



Investor Presentation

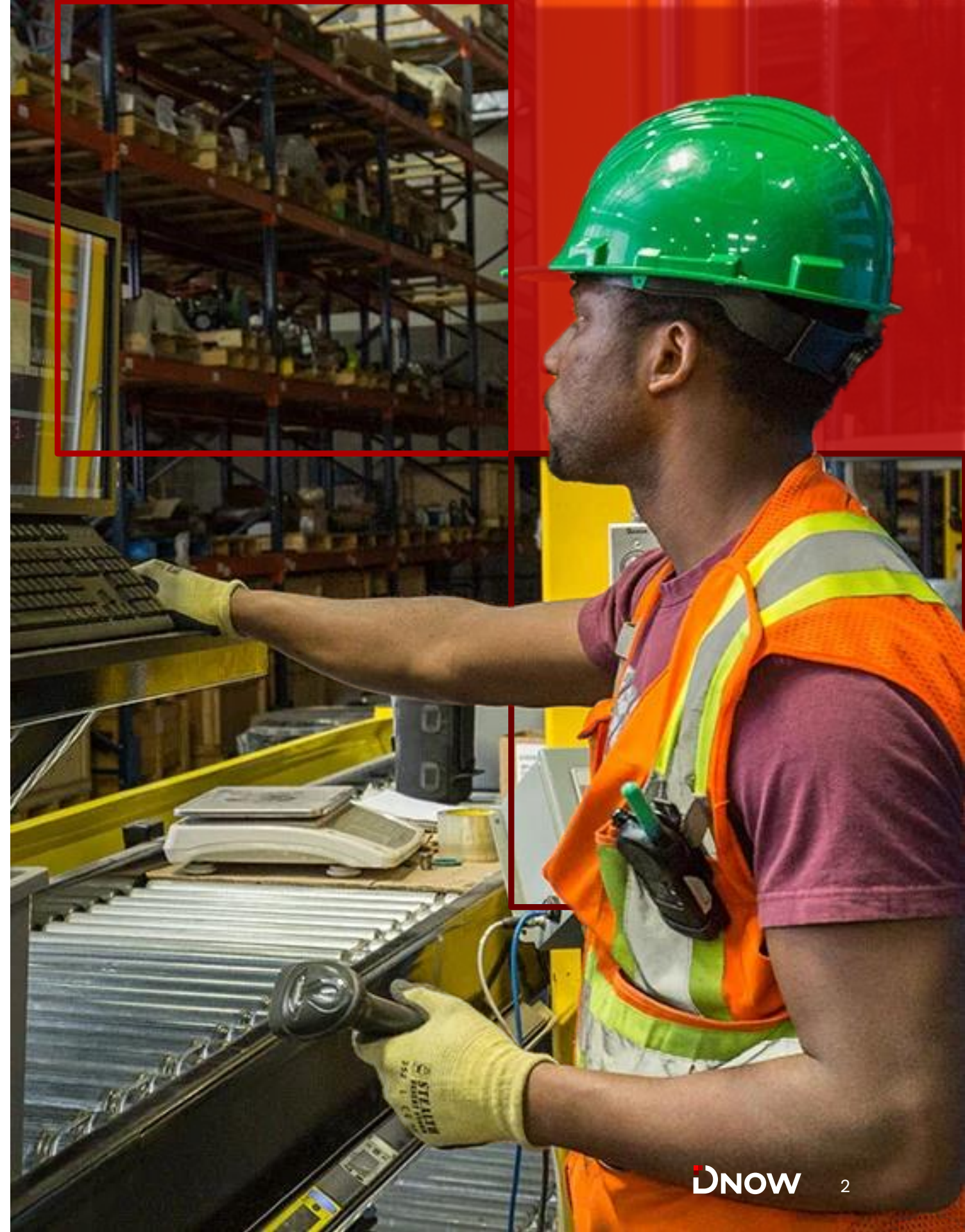
Second Quarter 2025



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) earnings before interest, taxes, depreciation and amortization (EBITDA) excluding other costs, (ii) EBITDA excluding other costs as a percentage of revenue, (iii) net income attributable to DNOW Inc. excluding other costs, (iv) diluted earnings per share attributable to DNOW Inc. stockholders excluding other costs, and (v) 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. Free cash flow is net cash provided by (used in) operating activities adjusted for purchases of property, plant and equipment, and the remaining non-GAAP financial measures exclude the impact of certain other items. 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.



Investment Highlights



Significantly improved financial results with powerful cash generation abilities

- ◆ Improved earnings durability and working capital management driving better free cash flow profile



Solid balance sheet, debt free, \$232M in cash⁽¹⁾

- ◆ Strong balance sheet to fund growth and enhanced capital allocation program



Strength in the upstream and midstream markets

- ◆ U.S. oil and gas production drives demand for DNOW's PVF+⁽²⁾, pumps and fabricated equipment



Expanding set of solutions for energy transition and industrial markets driving additional revenue diversification

- ◆ Current customer investments in decarbonization, CCUS, RNG
- ◆ Select industrial markets drives demand in non-oil and gas markets



Total liquidity, including cash, of \$582M⁽¹⁾ to fuel organic growth, pursue accretive acquisitions and repurchase shares, opportunistically, under authorized program⁽³⁾

- ◆ Ample liquidity seeds organic growth opportunities; margin accretive M&A deals and shareholder-friendly share repurchase program

(1) As of June 30, 2025

(2) Pipe, Valves, Fittings & Flanges plus additional infrastructure products

(3) \$160M share repurchase program, currently paused due to DNOW / MRC Global Merger



COMBINING

DNOW

+

MRC GlobalTM



Value-Creating
Transaction for
DNOW and MRC
Shareholders



Creates a Premier
Energy and Industrial
Solutions Provider



Joins Highly
Complementary
Footprints Across Key
Energy and Industrial
Hubs in the U.S.



