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NASDAQ: DSGR

Fourth Quarter and Full Year 2025 Financial Results

March 5, 2026



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Today's Conference Call Will Discuss Results Primarily on an Adjusted (Non-GAAP) and Comparable Operations Basis.

Agenda

- 2025 Full Year and Q4 Consolidated Highlights & Financial Results
- Segment Highlights & Financial Results
- Q&A

See appendix for GAAP to Non-GAAP reconciliations.

Key Takeaways for 2025 Full Year and Q4 Quarter



Solid Operational Performance

- Total YoY sales growth of \$175.9 million or 9.8% with organic average daily sales up 3.6%, \$121.5 million of additional revenue from five acquisitions closed in 2024 not in for the full year of 2024; Q4 flat with prior year quarter
- Full year consolidated Adjusted EBITDA of \$175.2M or 8.9% of sales compared to \$175.3M or 9.7% of sales. Margin pressures on sales mix shift, initiative investments and increased employee related costs.



Macro & Demand Outlook

- Despite an uneven macro environment, momentum continues in key end markets, including aerospace & defense, technology and industrial power. Renewables slowing in North America, while global markets are expanding for technology, industrial power, aerospace & defense and power generation
- Test & measurement, chambers and rentals gaining momentum; electronic production supply and industrial printing remain under pressure
- Tariff uncertainties persist



Strategic Initiatives

- New VMI installs and wallet share expansion drove Lawson's organic growth; leveraging technology through increased rigor of sales rep activity using CRM
- Under new leadership at TestEquity, clarifying customer value proposition, go-to-market strategy and tactical reallocation of resources through centralization of certain functions to strengthen operations. Integration of Hisco/TE mostly behind us
- Canadian Branch Division well underway on realizing gross margin and branch consolidation. While some external headwinds continue in Eastern Canada, pipeline improving



Capital Allocation Priorities

- Full year consolidated cash flow from operations of \$83.8M compared to prior year of \$56.5M; Q4 cash flow from operations of \$16.9M
- Repurchased approximately \$23.5M of shares YTD
- Amended and expanded the credit facility through 2030; includes \$700 million of term debt and a revolving credit facility of \$400 million, an increase over the previous revolver capacity of \$255 million
- Total liquidity of \$469.0M. Balance sheet continues to strengthen; net working capital ended at \$473.5 million
- Pipeline for acquisition opportunities remains active and building

Leading Specialty Industrial Distribution Platform



MRO Focus

OEM Focus

Industrial Technologies Focus

VMI Focus

Canadian Branch Focus

Leading vendor managed inventory provider of C-parts to the MRO market

Leading wholesale distributor of MRO supplies, safety products, fasteners, and services to the Canadian MRO market

Leading global supply chain services and C-parts provider to OEM and aftermarket applications

Leading supplier of electronic and specialty production supplies and T&M equipment across OEM and MRO markets

~24% of Revenue ⁽²⁾

~11% of Revenue ⁽²⁾

~25% of Revenue ⁽²⁾

~40% of Revenue ⁽²⁾

TTM Financial Highlights

\$1.98Bn
Adjusted Revenue

~8.9%
Adjusted EBITDA %

~\$150M
Adj. Free Cash Flow (1)

Fly-by Operating Stats

50+
Countries Served

220k+
Customers

760k+
Unique SKU's

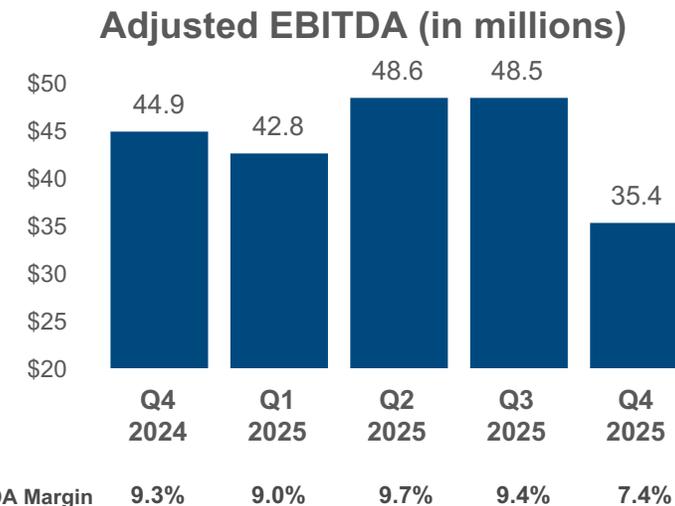
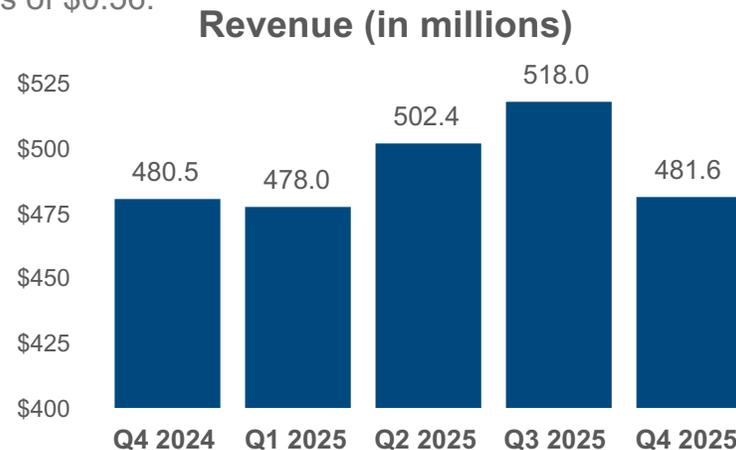
Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for reconciliations. Information inclusive of Other Acquisition results prior to the acquisition date.

