

First Quarter 2026 Results

May 7, 2026

RXO



Non-GAAP financial measures and forward-looking statements

Non-GAAP financial measures

We provide reconciliations of the non-GAAP financial measures contained in this presentation to the most directly comparable measure under GAAP, which are set forth in the financial tables attached to this presentation.

The non-GAAP financial measures in this presentation include: adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"); adjusted EBITDA margin; bank-adjusted EBITDA; free cash flow and free cash flow as a percentage of adjusted EBITDA ("free cash flow conversion"); adjusted free cash flow and adjusted free cash flow as a percentage of adjusted EBITDA ("adjusted free cash flow conversion"); net debt, gross leverage and net leverage; and adjusted net loss and adjusted diluted loss per share ("adjusted diluted EPS").

We believe that these adjusted financial measures facilitate analysis of our ongoing business operations because they exclude items that may not reflect, or are unrelated to, RXO's core operating performance, and may assist investors with comparisons to prior periods and assessing trends in our underlying businesses. Other companies may calculate these non-GAAP financial measures differently, and therefore our measures may not be comparable to similarly titled measures of other companies. These non-GAAP financial measures should only be used as supplemental measures of our operating performance.

Adjusted EBITDA, adjusted EBITDA margin, bank-adjusted EBITDA, adjusted net loss and adjusted diluted EPS include adjustments for transaction and integration costs, as well as restructuring costs and other adjustments as set forth in the attached tables. Management uses these non-GAAP financial measures in making financial, operating and planning decisions and evaluating RXO's ongoing performance.

We believe that adjusted EBITDA, adjusted EBITDA margin and bank-adjusted EBITDA improve comparability from period to period by removing the impact of our capital structure (interest and financing expenses), asset base (depreciation and amortization), tax impacts and other adjustments that management has determined do not reflect our core operating activities and thereby assist investors with assessing trends in our underlying business. We believe that adjusted net loss and adjusted diluted EPS improve the comparability of our operating results from period to period by removing the impact of certain costs that management has determined do not reflect our core operating activities, including amortization of acquisition-related intangible assets, transaction and integration costs, restructuring costs and other adjustments as set out in the attached tables, and thereby may assist investors with comparisons to prior periods and assessing trends in our underlying business. We believe that free cash flow, free cash flow conversion, adjusted free cash flow and adjusted free cash flow conversion are important measures of our ability to repay maturing debt or fund other uses of capital that we believe will enhance stockholder value, and may assist investors with assessing trends in our underlying business. We calculate free cash flow as net cash provided by operating activities less payment for purchases of property and equipment plus proceeds from sale of property and equipment. We define adjusted free cash flow as free cash flow less cash paid for transaction, integration, restructuring and other costs. We believe that net debt, gross leverage and net leverage are important measures of our overall liquidity position. Net debt is calculated by removing cash and cash equivalents from the principal balance of our total debt. Gross leverage is calculated as the principal balance of our total debt as a ratio of trailing twelve months bank-adjusted EBITDA. Net leverage is calculated as net debt as a ratio of trailing twelve months bank-adjusted EBITDA.

With respect to our financial outlook for the second quarter of 2026 adjusted EBITDA, a reconciliation of this non-GAAP measure to the corresponding GAAP measure is not available without unreasonable effort due to the variability and complexity of the reconciling items described above that we exclude from this non-GAAP measure. The variability of these items may have a significant impact on our future GAAP financial results and, as a result, we are unable to prepare the forward-looking statement of income and statement of cash flows prepared in accordance with GAAP that would be required to produce such a reconciliation.

Forward-looking statements

This presentation includes forward-looking statements, including statements relating to our outlook and 2026 assumptions. All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. In some cases, forward-looking statements can be identified by the use of forward-looking terms such as "anticipate," "estimate," "believe," "continue," "could," "intend," "may," "plan," "predict," "should," "will," "expect," "project," "forecast," "goal," "outlook," "target," or the negative of these terms or other comparable terms. However, the absence of these words does not mean that the statements are not forward-looking. These forward-looking statements are based on certain assumptions and analyses made by us in light of our experience and our perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances.

