



Investor Presentation

October 5, 2026

NASDAQ: DSGR

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Some of the financial information and data contained in this presentation, such as Adjusted EBITDA, Pro Forma Adjusted EBITDA, Free Cash Flow, Net Working Capital, Adjusted Revenue, Adjusted EBITDA Margin, Free Cash Flow Conversion, Return on Net Working Capital (“RONWC”) and Total Net Leverage Ratio have not been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes that these non-GAAP financial measures provide useful information to management and investors regarding certain financial and business trends relating to DSG’s financial condition and results of operations. DSG does not consider non-GAAP measures to be an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is they may exclude significant expense and income items that are required by GAAP to be recognized in our consolidated financial statements. In addition, they reflect the exercise of management’s judgment about which expense and income items are excluded or included (including on a pro forma basis) in determining these non-GAAP financial measures. The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for results or guidance prepared and presented in accordance with GAAP. A reconciliation of the non-GAAP financial measures to the nearest comparable GAAP financial measures is contained in the appendix.

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ADDITIONAL INFORMATION ABOUT THE MERGER AND WHERE TO FIND IT

In connection with the proposed merger of Eclipse Acquisitions Merger Sub, Inc., a Delaware corporation, with and into the Company (the “Merger”), with the Company continuing as the surviving corporation, becoming a wholly owned subsidiary of Eclipse Intermediate Acquisitions, LLC, a Delaware limited liability company, and an indirect wholly owned subsidiary of Eclipse Parent Acquisitions, LLC, a Delaware limited liability company and affiliate of Luther King Capital Management Corporation (“LKCM”), the Company intends to file with the U.S. Securities and Exchange Commission (the “SEC”) a definitive proxy statement on Schedule 14A (the “Proxy Statement”). Additionally, on September 1, 2026, in connection with the Merger, the Company, LKCM and certain of their respective affiliates jointly filed with the SEC a transaction statement on Schedule 13E-3 (the “Schedule 13E-3”). The Proxy Statement and a proxy card will be sent or otherwise made available to stockholders of the Company entitled to vote at the special meeting relating to the Merger. This communication is not a substitute for the Proxy Statement, the Schedule 13E-3 or any other document that the Company may file with the SEC in connection with the proposed Merger. BEFORE MAKING ANY VOTING DECISION, INVESTORS AND SECURITY HOLDERS OF THE COMPANY ARE URGED TO READ THE PROXY STATEMENT, THE SCHEDULE 13E-3 AND OTHER RELEVANT DOCUMENTS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE COMPANY AND THE MERGER. Investors and security holders will be able to obtain copies of the Proxy Statement, the Schedule 13E-3 and other documents filed with the SEC by the Company free of charge from the SEC’s website at www.sec.gov or from the Company’s website.

PARTICIPANTS IN THE SOLICITATION

The Company and certain of its directors, executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from the Company’s stockholders in connection with the Merger. Information regarding the Company’s directors and executive officers is available in the Company’s proxy statement for its most recent annual meeting (the “Annual Proxy Statement”) of stockholders and in other documents filed by the Company with the SEC. Additional information regarding the interests of those persons and other persons who may be deemed participants in the Merger is included in the Schedule 13E-3 and will also be included in the Proxy Statement and other materials to be filed with SEC in connection with the Merger. To the extent holdings of the Company’s securities by its directors or executive officers have changed since the amounts set forth in the Annual Proxy Statement, such changes have been or will be reflected on Initial Statements of Beneficial Ownership of Securities on Form 3 or Statements of Change in Ownership on Form 4 filed with the SEC.

Today's Agenda and Presenters

1 Transaction Overview

2 LKCM Headwater Investments Overview

3 Distribution Solutions Group Overview

4 Investment Highlights

5 Historical Financial Overview

6 Appendix



J. BRYAN KING

*Chairman and Chief Executive Officer, DSG
Managing Partner, LKCM Headwater*



RON KNUTSON

*Executive Vice President and
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J.P.Morgan



TYLER ESPOSITO

*Vice President
Leveraged Finance*



Transaction Overview



Executive Summary

- Distribution Solutions Group, Inc. (“DSG” or the “Company”) is a best-in-class global specialty distribution company providing high-touch, value-added distribution solutions to the Maintenance, Repair and Operations (“MRO”), Original Equipment Manufacturer (“OEM”) and Industrial Technologies markets
 - For the TTM period ended June 30, 2026, the Company generated revenue and Pro Forma Adjusted EBITDA¹ of \$2.05B and \$195M, respectively
- **On July 15, 2026, LKCM Headwater Investments, LLC (“LKCM”), the majority shareholder of DSG, entered into a definitive merger agreement to acquire all outstanding shares of DSG common stock not already owned by LKCM and its affiliates (~21% minority purchase) (the “Share Acquisition”) for \$35.00 per share**
- **The Share Acquisition is expected to be funded with a portion of the \$700M of new Senior Notes due 2032 (the “Notes”) and \$140M of new LKCM Equity (the “Equity Financing”, and together with the Share Acquisition and the Notes, the “Transaction”)**
 - Along with the Equity Financing and in addition to funding the Share Acquisition, proceeds from the Notes will be used to repay a portion of outstanding indebtedness, pay related fees and expenses, and for general corporate purposes including future acquisitions
 - In addition to the Company’s acquisition of American Fasteners Corp. (“AFC”) on September 1, 2026 for a cash purchase price of ~\$44M (the “AFC Acquisition”), DSG also expects in the near-term to enter into a definitive purchase agreement to acquire a distribution company serving the MRO market (the “Near-Term Target Company”) for an expected purchase price of ~\$145M² (the “Potential Near-Term Acquisition”). DSG funded the AFC Acquisition under its Revolving Credit Facility and, if the Potential Near-Term Acquisition is consummated before the Share Acquisition, expects to fund the Potential Near-Term Acquisition with borrowings under its Revolving Credit Facility and available cash
 - For the TTM period ended June 30, 2026, DSG estimates AFC and the Near-Term Target Company generated Pro Forma Adjusted EBITDA^{1,3} of ~\$6M⁴ and ~\$15M⁴, respectively
 - The Company is also currently evaluating five separate acquisitions (collectively, the “Additional Potential Acquisitions” and together with the Potential Near-Term Acquisition, the “Potential Acquisitions”), including four distribution companies serving the OEM market and one distribution company serving the Industrial Technologies market
 - Expected aggregate consideration for the Additional Potential Acquisitions is in the range of \$460M to \$510M⁵, which may be funded with available cash, debt, equity consideration or any combination thereof
 - DSG estimates that AFC and the target companies of the Potential Acquisitions would contribute ~\$74M⁴ of Pro Forma Adjusted EBITDA^{1,3} on a combined basis as of the TTM period ended June 30, 2026. LKCM has separately estimated incremental potential combined cost savings and synergies of ~\$16M⁶
- Pro forma for the Transaction, Total Net Leverage Ratio¹ is expected to be 4.5x⁷, with the Company remaining highly focused on returning to its 3.5x – 4.0x long-term target after executing on its strategic Potential Acquisitions

Note: ⁽¹⁾ Pro Forma Adjusted EBITDA and Total Net Leverage Ratio are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures; ⁽²⁾ While we expect to enter into a final definitive agreement for the Potential Near-Term Acquisition soon, there can be no assurance in this regard. Even if we enter into a definitive agreement for the Potential Near-Term Acquisition, the consummation of such acquisition will be subject to a number of conditions to closing, and there can be no assurance that such conditions will be satisfied, that the Potential Near-Term Acquisition will be consummated on the terms currently contemplated, or at all; ⁽³⁾ Calculated on a basis substantially consistent with Pro Forma Adjusted EBITDA in this presentation; ⁽⁴⁾ Figures are based on the TTM period ended June 30, 2026 and are based on unaudited financial information provided by the target companies and do not give effect to any cost savings or synergies; ⁽⁵⁾ As of the date of this presentation, DSG has not entered into a definitive agreement to consummate any of the Additional Potential Acquisitions. The Additional Potential Acquisitions are at various stages of evaluation and remain subject to ongoing due diligence and negotiation, including with respect to valuation and other material terms and the possibility of competing offers. Accordingly, there can be no assurance that definitive agreements will be entered into with respect to any or all of the Additional Potential Acquisitions or that any Additional Potential Acquisitions will be consummated on the terms currently contemplated, or at all; ⁽⁶⁾ This estimate has not been independently validated or adopted by DSG. Any such potential cost savings and synergies are inherently uncertain and depend on numerous assumptions, including assumptions regarding the consummation and timing of the Potential Acquisitions, integration, costs incurred in connection with the integration of AFC, the Potential Acquisitions and other execution risks; ⁽⁷⁾ Excludes the impact of the AFC Acquisition and the Potential Acquisitions

Transaction Overview

SOURCES AND USES

Sources	(\$M)	Uses	(\$M)
New Senior Notes due 2032	\$700	DSG Share Acquisition consideration	\$358
New LKCM equity	140	Repay Revolving Credit Facility borrowings ¹	50
		Paydown portion of Term Loan A	195
		Estimated fees and expenses	26
		Cash to balance sheet	211
Total sources	\$840	Total uses	\$840

EXISTING AND PRO FORMA CAPITALIZATION

(\$M)	As of 6/30/2026	xPro Forma Adj. EBITDA	Adj.	As-Adjusted 6/30/2026	xPro Forma Adj. EBITDA
Cash & cash equivalents	\$67		\$211	\$278	
\$400M Revolving Credit Facility due December 2030 ¹	50		(50)	-	
Term Loan A due December 2030	683		(195)	488	
Other debt ²	1			1	
Secured debt	\$734	3.8x		\$488	2.4x
Secured net debt	\$667	3.4x		\$210	1.0x
New Senior Notes due 2032			700	700	
Total debt	\$734	3.8x		\$1,188	5.9x
Total net debt	\$667	3.4x		\$910	4.5x
TTM Jun-26 Pro Forma Adjusted EBITDA ³	\$195		\$5 ⁴	\$201 ⁴	