Strengthens Global
Reach in Attractive
Growth Sectors



Greatly Increases
Scale and Scope
Across Diverse
Industries and Global
Opportunities



Combines and
Enhances
Complementary
Product Portfolio



Creates Value
through Cost
Synergies



Strong Cash Flow
Generation Capabilities
and Robust Balance Sheet
Provide Liquidity and Capital
Allocation Flexibility



Capital Allocation Framework

Formidable Balance Sheet...

- ▶ **Working Capital Efficiency**
Efficient use of working capital as a percent of revenue
- ▶ **No debt⁽¹⁾**
No interest expense burden
- ▶ **Ample Liquidity**
\$582M in total liquidity⁽¹⁾

... to fund growth and capital allocation program

Fund organic growth and efficient operations

- ▶ Working Capital needs
- ▶ Equipment & Technology investments

Return capital to shareholders

- ▶ Authorized new \$160M share repurchase program in January 2025⁽²⁾
- ▶ Repurchased \$19M shares during 2Q25, \$27M YTD⁽¹⁾

Inorganic growth through acquisitions

- ▶ Patient, disciplined approach
- ▶ Targeting margin accretive businesses
- ▶ Focused on growing U.S. Process Solutions
- ▶ Announced MRC Global merger agreement
- ▶ Closed Natron International acquisition, April 2025

(1) As of June 30, 2025

(2) \$160M share repurchase program, currently paused due to DNOW / MRC Global Merger



Strategic Growth Plan to Increase Shareholder Value

Focused on growing sustainable earnings and free cash flow through the cycle

Grow revenue within core energy markets

- ▶ Expand suite of offerings to customers in upstream
- ▶ Expand opportunities in midstream market
- ▶ Leverage strengths through supercenters and enhanced service model

Growth from customer investments tied to decarbonization and energy evolution

- ▶ Provide products for aged infrastructure and methane emission reduction projects
- ▶ Increase revenue from customer investments in CCUS and new energy
- ▶ Extend possibilities from customer investments in renewable fuels

Additional growth through adjacent industrial markets

- ▶ Targeting mining, water and chemical markets that align with our pump supplier agreements to expand and diversify markets
- ▶ Targeting data center construction that requires electrical cable, pumps and PVF for cooling
- ▶ Expand aftermarket service capabilities driving higher margin incremental revenues

Support organic growth through free cash flow

- ▶ Low capex business
- ▶ Efficient use of working capital to support organic growth

Share buyback program

- ▶ Repurchased \$19M in shares in 2Q25 and \$27M YTD⁽¹⁾, on \$160M program approved in January 2025, double the size of the previous buyback program⁽²⁾

Inorganic accumulation strategy to grow earnings and FCF

- ▶ Announced DNOW/ MRC Global merger agreement
- ▶ DNOW/MRC Global merger expected to greatly increase scale and scope across diverse industries and global markets, creating a premier energy and industrial solutions provider
- ▶ Continue to evaluate a pipeline of margin accretive companies to expand U.S. Process Solutions business

(1) As of June 30, 2025

(2) \$160M share repurchase program, currently paused due to DNOW / MRC Global Merger

Significantly Strengthened Financial Performance Over Time

Key trends and financial performance as market activity changes

	2H 2014 ¹	2018	2023	2024	1H 2025
U.S. Rigs ²	1,907	1,032	689	600	580
U.S. Completions ³	6,865	4,172	3,241	2,950	2,904
WW Rigs ²	3,635	2,211	1,814	1,735	1,653
Revenue	\$2.1B	\$3.1B	\$2.3B	\$2.4B	\$1.2B
EBITDA	\$97M	\$125M	\$184M	\$176M	\$97M
% of Revenue	4.7%	4.0%	7.9%	7.4%	7.9%
Cash	\$195M	\$116M	\$299M	\$256M	\$232M
Free Cash Flow (FCF)	\$17M	\$62M	\$171M	\$289M	\$19M

Period of improved earnings and FCF generation capabilities driven by transformed operational model and continued execution of strategic growth plan

(1) DNOW spin off as a public company completed late in 2Q14
(2) Quarterly averages of rig values based on Baker Hughes Rig Count
(3) Quarterly averages of U.S. Completions based on 7/8/25 STEO from EIA

Company Overview

NYSE: DNOW

◆ **160**
LOCATIONS

◆ **2,575**
EMPLOYEES

Leading energy and industrial distributor
and supply chain solutions company

- ◆ Operating for over 160 years
- ◆ Headquartered in Houston, Texas
- ◆ Comprehensive network of energy centers, customer onsite and process solutions locations, complemented with an online commerce platform
- ◆ Key markets: U.S., Canada, North Sea, Middle East, Asia Pacific

Recent Quarterly Achievements and Highlights

◆ **\$628M⁽¹⁾**
REVENUE

◆ **\$51M^(1,2)**
EBITDA²

◆ **\$1.5B⁽³⁾**
MARKET CAP

Beat second quarter expectations with revenue growth of **5% sequentially**

Delivered a company best second quarter **EBITDA of \$51M, 8.1% of revenue**, in a market with fewer operating rigs and completions

Announced merger with MRC Global.
On June 26, 2025, announced DNOW and MRC Global to combine in all-stock transaction

Repurchased **\$19M of shares** during the second quarter as of June 30, 2025, with **\$27M of shares** repurchased year-to-date under our new \$160M share repurchase program

\$232M cash and debt free⁽¹⁾

(1) For the quarter ended on June 30, 2025
(2) Excluding other costs (non-GAAP)
(3) As of August 18, 2025

Providing Value-Added Solutions Across All Channels

Energy Centers



SuperCenter and branch network supplying PVF and MRO products locally to target end market customers for capital projects and day-to-day operational maintenance

Provides wide array of products and value locally in major energy and industrial regions

Customer Onsite & Integrated Supply



On-site model offering customizable products, services and solutions to customers as an extension of their supply chain organization aligned on customer operational goals