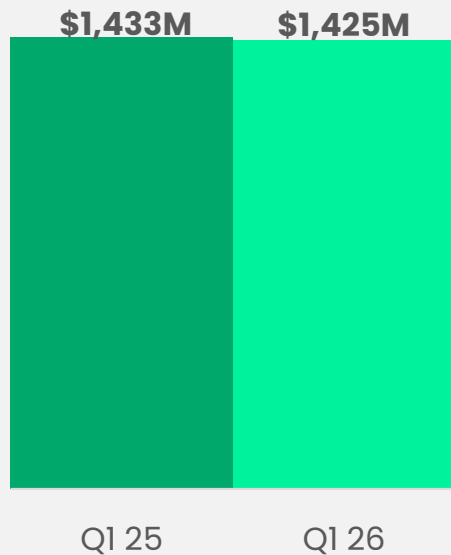
These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions that may cause actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by such forward-looking statements. Factors that might cause or contribute to a material difference include the risks discussed in our filings with the SEC and the following: competition and pricing pressures; economic conditions generally; fluctuations in fuel prices; increased carrier prices; severe weather, natural disasters, terrorist attacks or similar incidents that cause material disruptions to our operations or the operations of the third-party carriers and independent contractors with which we contract; our dependence on third-party carriers and independent contractors; labor disputes or organizing efforts affecting our workforce and those of our third-party carriers; legal and regulatory challenges to the status of the third-party carriers with which we contract, and their delivery workers, as independent contractors, rather than employees; our ability to develop and implement suitable information technology systems and prevent failures in or breaches of such systems; the impact of potential cyber-attacks and information technology or data security breaches; our ability to integrate machine learning and artificial intelligence technologies to deliver our services and operate our business; issues related to our intellectual property rights; our ability to access the capital markets and generate sufficient cash flow to satisfy our debt obligations; litigation that may adversely affect our business or reputation; increasingly stringent laws protecting the environment, including transitional risks relating to climate change, that impact our third-party carriers; governmental regulation and political conditions; our ability to attract and retain qualified personnel; our ability to successfully implement our cost and revenue initiatives and other strategies; our ability to successfully manage our growth; our reliance on certain large customers for a significant portion of our revenue; damage to our reputation through unfavorable publicity; our failure to meet performance levels required by our contracts with our customers; the inability to achieve the level of revenue growth, cash generation, cost savings, improvement in profitability and margins, fiscal discipline, or strengthening of competitiveness and operations anticipated or targeted; and the impact of the separation on our businesses, operations and results. All forward-looking statements set forth in this presentation are qualified by these cautionary statements and there can be no assurance that the actual results or developments anticipated by us will be realized or, even if substantially realized, that they will have the expected consequences to or effects on us or our business or operations. Forward-looking statements set forth in this presentation speak only as of the date hereof, and we do not undertake any obligation to update forward-looking statements to reflect subsequent events or circumstances, changes in expectations or the occurrence of unanticipated events, except to the extent required by law.

Q1 2026 overview

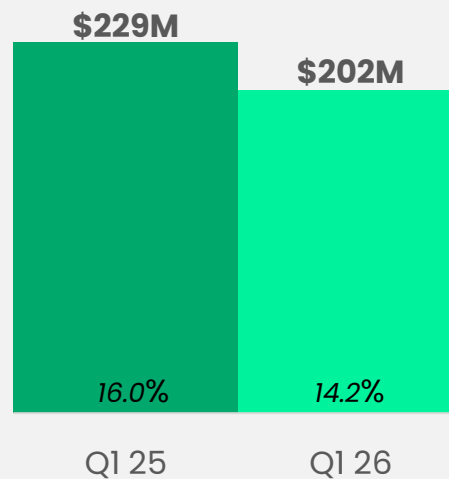
- 1** Brokerage TL volume improved every month throughout Q1
- 2** TL spot mix and gross profit per load increased significantly
- 3** Managed Transportation awarded additional FUM and pipeline increased
- 4** Accelerated deployment of agentic AI to drive efficiency and incremental margin
- 5** Q2 Adj. EBITDA outlook of \$27M-\$37M with improving TL volume trends and spot mix

