



Investor Presentation

March 1, 2024

Energy Delivered.™



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 U.S. Generally Accepted Accounting Principles (GAAP), we disclose various non-GAAP financial measures in our quarterly earnings press releases and other public disclosures. We use these non-GAAP financial measures internally to evaluate and manage the Company's operations because we believe it provides useful supplemental information regarding the Company's ongoing economic performance. The non-GAAP financial measures include: (i) earnings before interest, taxes, depreciation and amortization (EBITDA) excluding other costs (sometimes referred to as "EBITDA"), (ii) net income (loss) attributable to NOW Inc. excluding other costs and (iii) diluted earnings (loss) per share attributable to NOW Inc. excluding other costs. 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.

DNOW Investment Highlights

- Leadership in the energy, industrial and energy evolution markets
- Significantly improved financial results with powerful cash-generation abilities
- Solid balance sheet, debt free* and \$299M* in cash
- Total liquidity, including cash, of \$626M* to fuel organic growth, pursue accretive acquisitions and repurchase shares, opportunistically
- Expanding set of solutions for the energy transition / evolution
- Evolving technology and AI capabilities
- 160-year history of finding solutions for customers

* As of December 31, 2023

2023 Key Results and 2024 Outlook

- Revenue increased \$185M, or 9%, from 2022
- Operating profit totaled \$140M, driving \$184M in EBITDA* for the year, a company record high
- Generated \$188M in cash from operating activities, or \$171M of free cash flow for the year
- Share repurchases accumulating to \$57M of the \$80M authorized
- Debt free, \$299M in cash, and total liquidity \$626M at December 31, 2023
- Announced the intent to acquire Whitco Supply, expanding our access to the midstream market

Outlook

- Full-year 2024 revenue expected to increase 0-5% from 2023; approaching 8% EBITDA* for full-year 2024
- 1Q24 revenue expected to increase 0-5% from 4Q23; 1Q24 EBITDA* dollars unchanged from 4Q23, due to reset of payroll taxes and reduced vendor consideration
- Full-year 2024 free cash flow targeted at \$150M

* Excluding other costs (non-GAAP)

Strategic Growth Update

Defend and grow market share within core energy markets

- Expand wallet share and market share in upstream market
 - Expand opportunities in midstream market
 - Leverage strengths through Supercenter expansions and enhanced service model
-

Growth from customer investments tied to decarbonization and energy evolution

- Provide PVF products for aged infrastructure and industrial air compressors for methane emission reduction projects
 - Expand opportunities from customer investments in CCUS and new energy
 - Expand opportunities from customer investment in renewable fuels
-

Additional growth through adjacent industrial markets

- Targeting chemicals, mining and water markets that align with our pump supplier agreements to expand and diversify markets
-

Capital allocation to support organic and M&A growth

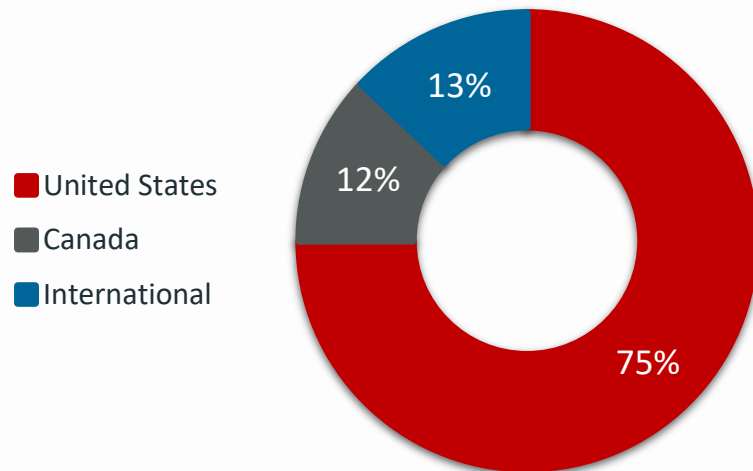
- Low CapEx core business
- Announced intent to acquire Whitco Supply expanding midstream opportunities
- Target companies that support our growth strategy

DNOW At A Glance

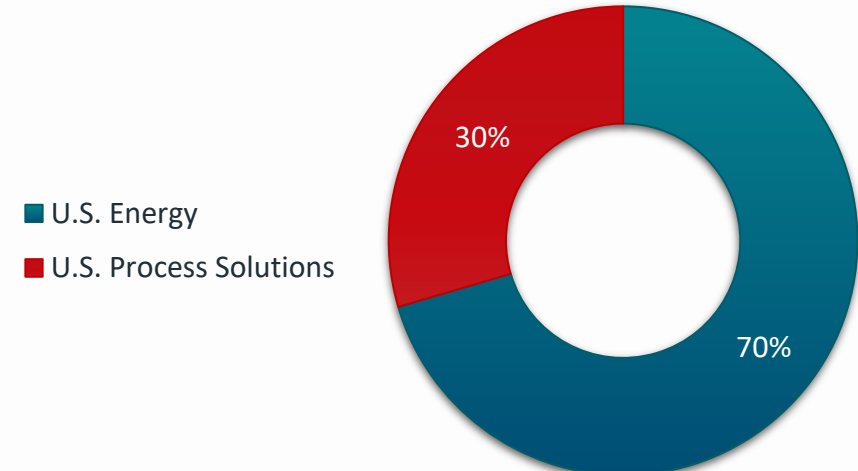
NYSE Ticker	DNOW	Locations	165
Countries	18	Employees	2,475

- Operating for more than 160 years
- Comprehensive network of energy centers, customer onsite and process solutions locations complemented with an online commerce channel
- Support major land and offshore operations for key energy producing regions around the world
- Key markets: North America, South America, North Sea, the Middle East, Asia Pacific

2023 Revenue by Reporting Segment



2023 United States Revenue by Channel



Top Tier Supply Partners and Customers Across the Globe

Thousands of Suppliers in ~40 countries



DNOW
and affiliated brands

Supporting Customer Operations in ~80 countries



Providing Value-Added Solutions Across All Channels



Energy Centers

Global branch network supplying products locally to upstream, midstream and downstream energy customers



Provides wide array of products and value locally in major oil and gas regions



Customer Onsite And Integrated Supply

On-site model offering customizable products, services and solutions to the energy and industrial markets



Reduces customers' total costs including operating expenses and invested capital



U.S. Process Solutions

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



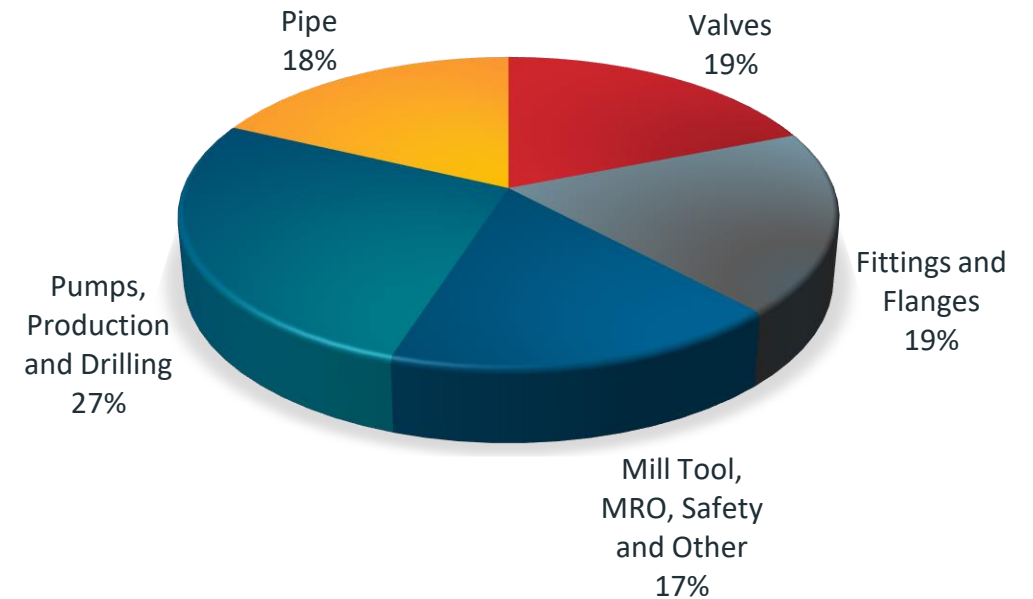
Meets demand for tank battery production facilities, midstream gathering and transmission, downstream and adjacent industrial markets