Note: Figures exclude the impact of the AFC Acquisition, the Potential Acquisitions and \$2.3M of deferred acquisition consideration and capital leases which are considered Indebtedness under the Company's Credit Agreement; ⁽¹⁾ Reflects \$50.4M drawn under DSG's \$400M Revolving Credit Facility as of 06/30/2026. Since that date and through [09/01/2026], DSG has drawn an additional \$50.4M to finance, among other things, the Company's acquisition of AFC for total outstanding borrowings under the Revolving Credit Facility of \$100.8M. The As-Adjusted column does not reflect the repayment of such additional borrowings; If the Company enters into a definitive agreement for the Potential Near-Term Acquisition and consummates the acquisition prior to consummation of the Share Acquisition, the Company anticipates that the cash purchase price of ~\$145M will be funded with borrowings under its Revolving Credit Facility and available cash; ⁽²⁾ Represents \$0.8M of debt under a Revolving Credit Facility; ⁽³⁾ Pro Forma Adjusted EBITDA is a non-GAAP financial measure. See the Appendix of this presentation for a reconciliation to the most directly comparable GAAP financial measure; ⁽⁴⁾ Pro Forma Adjusted EBITDA in the As-Adjusted column includes an estimated \$5.2M of public company cost avoidance as a result of the completion of the Share Acquisition



LKCM Headwater Investments Overview



LKCM Headwater Investments Overview



LUTHER KING CAPITAL MANAGEMENT OVERVIEW

- Private, employee-owned SEC-registered investment advisor
- Founded in 1979 and currently has 112 employees, including 74 investment and other professionals, 27 CFAs, 7 CPAs, 5 CFPs, and 38 employees with MBAs
- \$30.3 billion of assets under management (6/30/2026)
- C-corp with 46+ years of retained earnings
- Primarily long-term, long-equity strategies for individuals and families
- LKCM, investment team & affiliates are collectively the firm's largest client



LKCM HEADWATER INVESTMENTS OVERVIEW

- Private investment arm of Luther King Capital Management
- Over 200 years of collective investing experience in more than 125 businesses in the distribution space
- LKCM, investment team and affiliates are collectively the largest investor (~1/3 of capital)
- In-house Headwater Operations ("HOPs") team that partners directly with portfolio company leadership to strengthen operational performance by applying deep functional expertise across finance, technology, and organizational design
- Engaged group of over 100 retired and active operating executives (~50% in the distribution space) that are investors in the partnerships and offer a willingness to lean into engagements to improve value within the portfolio

Premier Franchise Across the Distribution Sector

Current Unrealized



Fully Realized



★ Denotes current DSG operating business

LKCM Headwater Take-Private Investment Thesis for DSG

OVERVIEW	● As a long-term investor in the Company (first invested in 2013), LKCM has been instrumental in driving the Company's evolution into a leading specialty distribution platform that provides high-touch, value-added distribution solutions to the Maintenance, Repair and Operations, Original Equipment Manufacturer and Industrial Technologies markets ● The Company's ability to successfully execute on key strategic opportunities has been constrained by the pressures, inflexibility and short-term expectations inherent in operating as a public company
BENEFITS OF PRIVATE OWNERSHIP	● As a private company, LKCM believes the Company will benefit from the following, which will drive sustained value creation: ● Greater operational flexibility to implement and execute various strategic initiatives (harmonization of multiple enterprise resource planning ("ERP") systems, sales optimization, market expansion) ● Enhanced flexibility and nimbleness in implementing and executing organic and inorganic growth strategies and value creation initiatives for the Company ● Improved, aligned ownership structure focused exclusively on long-term value creation ● Reduced management distraction associated with SEC reporting and other public company obligations
STRONG LONG-TERM OUTLOOK	● The Company is well-positioned for durable long-term growth and cash flow, and LKCM believes that it can accelerate this growth by operating DSG as a private company ● The Company has highly diverse end market exposure, customer and supplier relationships, all of which LKCM expects to continue to position it well to drive sustainable organic growth ● DSG's M&A pipeline remains robust, and LKCM expects as a private company to accelerate execution on accretive acquisition opportunities ● Accelerated ability to execute on accretive, platform-enhancing M&A under private ownership

LKCM remains confident in the potential value creation opportunities within the Company, and believes that the Company will be able to build on this success as a private company



Distribution Solutions Group Overview



Leading Specialty Industrial Distribution Platform



MRO Focus

OEM Focus

Industrial Technologies Focus

Vendor Managed Inventory ("VMI") Focus

Canadian Branch Focus

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

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

~24% of Revenue¹

~11% of Revenue¹

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

~25% of Revenue¹

Leading supplier of electronic and
specialty production supplies and
test & measurement ("T&M") equipment
across OEM and MRO markets

~41% of Revenue¹

TTM Q2'26
Financial Highlights¹

\$2.05B
Revenue

~8.6%
Adjusted EBITDA
Margin²

58.5%
Free Cash Flow
Conversion²

Fly-by Q2'26
Operating Stats

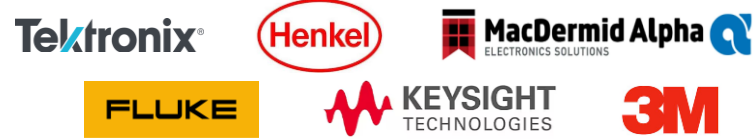
50+
Countries Served

200k+
Customers

760k+
Unique SKUs

Note: ⁽¹⁾ Metrics presented are for TTM Q2'26. Percentages of revenue may not sum due to rounding; ⁽²⁾ Adjusted EBITDA Margin and Free Cash Flow Conversion are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures

Full Suite of Complementary Product and Service Offerings Across Segments

			
SELECT PRODUCTS	Chemicals Electrical Fasteners Hydraulics  <i>High-touch, service-led model driving recurring MRO demand through reliability and technical expertise</i>	Hardware Fabrications Electrical Mechanicals  <i>Embedded supply chain partner as a "critical-link" between fragmented suppliers and OEM customers</i>	Electronic Test & Measurement Instrumentation Electronics Assembly Products  <i>Technical "tip-of-the-spear" positioning in research & development ("R&D") labs driving massive pull-through potential across the electronics lifecycle</i>
VALUE-ADDED SERVICES	• Vendor managed inventory • Industrial vending • Self-service web option • Product recommendations • Application advice • Scanning solutions	• Vendor managed inventory • Point-of-use replenishment • Kitting & assembly • Quality & inspection services • Global sourcing & supplier consolidation • Integrated technology support & reporting	• Vendor managed inventory • Design & Eng. support • Technical expertise • Fabrication • Industrial printing & labeling • Kitting / repackaging • Converting
KEY BRANDS / SUPPLIERS			
CUSTOMERS	~78,000+ ¹	~2,000+	~127,000+
CUSTOMER GEOGRAPHIES	 USA Canada Mexico	 USA Canada Mexico Denmark Hungary Germany Turkey China Brazil	 USA Canada Europe Mexico

Note: ⁽¹⁾ Lawson presented inclusive of Canada Branch

Differentiated Value-Added Capabilities Drive DSG's Sustainable Value Proposition

FULL SET OF VALUE-ADDED SERVICE OFFERINGS EMBEDS DSG WITH ITS CUSTOMERS



Vendor Managed Inventory

On-site physical inventory management for customers, electronic / predictive tracking to restock parts in real-time and technical expertise



Customized Supply Chain Solutions

Full suite of supply chain management solutions including global logistics management, manufacturing localization, import expertise and quality assurance



Kitting / Labeling / Packaging

Engineered solution kitting for specific applications and OEM-specified component kits to streamline technician labor and assembly time



Fabrication / Repair / Service

Design, engineering, industrial printing, NATA-certified calibration and refurbishment of electronic test equipment