Companywide results

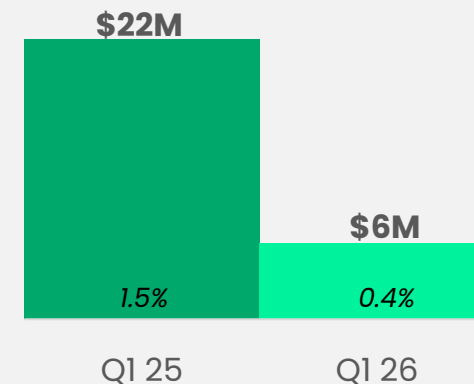
Revenue



Gross margin



Adjusted EBITDA¹



RXO reported adjusted EBITDA of \$6M

Quarterly performance across key service offerings

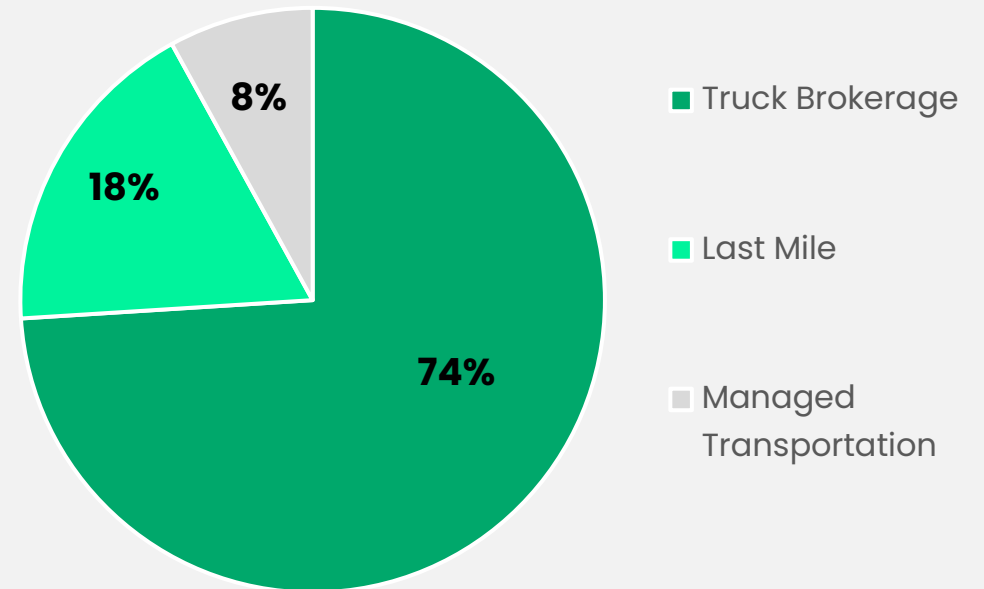
Brokerage

- Volume: Down 8% y/y
 - LTL: Up 5% y/y, 28% of volume
 - TL: Down 12% y/y, 72% of volume
- TL spot mix: 33%, +500 bps q/q and 600 bps y/y
- Gross margin: 11.4%
 - TL gross profit per load: +9% q/q
- Productivity gains: +15%¹

Complementary services

- Managed Trans. awarded >\$100M of FUM
- Managed Trans. pipeline increased by \$200M
- Last Mile stops down 8% y/y, impacted by weather
- Gross margin: 19.8%

Q1 revenue by service offering



*Excludes impact of eliminations.
Numbers may not add up to 100% due to rounding.*

New technology across key pillars

Committed to technology and AI
investments with a strong ROIC

Volume and Margin

- ✦ Expanded **agentic AI email spot quote functionality**; reps delivered increase in both volume and GPPL
 - Expanded proprietary Spot Bot and API integrations
 - **>30% increase** q/q in digital TL quoted opportunities
- ✦ Increased digital offers by **~15%** via enhanced experience and expanded AI Freight Matching Models
 - Achieved **>10x** improvement in time-to-bid on RXO Connect™ for digital carrier users
 - **>30% increase** q/q in digital channel TL gross profit per load

Productivity

- ✦ Automated **>500k** phone calls in the quarter
- ✦ Expanded agentic AI capacity sourcing and tracking
- ✦ Launched agentic AI Cross-Border Paperwork process automating **thousands** of commercial invoices

Service

- ✦ Introduced **AI Fraud Protection Agent**, adding additional protection for higher risk freight
 - Launched **Digital Twin** capability on RXO Connect™ to provide large shippers with modeling of their transportation network
- ✦ Rolling out Generative AI **RXO Assist Agent** to standardize operations and improve training

Adjusted EPS bridge

Earnings per share		
	<u>Q1-26</u>	<u>Q1-25</u>
GAAP diluted EPS	\$(0.21)	\$(0.18)
Amortization of intangible assets	0.06	0.09
Transaction, integration and restructuring costs	0.05	0.12
Debt extinguishment loss ¹	0.07	-
Tax associated with adjustments above ² and discrete tax item	(0.06)	(0.06)
Adjusted diluted EPS³	\$(0.09)	\$(0.03)

RXO reported Q1 2026 adjusted diluted EPS of \$(0.09)



¹ Debt extinguishment loss associated with the redemption of the Senior Notes due 2027.