Differentiated Value and Product Offerings

- Talent with deep product-application knowledge
- Leveraging technology complemented with an efficient regionalized distribution model to grow market share and drive productivity
- Retaining proximity to customers through offsite, onsite and digital channels



2023 Revenue by Product Line



Global Operational Presence

Company Locations

Locations

Supercenters

Supercenters:

United States

Houston, TX
Odessa, TX
Kenedy, TX
Casper, WY
Williston, ND

Canada

Edmonton, Alberta
Estevan, Saskatchewan

Europe

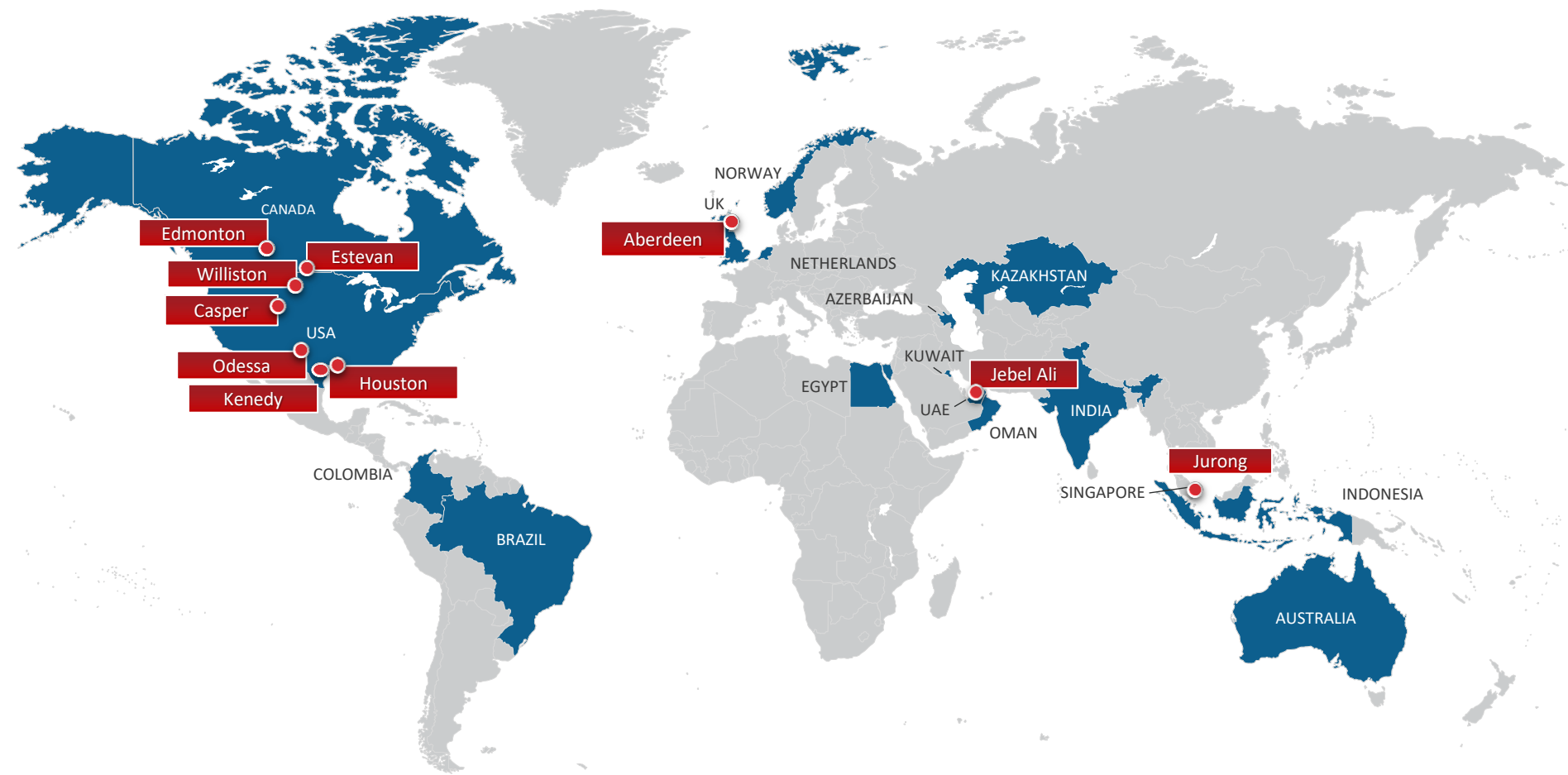
Aberdeen, Scotland

MENA

Jebel Ali, U.A.E.

