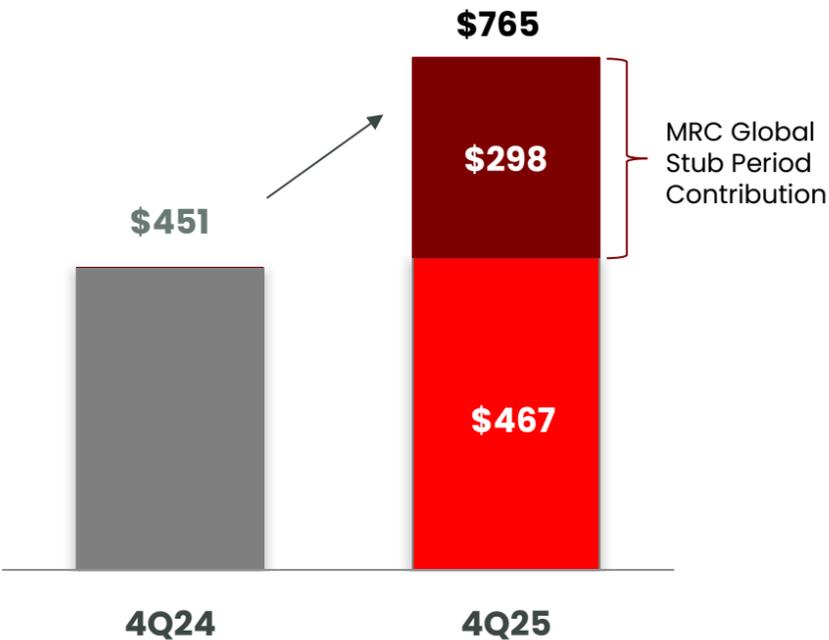


Consolidated 4Q 2025 and Full-Year 2025 Revenue Comparison

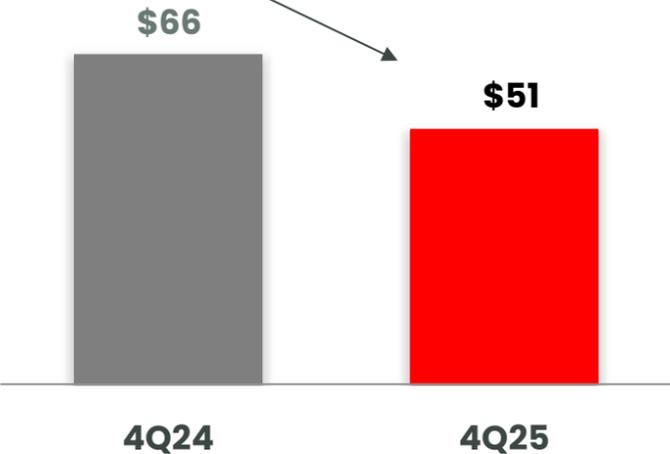
by reporting segment

(\$ millions)

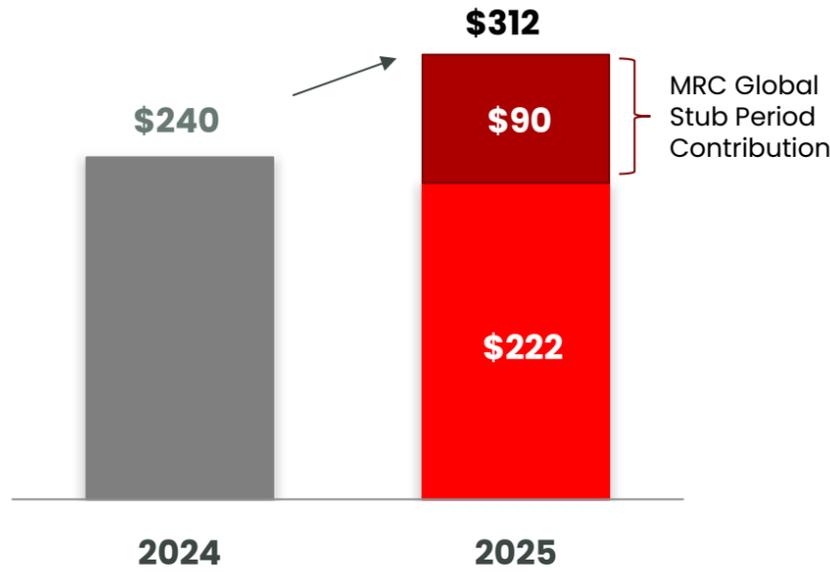
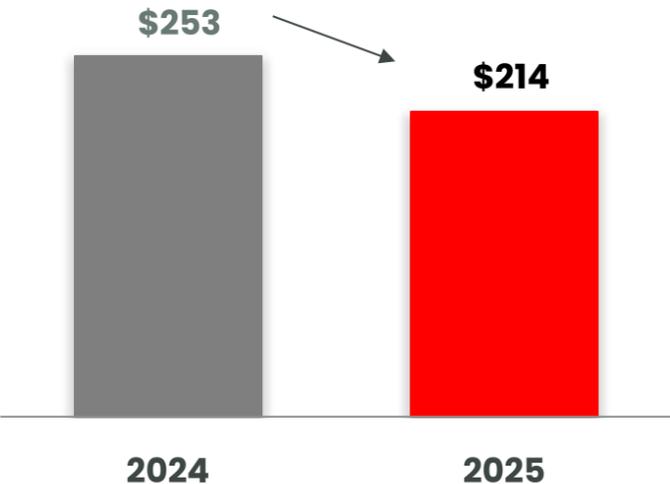
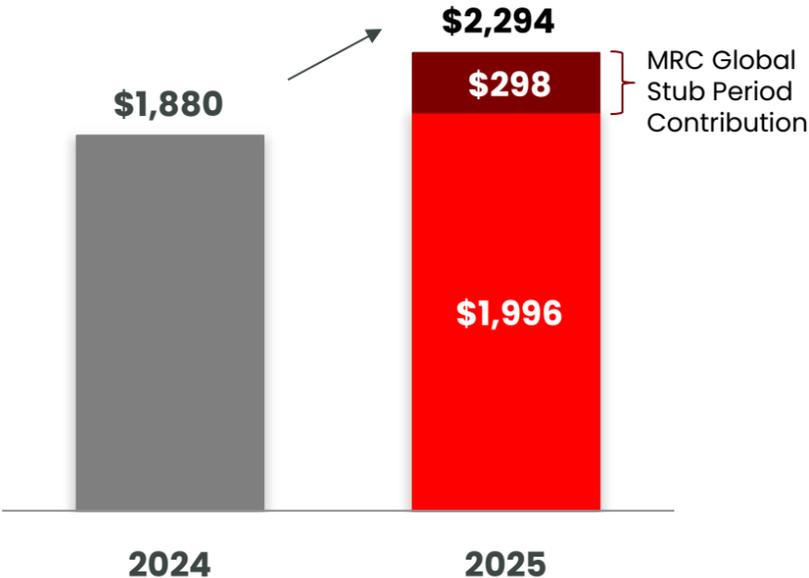
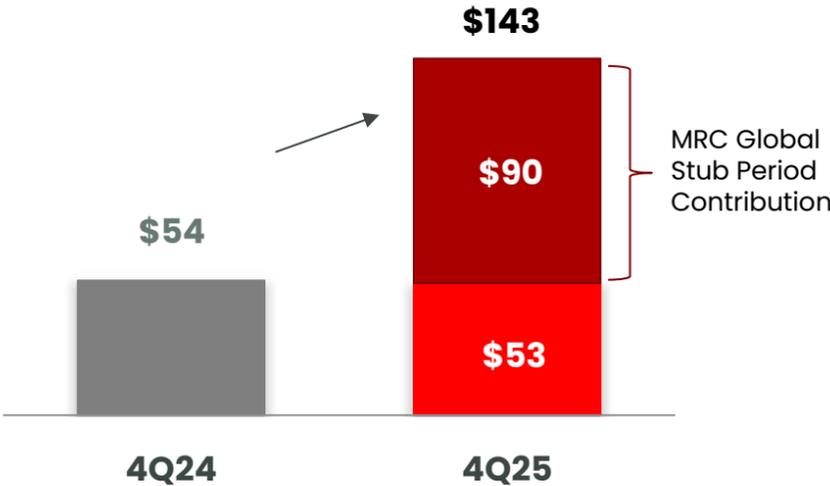
United States