Reduces customers' total costs including operating expenses and capital employed

Process Solutions



Process, production and fluid handling equipment in the form of engineering, design, installation, fabrication, rental and aftermarket service

Meets demand for tank battery production facilities, water transfer and disposal, gas treating, midstream gathering and transmission

Process Solutions — An Expanding Portfolio of Solutions targeting energy and industrial end-markets

Integrated, reliable and sustainable solutions over the life cycle of our customers' fluid and gas management needs

Distribution & Service

- ▶ Pump, Air and Gas compression distribution and packaging
- ▶ Full field and shop service and repair capabilities
- ▶ Coverage across all oily basins, and expanding into Industrial markets

Rental & Automation

- ▶ Mobile Pump rentals (H-Pumps and Centrifugal)
- ▶ Fluid management automation and controls (sale and rental)
- ▶ Flow Loops for pump and flow meter testing and upgrading

Fabrication

- ▶ Heavy structural steel fabrication, including ASME code vessels
- ▶ Modular process and production equipment
- ▶ In House Engineering and Electrical Capabilities (including UL panel)

Gas Upgrading & Management

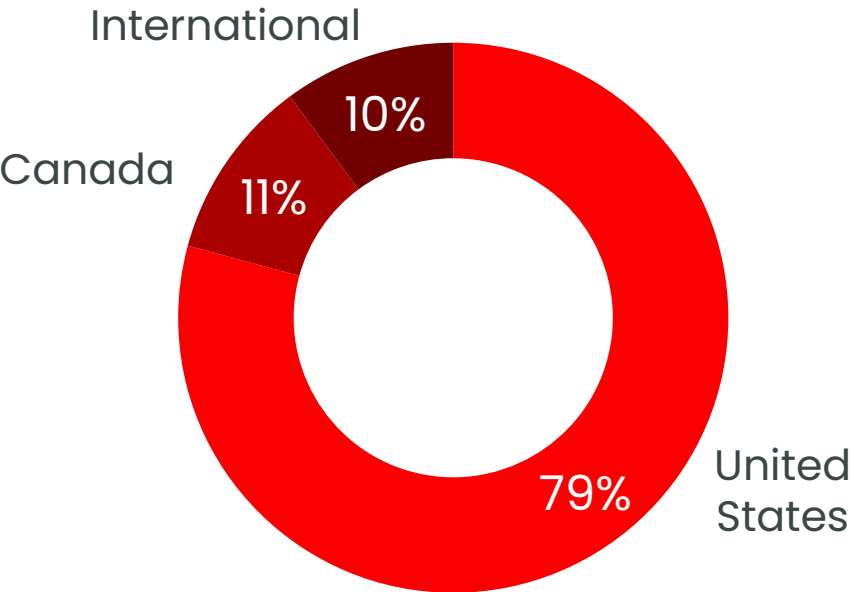
- ▶ Gas Upgrading, including H₂S and O₂ removal for oil and gas operations
- ▶ RNG solutions for gas upgrading and drying
- ▶ Expanding product offering for wider gas management portfolio