SIGNIFICANT VALUE CREATION FOR CUSTOMERS, DRIVING STICKY RELATIONSHIPS AND BEST-IN-CLASS RETENTION

KEY BENEFITS TO CUSTOMERS



Lower total cost of ownership while improving up-time



Quality control management



Manage and optimize working capital



Lower total labor costs



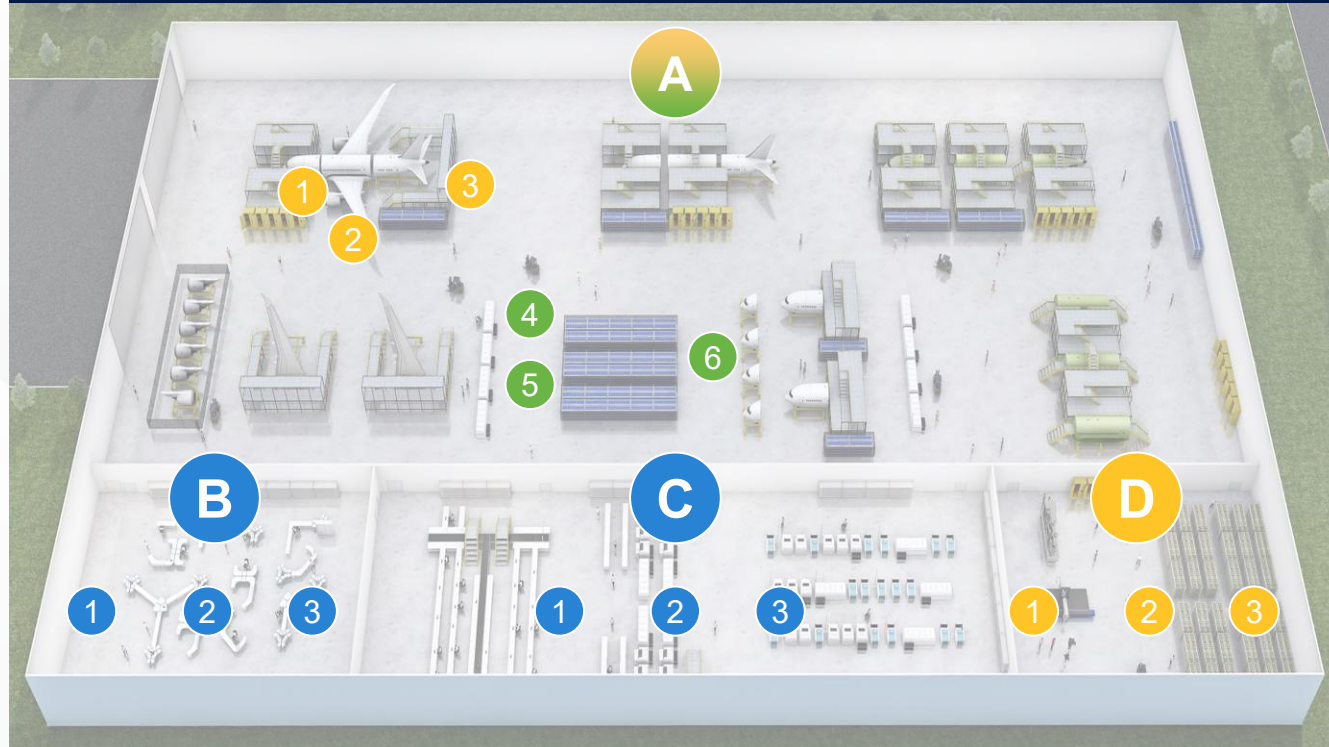
Predictively restock key parts using real-time monitoring



Technical design support

DSG's Businesses Work Together to Deliver Solutions

The "Power of Three": Aerospace Production Plant Case Study



Multi-platform benefits & opportunities

- One C-Suite
- Shared M&A team
- Broader customer base & cross-selling opportunities
- LKCM operations team analytics & support
- Sourcing advantages & adjacent products
- Cash operating cost savings
- Shared operational best practices & culture
- Significant cash generation on asset-light base

A Main Assembly

- 1 Hydraulics
- 2 Chemicals
- 3 Fasteners



- 4 Fabrications
- 5 Hardware
- 6 Electrical



B R&D Lab

- 1 Environmental Chambers
- 2 Oscilloscopes
- 3 Electrical Analyzers



C Electronics Assembly

- 1 Solder Wire
- 2 Cases & Tools
- 3 Benches & Workstations



D Maintenance Shop

- 1 Safety
- 2 Cutting & Abrasives
- 3 Shop Supplies



Note: Illustrative Aerospace Production Plant

DSG Delivers a Unique and Attractive Specialty Distribution Platform



**STRONG, STICKY ROLE
IN THE VALUE CHAIN**



**SIGNIFICANT
CUSTOMER, SUPPLIER & END
MARKET DIVERSITY**



**DUAL PRONGED
GROWTH STRATEGY**



**ATTRACTIVE,
ACCRETIVE RETURNS ON
INCREMENTAL CAPITAL**

Customer-Embedded

Via differentiated value-added,
best-in-class service offerings

95% Revenue Retention¹

Providing long-term stability

Serve 10+ Diverse End Markets

Catering to 200,000+ customers up
and down the value chain

10,800+ Suppliers

None >5% of Purchases

Secular Tailwinds in End Markets

Favorable Reshoring & Domestic Manufacturing Trends

Embedded High-Touch Service Model

13 Strategic Acquisitions

Completed since DSG merger²
announced in December 2021

~60 bps Adj. EBITDA Margin³

8.0%³ pre-merger (2021) to
~8.6%³ as of TTM Q2 2026
9.7%³ for Q2 2026

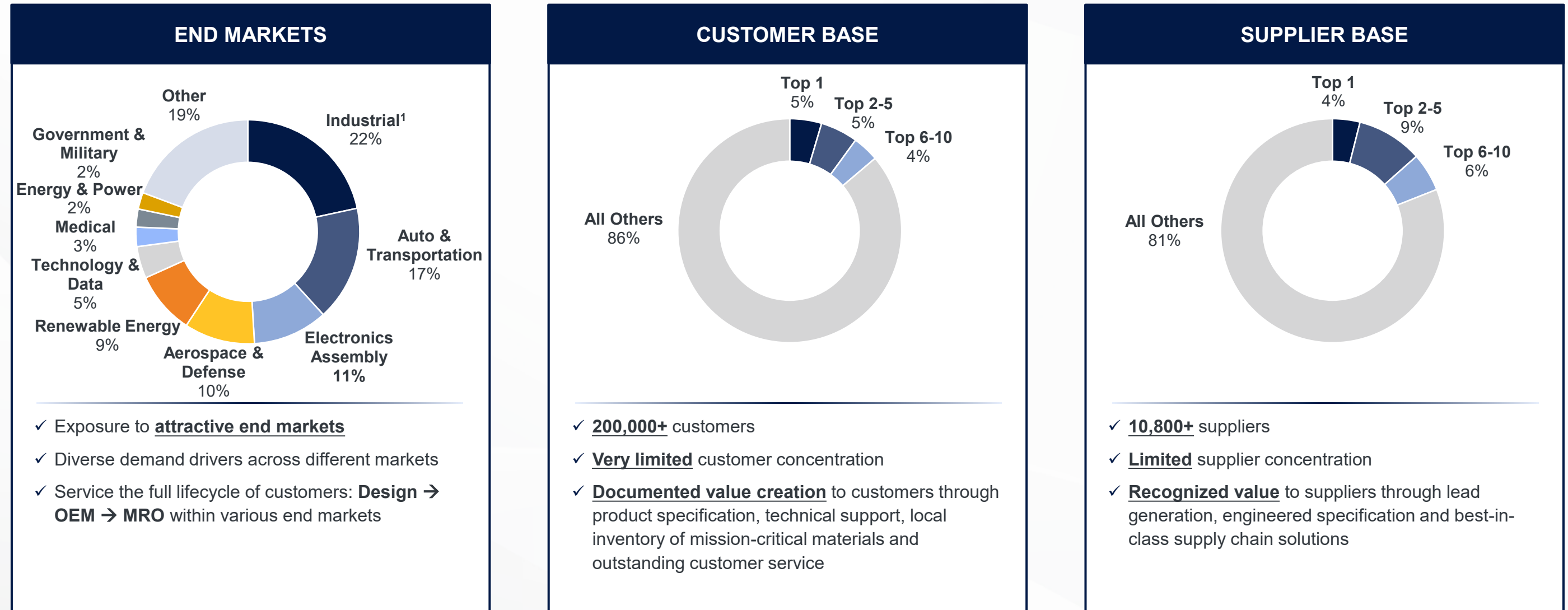


~37% Current RONWC³

Targeting 50%+ with margin
expansion and increased net
working capital ("NWC") efficiency

Note: ⁽¹⁾ Revenue retention defined as revenue for the trailing twelve months ended Q2'26 from the Company's existing customer base at the beginning of the period divided by revenue for the trailing twelve months ended Q2'25 from the Company's existing customer base at the end of the period; ⁽²⁾ Refers to the strategic combination of Lawson Products, TestEquity, and Gexpro Services that formed Distribution Solutions Group; ⁽³⁾ Adjusted EBITDA Margin and Return on Net Working Capital ("RONWC") are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures. 2021 Adjusted EBITDA margin is calculated using Adjusted Revenue which reflects Lawson's full-year 2021 revenue contribution, including \$417M prior to DSG's ownership

Highly Diverse Platform Across End Markets, Customers and Suppliers



DIVERSIFIED PLATFORM FOSTERS GROWTH AND PROVIDES STABILITY THROUGH CYCLES

Note: Consolidated revenue percentages by end markets, customer base and supplier base as of FY 2025; ⁽¹⁾ Comprised of Industrial, Manufacturing, Construction, Equipment Rental and Consumer Products

DSG Has a Disciplined Acquisition Strategy to Drive Accretive M&A...

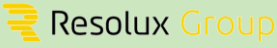
ACQUISITION CRITERIA



KEY PRIORITIES BY SEGMENT

		LAWSON	Gexpro[®] Services	TestEquity
		MRO Focus	OEM Focus	Industrial Technologies Focus
Expand	Product Offering	Safety, Cutting Tools, Automotive, Fluid Power, Fasteners, Welding	Fasteners, Fabrication, Electricals, Mechanicals, Gaskets/Seals/O-Rings, Hose Assemblies	Electronic Production Supplies Test & Measurement Calibration & Asset Management
	Geographic Coverage	North America	North America, Europe, Asia	North America, Western Europe
	End Markets	Manufacturing, Infrastructure, Construction, Auto / Transportation	Aerospace & Defense, Industrial Power, Technology, Transportation, Renewables	Aerospace & Defense, Electronic Mfg, Industrial Mfg, Automotive Medical / Life Sciences
Enhance	Value-Added Services / Capabilities	VMI Technical Sales Resources Product Specialists	VMI / Kitting, Field Installation Specification Engineering	Fabrication, Industrial printing, VMI, Chemical Kitting, Used & Rental, Calibration Services
	Technology & Sales Channels	E-Commerce Inside Sales	E-Commerce Integrated Technology MRO	New/Used Rentals Digital