Canada



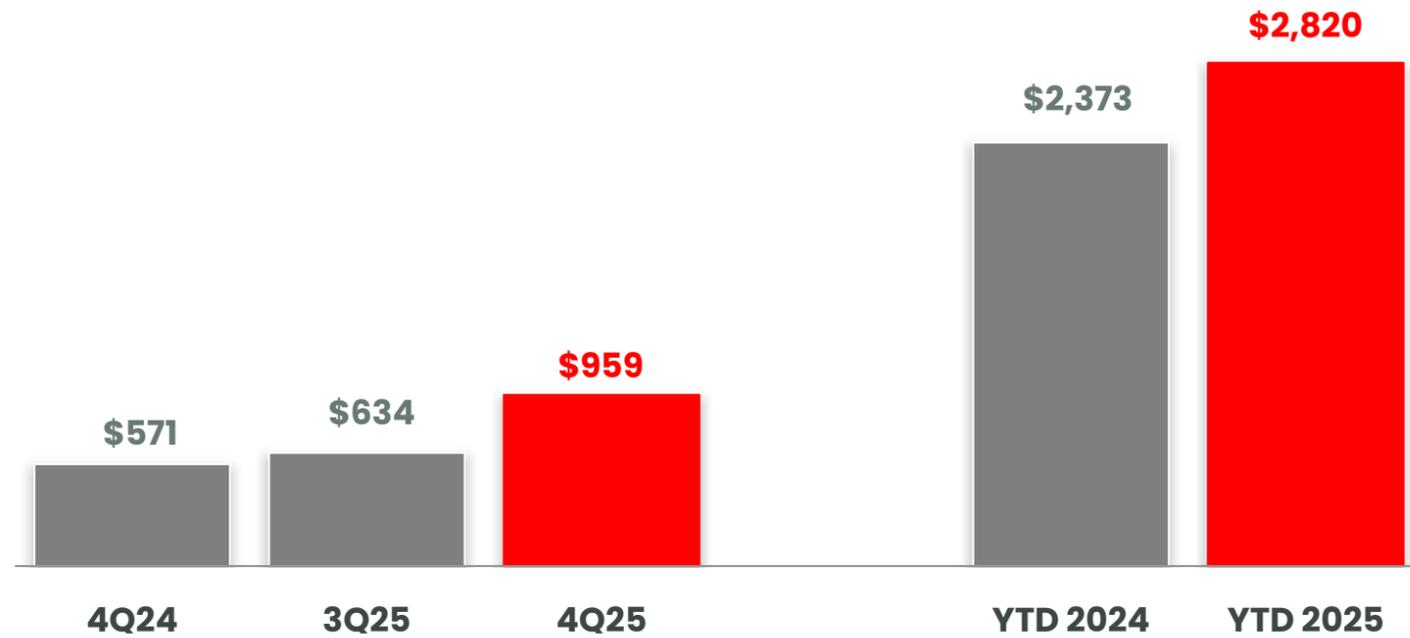
International



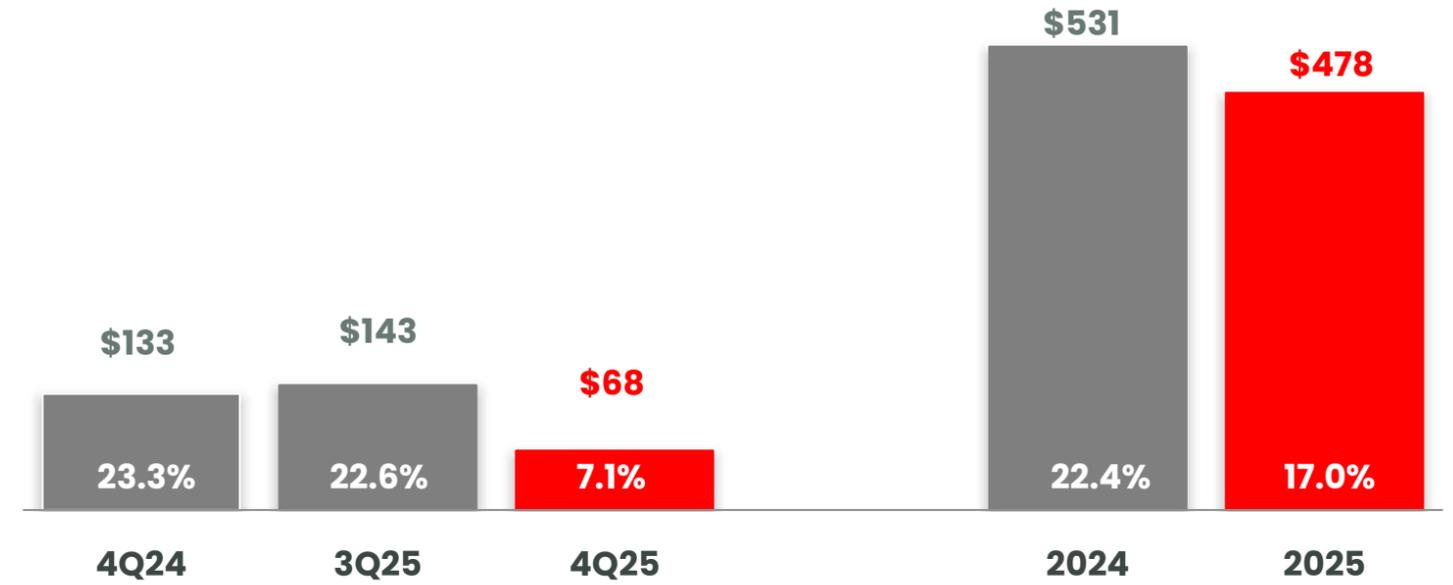
Quarterly Financial Performance – GAAP

(\$ millions, except per share data)

Revenue



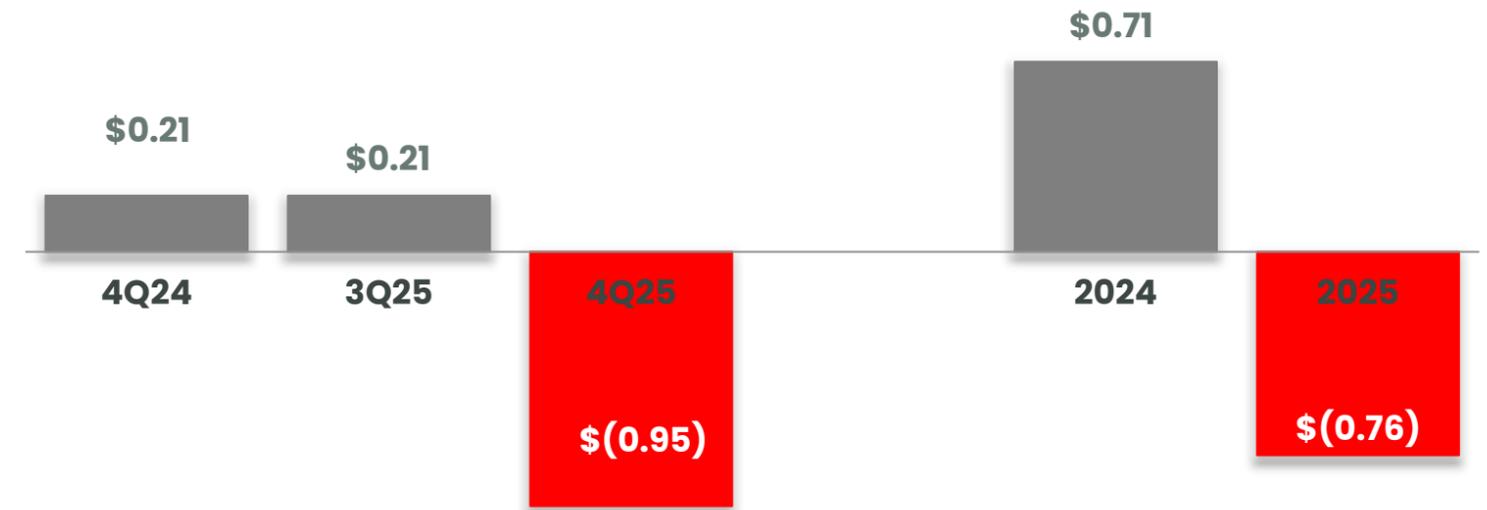
Gross Profit & % Margin



Net Income (Loss) attributable to DNOW Inc.