Key Vendors

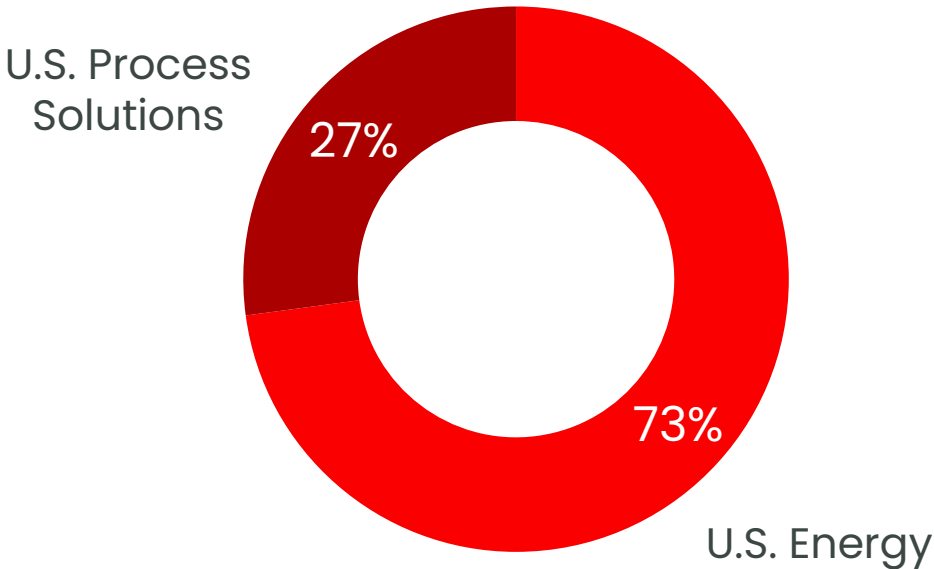


Revenue by Reporting Segment, Channel and Product line

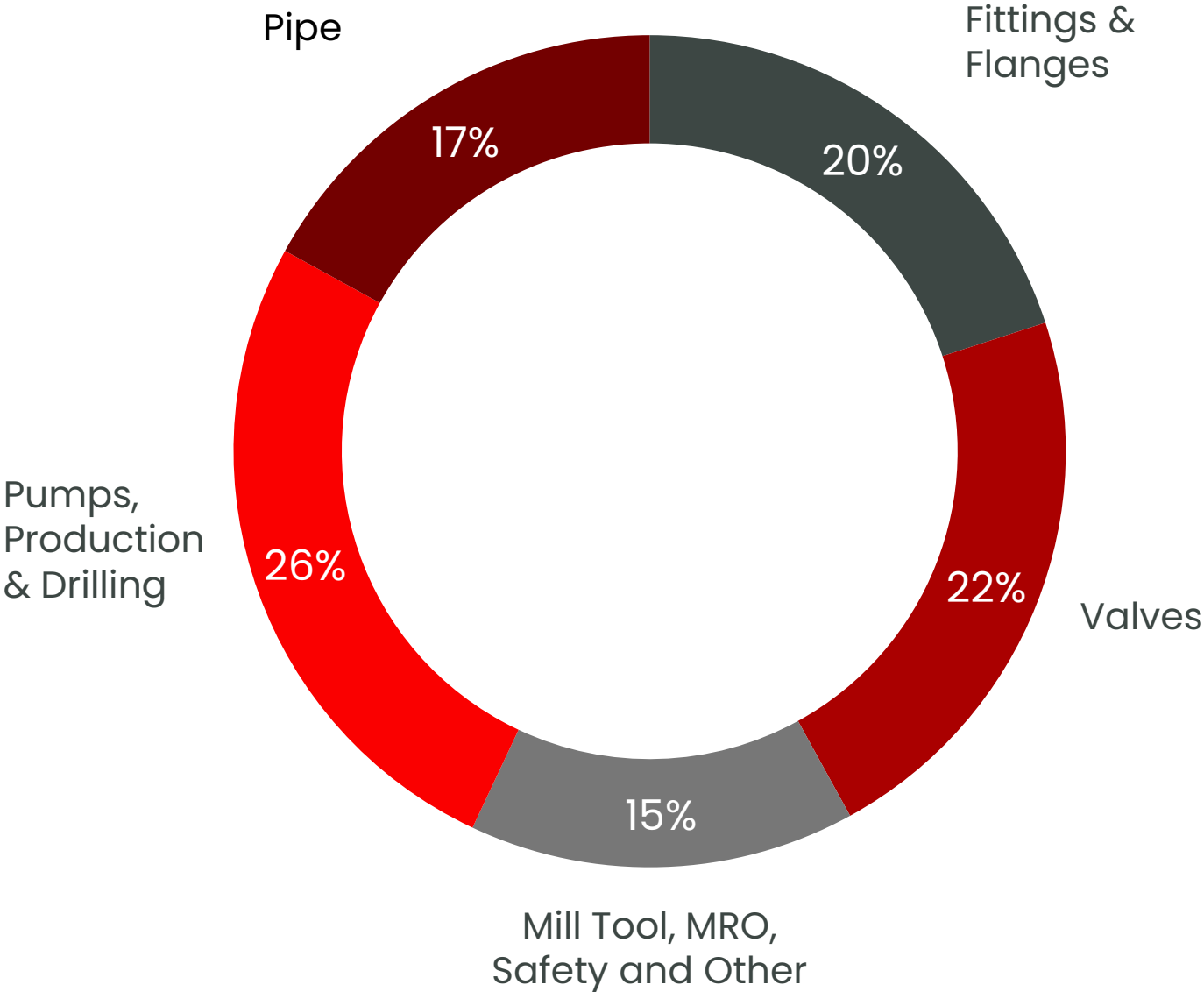
Revenue by Reporting Segment
2024



U.S. Revenue by Channel
2024



Revenue by Product Line
2024

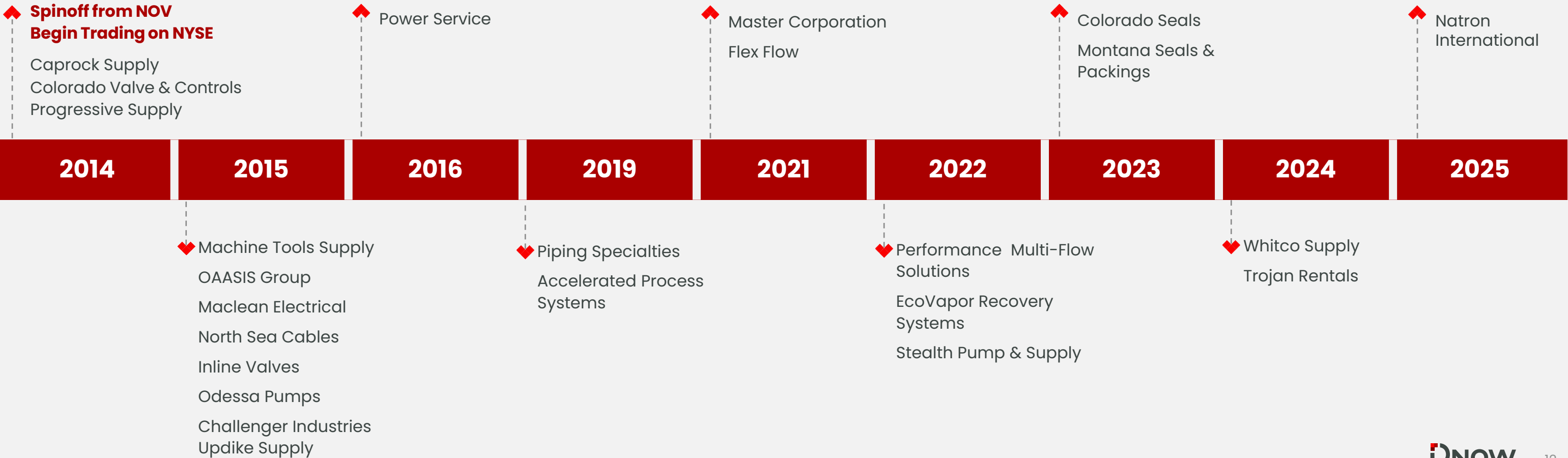


Driving Growth through Acquisitions

Clearly defined acquisition strategy to grow earnings and free cash flow

- ◆ Acquire value added solutions with sustainable competitive advantages
- ◆ Leverage acquired product lines to gain organic share
- ◆ Expand U.S. Process Solutions value proposition
- ◆ Target end-market diversification

Track Record of Success



2Q 2025 Key Takeaways



Strong first half to 2025, growing second quarter sequential revenue and EBITDA through the continued execution of our growth strategy, despite sector headwinds



Announced merger agreement with MRC Global, creating a premier energy and industrial solutions provider, greatly increasing scale and scope across diverse industries and global markets



Generated \$41M in free cash flow due to improved earnings and working capital velocity