(1) Defined as Reg G EBITDA less Reg G cash items, less capex, plus/minus change in inventory, accounts receivable & accounts payable divided by Reg G EBITDA.

(2) TTM revenue by segment inclusive of Other Acquisition results prior to the acquisition date.

2025 Consolidated Financial Highlights

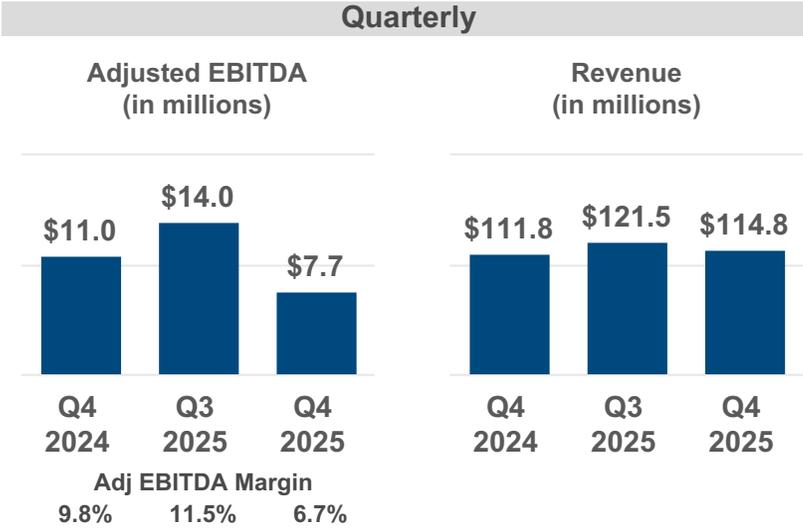
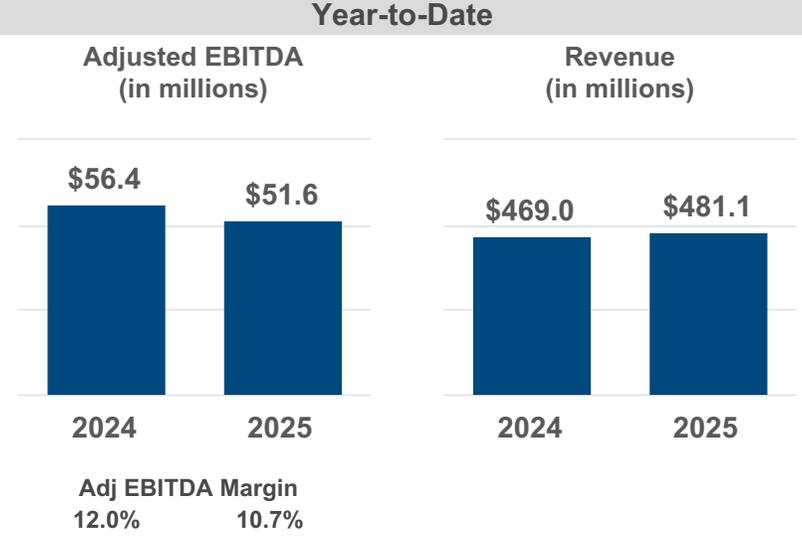
- Full-year revenue was \$1.98 billion, up 9.8%, which consisted of acquired revenue of \$121.5 million and organic average daily sales growth of 3.6% compared to 2024.
- Full-year Adjusted EBITDA was \$175.2 million, or 8.9% of sales. GAAP EPS was \$0.18 versus GAAP loss per share of \$0.16 in 2024. Non-GAAP Adjusted EPS was \$1.24 versus non-GAAP Adjusted EPS of \$1.44 per share in 2024.
- Strong cash flows for full-year of \$83.8M and \$16.9M for the quarter. Total liquidity of \$469.0M. Balance sheet continues to strengthen; net working capital ended at \$473.5 million.
- Q4 revenue of \$481.6M; up \$1.1M or 0.2% over a year ago; organic sales flat over Q4 2024.
- Q4 Adjusted EBITDA of \$35.4M or 7.4% of sales compared to \$44.9M or 9.3% of sales in the prior year quarter and \$48.5M or 9.4% sequentially. Adjusted EBITDA was pressured primarily due to product and customer mix shifts, initiative investments and higher employee related costs, in particular, health care benefits.
- Diluted net loss per share was \$0.14 for the quarter compared to diluted net loss per share of \$0.55 in the year-ago quarter. Non-GAAP adjusted diluted earnings per share was \$0.18 compared to \$0.42 for the same period a year ago and \$0.40 in the third quarter. 2024 included a benefit from lower deferred tax reserves of \$0.56.