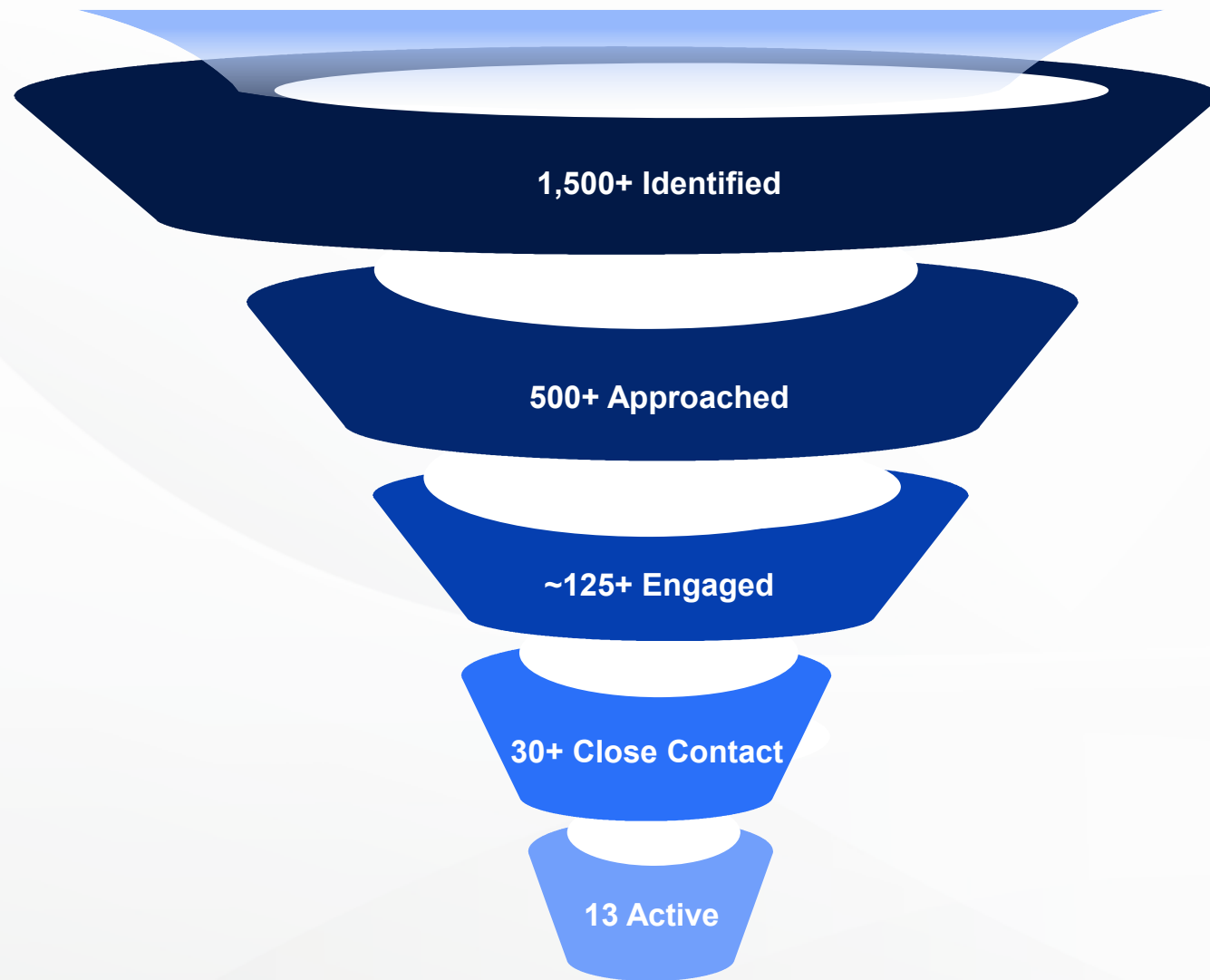
...And a Proven Track Record of Successfully Executing Strategic Acquisitions...

Segment alignment			
  			
	Company	Focus	Strategic Rationale
2022	 Resolux Group	OEM	- Leading global renewables supplier within the OEM segment - Opened new strategic markets in Europe, the Middle East, and Asia
	 Frontier Technologies	OEM	- Enhances B & C-class product and service offering to Renewables market - Significant commercial synergies and delivers manufacturing capabilities
	 TE Equipment	Industrial Technologies	- Added complementary product lines (handhelds), brands and customers - Digital go-to-market supplemented Industrial Technology's sales model
	 NTE	Industrial Technologies	- Added complementary product lines with reconditioned equipment - Strong focus on rental and leasing purchase options
	 INSTRUMEX	Industrial Technologies	- Added complementary product lines with reconditioned equipment - Natural tuck-in with expanded markets in Europe
2023	 Hisco	Industrial Technologies	- Added complementary product lines, including adhesives, chemicals and tapes - Added specialty materials such as electrostatic discharge, thermal management materials and static shielding bags
2024	 EMERGENT	MRO	Added complementary product lines in the safety category, which accelerated Lawson's safety product category by over four times
	 SS	MRO	Extended Lawson's automotive product category and expanded market reach with automotive dealers
	 SA SOURCE ATLANTIC	MRO	Extended Lawson's MRO supplies, safety products, fasteners and related value-add services and operating footprint in the Canadian market
	 TECH - COMPONENT RESOURCES	OEM	- Distributor of fasteners, mechanical components and other industrial products in Southeast Asia - Supported large OEM customers' expansion plans while providing strategic foothold in this growing region
	 ConRes	Industrial Technologies	- Expanded Test & Measurement leasing and calibration offerings, and deepened national customer relationships - Expanded resources in the Northeast
2026	 Eastern Valve & Control	MRO	- Complemented and expanded high-margin Canadian industrial valve platform - Provided skilled team of technicians and specialized equipment to expand service offering
	 American FASTENERS CORP.	MRO	- Regional South Florida MRO leader in fasteners, power tools and cutting tools - Extends Lawson into branch-based MRO serving local contractors
Additional Acquisitions Under LKCM Ownership 2015-2021		14	
Acquisitions Since DSG Merger ¹ Announcement		13	
Aggregate Purchase Price of M&A Since 2022			\$675M+

Note: List reflects completed acquisitions executed under LKCM Headwater stewardship; (1) Refers to the strategic combination of Lawson Products, TestEquity, and Gexpro Services, announced in December 2021, that formed Distribution Solutions Group

...With Actionable, Platform-Enhancing Acquisitions

DEEP UNIVERSE OF ACQUISITION OPPORTUNITIES:



September 1 closure of American Fasteners Acquisition and in Discussions With 6 Accretive Acquisition Targets

- On September 1, 2026, DSG completed the acquisition of AFC, a South Florida distributor of fasteners, construction supplies and other industrial products, for a cash purchase price of ~\$44M, with an estimated Pro Forma Adjusted EBITDA¹ contribution of ~\$6M²
 - The Company believes the acquisition will help strengthen its MRO business by expanding its customer base and presence in the attractive South Florida market while providing additional reach into export markets throughout Latin America and the Caribbean
- DSG also expects in the near-term to enter into a definitive purchase agreement to acquire the Near-Term Target Company, a distribution company serving the MRO market, for an expected purchase price of ~\$145M³, with an estimated Pro Forma Adjusted EBITDA¹ contribution of ~\$15M²
- In addition to AFC and the Near-Term Target Company, DSG is also currently evaluating five separate acquisitions, including four distribution companies serving the OEM market and one distribution company serving the Industrial Technologies market, for an expected aggregate consideration in the range of \$460M to \$510M⁴
 - Estimated Pro Forma Adjusted EBITDA¹ contribution of ~\$74M² on a combined basis across AFC, the Near-Term Target Company and the five Additional Potential Acquisitions
 - LKCM Headwater has separately estimated potential cost savings and synergies of ~\$16M⁵ on a combined basis
- These acquisition targets would expand DSG's scale, geographic reach, and product capabilities across its core markets
 - Additionally, the acquisition targets are expected to offer compelling cross-selling, integration, and synergy opportunities that strengthen the overall platform

Remaining Robust Pipeline

- DSG's pipeline is the healthiest in the Company's history across all three business units
- LKCM will continue to allocate capital selectively, prioritizing the opportunities most additive to the platform

~125+
Engaged Targets

7
Additional Active Opportunities

Note: ⁽¹⁾ Calculated on a basis substantially consistent with Pro Forma Adjusted EBITDA in this presentation; ⁽²⁾ Figures are based on the TTM period ended June 30, 2026 and are based on unaudited financial information provided by the target companies and do not give effect to any cost savings or synergies; ⁽³⁾ While we expect to enter into a final definitive agreement for the Potential Near-Term Acquisition soon, there can be no assurance in this regard. Even if we enter into a definitive agreement for the Potential Near-Term Acquisition, the consummation of such acquisition will be subject to a number of conditions to closing, and there can be no assurance that such conditions will be satisfied, that the Potential Near-Term Acquisition will be consummated on the terms currently contemplated or at all; ⁽⁴⁾ As of the date of this presentation, DSG has not entered into a definitive agreement to consummate any of the Additional Potential Acquisitions. The Additional Potential Acquisitions are at various stages of evaluation and remain subject to ongoing due diligence and negotiation, including with respect to valuation and other material terms and the possibility of competing offers. Accordingly, there can be no assurance that definitive agreements will be entered into with respect to any or all of the Additional Potential Acquisitions or that any Additional Potential Acquisitions will be consummated on the terms currently contemplated, or at all; ⁽⁵⁾ This estimate has not been independently validated or adopted by DSG. Any such potential cost savings and synergies are inherently uncertain and depend on numerous assumptions, including assumptions regarding the consummation and timing of the Potential Acquisitions, integration, costs incurred in connection with the integration of AFC, the Potential Acquisitions and other execution risks



Investment Highlights



Attractive Take-Private Opportunity with a Compelling Credit Story



① Best-in-Class Management Team with Proven Track Record and Clear Vision for Value Creation