Debt free, \$232M in cash with ample liquidity to fund growth, continue to review an active pipeline of M&A opportunities to complement our growth strategy



Repurchased \$19M of common stock in the second quarter, \$27M YTD as of June 30, 2025

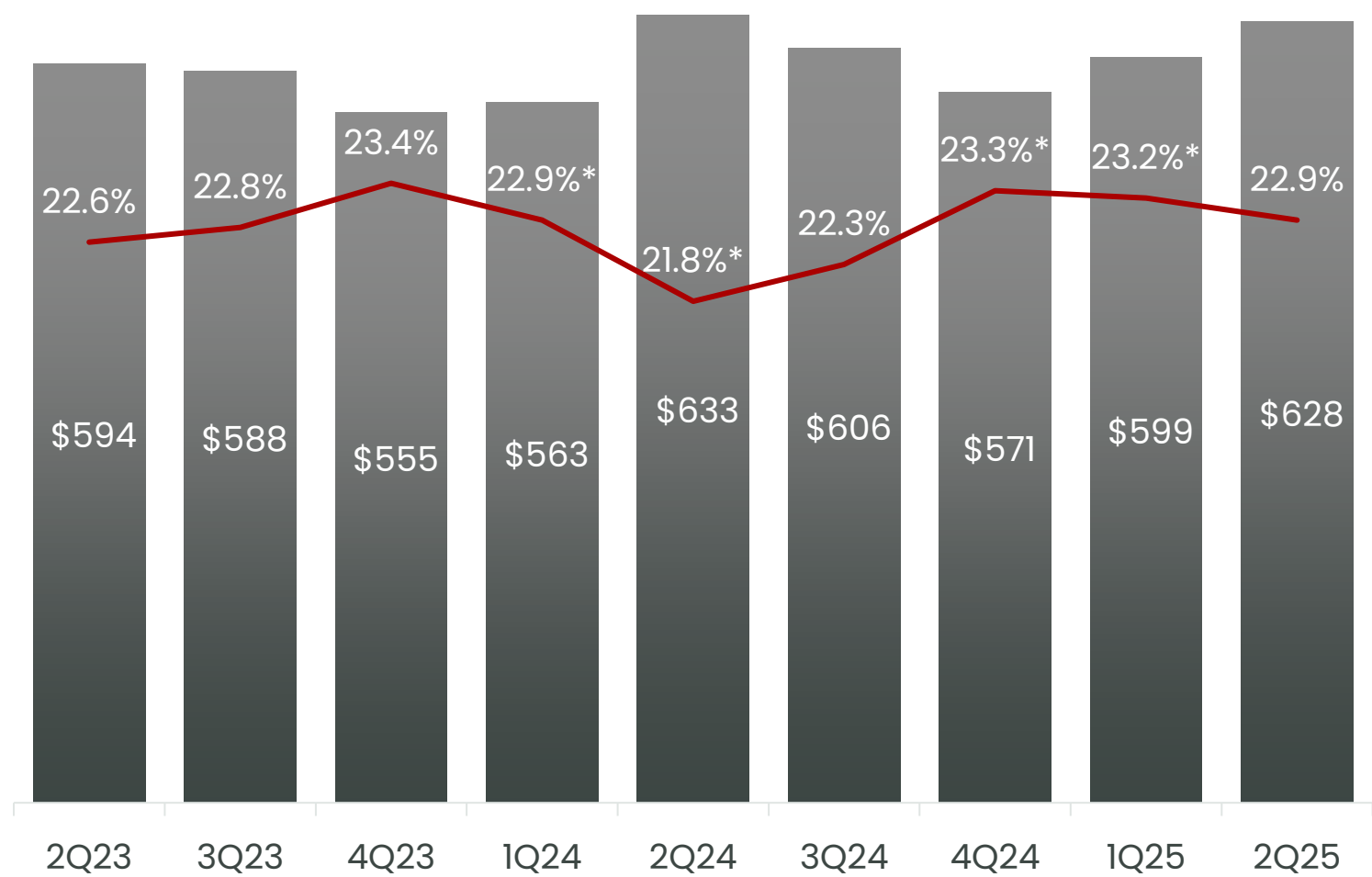


Continued strength in midstream approximating **27% of revenue** in the quarter