Adj EBITDA Margin 9.3% 9.0% 9.7% 9.4% 7.4%

2025 Highlights:

- YTD average daily sales (ADS) growth up 2.6%; organic ADS down 1.2% primarily on lower military customer sales
- Q4 ADS growth up 2.7% over prior year quarter; down sequentially 0.9%. Organic growth across majority of customer segments over prior year quarter
- YTD adjusted EBITDA of \$51.6M or 10.7% of revenue; Q4 adjusted EBITDA of \$7.7M or 6.7% of revenue; sales mix shift, continued investment in sales transformation and higher employee-related costs, in particular, health care, pressured margins
- Continued investment in tools, products and support resources to provide productivity opportunities for our sales force. Leveraging the CRM platform implemented in mid-2024, driving daily operating rigor and expanding e-commerce channel while investing in sales leadership

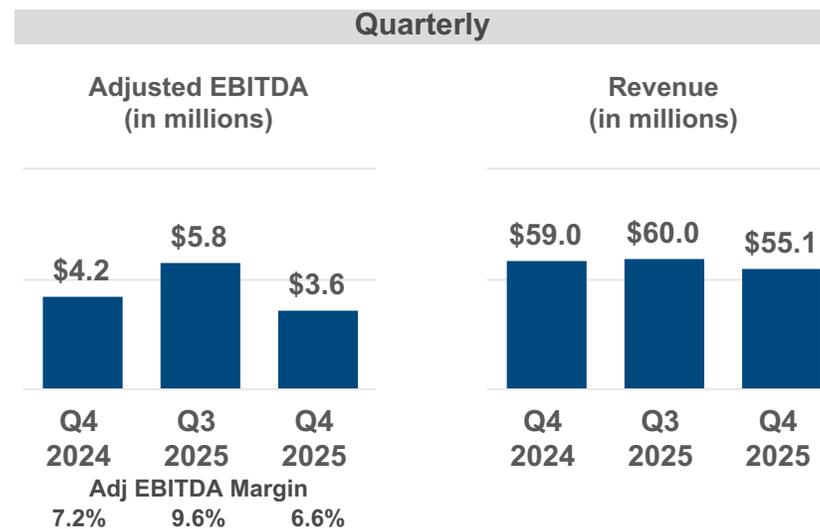
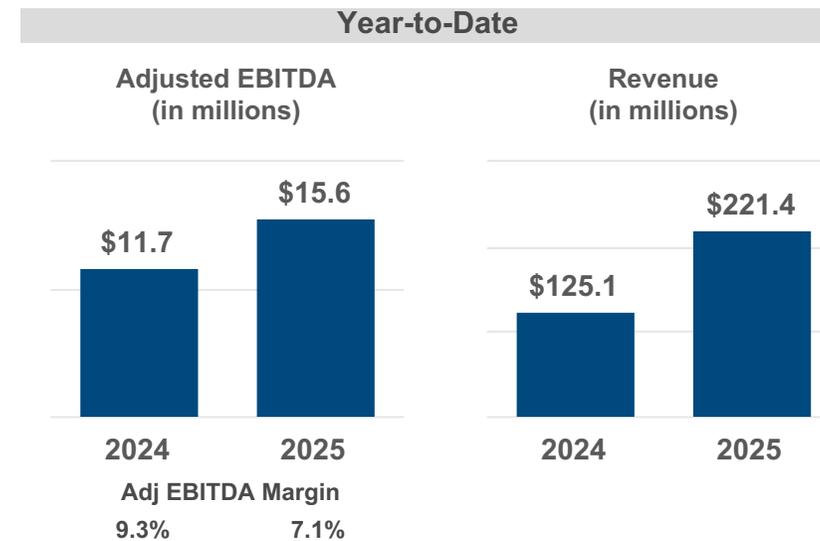


Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for reconciliations.