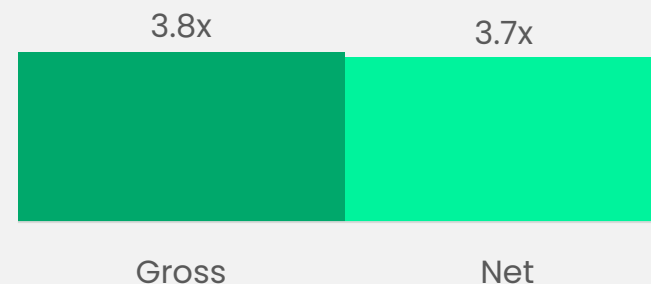
² The tax impact of non-GAAP adjustments represents the tax benefit (expense) calculated using the applicable statutory tax rate that would have been incurred had these adjustments been excluded from net loss. Our estimated tax rate on non-GAAP adjustments may differ from our GAAP tax rate due to differences in the methodologies applied.

³ See the "Non-GAAP financial measures" section.

Capital structure

Capital structure	Q1 2026
Notes due 2031	\$ 400
Finance leases, asset financing, ST debt & other	58
Total debt, principal balance & other	\$ 458
Less: cash	21
Net debt¹	\$ 437

LTM Leverage^{1,2}



- Refinanced Senior Notes in the quarter
 - Extended maturity to May 2031
 - Upsized issuance to \$400M
 - Lowered interest rate to 6.375% from 7.500%
- Strong liquidity position with \$386M available



Note: In millions.

¹ See the “Non-GAAP financial measures” section.

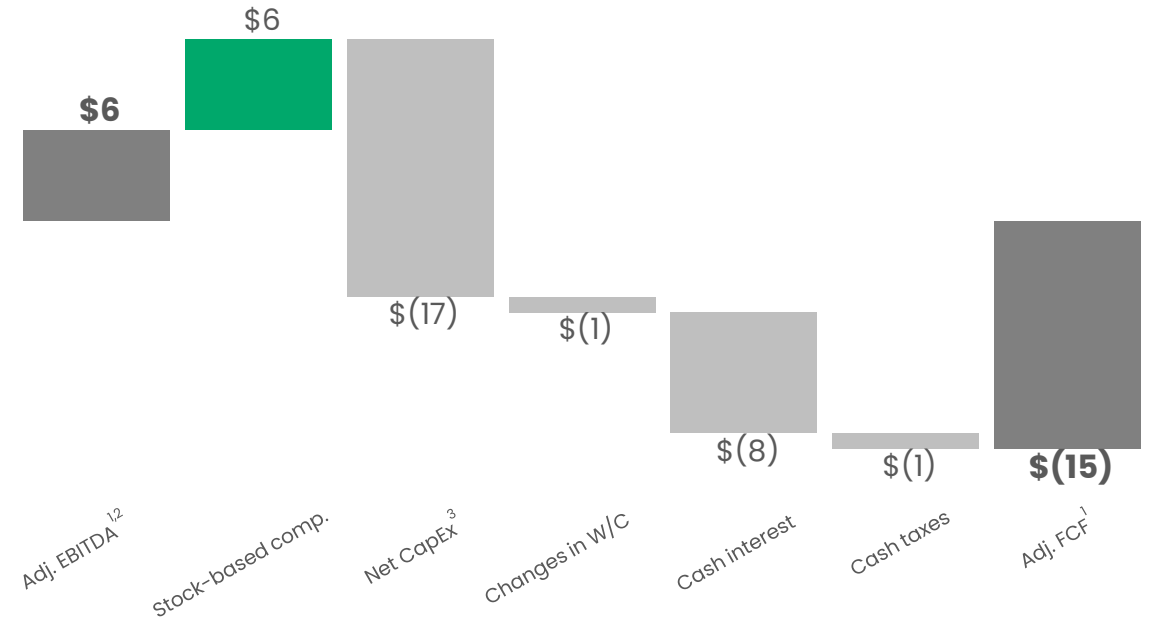
² See appendix for leverage calculations.

Adjusted FCF walk¹

- **Q1 timing considerations**

- 2H '26 CapEx expected to be ~30% lower, driven by lower real estate and software expenditures
 - Accelerated interest with refinancing of Senior Notes due 2027 (~\$7M)
- Remain confident with long-term conversion of 40%-60% across market cycles

Q1'26 adjusted free cash flow¹



Q1 adj. FCF impacted by lower levels of profitability and CapEx/interest timing



Note: In millions.

¹ Adjusted EBITDA and adjusted FCF are non-GAAP financial measures. See the "Non-GAAP financial measures" section.