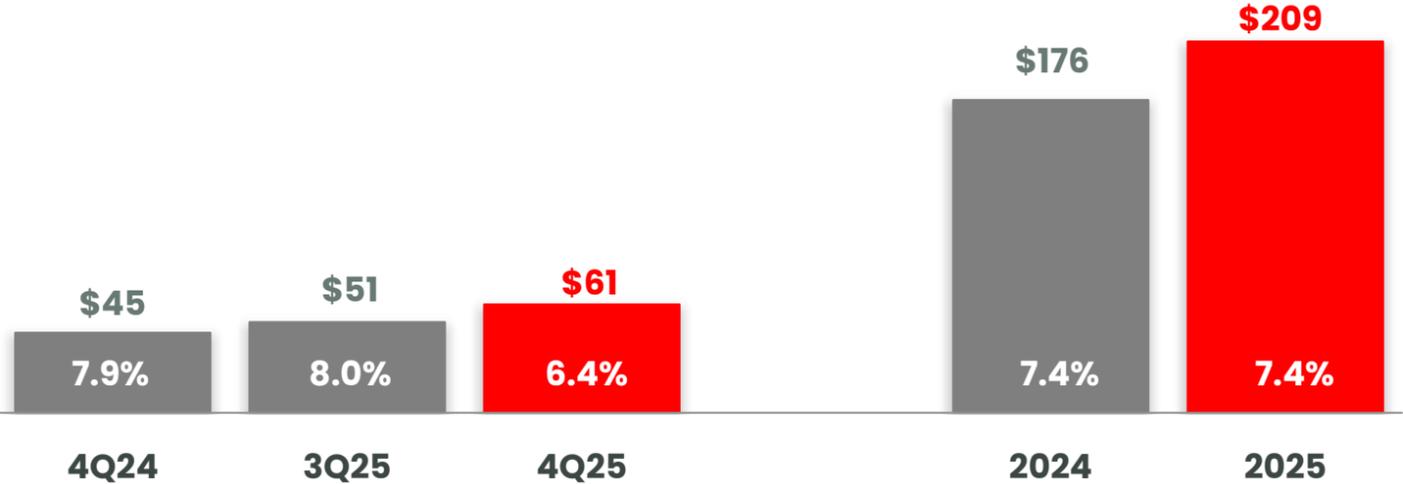
Diluted EPS attributable to DNOW Inc.



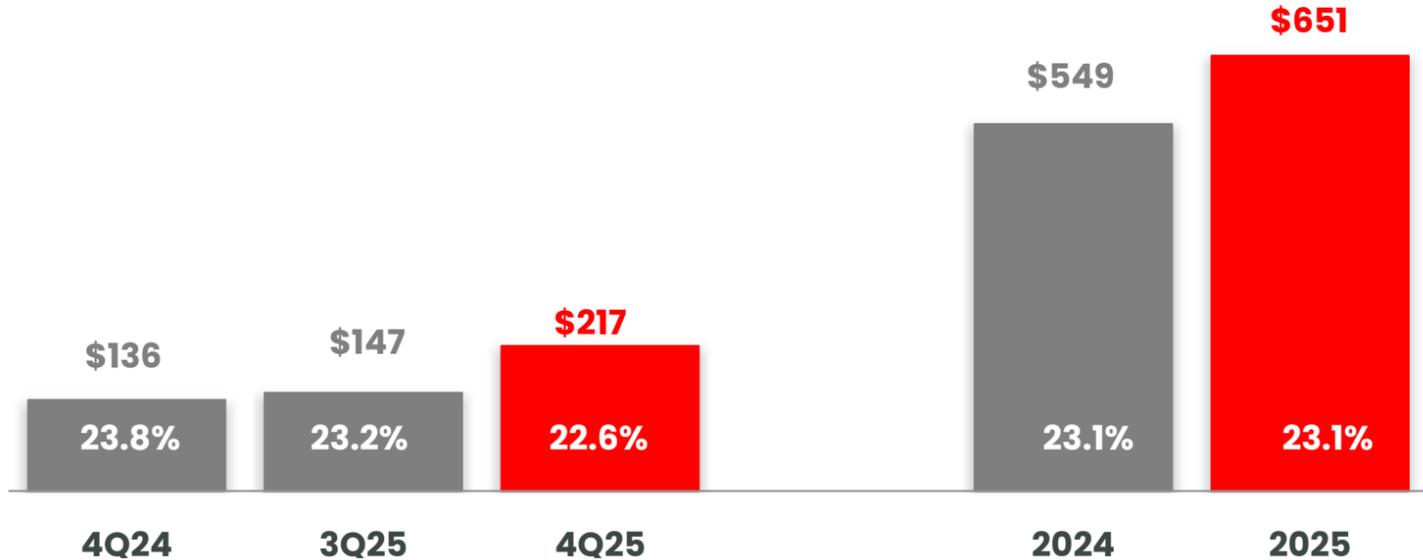
Quarterly Financial Performance – Adjusted

(\$ millions, except per share data)