J. Bryan King
DSG Chairman & CEO
LKCM HW Managing Partner

- Joined DSG Board in 2017 and as CEO in 2022
- 30+ years of industry experience

Prior Experience










Ron Knutson
EVP & CFO
DSG

- Joined DSG in 2009
- 40+ years of industry experience

Prior Experience





+



Dedicated LKCM Headwater team investing significant time, resources and well-aligned capital

RECENTLY ADDED: PROVEN FUNCTIONAL LEADERS WITH DEEP OPERATING EXPERIENCE



Sean Dwyer
Head of M&A and Strategy

Prior Experience






Shawn O'Neal
Chief Transformation Officer

Prior Experience




DSG'S MANAGEMENT IS SUPPORTED BY A STRONG BENCH OF BUSINESS SEGMENT LEADERS









Cesar Lanuza
CEO

- Joined DSG in 2022
- 30+ years of industry experience

Prior Experience







Robert H. Connors
CEO

- Joined DSG in 2004
- 40+ years of industry experience

Prior Experience






Barry Litwin
CEO

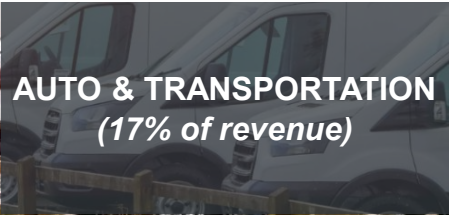
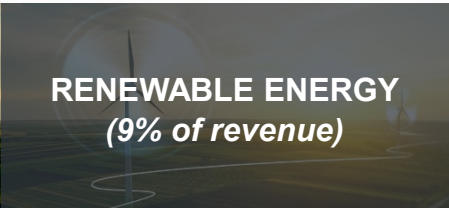
- Joined DSG in 2025
- 30+ years of industry experience

Prior Experience





② Diversified Exposure to Attractive End Markets Supported by Secular Tailwinds

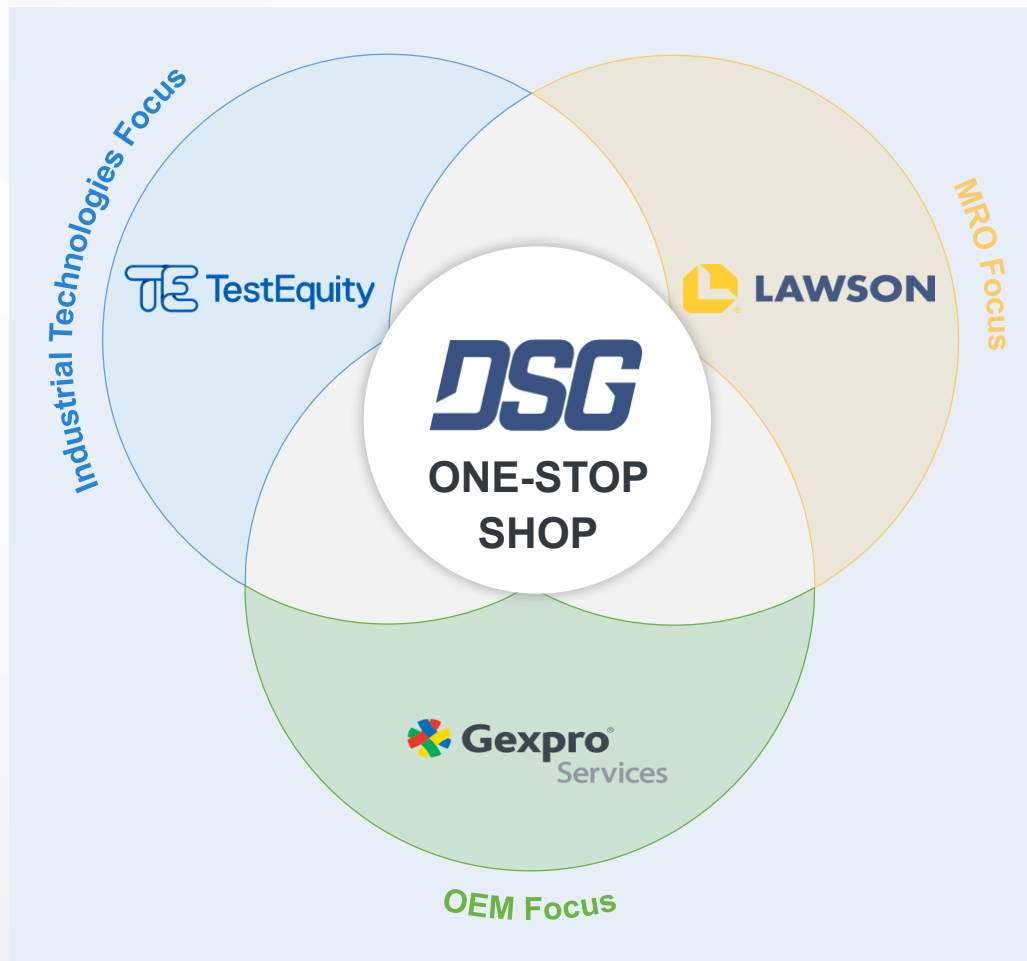
DSG IS WELL-POSITIONED TO BENEFIT FROM KEY GROWTH TRENDS	KEY END MARKETS	GROWTH DRIVERS	COMPETITIVE STRENGTHS
✓ Secular tailwinds in technology and industrial power, with strong exposure to semiconductors and internet of things ("IoT") driving growth from electrification and artificial intelligence ("AI") demand ✓ Resilient aerospace and defense presence, serving the full value chain and achieving standout sales growth with robust order backlogs ✓ Specialized support for renewable energy and sustainability, capturing global wind and solar investment and pivoting to international demand ✓ Favorable reshoring and domestic manufacturing trends, as customers seek supply chain stability and technical support amid macro uncertainty ✓ Embedded high-touch service models and high revenue retention from essential automotive, construction, and manufacturing clients	 INDUSTRIAL (22% of revenue)	• Reshoring and manufacturing localization trends in North America • Rising AI-driven industrial power demand and infrastructure buildout	✓ Lower total cost of ownership ✓ "Power of Three" collaborative model supports customers through design, build and maintain phases
	 AUTO & TRANSPORTATION (17% of revenue)	• Electric vehicle adoption and electrification of commercial and passenger fleets • Persistent MRO demand driven by aging vehicle infrastructure	✓ Ability to provide on-site technical support and specialized, custom tool kits ✓ High-touch service model ensures maximum vehicle uptime for critical fleets
	 ELECTRONICS ASSEMBLY (11% of revenue)	• Electronification of products driven by IoT, 5G, and advanced mobility • Secular recovery in the semiconductor production cycle	✓ Multi-brand strategy provides technical unity across the electronics lifecycle ✓ Specialized calibration and refurbishment labs for high-precision components
	 AEROSPACE & DEFENSE (10% of revenue)	• Increased global defense spending and military modernization programs • Production ramps for mission-critical aerospace programs	✓ Mission-critical quality assurance and value engineering expertise ✓ Proprietary environmental test chambers and specialized fulfillment
	 RENEWABLE ENERGY (9% of revenue)	• Secular global electrification and clean energy infrastructure investment • Expanding production schedules for solar and wind OEMs	✓ Specialized VMI and kitting programs tailored for high-volume production lines ✓ Supply chain resiliency and localized manufacturing mitigate tariff impacts

Note: Consolidated revenue percentages by customer end markets as of FY 2025

③ Differentiated Multi-Platform Strategy with Sustainable Competitive Moat, Creating a True “One-Stop-Shop” Platform for Customers while Driving Up-Time

- DSG’s **complementary segments** create a “one-stop-shop” platform, driving **95% customer revenue retention**¹
- DSG covers the **entire product lifecycle across its segments**, supporting customers from the R&D phase through production build and across MRO needs
- Combination of Lawson, Gexpro Services and TestEquity drives **best-in-class, high-touch, value-added service offerings**