Canada Branch Division – Canadian MRO Focus

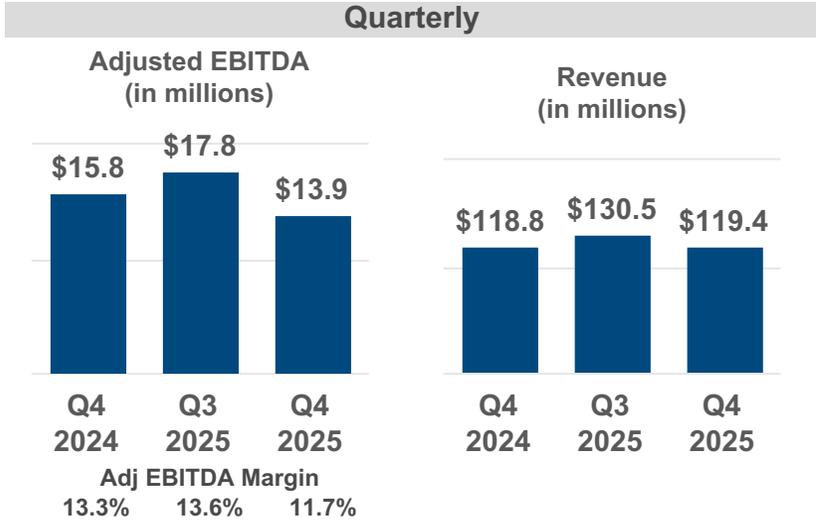
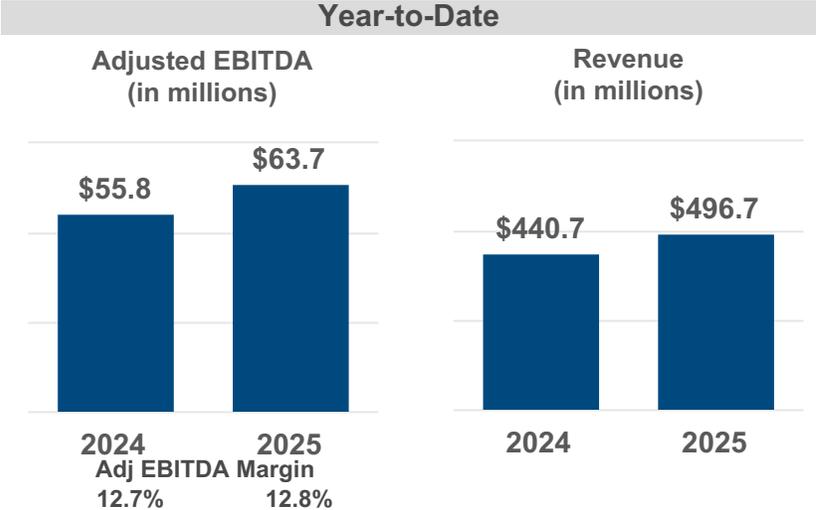
2025 Highlights:

- Continued market softness for projects and manufacturing end market amid tariff-related uncertainties, in particular in Eastern Canada, pressured sales
- YTD sales up \$96.3M over prior year primarily driven by the Source Atlantic acquisition which contributed \$93.4M of additional sales in 2025 as not in for all of 2024
- Q4 ADS down 6.8% over prior year quarter and 3.7% (2.6% on a constant currency basis) sequentially
- YTD adjusted EBITDA of \$15.6M or 7.1% of revenue; Q4 adjusted EBITDA of \$3.6M or 6.6% of revenue. Excluding Source Atlantic, YTD adjusted EBITDA at 14.0% of revenue and Q4 adjusted EBITDA at 13.1%
- Driving key operating initiatives focused on acquisition integration, including the consolidation of 4 facilities in 2025 and improvement of gross margins underway



2025 Highlights:

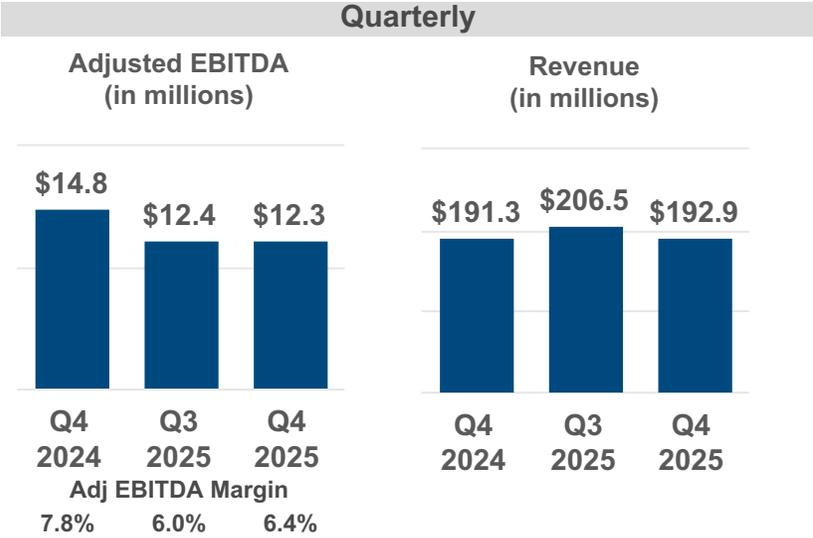
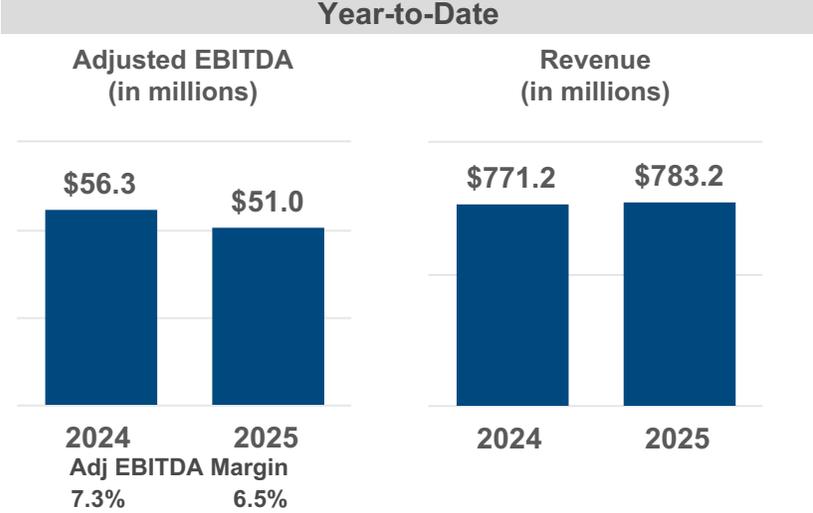
- Sales up \$55.9M; YTD ADS growth of 13.1% and organic ADS up 12.3% on improvements in the renewables, aerospace & defense and technology verticals
- Q4 ADS down 1.0% over prior year quarter; down sequentially 11.3% primarily on lower renewables and project business
- YTD adjusted EBITDA of \$63.7M or 12.8% of revenue, a record year; Q4 adjusted EBITDA of \$13.9M or 11.7% of revenue
- Continued expansion in net margins primarily through leveraging fixed cost structure over an increasing sales base
- Value creation initiatives including DSG cross sell, acquisition synergies and expanded VMI, kitting, manufacturing and E-commerce offerings. Customers very interested in Gexpro Services Frontier, Omni/Orion and SIS domestic manufacturing capabilities to mitigate tariff impacts



Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for reconciliations.

2025 Highlights:

- YTD ADS growth up 2.0% driven by test & measurement (T&M), rentals and chambers business; organic ADS up 1.0%
- Q4 ADS growth up 0.9% over prior year quarter; down sequentially 3.5%
- YTD adjusted EBITDA of \$51.0M or 6.5% of revenue; Q4 adjusted EBITDA of \$12.3M or 6.4% of revenue, pressured from sales mix shift, higher employee-related expenses including building out the leadership team and non-recurring Q4 benefits
- Key operating initiatives focused on expansion of service related offerings, continued acquisition integration, pricing disciplines, sales force optimization, digital channel expansion and cost containment
- New leadership team focused on go to market strategy and daily execution and fundamental improvements



Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for reconciliations.

Organic Growth	M&A	Robust Net Working Capital Investment	Focus on Deleveraging via Earnings Growth and Free Cash Flow Generation	Return Capital to Shareholders
<ul style="list-style-type: none"> Market share growth Value-accretive initiatives Wallet-share expansion Cross-selling opportunities 	<ul style="list-style-type: none"> Adding scale, footprint, product adjacencies & services Building structurally high margin value added industrial distribution businesses Disciplined acquisition criteria 	<p style="text-align: center;">\$473.5M</p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="background-color: #003366; color: white; padding: 5px; margin-right: 5px;">\$271.3M</div> <div style="margin-right: 5px;">Accounts Receivable</div> </div> <div style="display: flex; justify-content: center; align-items: center;"> <div style="background-color: #cccccc; padding: 5px; margin-right: 5px;">\$353.4M</div> <div style="margin-right: 5px;">Inventory</div> </div> <div style="display: flex; justify-content: center; align-items: center;"> <div style="background-color: #cccccc; padding: 5px; margin-right: 5px;">\$(151.2M)</div> <div style="margin-right: 5px;">Accounts Payable</div> </div> <p style="text-align: center;">12/31/2025 Trade NWC</p> <p style="text-align: center;">High returns realized on working capital investments</p>	<p style="text-align: center;">3.6x</p> <p style="text-align: center;">Leverage⁽¹⁾ at April 1, 2022 Merger Close</p> <div style="text-align: center; margin: 20px 0;"> </div> <p style="text-align: center;">3.5x</p> <p style="text-align: center;">Leverage⁽¹⁾ as of December 31, 2025</p> <ul style="list-style-type: none"> Generated cash flows from operations of ~\$84M in 2025 and ~\$17M in Q4 Inclusive of 9 acquisitions post-April 2022 merger with cash portion of purchase price of ~\$450M 	<ul style="list-style-type: none"> Authorized \$67.5M share repurchase program in place Repurchased shares of \$23.5M YTD 2025; \$32.9M still available under prior authorizations