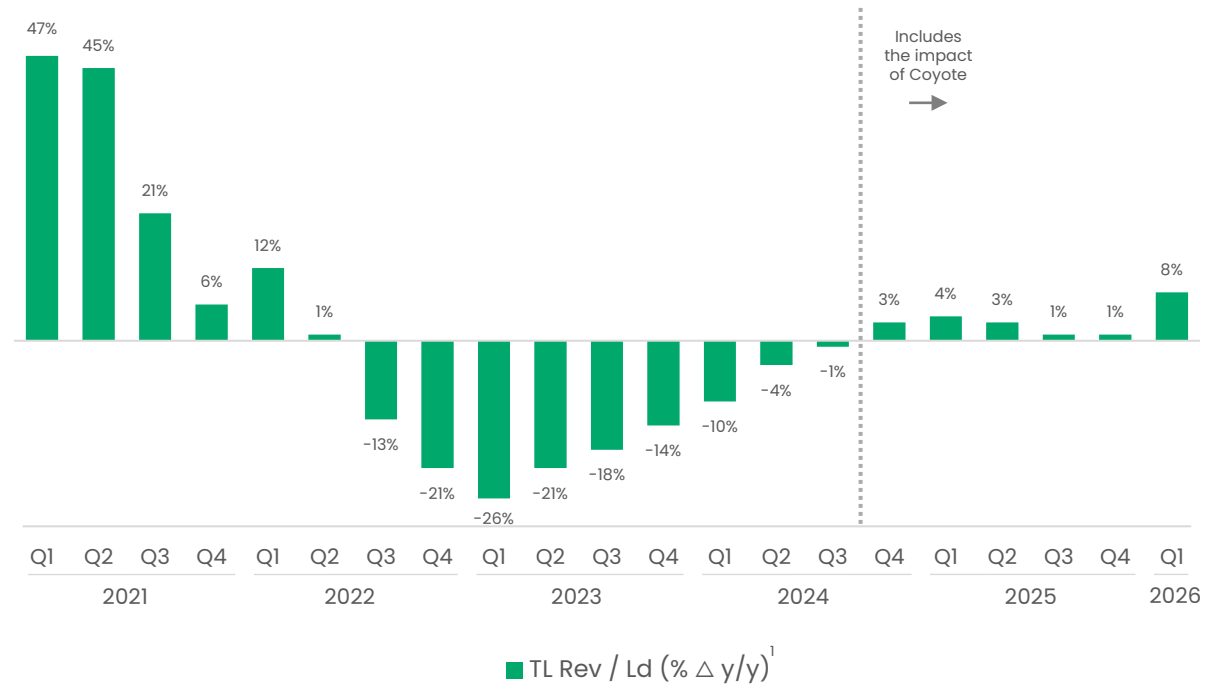
² Adjusted EBITDA excludes certain NEO spin-related stock-based compensation.

³ Purchases of property & equipment, net of proceeds.

Brokerage TL revenue per load trends

TL revenue per load up 8% y/y¹

- Highest growth rate in 4 years
 - **Excludes** impact of fuel and length of haul
 - Spot mix increased **500** bps q/q and **600** bps y/y
 - Improved contract rates in effect from bid season
 - April Rev/Ld growth accelerated: +12% y/y
- *Expect contract rates up high-single digit % vs. prior expectation of up low-to-mid single digit %*



Revenue per load increased at fastest rate in 4 years, primarily driven by increased spot mix



Note: All periods prior to Q4 2024 exclude the impact of the Coyote Logistics acquisition.
¹ Excludes the impact of changes in fuel prices and length of haul.

Current market conditions and Brokerage margin performance

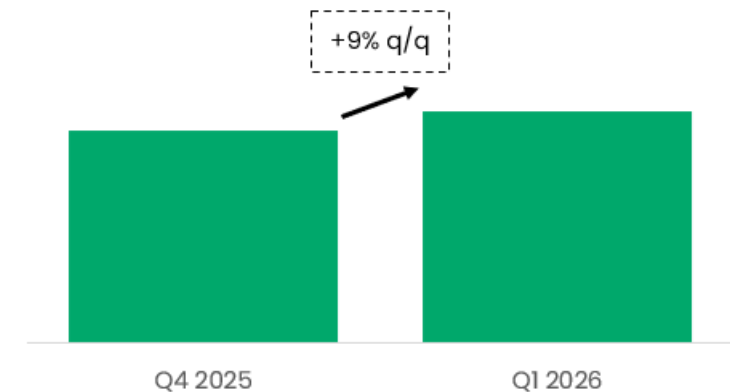
Supply-side market tightening

- TL market remains tight, driven by continued capacity exits driven by regulatory changes and enforcement
- Industry KPIs at highest levels in 4 years, despite soft demand