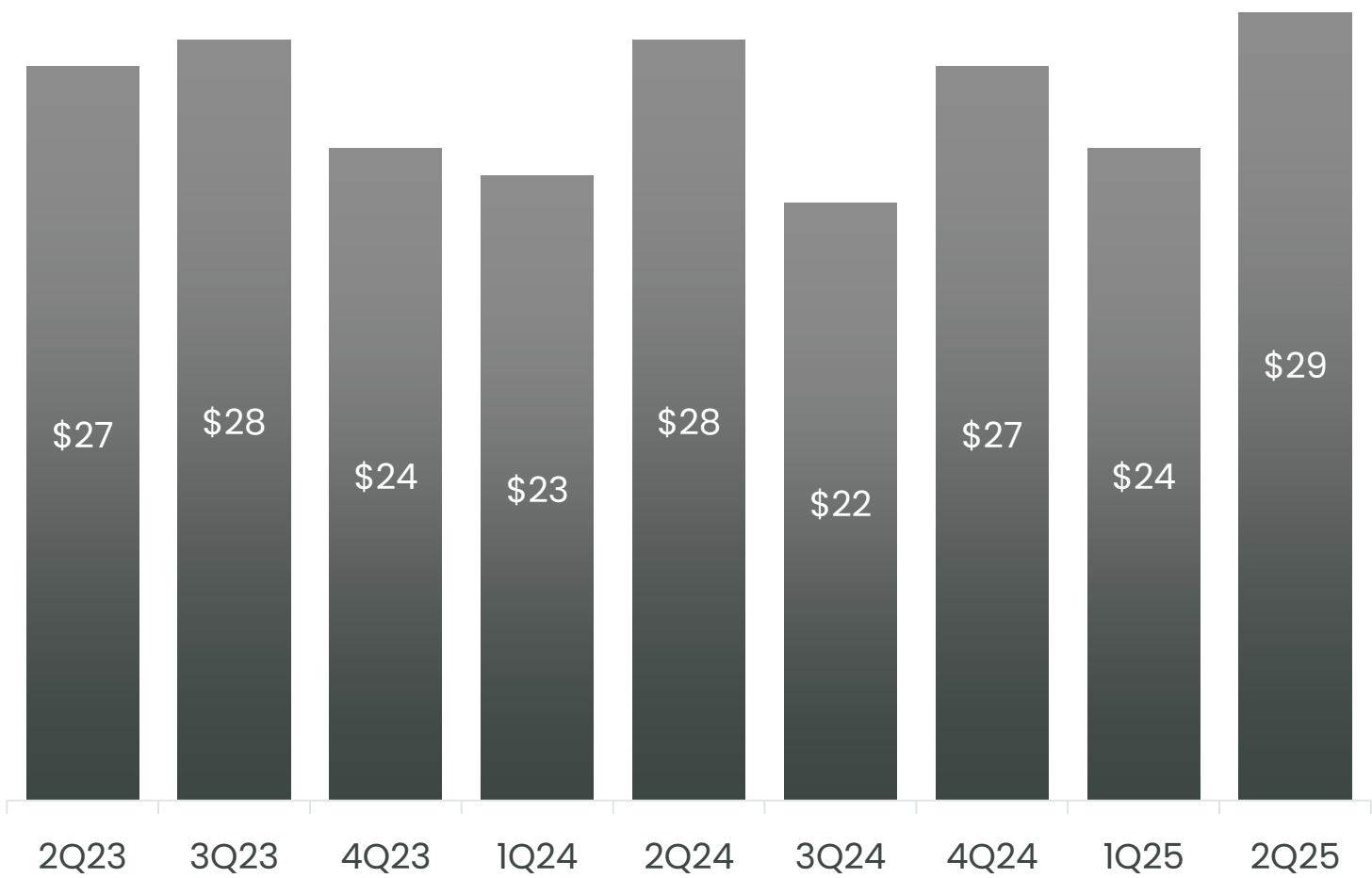
Selected Quarterly Results

Revenue & Gross Margin Percent
(\$ in millions)



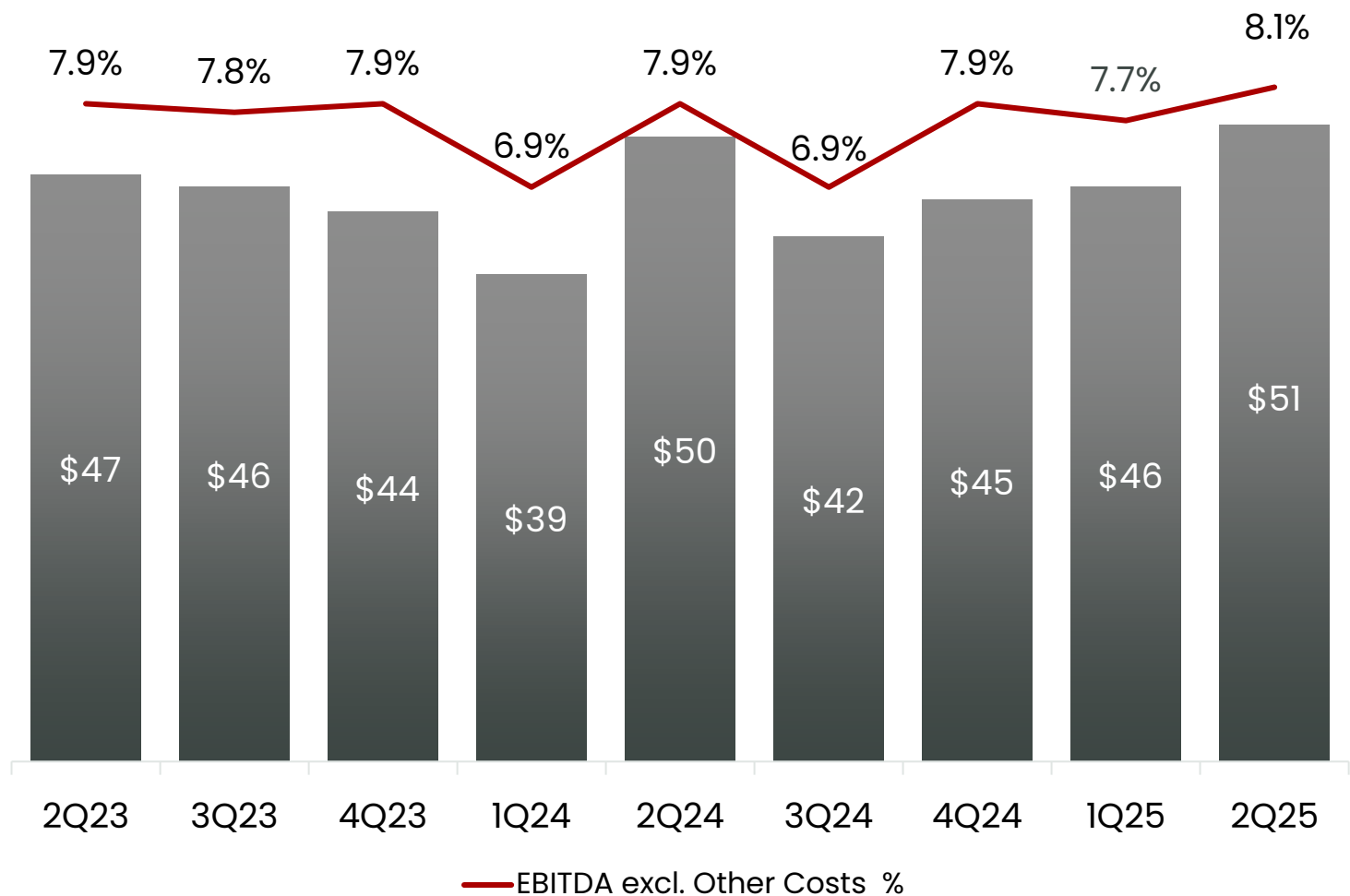
* Includes charges for cost of inventory that was stepped up to fair value during acquisition purchase accounting for 1Q24 (\$1M), 2Q24 (\$4M), 4Q24 (less than \$1M), and 1Q25 (less than \$1M)