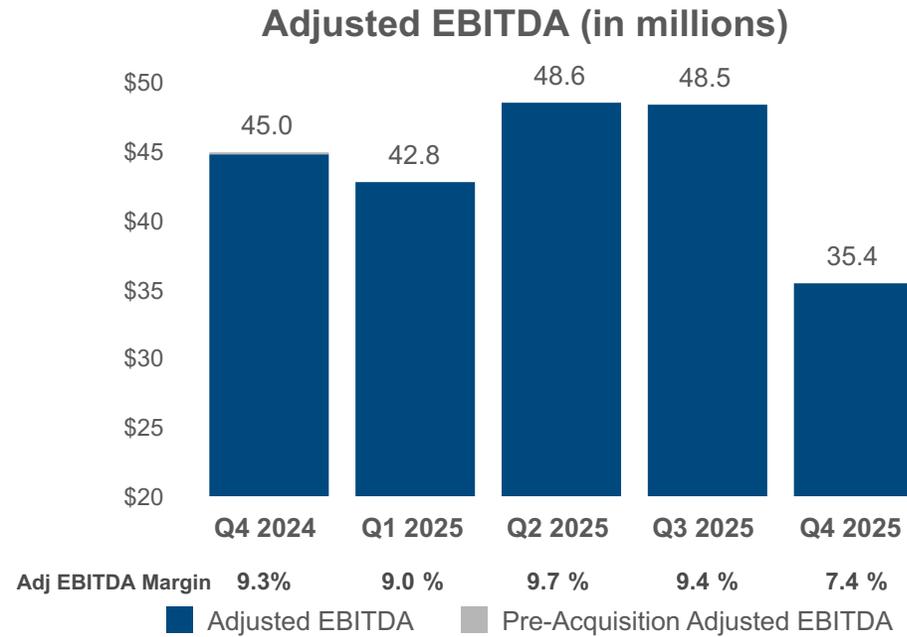
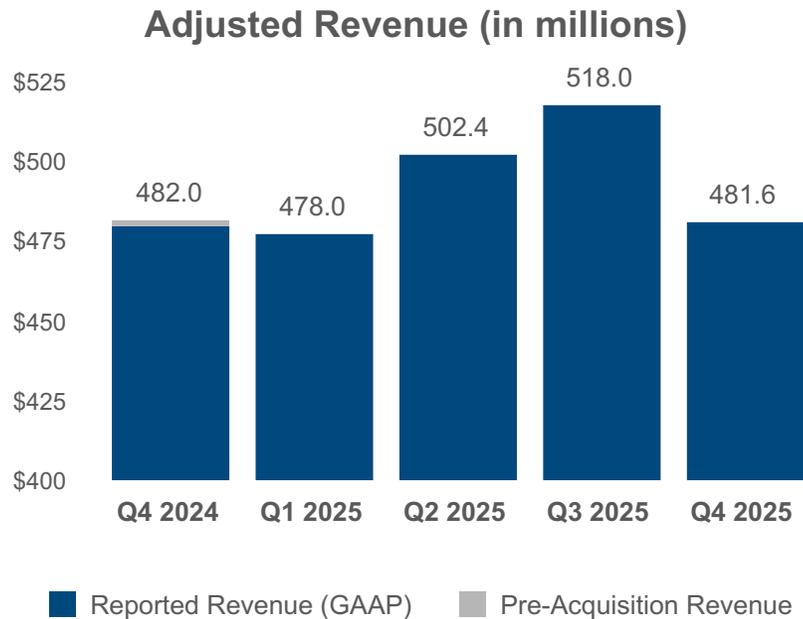
- Total Liquidity at December 31, 2025 ~\$469M⁽²⁾**
 - TTM Free Cash Flow Conversion of ~85%⁽³⁾**
 - TTM ROIC of ~10%⁽⁴⁾**

(1) As defined under DSG's credit agreement.
 (2) Inclusive of restricted & unrestricted cash position and availability under credit facility.
 (3) Defined as Reg G EBITDA less Reg G cash items, less capex, plus/minus change in inventory, accounts receivable & accounts payable divided by Reg G EBITDA.
 (4) Defined as adjusted net operating profit after tax (NOPAT) divided by invested capital (current assets plus property, plant and equipment (net), rental equipment (net), goodwill, intangible assets (net), and other assets less cash and cash equivalents, accounts payable, accrued expenses and other current liabilities and goodwill related to the April 2022 DSG merger).

Appendix

Results Inclusive of Pre-Acquisition Results

- Adjusted Revenue and adjusted EBITDA below include the reported GAAP results and the pre-acquisition results of other businesses that were acquired at any time during the Q4 2024-Q4 2025 period.



GAAP to Non-GAAP Reconciliations



Q4 Revenue and Adjusted EBITDA Reconciliation (\$000s)

(Unaudited)

Quarter Ended	Lawson Products		Gexpro Services		TestEquity		Canada Branch Division		All Other		Eliminations		Consolidated DSG	
	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024	Q4 2025	Q4 2024
Revenue from external customers	\$ 114,500	\$ 111,772	\$ 119,236	\$ 118,505	\$ 192,771	\$ 191,145	\$ 55,092	\$ 59,041	\$ —	\$ —	\$ —	\$ —	\$ 481,599	\$ 480,463
Intersegment revenue	264	11	182	292	168	161	(38)	—	—	—	(576)	(464)	—	—
Revenue	<u>\$ 114,764</u>	<u>\$ 111,783</u>	<u>\$ 119,418</u>	<u>\$ 118,797</u>	<u>\$ 192,939</u>	<u>\$ 191,306</u>	<u>\$ 55,054</u>	<u>\$ 59,041</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (576)</u>	<u>\$ (464)</u>	<u>\$ 481,599</u>	<u>\$ 480,463</u>
Operating income (loss)	\$ (913)	\$ 3,593	\$ 9,788	\$ 11,437	\$ 2,827	\$ 5,029	\$ 1,818	\$ 1,178	\$ (5,799)	\$ (1,170)			\$ 7,721	\$ 20,067
Depreciation and amortization	7,048	6,218	3,602	3,984	8,404	8,048	1,466	1,915	—	—			20,520	20,165
Adjustments:														
Acquisition related costs(1)	12	369	5	584	28	713	133	23	—	—			178	1,689
Stock-based compensation(2)	603	544	335	—	526	208	—	—	584	158			2,048	910
Severance and acquisition related retention expenses(3)	827	273	192	183	228	180	156	4	—	(1)			1,403	639
Inventory step-up(4)	—	—	—	—	—	—	—	1,122	—	—			—	1,122
Other non-recurring(5)	90	—	—	(360)	299	667	44	—	3,134	—			3,567	307
Non-GAAP adjusted EBITDA	<u>\$ 7,667</u>	<u>\$ 10,997</u>	<u>\$ 13,922</u>	<u>\$ 15,828</u>	<u>\$ 12,312</u>	<u>\$ 14,845</u>	<u>\$ 3,617</u>	<u>\$ 4,242</u>	<u>\$ (2,081)</u>	<u>\$ (1,013)</u>			<u>\$ 35,437</u>	<u>\$ 44,899</u>
Operating income (loss) as a percent of revenue	(0.8)%	3.2%	8.2%	9.6%	1.5%	2.6%	3.3%	2.0%	N/M	N/M			1.6%	4.2%
Adjusted EBITDA as a percent of revenue	6.7%	9.8%	11.7%	13.3%	6.4%	7.8%	6.6%	7.2%	N/M	N/M			7.4%	9.3%