Improved TL gross profit per load

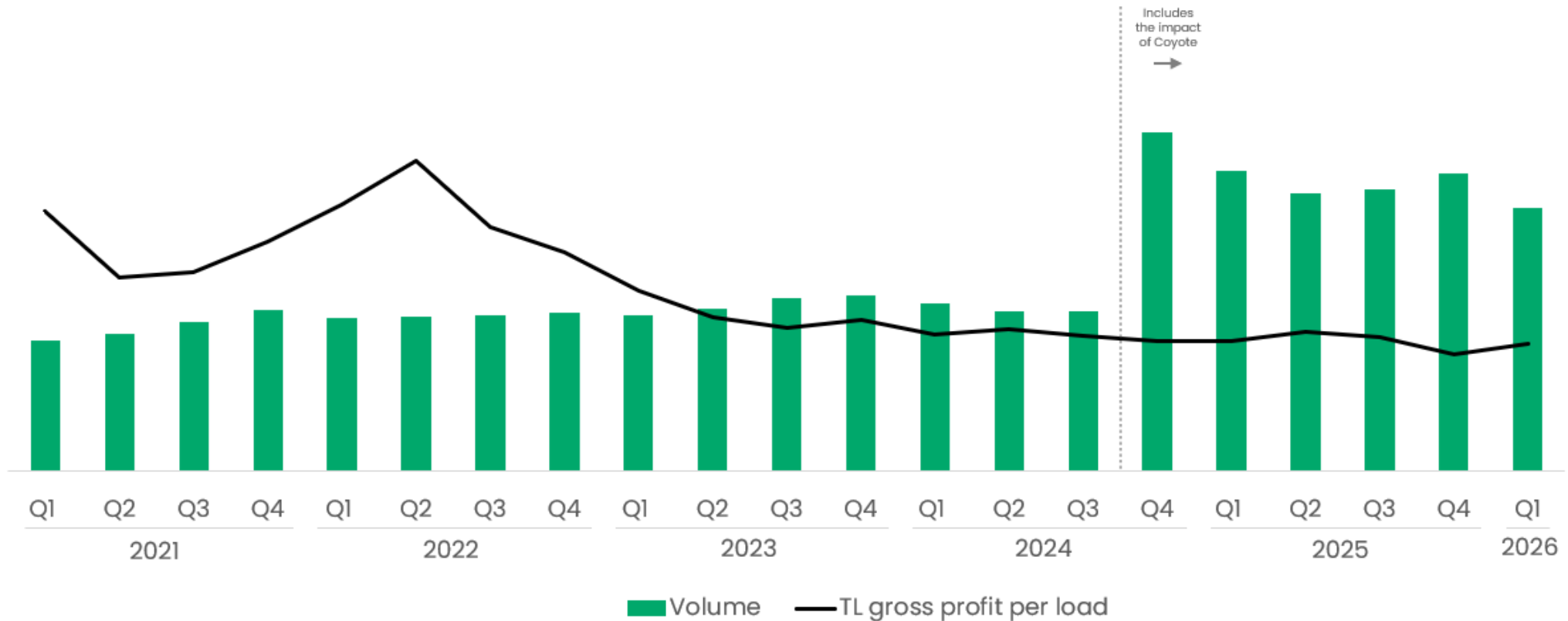
- Brokerage gross profit per load and spot mix improved every month
 - TL gross profit per load +9% sequentially
 - Spot TL mix +500bps q/q, helping to offset contractual margin squeeze
 - *Expect spot mix and gross profit per load to improve again in Q2*
- Working closely with customers to optimize service, volume and price