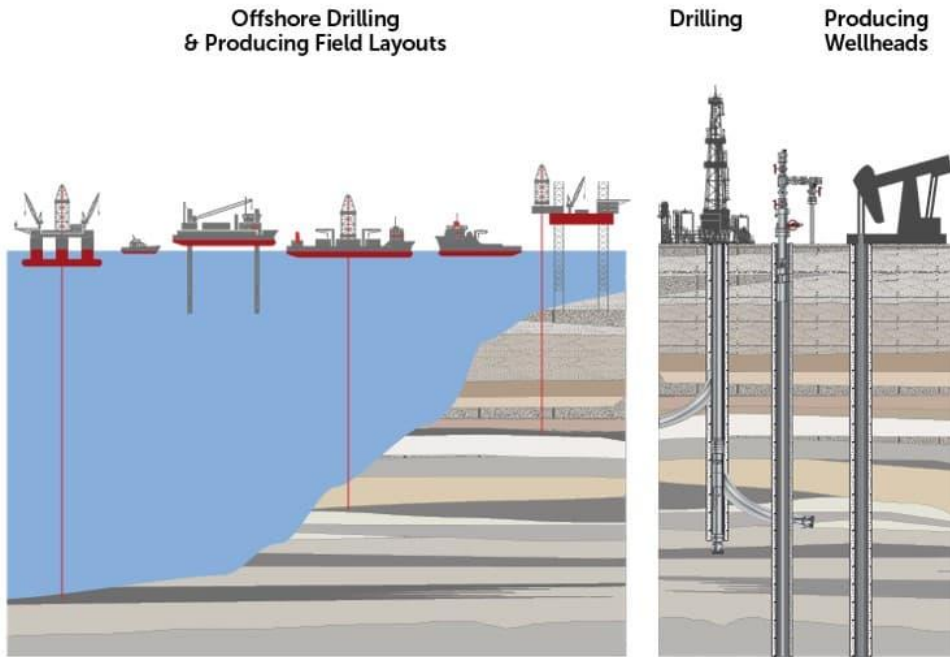
Asia

Jurong, Singapore

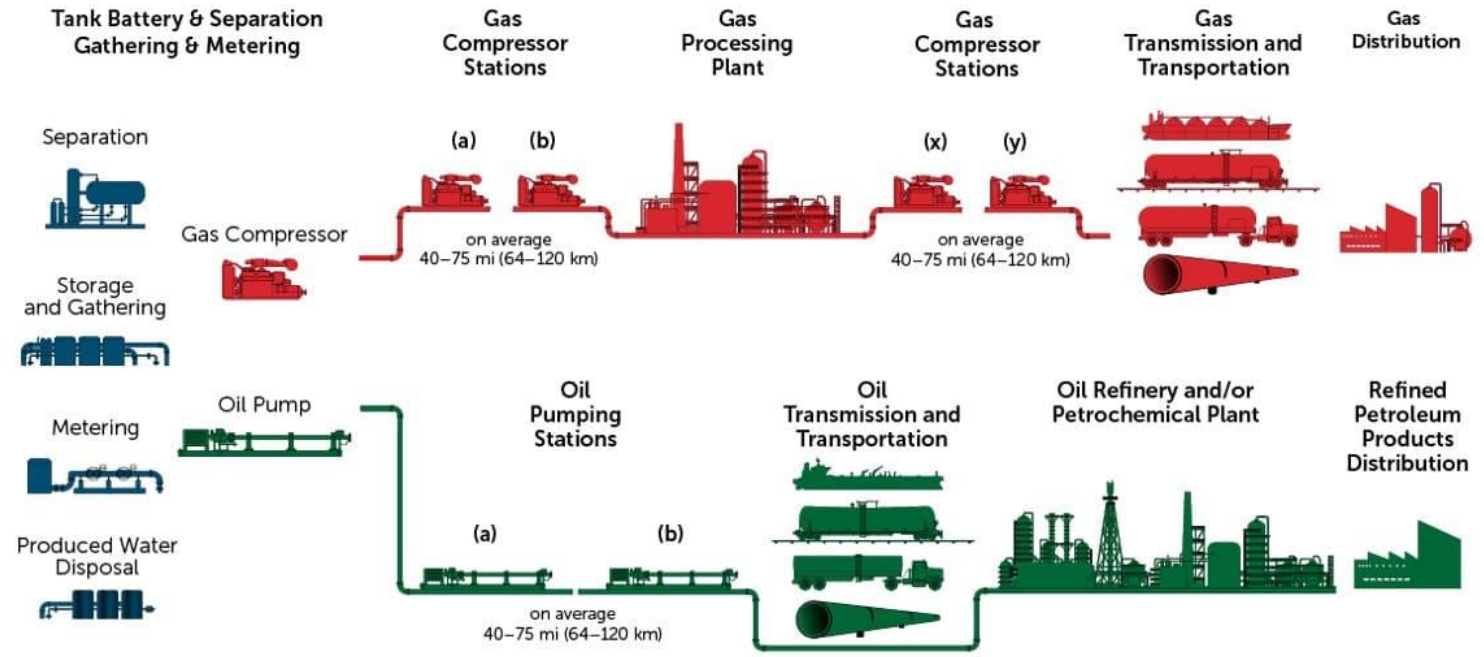


DNOW is a Critical Link from Drilling to Distribution

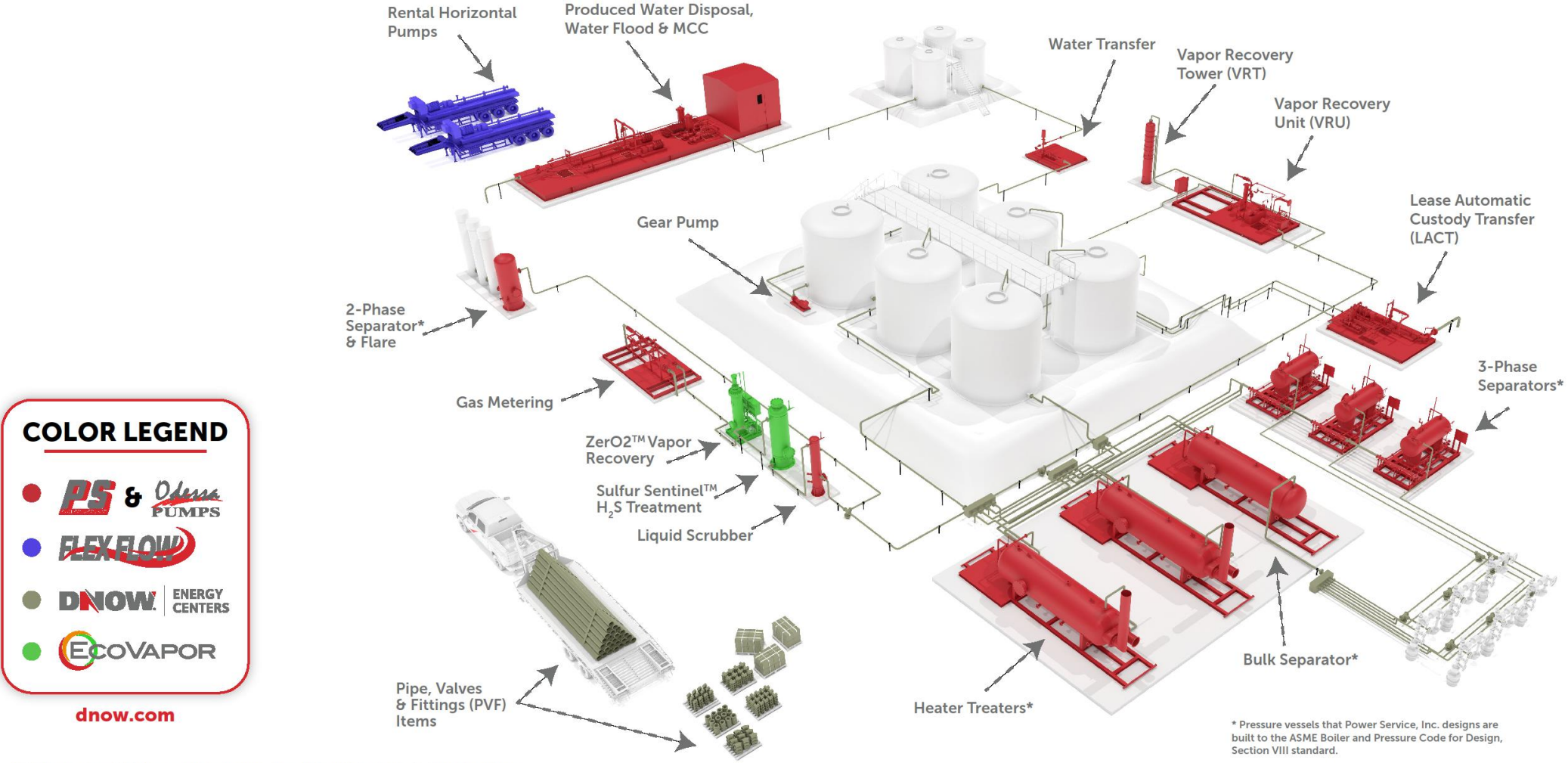
Upstream



Midstream



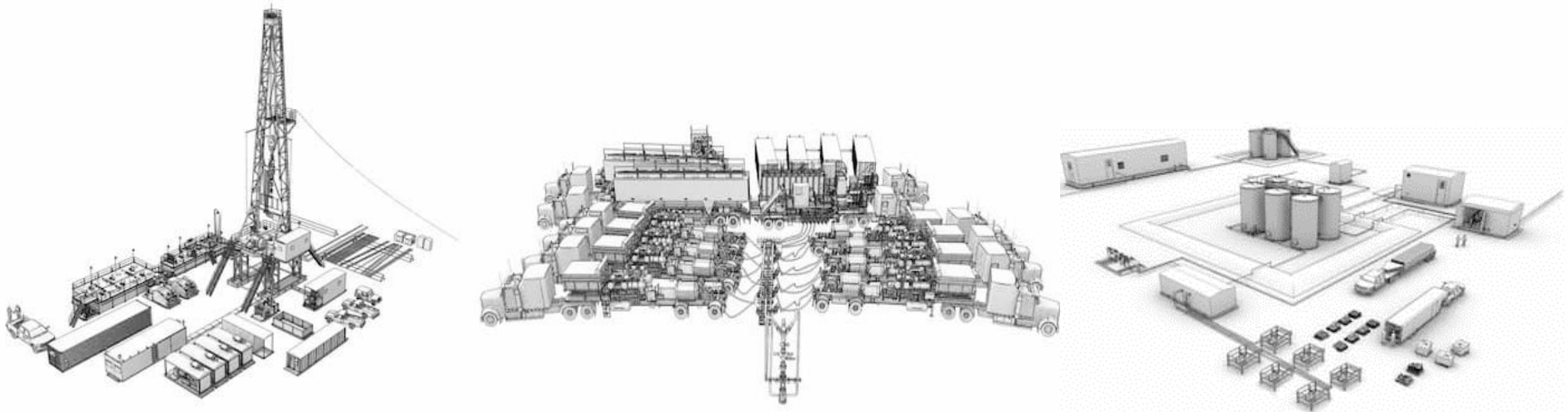
Example Tank Battery Installation



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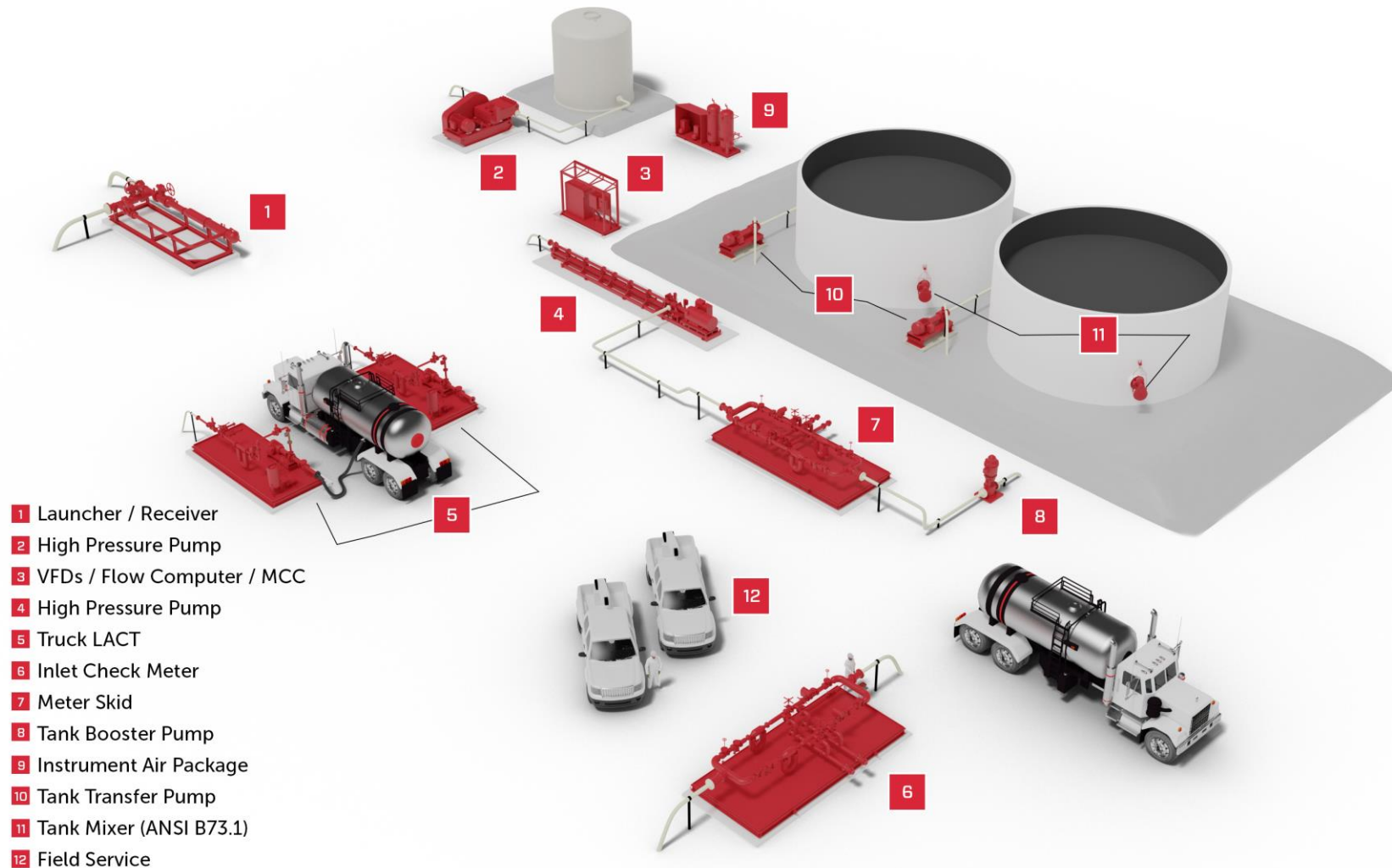
Timing and Materiality from Drilling to Tank Battery Install



	Drilling	Frac	Tank Battery
Revenue*	\$4,000-\$5,000 per week	Minimal	\$250,000-\$3 million
Time*	8-30 days	10-30 days	25-60 days
Customer	Drilling Contractors	Service Companies	E&P Operators

*Estimates based on a 6-well pad

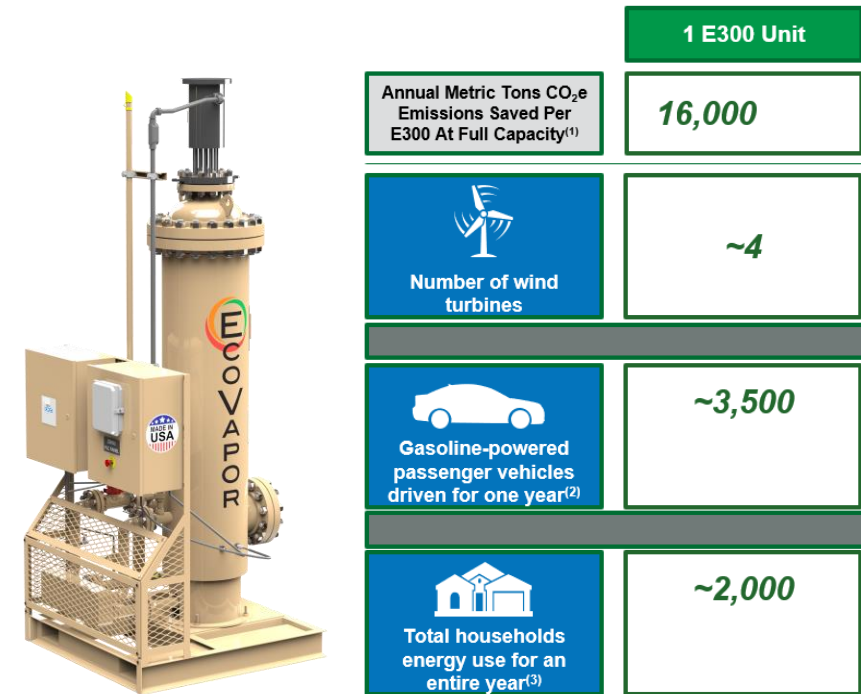
Example Midstream Terminal Opportunities



ESG Solution Targeting Growing Decarbonization Market

EcoVapor is a leading emissions and flaring abatement solution within DNOW's process and production equipment product suite

- Established, patented and proven technology, enables operators to achieve ESG objectives of lowering greenhouse gas emissions, with a dual benefit by selling otherwise wasted or flared gas
- Expands addressable markets in oil and gas for new and currently active tank battery separation facilities and growing RNG by providing gas processing capabilities
- The gas that is processed from a single E300 unit running at full capacity removes 16,000 metric tons of CO₂e per year and the greenhouse gas emissions avoided is equivalent to:
 - Approximately 4 wind turbines
 - Annual emissions of approximately 3,500 gas-powered vehicles
 - Annual emissions from energy use of approximately 2,000 households



Source: EPA Greenhouse Gas Equivalencies Calculator.

Note: Emissions saved assumes full capacity of an E300 unit of 300 Mcfd for 365 days.

⁽¹⁾ Emission calculator assumptions and calculation validated by Ruby Canyon Environmental

⁽²⁾ U.S. Department of Transportation, EPA. Assumes average annual miles traveled of 11,520 per vehicle.

⁽³⁾ U.S. Census Bureau.