(1) Transaction and integration costs related to acquisitions.

(2) Expense (benefit) primarily for stock-based compensation, of which a portion varies with the Company's stock price.

(3) Includes severance expense for actions taken not related to a formal restructuring plan and acquisition related retention expenses.

(4) Inventory fair value step-up adjustment for acquisition accounting related to acquisitions completed.

(5) Other non-recurring costs consist of certain non-recurring strategic projects and other non-recurring items.

N/M - Not meaningful

GAAP to Non-GAAP Reconciliations



Fiscal Year Revenue and Adjusted EBITDA Reconciliation (\$000s)

(Unaudited)

Year Ended	Lawson Products		Gexpro Services		TestEquity		Canada Branch Division		Other		Eliminations		Consolidated DSG	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Revenue from external customers	\$ 480,768	\$ 468,976	\$ 495,495	\$ 439,163	\$ 782,367	\$ 770,866	\$ 221,393	\$ 125,099	\$ —	\$ —	\$ —	\$ —	\$ 1,980,023	\$ 1,804,104
Intersegment revenue	320	68	1,160	1,560	870	314	33	—	—	—	(2,383)	(1,942)	—	—
Revenue	<u>\$ 481,088</u>	<u>\$ 469,044</u>	<u>\$ 496,655</u>	<u>\$ 440,723</u>	<u>\$ 783,237</u>	<u>\$ 771,180</u>	<u>\$ 221,426</u>	<u>\$ 125,099</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ (2,383)</u>	<u>\$ (1,942)</u>	<u>\$ 1,980,023</u>	<u>\$ 1,804,104</u>
Operating income (loss)	\$ 18,763	\$ 14,555	\$ 48,811	\$ 36,533	\$ 14,405	\$ 3,967	\$ 7,714	\$ 6,024	\$ (11,430)	\$ (5,124)			\$ 78,263	\$ 55,955
Depreciation and amortization	27,074	24,349	14,128	15,489	33,032	30,799	6,645	3,739	—	—			80,879	74,376
Adjustments:														
Acquisition related costs(1)	109	7,023	(129)	1,501	(178)	2,251	329	23	34	(656)			165	10,142
Stock-based compensation(2)	2,926	4,132	413	—	1,787	433	—	—	1,546	668			6,672	5,233
Severance and acquisition related retention expenses (3)	2,620	4,937	511	460	1,579	17,791	770	49	—	(1)			5,480	23,236
Inventory step-up(4)	—	1,066	—	—	—	—	—	1,816	—	—			—	2,882
Other non-recurring(5)	150	337	—	1,792	326	1,047	172	—	3,134	257			3,782	3,433
Non-GAAP adjusted EBITDA	<u>\$ 51,642</u>	<u>\$ 56,399</u>	<u>\$ 63,734</u>	<u>\$ 55,775</u>	<u>\$ 50,951</u>	<u>\$ 56,288</u>	<u>\$ 15,630</u>	<u>\$ 11,651</u>	<u>\$ (6,716)</u>	<u>\$ (4,856)</u>			<u>\$ 175,241</u>	<u>\$ 175,257</u>
Operating income (loss) as a percent of revenue	3.9%	3.1%	9.8%	8.3%	1.8%	0.5%	3.5%	4.8%	N/M	N/M			4.0%	3.1%
Adjusted EBITDA as a percent of revenue	10.7%	12.0%	12.8%	12.7%	6.5%	7.3%	7.1%	9.3%	N/M	N/M			8.9%	9.7%

(1) Transaction and integration costs related to acquisitions.

(2) Expense (benefit) primarily for stock-based compensation, of which a portion varies with the Company's stock price.

(3) Includes severance expense for actions taken not related to a formal restructuring plan and acquisition related retention expenses.

(4) Inventory fair value step-up adjustment for acquisition accounting related to acquisitions completed.

(5) Other non-recurring costs consist of certain non-recurring strategic projects and other non-recurring items.