TL gross profit per load



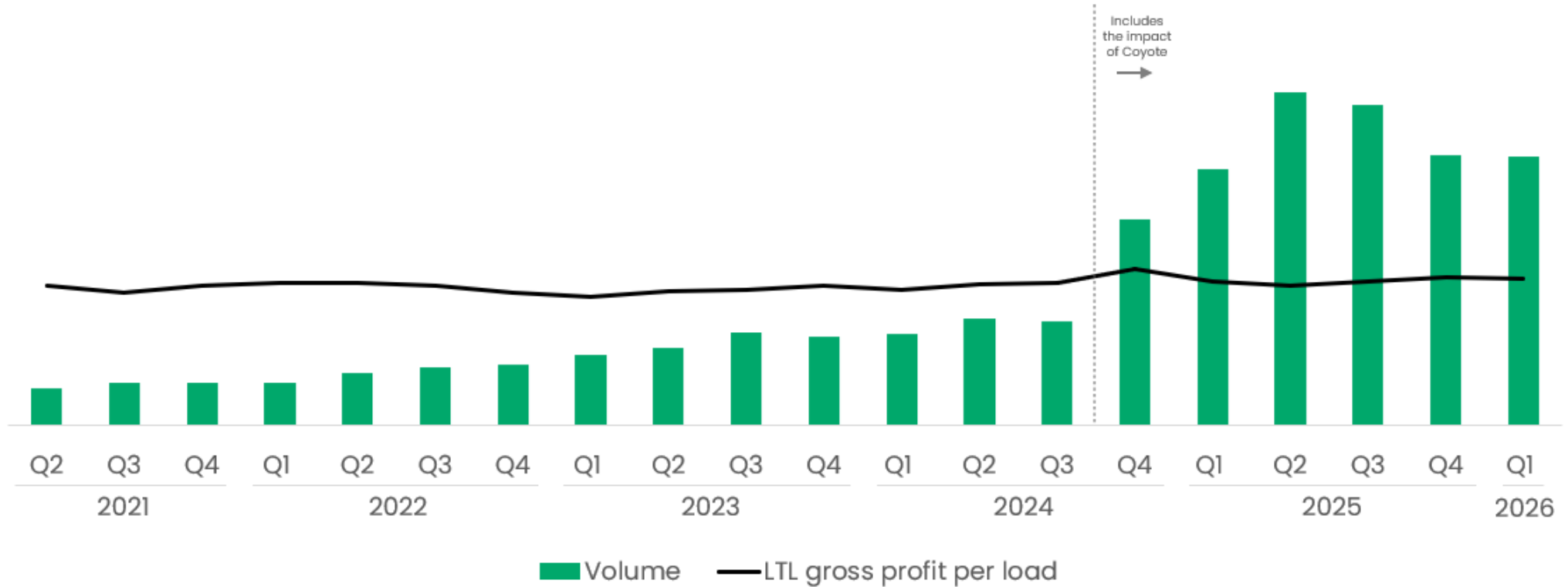
Significant gross profit per load improvement driven by increased spot volume

TL volume and gross profit per load trends



TL volume improved every month in Q1 and gross profit per load increased by 9% q/q

LTL volume and gross profit per load trends



LTL volume growth continued to outperform

Q2 2026 outlook and modeling assumptions

Q2 2026 outlook

- Adjusted EBITDA¹: \$27M-\$37M
- Overall Brokerage, TL, and LTL y/y volume: Approximately flat
- Brokerage TL gross profit per load: Up q/q

FY 2026 modeling assumptions

- Capital expenditures: \$50M-\$55M
- Depreciation: \$65M-\$75M, Amortization of intangibles: \$40M-\$45M
- Stock-based compensation: \$25M-\$35M
- Restructuring, transaction & integration expenses: \$25M-\$30M
- Net interest expense: \$32M-\$36M
- Cash taxes: \$6M-\$8M
- Fully diluted weighted-average shares outstanding: ~170M



¹ See the "Non-GAAP financial measures" section.

Balanced capital allocation

Internal investments

**Strong historical return
on invested capital**

Share repurchases

**\$125 million share
repurchase program**

Opportunistic M&A

**Complementary to RXO's
strategy**

Balanced capital allocation philosophy with a ROIC-based approach

Key investment highlights

- 1** Large addressable market with secular tailwinds
- 2** Track record of above-market growth and high profitability
- 3** Proprietary technology drives productivity, volume and margin expansion
- 4** Long-term relationships with blue-chip customers
- 5** Market-leading platform with complementary transportation solutions
- 6** Tiered approach to sales drives multi-faceted growth opportunities
- 7** Diverse exposure across attractive end markets
- 8** Experienced and proven leadership team

Appendix

Financial reconciliations

Reconciliation of net loss to adjusted EBITDA and adjusted EBITDA margin

(Dollars in millions)	Three Months Ended March 31,		Twelve Months Ended	Year Ended December
			March 31,	31,
	2026	2025	2026 ³	2025
Net loss	\$ (36)	\$ (31)	\$ (105)	\$ (100)
Interest expense, net	9	9	35	35
Income tax benefit	(13)	(8)	(20)	(15)
Depreciation and amortization expense	26	32	110	116
Transaction and integration costs	2	6	18	22
Restructuring and other costs	7	14	32	39
Goodwill impairment	-	-	12	12
Debt extinguishment loss	11	-	11	-
Adjusted EBITDA¹	\$ 6	\$ 22	\$ 93	\$ 109
Revenue	\$ 1,425	\$ 1,433	\$ 5,734	\$ 5,742
Adjusted EBITDA margin^{1,2}	0.4%	1.5%	1.6%	1.9%



¹ See the "Non-GAAP financial measures" section.

² Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue.

³ Twelve months ended March 31, 2026 is calculated as the three months ended March 31, 2026 plus the year ended December 31, 2025 less the three months ended March 31, 2025.

Financial reconciliations (cont.)