DSG HAS A HIGHLY DIFFERENTIATED POSITION IN THE MARKET LANDSCAPE, SUPPORTED BY A STRONG COMPETITIVE MOAT



Product strategy

Broad

Specialized, curated product offerings to create comprehensive solutions

Service model

Some service offerings, but lower touch

Technical, high-touch, customer embedded and often on-site service model

Fulfillment strategy

Transaction-led

Proactive, predictive service-led fulfillment

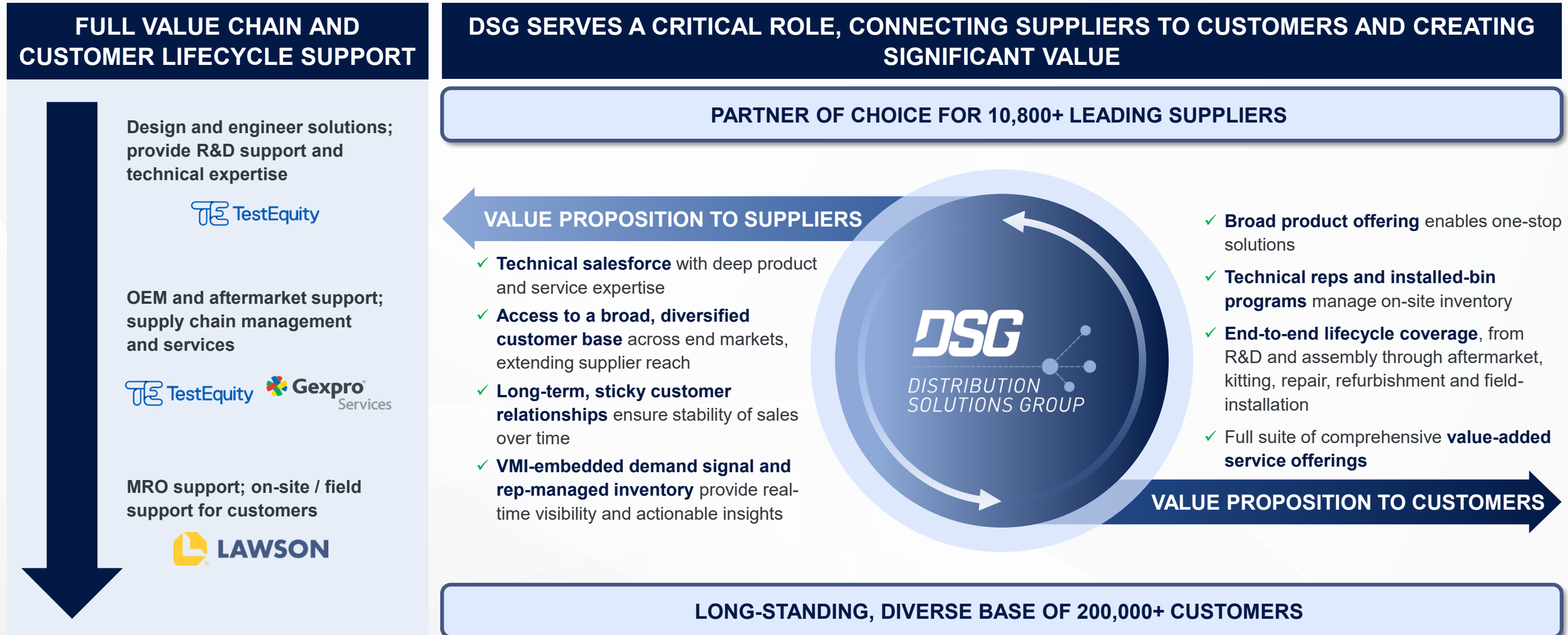
Customer relationships

Less embedded, more transactional

DSG serves a critical role and is deeply embedded in customer workflows, driving long-term stickiness

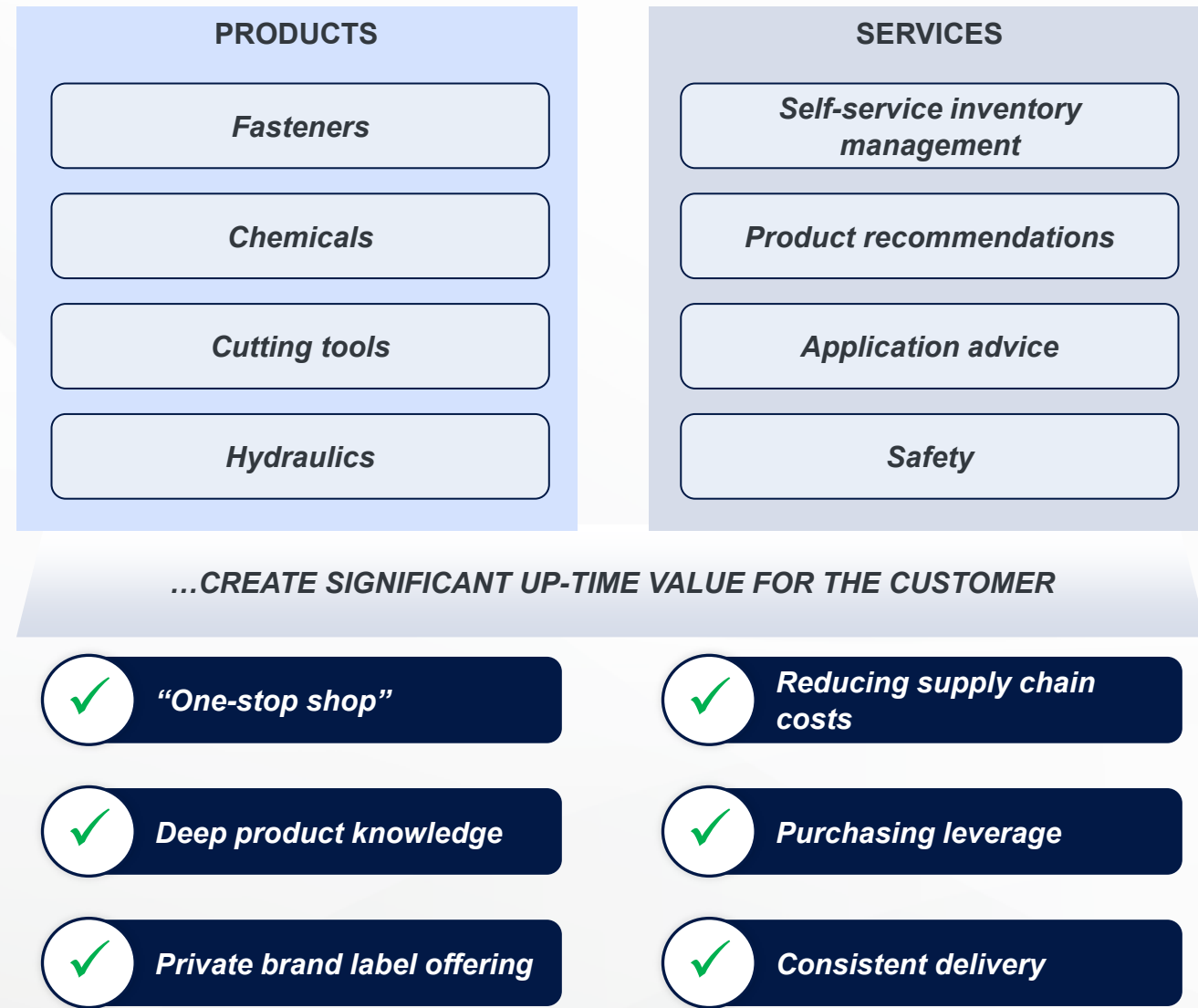
Note: ⁽¹⁾ Revenue retention defined as revenue for the trailing twelve months ended Q2'26 from the Company's existing customer base at the beginning of the period divided by revenue for the trailing twelve months ended Q2'25 from the Company's existing customer base at the end of the period

④ Mission-Critical Partner to Customers and Suppliers Across All Aspects of the Value Chain



5 Broad End Market Exposure Across OEM and MRO Applications, Embedded within Customer Workflows, Underpins Durable, Recurring Demand

COMPREHENSIVE MRO PRODUCT & SERVICE OFFERINGS...



STRATEGIC SOLUTIONS FOR OEMS DRIVING DURABLE, RECURRING REVENUE

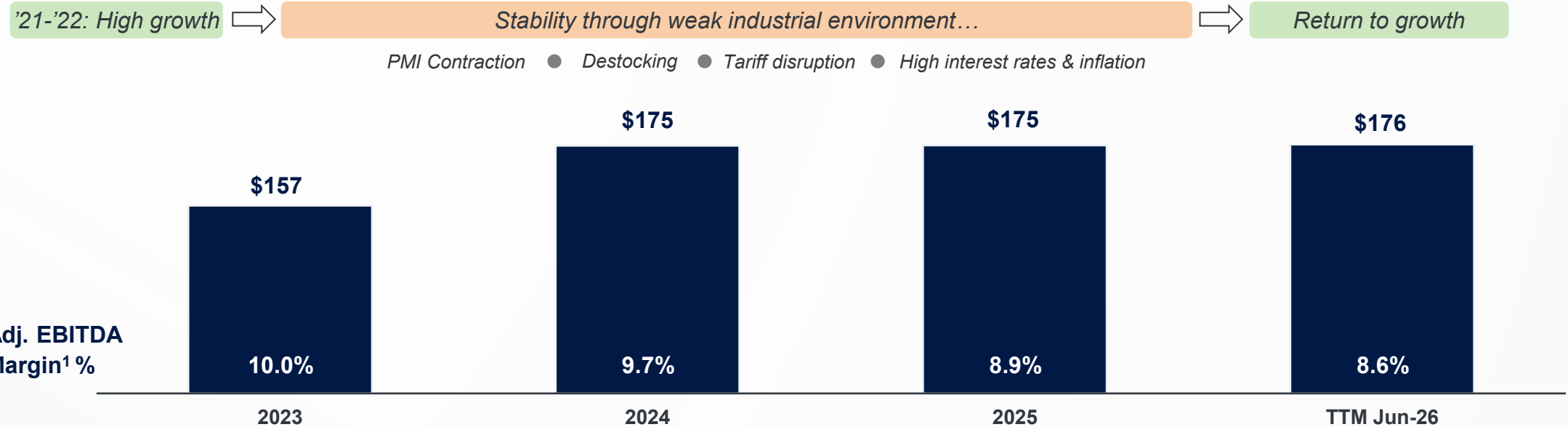


⑥ Attractive Financial Profile and Disciplined Approach to Capital Allocation, with a Strong Balance Sheet and Free Cash Flow Generation

ATTRACTIVE FINANCIAL PROFILE

- ✓ Demonstrated historical ability to **sustain consistent Adj. EBITDA margin¹** through cycles
- ✓ Financial stability supported by **MRO / aftermarket exposure**
- ✓ Ability to cycle down NWC to **generate significant cash flow**

HISTORICAL ADJUSTED EBITDA¹ EVOLUTION (\$M)



YoY Revenue Growth ²	23.7%	14.9%	9.8%	6.4%
Net Working Capital (\$M) ¹	\$431	\$473	\$473	\$522
Free Cash Flow Conversion ¹	100.7%	92.2%	81.8%	58.5%
Total Net Leverage Ratio ¹	2.9x	3.5x	3.5x	3.4x
Completed Acquisitions	1	5	-	1

Note: ⁽¹⁾ Adjusted EBITDA and Margin, Net Working Capital and Free Cash Flow Conversion and Total Net Leverage Ratio are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures; ⁽²⁾ 2023 YoY Revenue Growth is calculated using Lawson's full-year 2022 revenue, including \$118M prior to DSG's ownership