DNOW Ethos

- Competitive strength around inspiring, attracting and developing our people
- Fuel the future enabling free cash flow for growth and improved shareholder returns
- Delighting the customer through alignment in common purpose and delivering results that promote a winning partnership



Significant Improved Earnings

Comparing the past three U.S. rig count cycles

2H 2014 1,907 U.S. Rigs* 3,635 WW Rigs	2018 1,032 U.S. Rigs 2,211 WW Rigs	2023 689 U.S. Rigs 1,814 WW Rigs
Revenue: \$2.1B EBITDA: \$97M <i>4.7% of Revenue</i> ROIC#: 8.4%	Revenue: \$3.1B EBITDA: \$125M <i>4.0% of Revenue</i> ROIC#: 5.4%	Revenue: \$2.3B EBITDA: \$184M <i>7.9% of Revenue</i> ROIC#: 16.4%

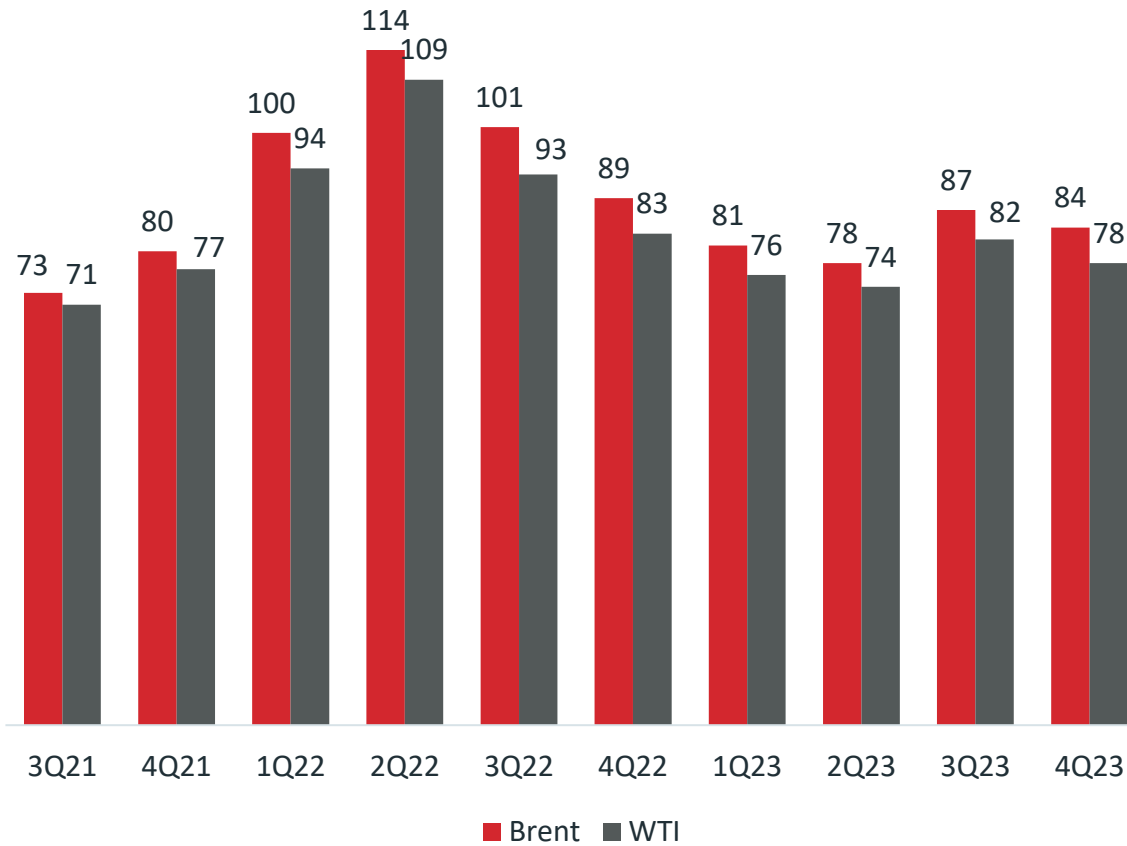
*Rig values based on Baker Hughes Rig Count

ROIC calculated using EBITDA excluding other costs, less tax expense divided by long-term debt and non-controlling interests, less cash and cash equivalents

Key Market Indicators

Quarterly Average Oil Prices

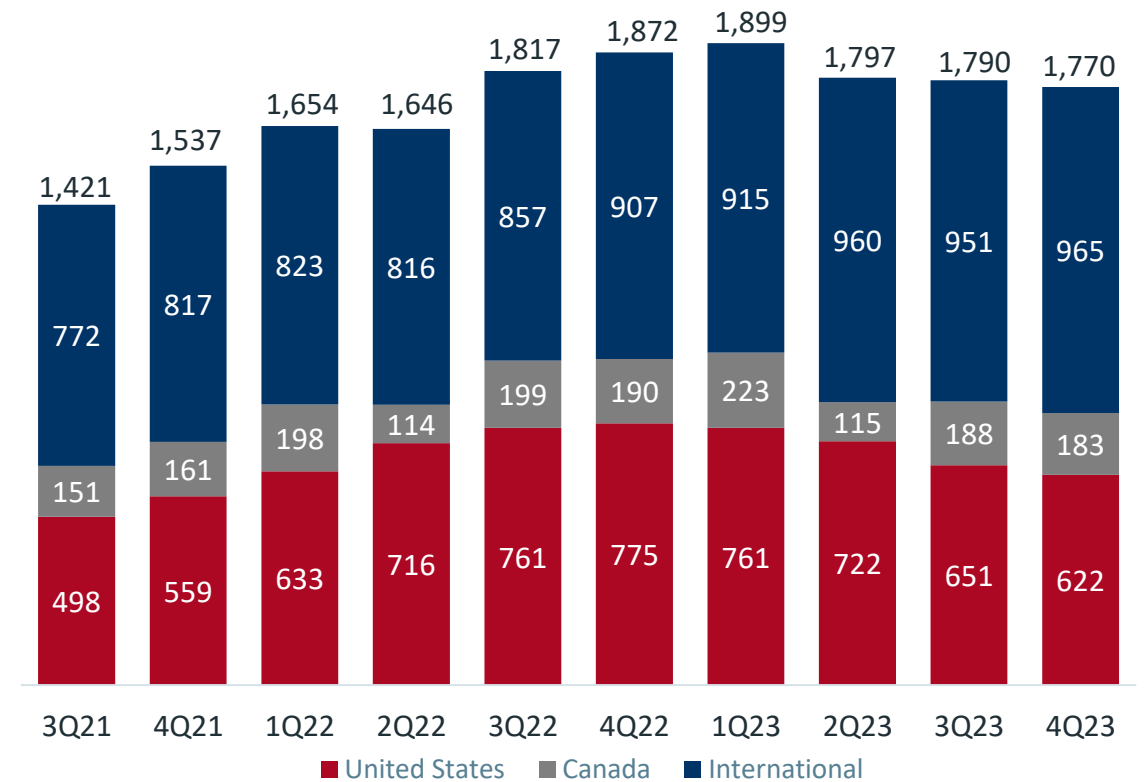
(\$ per barrel)



Source: EIA, Europe Brent and Cushing, OK WTI Spot Price FOB

Quarterly Average Rig Count

(number of rigs)



Source: Baker Hughes, Inc.