Net Income attributable to DNOW Inc.
excl. Other Costs (Non-GAAP)
(\$ in millions)

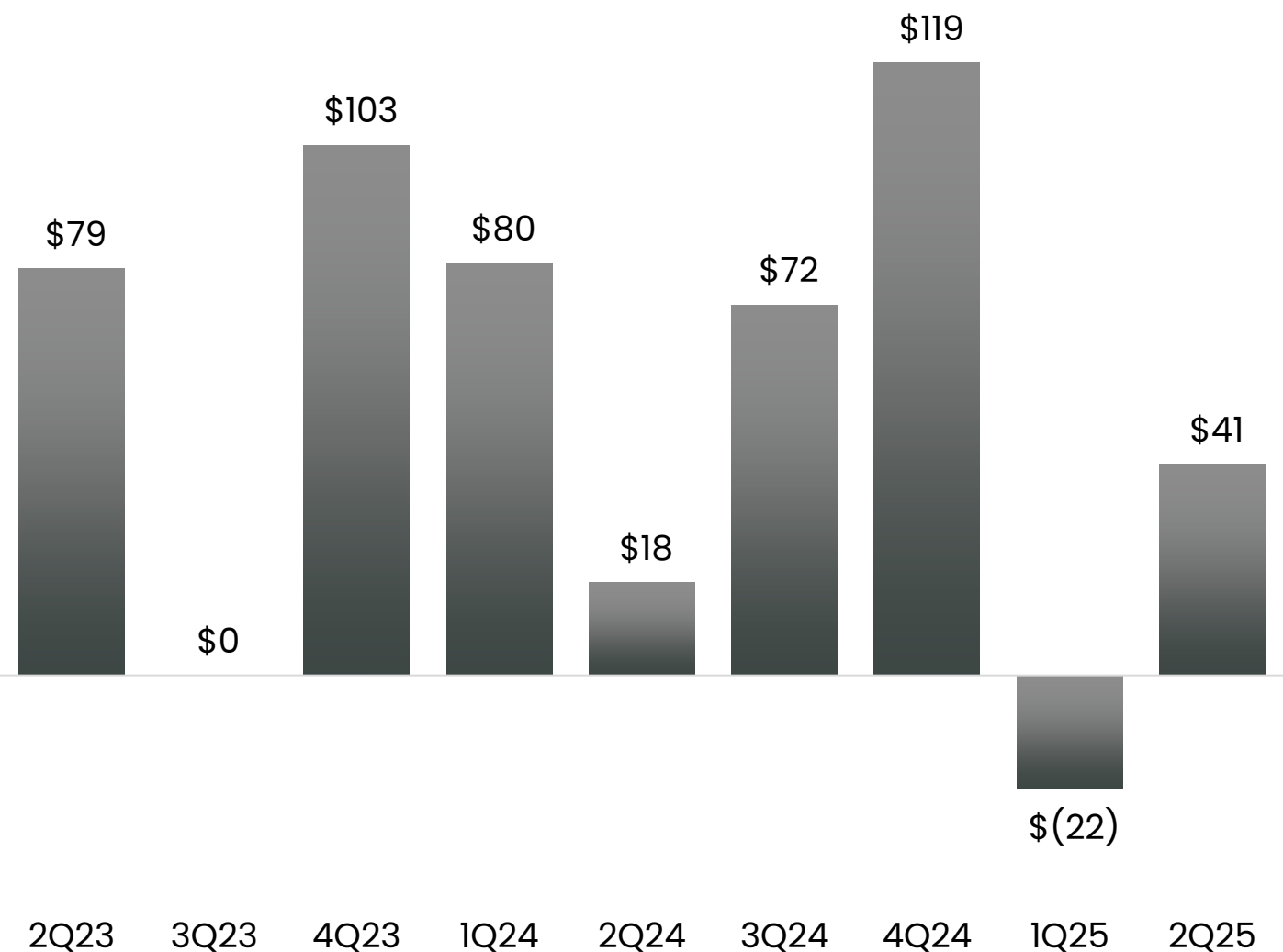


Selected Quarterly Results

EBITDA excl. Other Costs (Non-GAAP)
(\$ in millions)