N/M - Not meaningful

GAAP to Non-GAAP Reconciliations

Adjusted Revenue and Adjusted EBITDA Reconciliation (\$000s)

Results Inclusive of Acquisitions – Pre-Acquisition Date

(Unaudited)

	Quarter Ended	Consolidated DSG				
		Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Revenue		\$ 480,463	\$ 478,029	\$ 502,437	\$ 517,958	\$ 481,599
Pre-acquisition revenue(1)		1,534	—	—	—	—
Adjusted revenue		\$ 481,997	\$ 478,029	\$ 502,437	\$ 517,958	\$ 481,599
Operating income (loss)		\$ 20,067	\$ 20,097	\$ 26,826	\$ 23,619	\$ 7,721
Pre-acquisition operating Income (loss) (1)		(870)	—	—	—	—
Adjusted Operating Income (loss)		19,197	20,097	26,826	23,619	7,721
Depreciation and amortization		20,165	19,979	20,338	20,042	20,520
Adjustments:						
Acquisition related costs(2)		1,689	108	(208)	87	178
Stock-based compensation(3)		910	974	1,250	2,400	2,048
Severance and acquisition related retention expenses(4)		639	1,628	355	2,094	1,403
Inventory step-up(5)		1,122	—	—	—	—
Other non-recurring(6)		307	—	—	215	3,567
Pre-Acquisition add-backs(7)		935	—	—	—	—
Adjusted EBITDA		\$ 44,964	\$ 42,786	\$ 48,561	\$ 48,457	\$ 35,437
Operating income (loss) as a percent of revenue		4.2%	4.2%	5.3%	4.6%	1.6%
Adjusted EBITDA as a percent of adjusted revenue		9.3%	9.0%	9.7%	9.4%	7.4%

References to table footnotes are on slide 17

Adjusted Revenue and EBITDA Reconciliation – Table Footnotes

- (1) Represents additional revenue and operating income of acquisitions prior to their acquisition dates not in reported GAAP results.
- (2) Transaction and integration costs related to acquisitions.
- (3) Expense (benefit) primarily for stock-based compensation, of which a portion varies with the Company's stock price.
- (4) Includes severance expense for actions taken not related to a formal restructuring plan and acquisition related retention expenses.
- (5) Inventory fair value step-up adjustments resulting from the acquisition accounting related to acquisitions completed.
- (6) Other non-recurring costs consist of certain non-recurring strategic projects and other non-recurring items.
- (7) Represents additional EBITDA adjustments of other acquisitions prior to the respective acquisition dates.

GAAP to Non-GAAP Reconciliations



GAAP Net Income (Loss) and GAAP Diluted EPS to Non-GAAP Adjusted Net Income and Non-GAAP Adjusted Diluted EPS Reconciliation (\$000s, except per share data)

(Unaudited)

	Consolidated DSG									
	Q4 2025		Q4 2024		Q3 2025		Full Year 2025		Full Year 2024	
	Amount	Diluted EPS ⁽²⁾	Amount	Diluted EPS ⁽²⁾	Amount	Diluted EPS ⁽²⁾	Amount	Diluted EPS ⁽²⁾	Amount	Diluted EPS ⁽²⁾
Net income (loss)	\$ (6,371)	\$ (0.14)	\$ (25,925)	\$ (0.55)	\$ 6,452	\$ 0.14	\$ 8,345	\$ 0.18	\$ (7,332)	\$ (0.16)
Pretax adjustments:										
Stock-based compensation	2,048	0.04	910	0.02	2,400	0.05	6,672	0.14	5,233	0.11
Acquisition related costs	178	—	1,689	0.04	87	—	165	—	10,142	0.22
Amortization of intangible assets	11,600	0.25	12,559	0.27	11,650	0.25	46,485	0.99	47,483	1.01
Severance and acquisition related retention expenses	1,403	0.03	639	0.01	2,094	0.04	5,480	0.12	23,236	0.50
Change in fair value of earnout liabilities	—	—	127	—	—	—	1,000	0.02	988	0.02
Inventory step-up	—	—	1,122	0.02	—	—	—	—	2,882	0.06
Other non-recurring	3,567	0.08	307	0.01	215	—	3,782	0.08	3,433	0.07
Total pretax adjustments	18,796	0.40	17,353	0.37	16,446	0.34	63,584	1.35	93,397	1.99
Tax effect on adjustments(1)/(3)	(5,020)	(0.10)	2,054	0.04	(4,307)	(0.08)	(16,506)	(0.35)	(23,735)	(0.51)
Deferred tax asset valuation allowance(3)/(4)	1,085	0.02	26,205	0.56	179	—	2,990	0.06	5,674	0.12
Non-GAAP adjusted net income	\$ 8,490	\$ 0.18	\$ 19,687	\$ 0.42	\$ 18,770	\$ 0.40	\$ 58,413	\$ 1.24	\$ 68,004	\$ 1.44

(1) The adjustment to the income tax expense (benefit) is determined by excluding the non-GAAP adjustments by jurisdiction.

(2) Pretax adjustments to diluted EPS calculated on 46.199 million, 46.849 million and 47.060 million diluted shares for the fourth quarter of 2025 and 2024, and the third quarter of 2025, respectively and 47.166 million and 46.811 million diluted shares for the twelve months ended December 31, 2025 and 2024, respectively.

(3) The quarter-to-date amounts are derived from the current period year-to-date amount less the previous quarter year-to-date amount.

(4) The estimated impact to the deferred tax asset valuation allowance from interest expense limitations under Section 163(j) determined by including the non-GAAP adjustments by jurisdiction.