Key Market Indicators

WTI/Rig Counts

- WTI avg of \$78 per barrel for 4Q23, lower 5% sequentially
- U.S. avg rig count of 622, lower 4% sequentially
- Canada avg rig count of 183, lower 3% sequentially
- International avg rig count of 965, up 1% sequentially
- Global avg rig count of 1,770, lower 1% sequentially



DNOW annualized revenue per rig at
\$1.3M for 4Q23

U.S. DUCs*

- December ended with a DUC count of 4,374 wells in EIA regions
- 4Q23 avg of 4,447 wells, lower 7% sequentially



DUCs are future revenue opportunities for
DNOW

U.S. Completions*

- December ended with a U.S. completions count of 926 wells in EIA regions
- 4Q23 avg of 950 wells, 8% lower sequentially



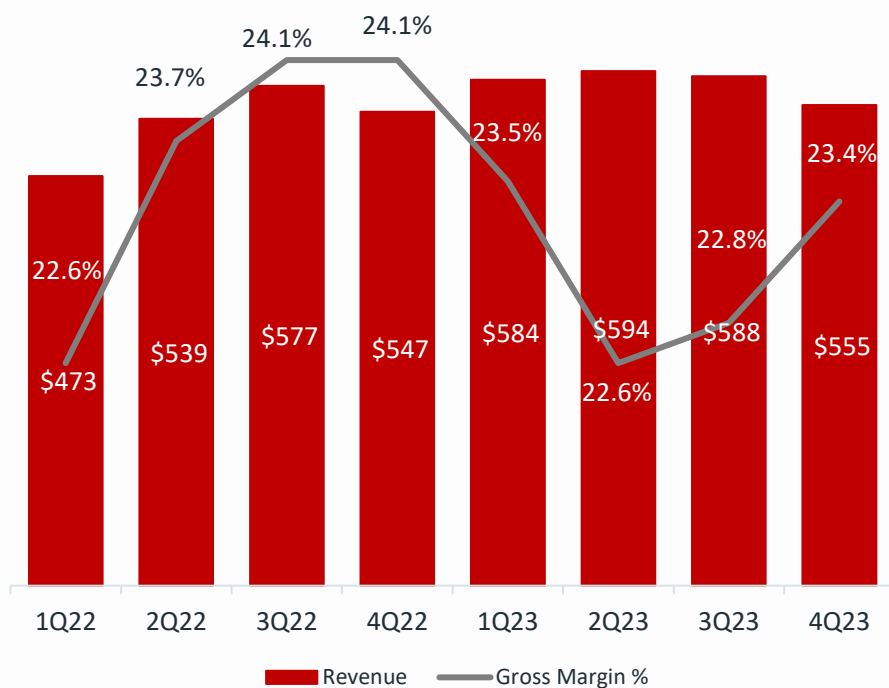
Presents an immediate opportunity for DNOW U.S.
as tank batteries and gathering systems are
constructed after completions

**EIA DPR report released 1/16/2024*

Selected Quarterly Results

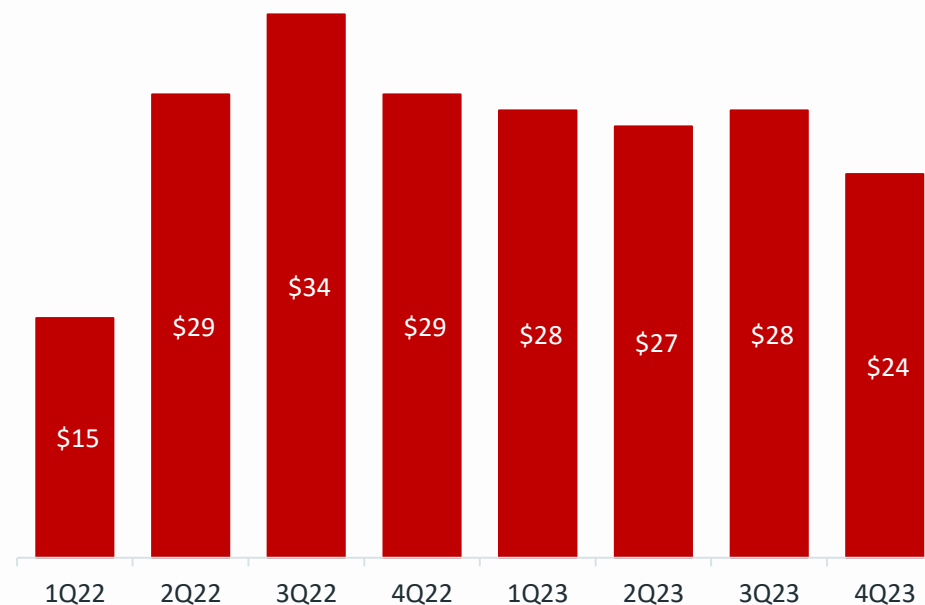
Revenue & Gross Margin Percent

(\$ in millions)



Net Income attributable to DNOW Inc. excl. Other Costs (Non-GAAP)

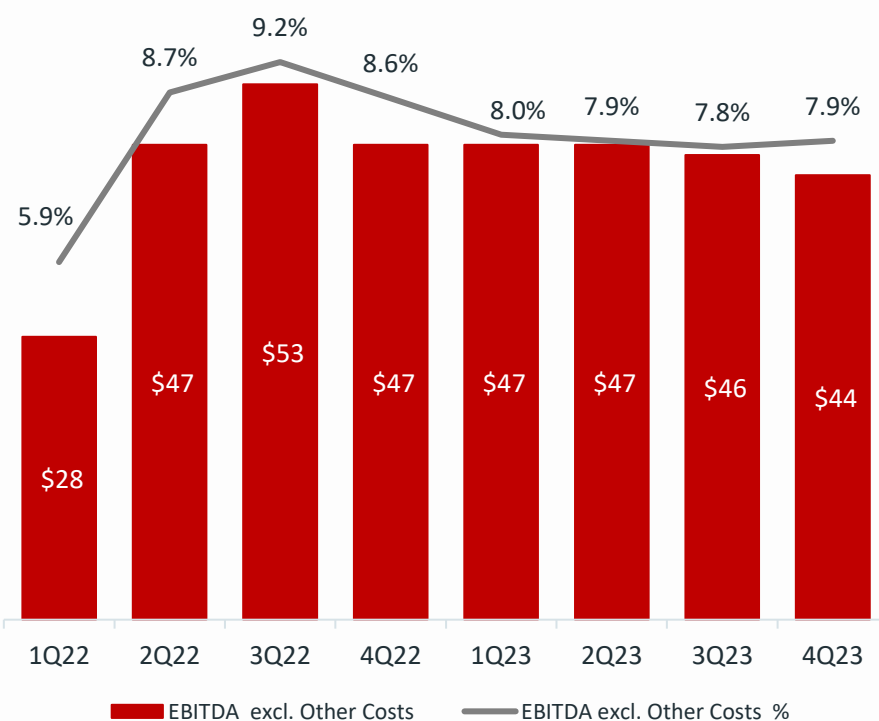
(\$ in millions)



Selected Quarterly Results

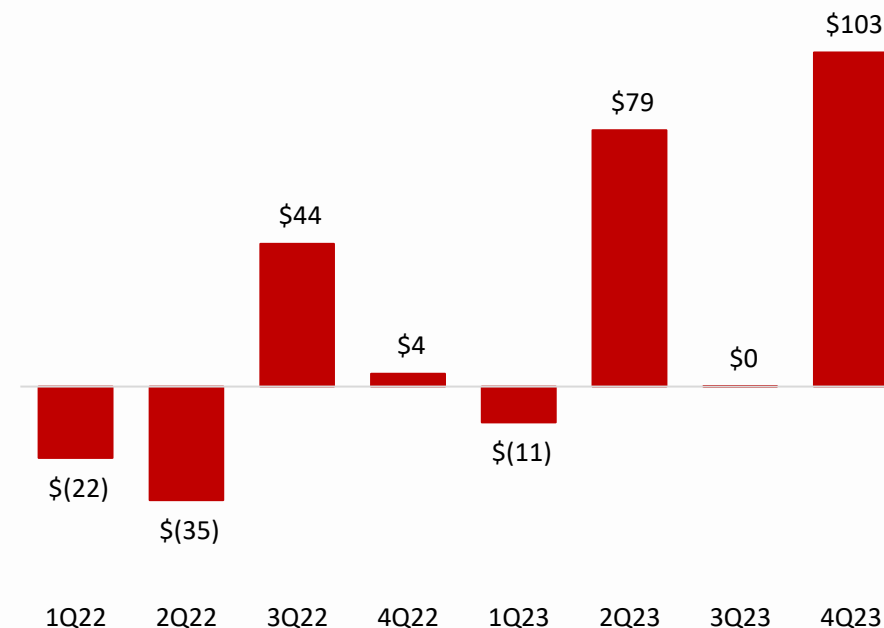
EBITDA excl. Other Costs (Non-GAAP)