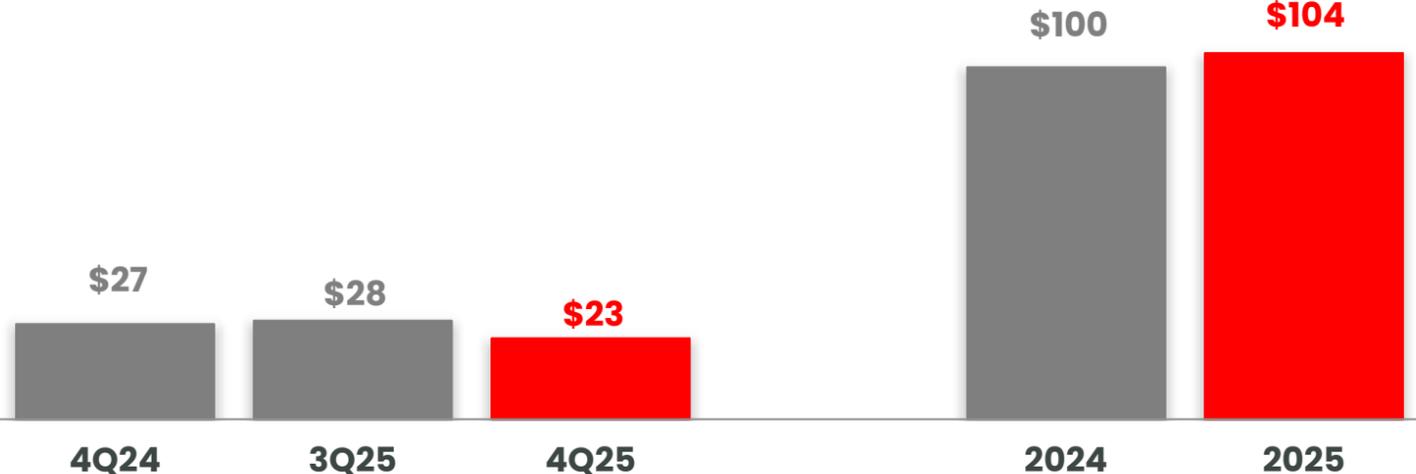
Adjusted EBITDA & % Margin¹



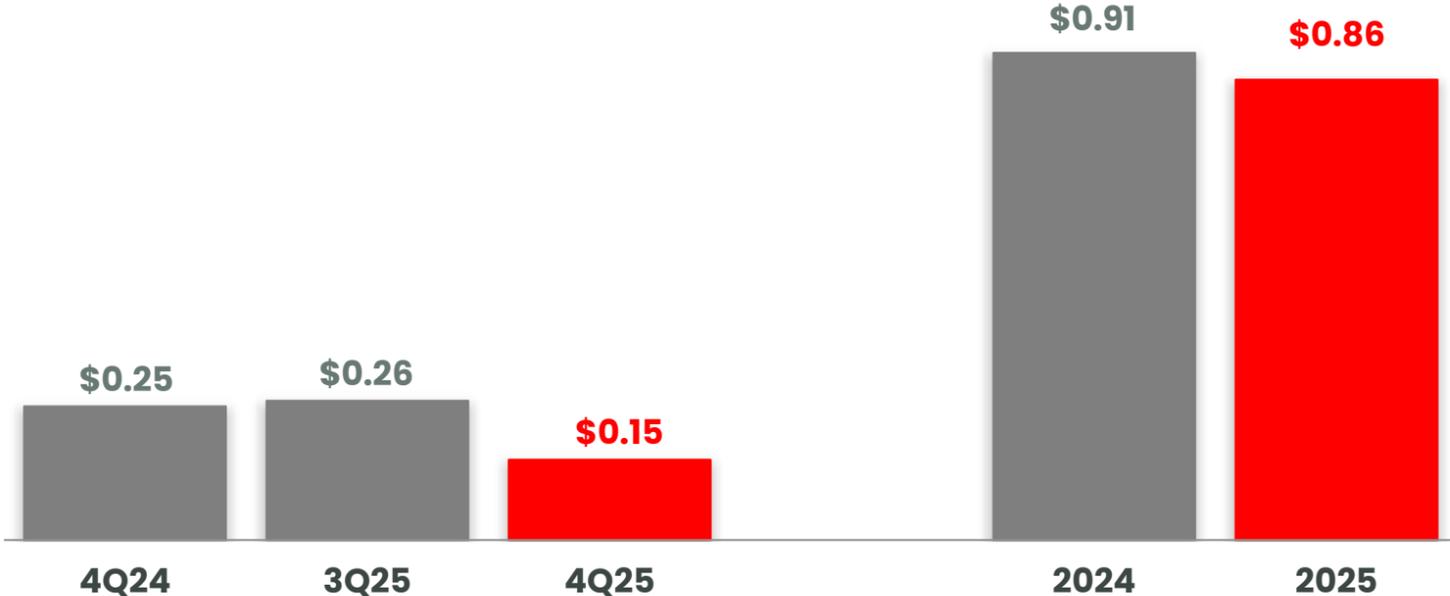
Adjusted Gross Profit & % Margin¹



Adjusted Net Income attributable to DNOW Inc.¹



Adjusted diluted EPS attributable to DNOW Inc.¹

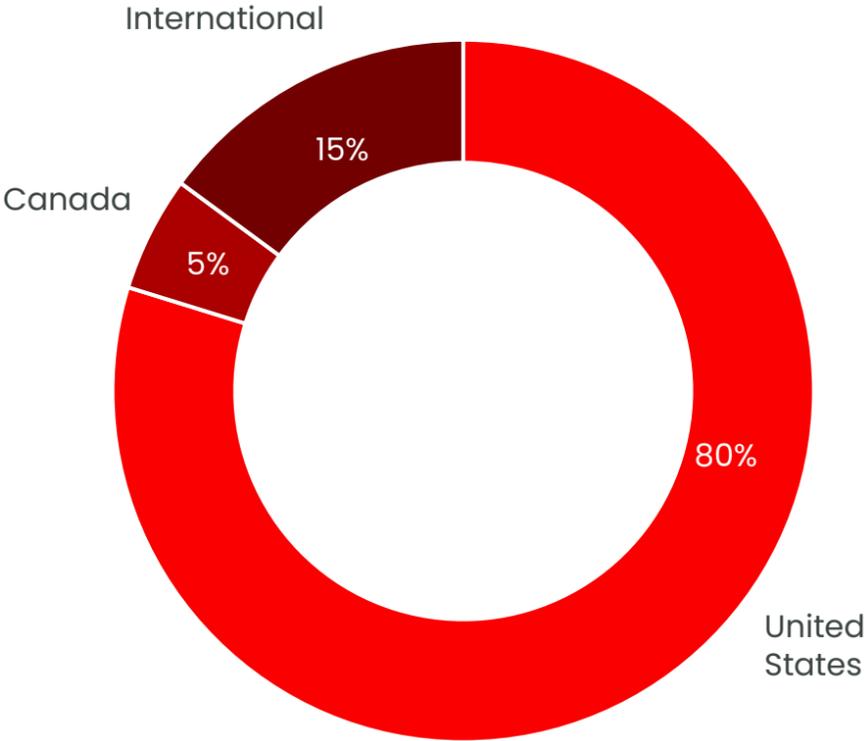


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

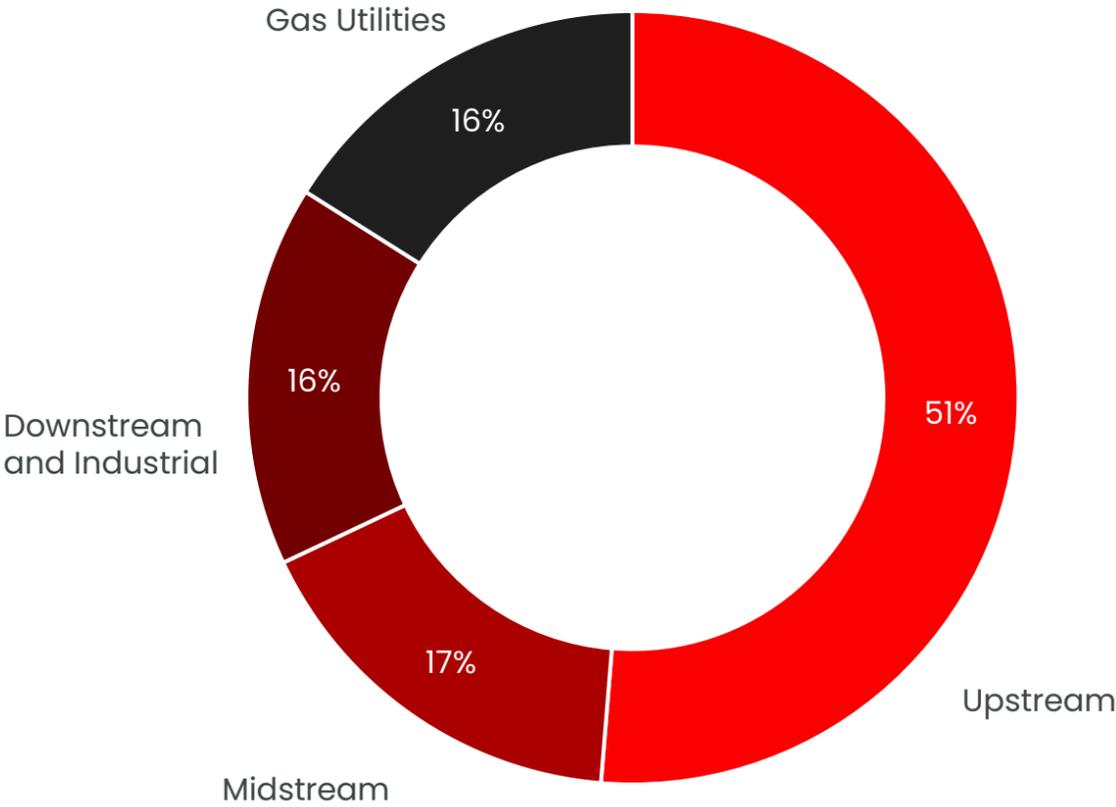
Consolidated Revenue Composition - 4Q 2025