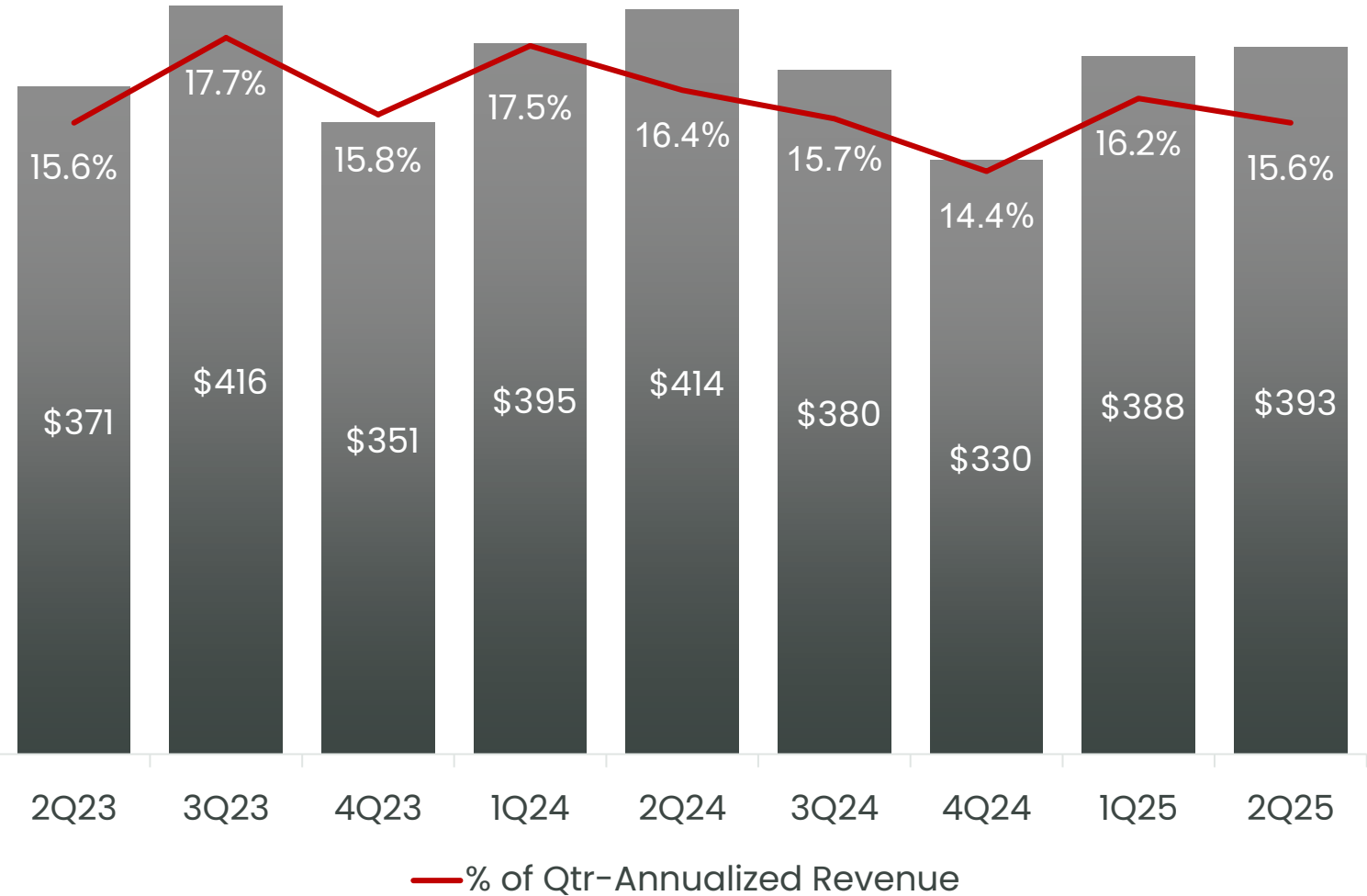
Free Cash Flow*
(\$ in millions)



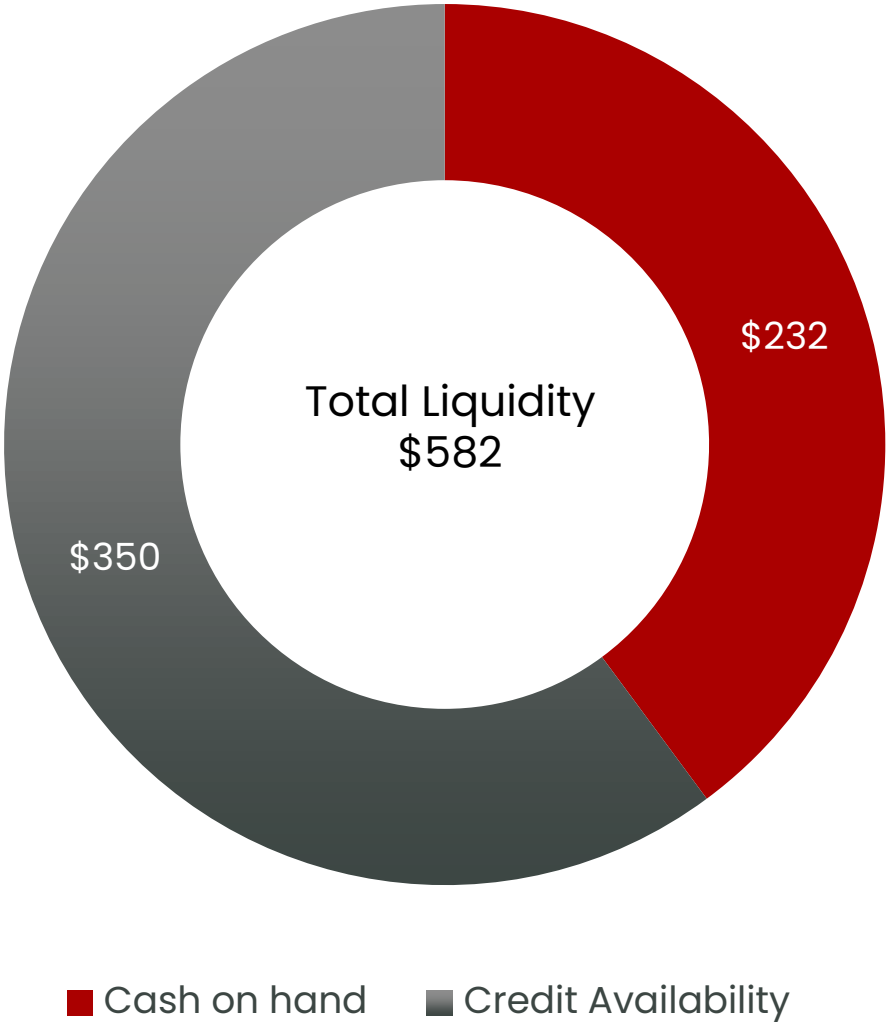
* Free Cash Flow is defined as net cash provided by (used in) operating activities, less purchases of property, plant and equipment

Selected Quarterly Results

Working Capital excl. Cash and as % of Revenue
(\$ in millions)



Total Liquidity at June 30, 2025
(\$ in millions)



Investor Relations

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