(\$ in millions)



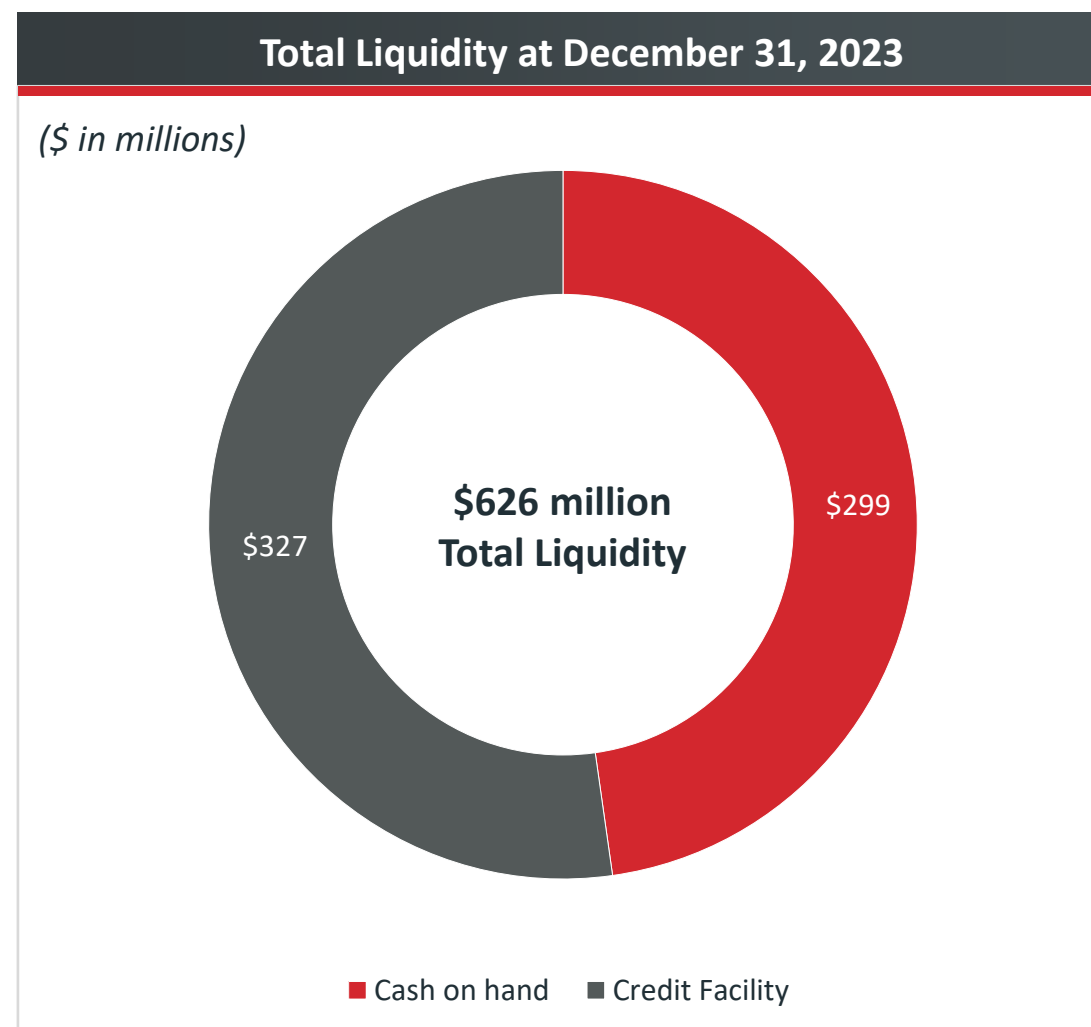
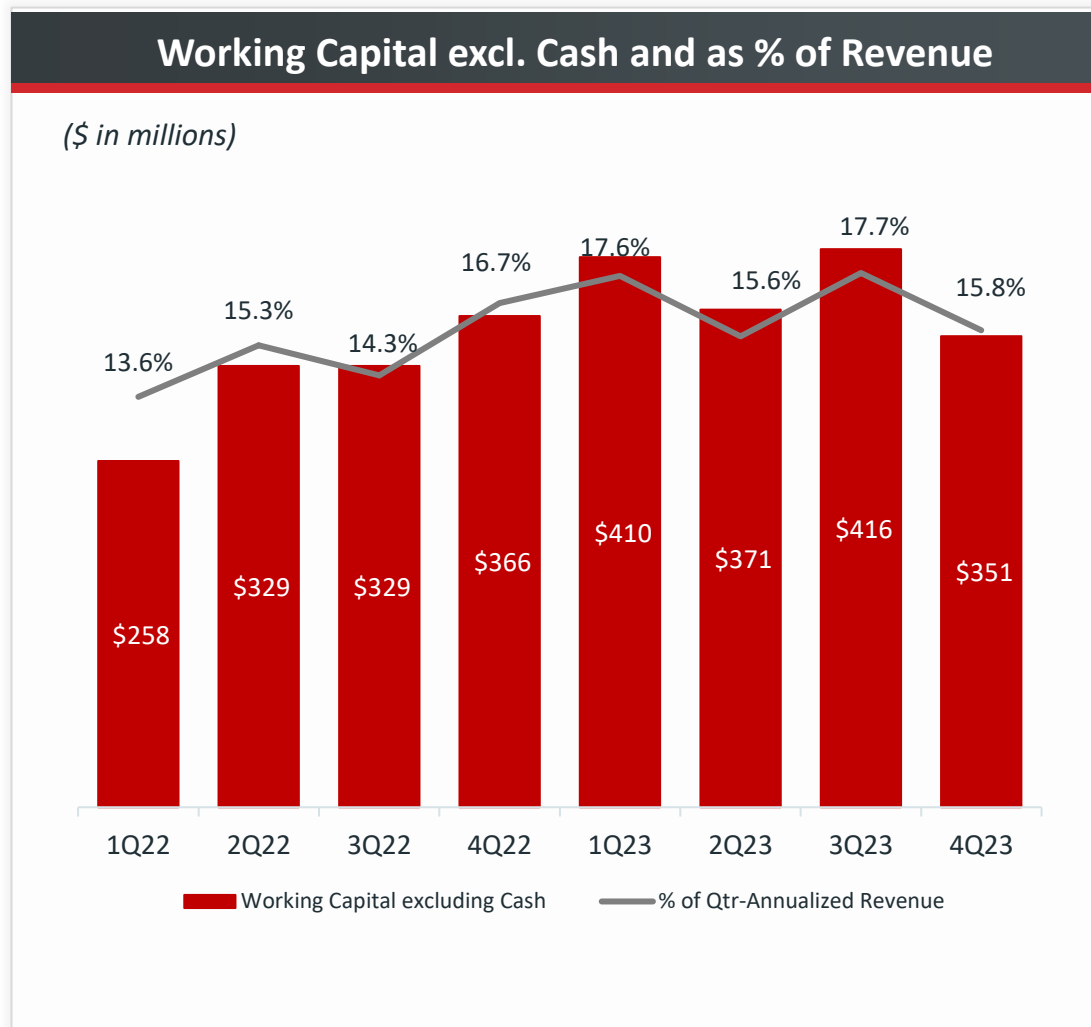
Free Cash Flow*

(\$ 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



Capital Allocation Framework

Formidable Balance Sheet...