Includes partial fourth quarter results of MRC Global

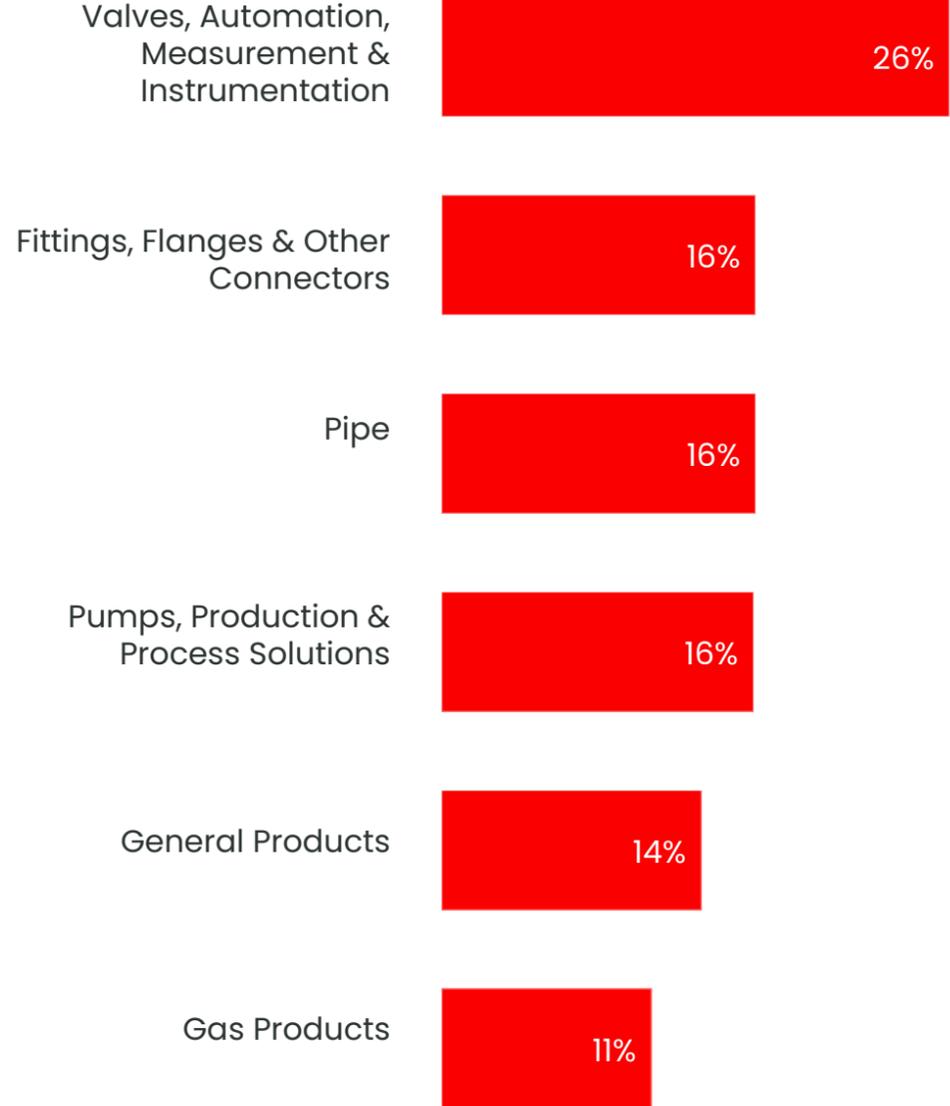
By Geographic Segment



By End-Market Sector

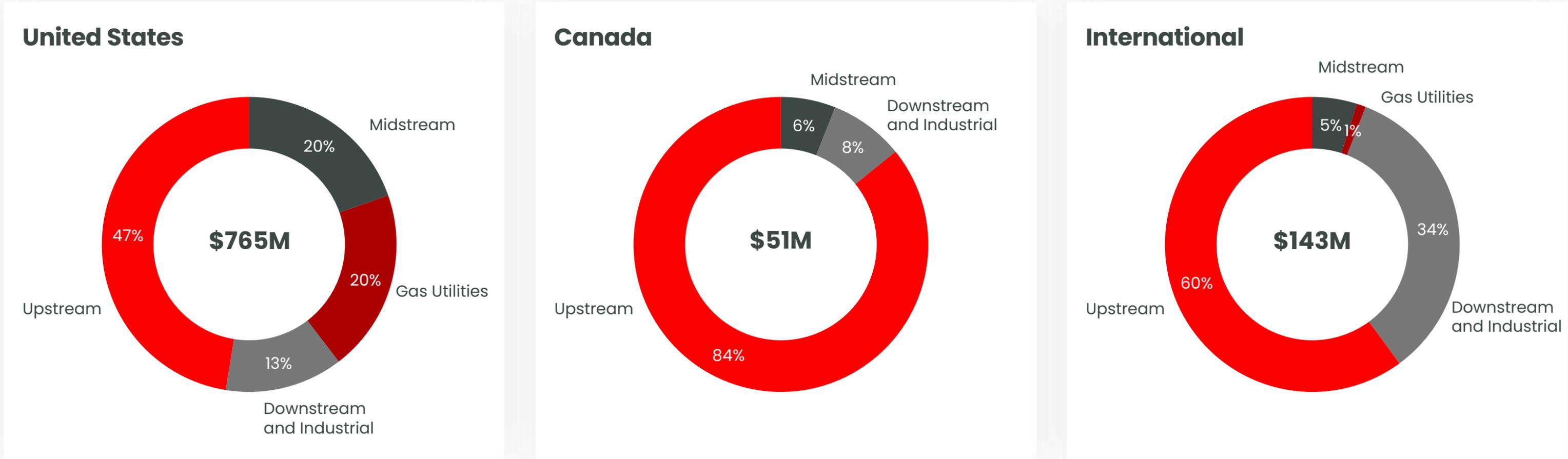


By Product Group



4Q 2025 Revenue by End-Market Sector and by Segment

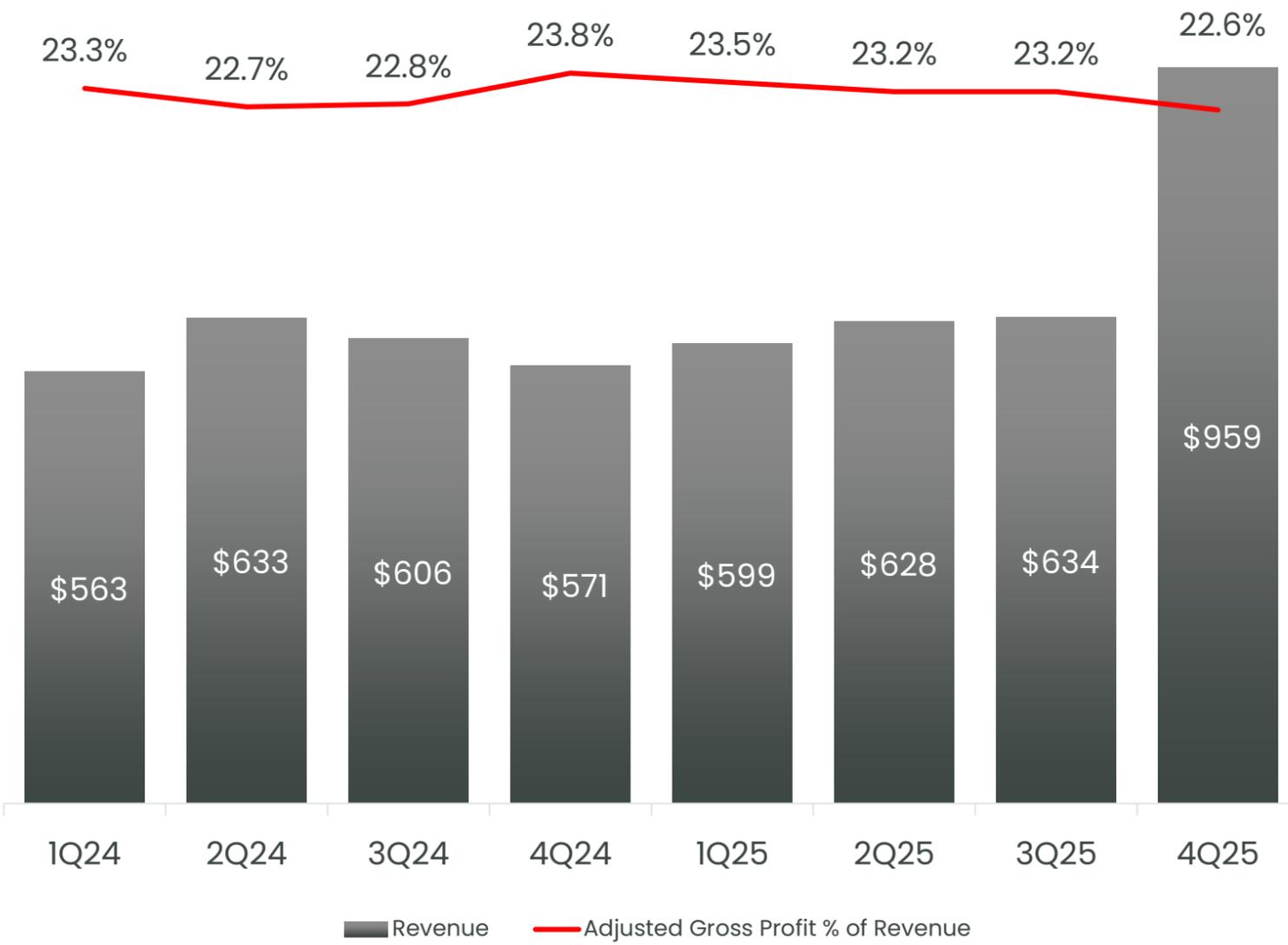
Includes partial fourth quarter results of MRC Global