Reconciliation of net loss to adjusted net loss and adjusted diluted loss per share

(Dollars in millions, shares in thousands, except per share amounts)

	Three Months Ended March 31,	
	2026	2025
Net loss	\$ (36)	\$ (31)
Amortization of intangible assets	10	15
Transaction and integration costs	2	6
Restructuring and other costs	7	14
Debt extinguishment loss	11	-
Income tax associated with the adjustments above ¹	(7)	(9)
Discrete tax item	(3)	-
Adjusted net loss²	\$ (16)	\$ (5)
Adjusted diluted loss per share²	\$ (0.09)	\$ (0.03)
Weighted-average common shares outstanding		
Diluted	169,104	168,023



¹ The tax impact of non-GAAP adjustments represents the tax expense calculated using the applicable statutory tax rate that would have been incurred had these adjustments been excluded from net loss. Our estimated tax rate on non-GAAP adjustments may differ from our GAAP tax rate due to differences in the methodologies applied.

² See the "Non-GAAP financial measures" section.

Financial reconciliations (cont.)

Reconciliation of cash flows from operating activities to free cash flow and adjusted free cash flow

(Dollars in millions)

Net cash used in operating activities

Payment for purchases of property and equipment

Free cash flow ¹

Transaction and integration costs ²

Restructuring and other costs ²

Adjusted free cash flow ¹

Adjusted EBITDA ^{1,3}

Free cash flow conversion from adjusted EBITDA ^{1,4}

Adjusted free cash flow conversion from adjusted EBITDA ^{1,5}

	Three Months Ended March 31,	
	2026	2025
	\$ (7)	\$ (2)
	(17)	(15)
	\$ (24)	\$ (17)
	1	17
	8	6
	\$ (15)	\$ 6
	\$ 6	\$ 22
	-400.0%	-77.3%
	-250.0%	27.3%



¹ See the "Non-GAAP financial measures" section.

² Includes the cash component of these line items.

³ See Reconciliation of net loss to adjusted EBITDA.

⁴ Free cash flow conversion from adjusted EBITDA is calculated as free cash flow divided by adjusted EBITDA.

⁵ Adjusted free cash flow conversion from adjusted EBITDA is calculated as adjusted free cash flow divided by adjusted EBITDA.

Financial reconciliations (cont.)

Calculation of gross margin and gross margin as a percentage of revenue

(Dollars in millions)	Three Months Ended March 31,	
	2026	2025
Revenue		
Truck brokerage	\$ 1,097	\$ 1,067
Complementary services ¹	388	415
Eliminations	(60)	(49)
Revenue	\$ 1,425	\$ 1,433
Cost of transportation and services (exclusive of depreciation and amortization)		
Truck brokerage	\$ 971	\$ 924
Complementary services ¹	260	278
Eliminations	(60)	(49)
Cost of transportation and services (exclusive of depreciation and amortization)	\$ 1,171	\$ 1,153
Direct operating expense (exclusive of depreciation and amortization)		
Truck brokerage	\$ 1	\$ 1
Complementary services ¹	49	47
Direct operating expense (exclusive of depreciation and amortization)	\$ 50	\$ 48
Direct depreciation and amortization		
Truck brokerage	\$ -	\$ -
Complementary services ¹	2	3
Direct depreciation and amortization	\$ 2	\$ 3
Gross margin		
Truck brokerage	\$ 125	\$ 142
Complementary services ¹	77	87
Gross margin	\$ 202	\$ 229
Gross margin as a percentage of revenue		
Truck brokerage	11.4%	13.3%
Complementary services ¹	19.8%	21.0%
Gross margin as a percentage of revenue	14.2%	16.0%

¹ Complementary services include Last Mile and Managed Transportation services.

Financial reconciliations (cont.)

Reconciliation of bank-adjusted EBITDA; Calculation of gross and net leverage

	March 31,
	2026
(Dollars in millions)	
Reconciliation of bank-adjusted EBITDA	
Adjusted EBITDA ^{1,2} for the twelve months ended March 31, 2026	\$ 93
Adjustments per credit agreement ³ for the twelve months ended March 31, 2026	26
Bank-adjusted EBITDA	\$ 119
Calculation of gross leverage	
Total debt, principal balance and other	\$ 458
Bank-adjusted EBITDA	119
Gross Leverage ¹	3.8x
Calculation of net leverage	
Total debt, principal balance and other, net of cash and cash equivalents	\$ 437
Bank-adjusted EBITDA	119
Net Leverage ¹	3.7x



¹ See the "Non-GAAP financial measures" section.

² See reconciliation of net loss to adjusted EBITDA.

³ Represents stock compensation expense included in sales, general and administrative expense.

RXO