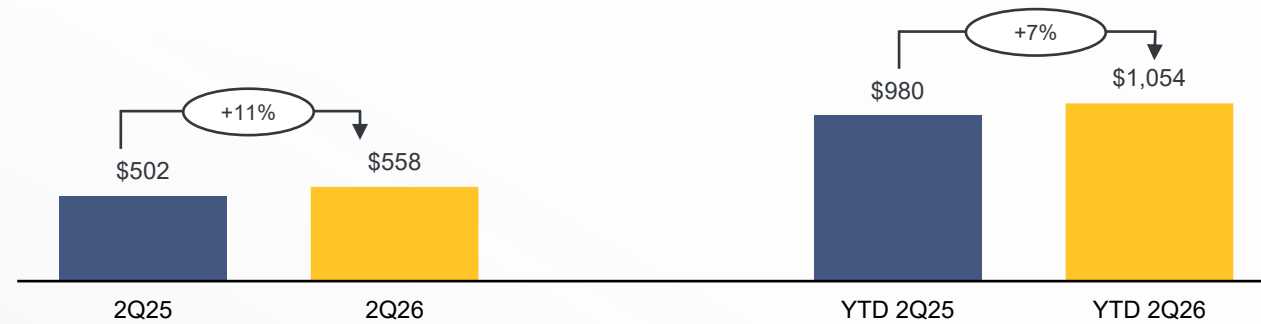
Historical Financial Overview



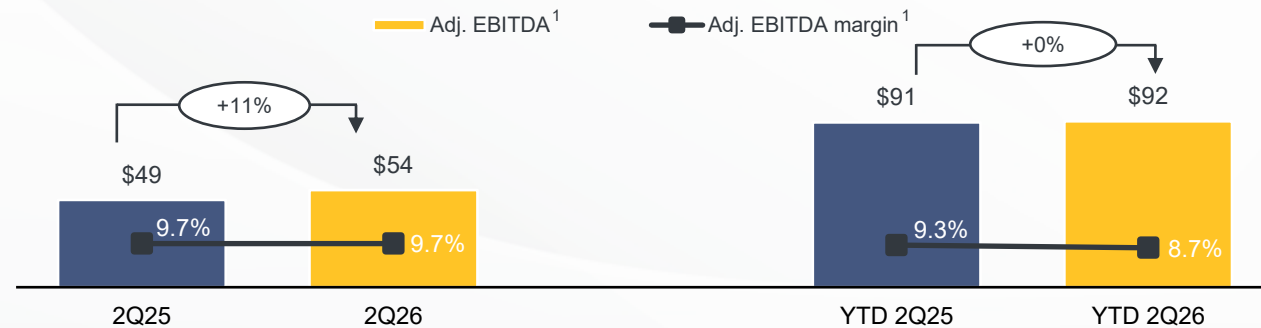
Recent Financial Performance Update

(\$M)

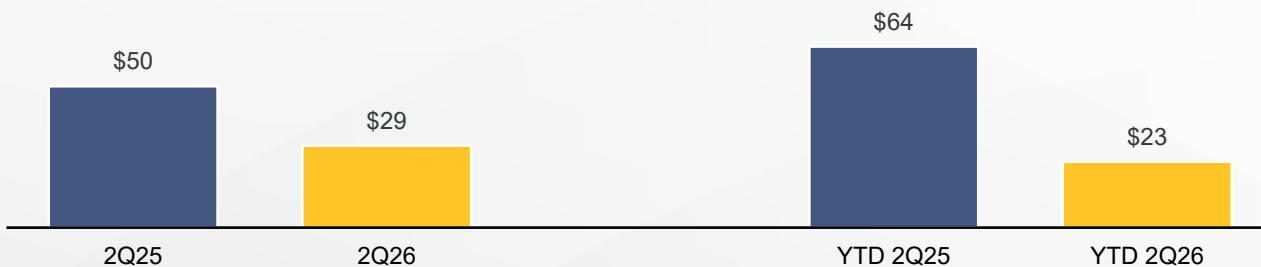
REVENUE



ADJUSTED EBITDA¹



FREE CASH FLOW¹



COMMENTARY

- Revenue growth driven by organic sales growth of 10.2% and \$4.1M of incremental revenue from the Eastern Valve acquisition closed in 1Q26
- Sequentially, organic sales grew 12.4% over 1Q26 with organic average daily sales growing 8.1%

- Profitability improved sequentially (+210 bps on Adj. EBITDA margins) on higher sales with positive momentum following pressure in 1Q26 due to product and customer mix shifts, initiative investments and higher employee-related costs

- 2026 Free Cash Flow reflects strategic inventory investment to support accelerating sales momentum and expected 2H 2026 growth, which led to a temporary working capital build
- Sequentially improved cash flow with improved profitability and tighter working capital management
- Continued investment in tools, products and support resources to provide productivity opportunities and support scalable growth, which weighed on near-term year-to-date free cash flow
- Expect free cash flow to continue to improve as investment levels moderate

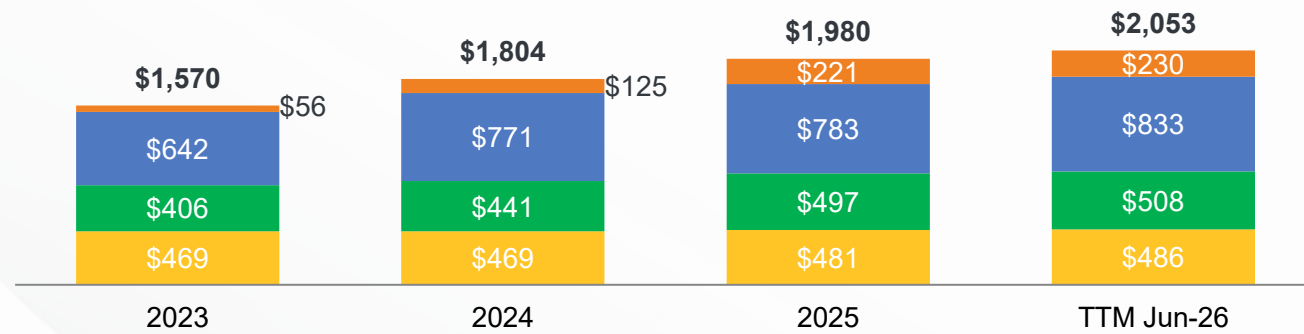
Note: ⁽¹⁾ Adjusted EBITDA and Margin and Free Cash Flow are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures

Historical Operating Trends

(\$M)

REVENUE¹

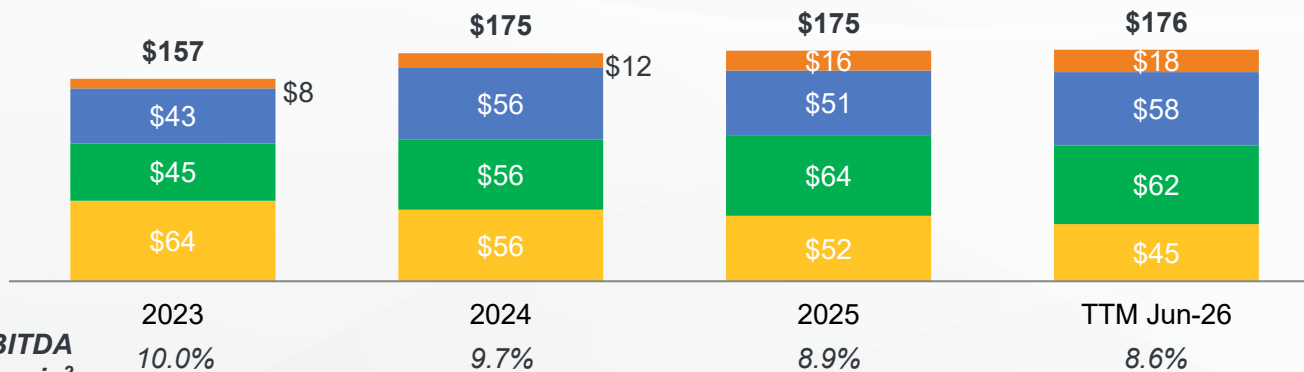
Lawson Gexpro Services TestEquity Canada Branch



Accelerating performance with organic YoY sales growth averaging 4.6% over the prior 6 quarters

ADJUSTED EBITDA^{2, 3}

Lawson Gexpro Services TestEquity Canada Branch



% Adj. EBITDA margin²

Year	2023	2024	2025	TTM Jun-26
% Adj. EBITDA margin ²	10.0%	9.7%	8.9%	8.6%

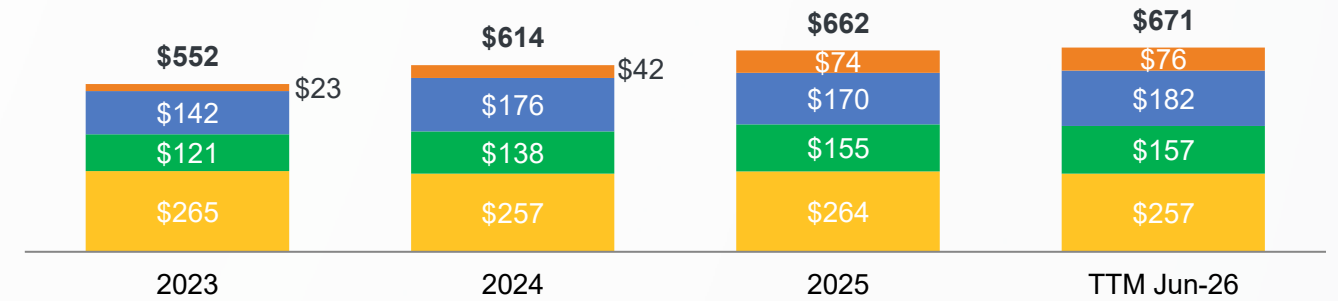
Pro Forma Adj. EBITDA²

Year	2023	2024	2025	TTM Jun-26
Pro Forma Adj. EBITDA ²	\$183	\$196	\$184	\$195

Note: ⁽¹⁾ Figures may not foot due to eliminations between segments; ⁽²⁾ Adjusted EBITDA and Margin, Pro Forma Adjusted EBITDA, Free Cash Flow and Conversion are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures. Throughout this presentation Pro Forma Adjusted EBITDA reflects "EBITDA" as defined by the Company's Credit Agreement; ⁽³⁾ Adjusted EBITDA sum reflects Adjusted EBITDA of the consolidated Company, chart excludes Other segment