Selected Quarterly Trend Results

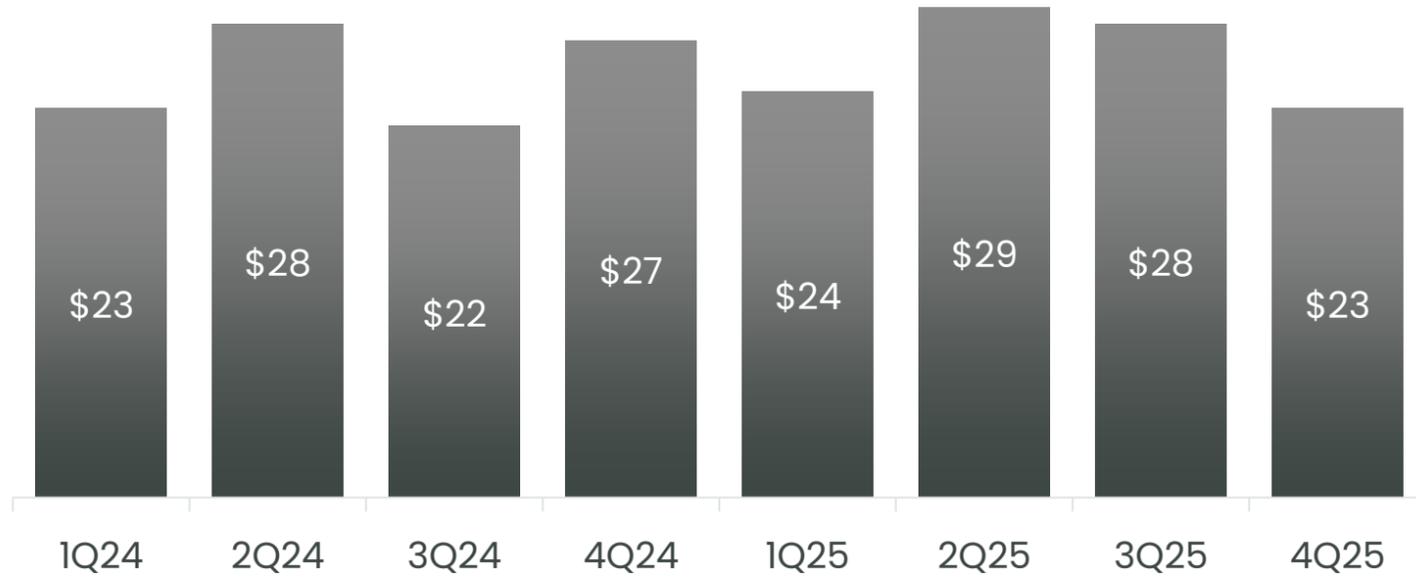
Revenue & Adjusted Gross Profit Percent¹

(\$ millions)



Adjusted Net Income attributable to DNOW Inc.¹

(\$ millions)

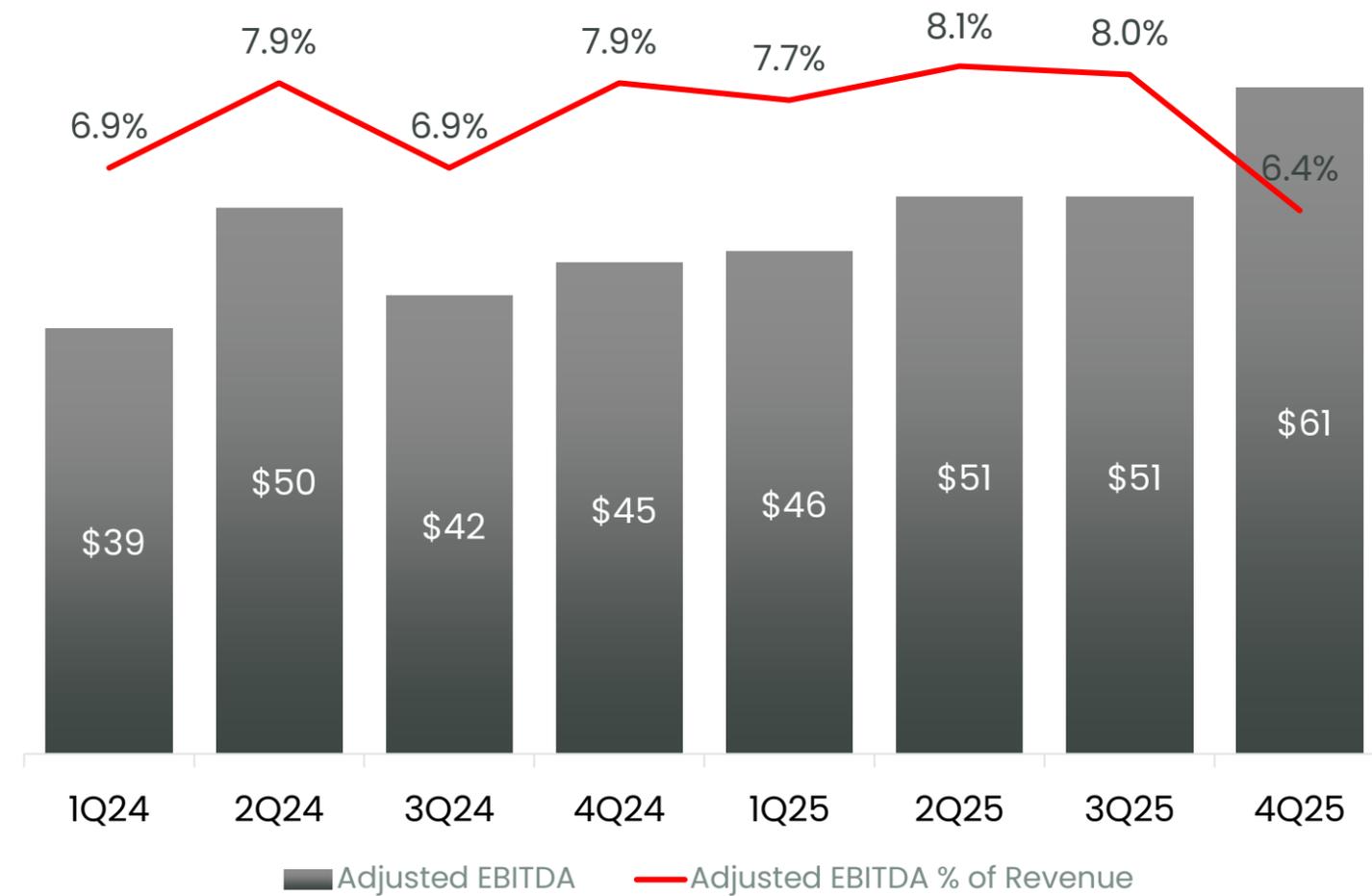


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Selected Quarterly Trend Results