Working Capital Efficiency

Efficient use of working capital as a percent of revenues

No debt

No interest expense burden

Ample Liquidity

\$626M in total liquidity



... to fund growth and expanded capital allocation program

1. Fund Organic Growth and Efficient Operations
 - Working Capital needs
 - Technology investments
2. Inorganic growth through acquisitions
 - Patient, disciplined approach
 - Targeting margin accretive businesses
3. Return capital to shareholders
 - \$80 million share repurchase authorization underway

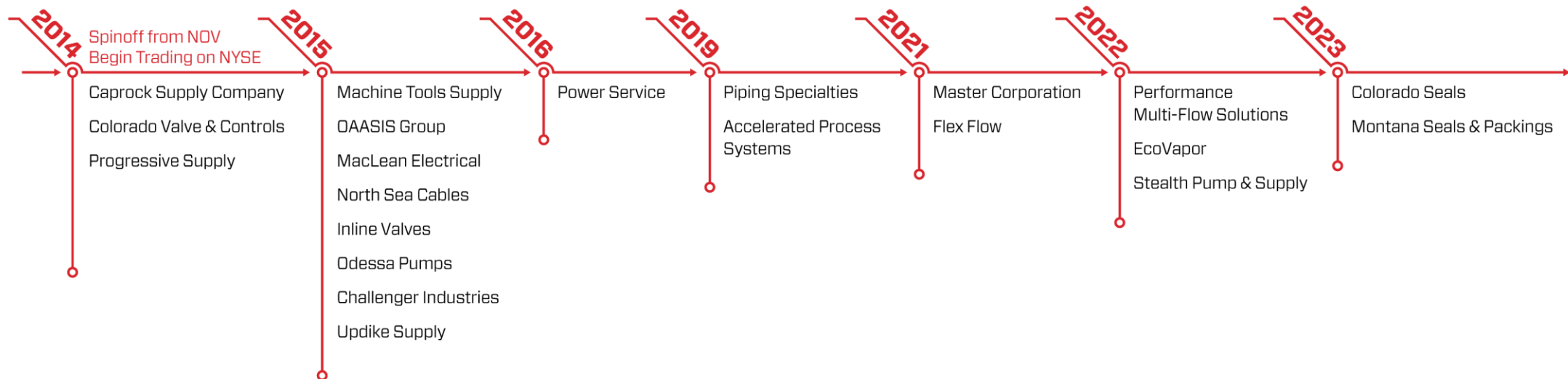
Driving Growth through Acquisitions

Clearly Defined Acquisition Strategy

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



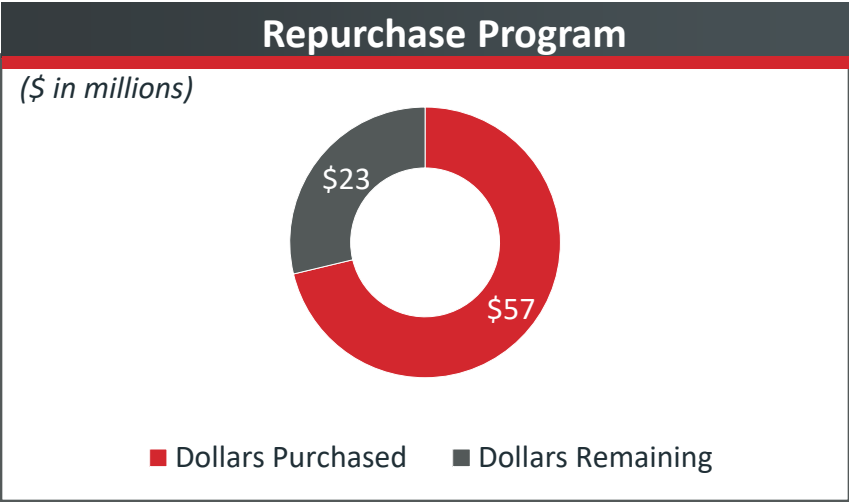
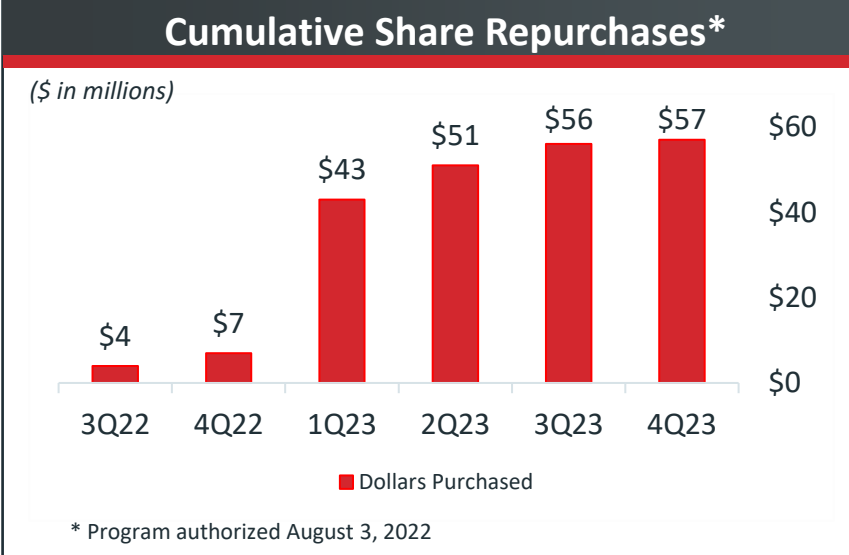
Track Record of Success



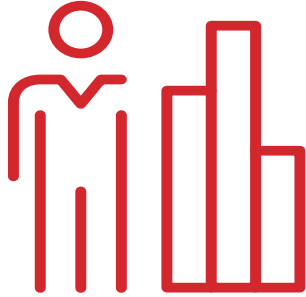
Share Repurchases

\$80 million share repurchase program

- Repurchased \$1M of shares during the 4Q23 and \$50M for full-year 2023
- Shares retired at average price of \$10.40 per share in 4Q23
- Program authorized through December 2024



IT and Systems Technology Investments



User Adoption on Technology
increases to bring more
efficiency



Optimize cost and
maximize scalability thru
cloud platforms

Boost Productivity:

- Order Management System (OMS+) with growing adoption globally delivering higher internal efficiency
- Advanced Quoting Systems (AQ) to provide improved experience and response rate to customer RFQs
- New Warehouse Mobility Devices to enhance fulfillment processes by providing improved levels of digital security, higher levels of efficiency in warehouses

Reduce IT service costs and bolster digital foundation:

- Scaling of PVF+ supercenters leveraging ERP inventory management and order management functionality
- Migrating multiple data centers to cloud for application modernization and cost savings
- Combining Process Solutions ERPs to a single cloud solution enhancing workflow functionality and efficiency

DigitalNOW® Customer Ecosystem

powered by
DigitalNOW®

Digital suite of products adding to increased customer value

Digital commerce and eCommerce channel shop.dnow.com

- Digital commerce platform, shop.dnow.com, continues to grow
- Digital revenue comprised of 47% of SAP revenue on customer and project billing mix on larger quarterly sequential revenue
- Growing eBusiness customer implementations and integrations with customer ERP systems
- Focused on growing B2B users and round trip/punchout users
- Central commerce solution to DigitalNOW® customer ecosystem



eSpec™, powered by DigitalNOW®

- Engineered equipment package product budgeting and configuration tool encompassing 10 product lines
- Enables enhanced customer conversations earlier in the project cycle
- Released 3D and augmented reality features
- Mobile app

eSPEC™
powered by DigitalNOW®



eTrack™, powered by DigitalNOW®

- Asset, data and material management lifecycle solution
- Enables customers to manage their assets using location finder
- Allows retrieval of documentation and drawings
- Allows customers the ability to schedule field service
- Implementing with several customers capturing hundreds of assets and growing



AccessNOW™, powered by DigitalNOW®

- Suite of unattended inventory control and intelligent inventory management solution
- Improves inventory integrity, forecasting
- Reduced opex cost leveraging automation and technology
- Added Security and surveillance

AccessNOW™

Control - Efficiency - Scalability



Investor Relations

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