



**NEWS RELEASE**

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**THE INDUSTRIAL DISTRIBUTION EXPERTS**

## **DXP ENTERPRISES, INC. ANNOUNCES ACQUISITION OF PRO-SEAL, INC.**

- *Complements DXP's rotating equipment division*
- *Adds scale, new geography, and enhanced capabilities*
- *Continues to Accelerate End Market Diversification*

**Houston, TX, -- March 5, 2024 – DXP Enterprises, Inc. (NASDAQ: DXPE)** today announced that it has completed the acquisition of Pro-Seal, Inc. ("Pro-Seal"). Founded in 1987, Pro-Seal is headquartered in Pontiac, Michigan and operates out of two locations servicing the Great Lakes Region of the U.S. and all of Alaska.

Pro-Seal is a leading distributor of pumping systems, fluid sealing and related seal support systems and other industrial pumping equipment and services and lubricants. DXP funded the acquisition with cash from the balance sheet.

"We are pleased to announce the acquisition of Pro-Seal and welcome the employees of Pro-Seal to the DXP team. With Pro-Seal, we continue to build on our strategy of providing a breadth of technical products and services on the regional and local level. With the closing of Pro-Seal, we have started fiscal 2024 with three acquisitions and each company provides DXP with exceptional management teams that enhance our ability to collaborate and serve our customers, vendors, and other stakeholders. These acquisitions are consistent with our growth strategy and demonstrate our commitment to expanding DXP as well as maintaining our leading position as the largest distributor of rotating equipment in North America," commented David Little, Chairman, and Chief Executive Officer of DXP.

The signing of the definitive agreement occurred on March 1, 2024. Sales and adjusted EBITDA for Pro-Seal for the last twelve months ending December 31, 2023, were approximately \$19.9 million and \$1.5 million, respectively. Adjusted EBITDA was calculated as income before tax, plus interest, plus depreciation and amortization, plus non-recurring items.

"Pro-Seal will provide DXP with additional geographic territory and enhanced end market mix. Pro-Seal is a unique, well-run business focused on providing value-added service to its customers," added David Little.

Kent Yee, Chief Financial Officer, stated "Pro-Seal complements DXP's end markets and provides entry into a geographic region we have not historically served as well as adding scale for us in Alaska. Pro-Seal's local market expertise combined with DXP's size and scale will help us provide better customer solutions. We anticipate this acquisition to be accretive to earnings and further expand our Rotating Equipment division. This transaction will be positive for Pro-Seal and DXP's customers, employees, and shareholders."

### **About DXP Enterprises, Inc.**

DXP Enterprises, Inc. is a leading products and service distributor that adds value and total cost savings solutions to industrial customers throughout the United States, Canada, Mexico, and Dubai. DXP provides innovative pumping solutions, supply chain services and maintenance, repair, operating and production ("MROP") services that emphasize and utilize DXP's vast product knowledge and technical expertise in rotating equipment, bearings, power transmission, metal working, industrial supplies and safety products and services. DXP's breadth of MROP products and service solutions allows DXP to be flexible and customer-driven, creating competitive advantages for our customers. DXP's business segments include Service Centers, Innovative Pumping Solutions and Supply Chain Services. For more information, go to [www.dxpe.com](http://www.dxpe.com).

*The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made by or to be made by the Company) contains statements that are forward-looking. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future; and accordingly, such results may differ from those expressed in any forward-looking statement made by or on behalf of the Company. These risks and uncertainties include but are not limited to; ability to obtain needed capital, dependence on existing management, leverage, and debt service, domestic or global economic conditions, and changes in customer preferences and attitudes. In some cases, you can identify forward-looking statements by terminology such as, but not limited to, "may," "will," "should," "intend," "expect," "plan," "anticipate," "believe," "estimate," "predict," "potential," "goal," or "continue" or the negative of such terms or other comparable terminology. For more information, review the Company's filings with the Securities and Exchange Commission.*