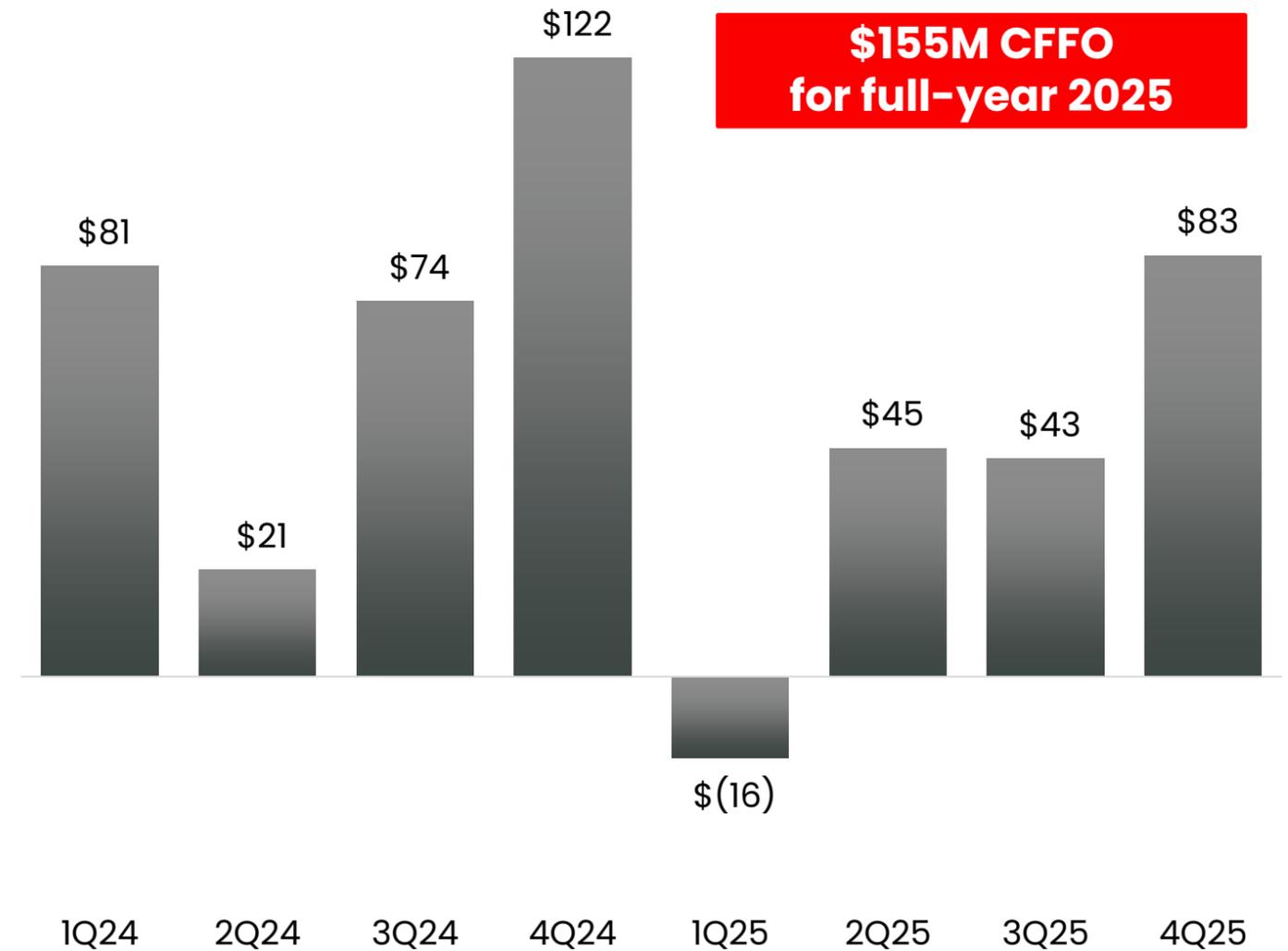
Adjusted EBITDA¹

(\$ millions)



Cash Flow from (used in) Operations

(\$ millions)

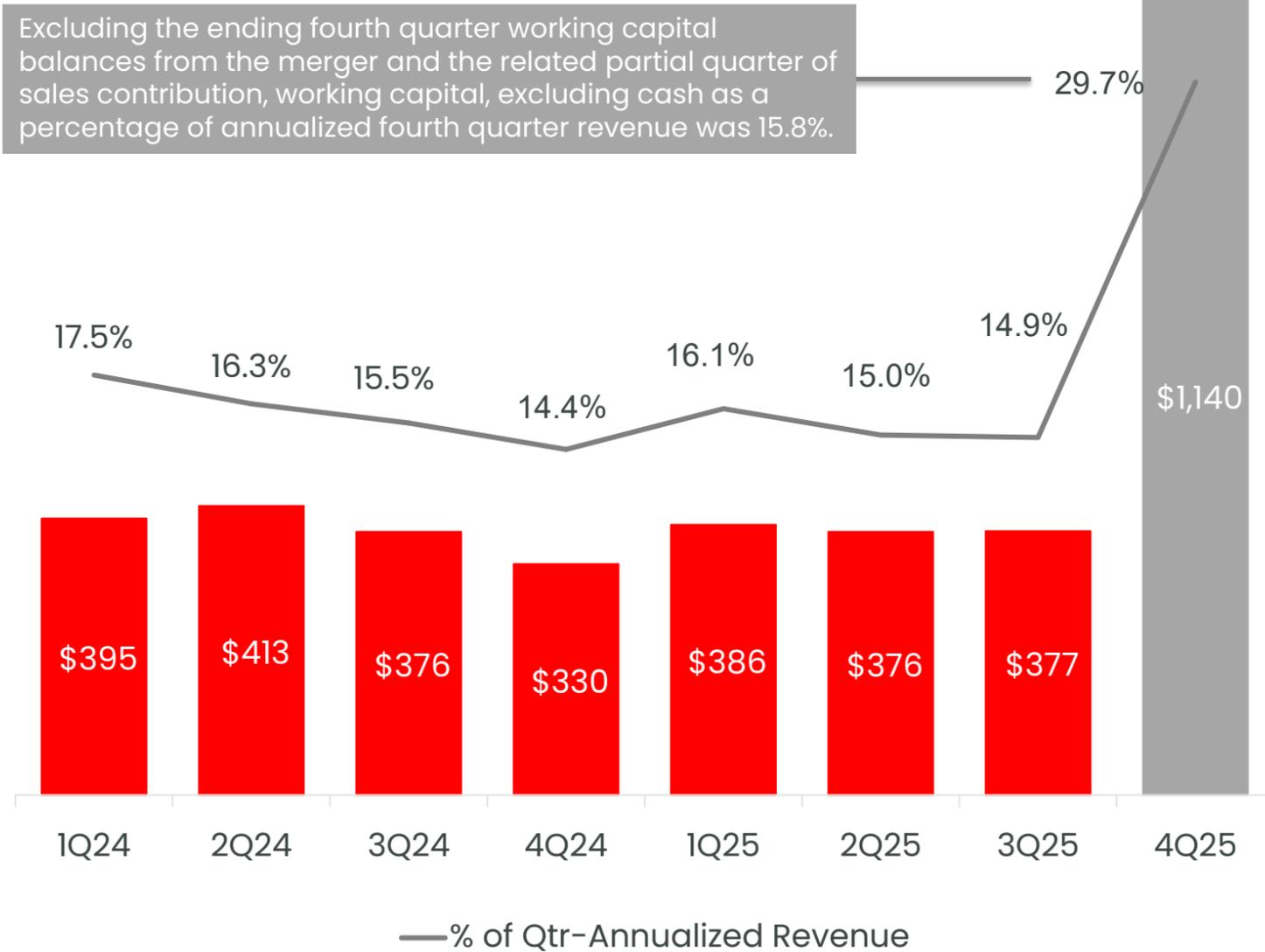


1. See reconciliation of non-GAAP measures to GAAP measures in the appendix

Selected Quarterly Trend Results

Working Capital excl. Cash and as % of Revenue

(\$ millions)



Total Liquidity at December 31, 2025

(\$ millions)



Strong Balance Sheet with Financial Flexibility

(\$ millions)

- ▶ Focused on **deleveraging debt** incurred from the merger with MRC Global
- ▶ **Ample liquidity**, \$588M in total liquidity
- ▶ Net debt leverage ratio¹ currently at 1.2x
- ▶ Excluding future acquisitions, we are executing a deleveraging strategy to maximize strategic flexibility through the cycle

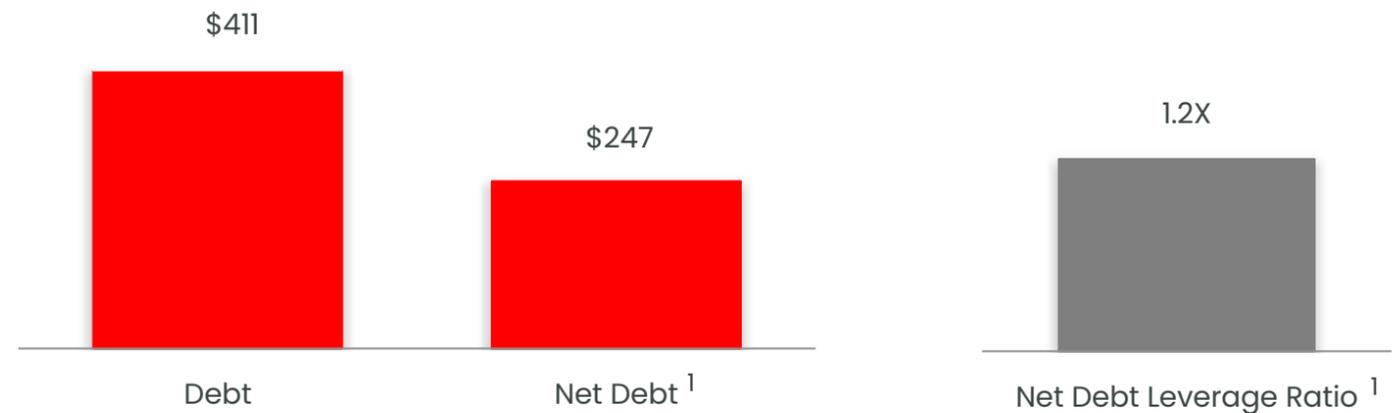
Capital Structure

December 31, 2025

Cash and Cash Equivalents	\$ 164
Sr. Secured ABL Facility	411
Total Debt	\$ 411
Total stockholders' equity	2,238
Total Capitalization	\$ 2,643
Liquidity	\$ 588

Debt and Net Debt¹

(\$ millions)



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

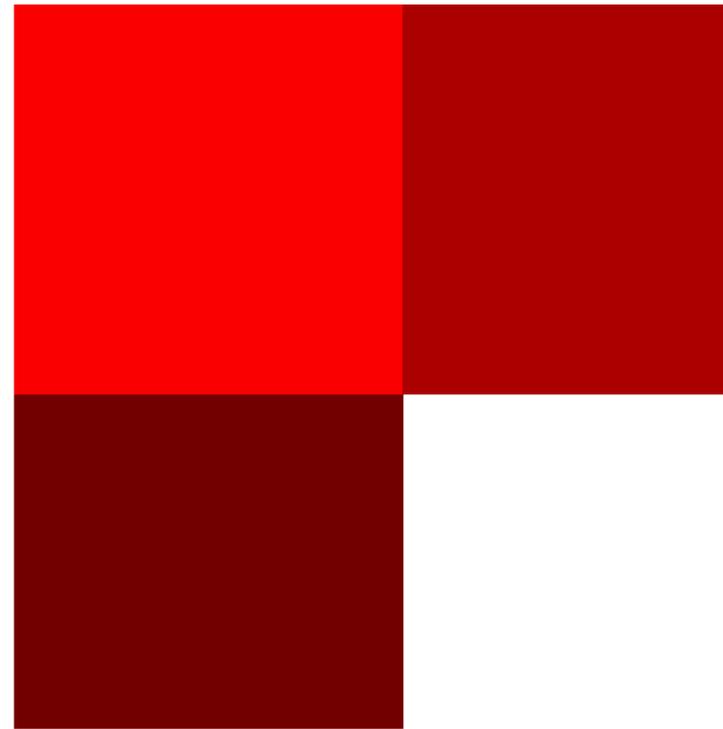
Investor Relations

Brad Wise

Vice President, Digital Strategy & Investor
Relations

Contact email: ir@dnw.com

For the most up to date investor
information, please [click here](#)





Appendix

Adjusted Gross Profit Reconciliation

(\$ millions)	THREE MONTHS ENDED						YEAR ENDED			
	December 31, 2025		December 31, 2024		September 30, 2025		December 31, 2025		December 31, 2024	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Revenue	\$ 959		\$ 571		\$ 634		\$2,820		\$ 2,373	
Gross profit, as reported	\$ 68	7.1%	\$ 133	23.3%	\$ 143	22.6%	\$ 478	17.0%	\$ 531	22.4%
Amortization of intangibles	5		2		2		11		7	
Increase in LIFO reserve	9		-		2		27		4	
Inventory-related transaction charges	135		1		-		135		7	
Adjusted Gross Profit	\$ 217	22.6%	\$ 136	23.8%	\$ 147	23.2%	\$ 651	23.1%	\$ 549	23.1%

Note: Adjusted gross profit is a non-GAAP measure. For a discussion of the use of adjusted gross profit, see our Current Report on Form 8-K dated February 20, 2026.

Adjusted EBITDA Reconciliation

(\$ millions)	THREE MONTHS ENDED						YEAR ENDED			
	December 31, 2025		December 31, 2024		September 30, 2025		December 31, 2025		December 31, 2024	
	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue	Amount	% of Revenue
Revenue	\$ 959		\$ 571		\$ 634		\$ 2,820		\$ 2,373	
Net (loss) income attributable to DNOW Inc.	\$ (147)	(15.3)%	\$ 23	4.0%	\$ 23	3.6%	\$ (89)	(3.2)%	\$ 78	3.3%
Net income attributable to noncontrolling interest	-		-		-		1		1	
Interest expense (income), net	4		(2)		-		2		(6)	
Income tax (benefit) provision	(29)		7		7		(12)		31	
Depreciation and amortization	20		10		11		52		34	
Increase in LIFO reserve	9		-		2		27		4	
Stock-based compensation	4		4		4		15		13	
Transaction-related charges	51		2		4		62		6	
Impairment and other charges	12		1		-		12		6	
Inventory-related transaction charges	135		1		-		135		7	
Restructuring and exit cost	-		-		-		2		2	
Other	2		(1)		-		2		-	
Adjusted EBITDA	\$ 61	6.4%	\$ 45	7.9%	\$ 51	8.0%	\$ 209	7.4%	\$ 176	7.4%

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 February 20, 2026.

Adjusted Net Income attributable to DNOW Inc. Stockholders Reconciliation

(\$ millions)

	THREE MONTHS ENDED			YEAR ENDED	
	December 31, 2025	December 31, 2024	September 30, 2025	December 31, 2025	December 31, 2024
Net (loss) income attributable to DNOW Inc.	\$ (147)	\$ 23	\$ 23	\$ (89)	\$ 78
Increase in LIFO reserve	9	-	2	27	4
Transaction-related charges	51	2	4	62	6
Impairment and other charges	12	1	-	12	6
Inventory-related transaction charges	135	1	-	135	7
Restructuring and exit costs	-	-	-	2	2
Tax benefit	(37)	-	(1)	(45)	(3)
Adjusted net income attributable to DNOW Inc.	\$23	\$ 27	\$ 28	\$ 104	\$ 100

Note: Adjusted net income attributable to DNOW Inc. is a non-GAAP measure. For a discussion of the use of adjusted net income attributable to DNOW Inc., see our Current Report on Form 8-K dated February 20, 2026.

Adjusted Diluted Earnings Per Share attributable to DNOW Inc. Stockholders Reconciliation

	THREE MONTHS ENDED			YEAR ENDED	
	December 31, 2025	December 31, 2024	September 30, 2025	December 31, 2025	December 31, 2024
Diluted (loss) earnings per share attributable to DNOW Inc. stockholders	\$ (0.95)	\$ 0.21	\$ 0.21	\$ (0.76)	\$ 0.71
Increase in LIFO reserve	0.06	-	0.02	0.22	0.04
Transaction-related charges	0.33	0.02	0.04	0.53	0.06
Impairment and other charges	0.08	0.01	-	0.10	0.05
Inventory-related transaction charges	0.87	0.01	-	1.13	0.06
Restructuring and exit costs	-	-	0.01	0.02	0.02
Tax benefit	(0.24)	-	(0.02)	(0.38)	(0.03)
Adjusted diluted earnings per share attributable to DNOW Inc. stockholders	\$0.15	\$ 0.25	\$ 0.26	\$ 0.86	\$0.91

Note: Adjusted diluted earnings per share attributable to DNOW Inc. is a non-GAAP measure. For a discussion of the use of adjusted diluted earnings per share attributable to DNOW Inc., see our Current Report on Form 8-K dated February 20, 2026.

Net Debt & Leverage Ratio Calculation

(\$ millions)	December 31, 2025
Long-term debt	\$ 411
Plus: current portion of debt obligations	-
Total debt	\$ 411
Less: cash	164
Net debt	\$247
Net debt	\$ 247
Adjusted EBITDA	209
Net debt leverage ratio	1.2x

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 February 20, 2026.