GROSS PROFIT

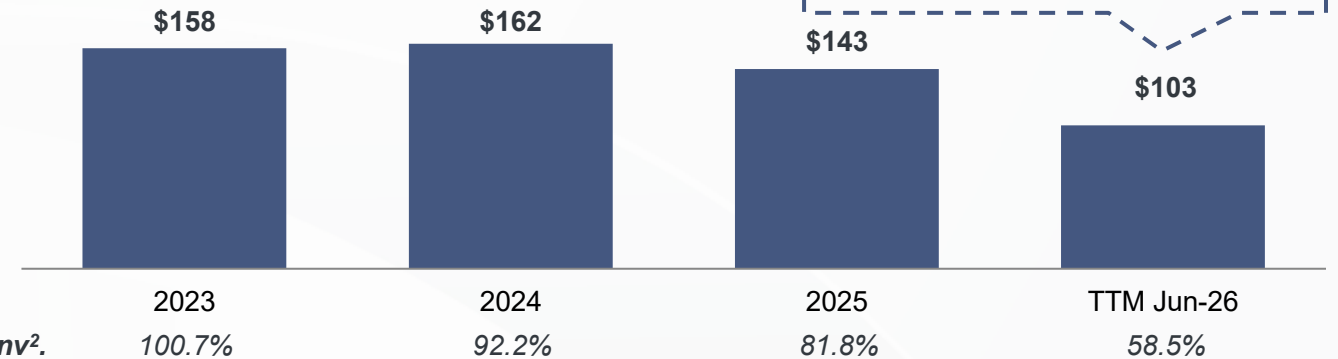
Lawson Gexpro Services TestEquity Canada Branch



Year	2023	2024	2025	TTM Jun-26
% margin	35.1%	34.0%	33.4%	32.7%

FREE CASH FLOW²

Significant investment in NWC ahead of expected 2H 2026+ growth



% conv².

Year	2023	2024	2025	TTM Jun-26
% conv ² .	100.7%	92.2%	81.8%	58.5%

Estimated Q3 2026 Performance

	REVENUE (\$M)				ADJUSTED EBITDA ¹ (\$M)				ADJUSTED EBITDA MARGIN ¹			
			Δ				Δ				Δ	
Segment	3Q'26	3Q'25	3Q'26 vs. 3Q'25	2Q'26	3Q'26	3Q'25	3Q'26 vs. 3Q'25	2Q'26	3Q'26	3Q'25	3Q'26 vs. 3Q'25	2Q'26
Lawson	\$128.0 – 130.5 ²	\$121.5	5.3 – 7.4%	\$125.5	\$16.3 – 17.0 ²	\$14.0	16.8 – 21.8%	\$11.9	12.7 – 13.0%	11.5%	~120 – 150 bps	9.5%
Gexpro Services	\$139.0 – 140.0	\$130.5	6.5 – 7.3%	\$140.1	\$18.0 – 18.5	\$17.8	1.4 – 4.2%	\$18.3	12.9 – 13.2%	13.6%	~(70) – (40) bps	13.1%
TestEquity	\$238.0 – 240.0	\$206.5	15.3 – 16.2%	\$229.0	\$18.0 – 19.0	\$12.4	45.7 – 53.8%	\$20.0	7.6 – 7.9%	6.0%	~160 – 190 bps	8.7%
Canada Branch	\$60.0 – 62.0	\$60.0	0.0 – 3.4%	\$63.7	\$5.0 – 6.0	\$5.8	(13.4) – 3.9%	\$5.7	8.3 – 9.7%	9.6%	~(130) – 10 bps	9.0%
Total ³	\$564.0 – 572.0	\$518.0	8.9 – 10.4%	\$557.7	\$55.3 – 59.0	\$48.5	14.1 – 21.8%	\$53.9	9.8 – 10.3%	9.4%	~40 – 90 bps	9.7%

Estimated Q3 2026 performance reflects strong revenue growth of ~9 – 10% and ~40 – 90 bps of Adjusted EBITDA Margin¹ expansion relative to Q3 2025

Note: As of the date of this presentation we have not finalized our financial and operating results for the three months ended September 30, 2026. Based on outlook information currently available to management, we estimate that certain of our financial and operating results for this period will be within the approximate ranges set forth above. Estimates of results are inherently uncertain and subject to change, and we do not undertake any obligation to update this information. We have provided ranges, rather than specific amounts, because our normal reporting processes have not been completed for the quarter. During the course of our review, we may identify items that would require adjustments to, and could materially affect, our final results. Accordingly, you should not place undue reliance on these estimated figures. Our independent registered public accounting firm has not audited, reviewed, compiled, or performed any procedures with respect to such information. Accordingly, our independent registered public accounting firm does not express an opinion or any other form of assurance with respect thereto. These estimates for the three months ended September 30, 2026 are not necessarily indicative of the results to be achieved in any future period; ⁽¹⁾ Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. See the Appendix of this presentation for reconciliations to the most directly comparable GAAP financial measures; ⁽²⁾ Includes results of AFC for the period from September 1, 2026, the date of the AFC Acquisition, through September 30, 2026, representing an estimated \$3M – 3.5M contribution to Revenue and \$0.3M – 0.5M to Adjusted EBITDA; ⁽³⁾ Figures may not foot due to eliminations between segments that also include Holdco costs in the range of \$2.0M – 1.5M for the quarter

Financial Policy

Balanced growth strategy governed by leverage discipline, free cash flow generation, and liquidity protection

ORGANIC GROWTH + REINVESTMENT IN CORE

- Fund value-accretive initiatives that strengthen the core franchise and drive productivity across product, tools/automation, service/support, and operating scale
- Grow market share and expand wallet share by deepening customer relationships
- Capture cross-selling opportunities across products and value-added services

HIGHLY STRATEGIC & ACCRETIVE M&A

- Pursue strategically aligned, financially accretive acquisitions with clear integration readiness and synergy execution plans
- Temporarily re-lever for high-conviction transactions only with a credible path back to target leverage and strong pro forma liquidity
 - Selectively utilize equity to fund portions of future acquisitions to reduce future capital need from other sources
- Disciplined acquisition criteria focused on adding scale, expanding footprint, and extending product adjacencies and value-added services
- Prioritize structurally higher-margin, value-added industrial distribution businesses that enhance earnings durability and cash generation

DELEVERAGING VIA EARNINGS GROWTH AND FREE CASH FLOW

- Following acquisitions, prioritize deleveraging through Adjusted EBITDA growth, synergy realization, and Free Cash Flow generation
- Calibrate pace/size of discretionary cash uses when leverage is elevated to support credit metrics
- Long-term Total Net Leverage Ratio target of 3.5x – 4.0x
- Maintaining ample liquidity and proactive maturity management to preserve flexibility through the deleveraging cycle

RETURN CAPITAL TO SHAREHOLDERS

- Capital deployment will prioritize value-creating reinvestment, disciplined M&A, and balance sheet strength, with shareholder returns following thereafter
 - LKCM has not taken dividends/fees historically; unpaid CEO and Chairman role
- LKCM Headwater's take-private underscores long-term confidence in the potential platform and its cash-generating power

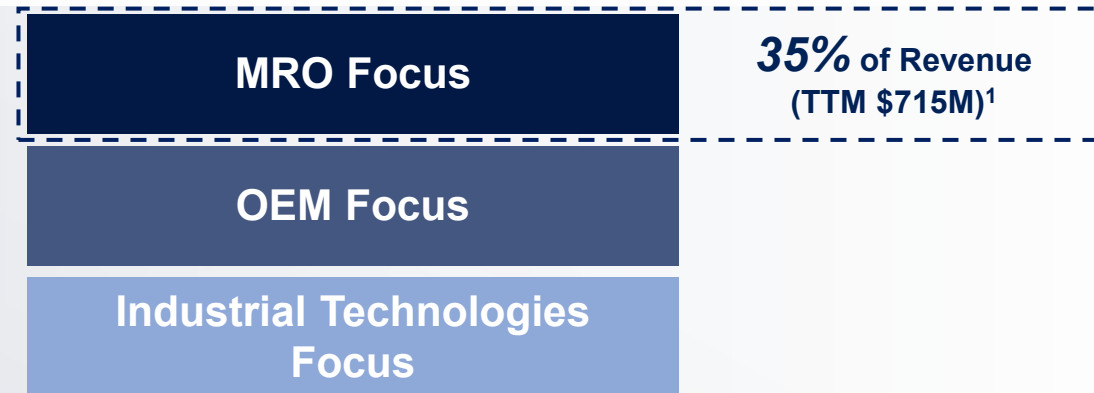


Appendix



MRO Focus: Overview

Business Unit Snapshot



Current Strategic Initiatives

- Sales force investments and productivity improvements; channel expansion through web & Internal Sales Representatives
- Acquisitions improving the selection of product adjacencies (safety, automotive)
- Source Atlantic/Canadian synergies with MRO expansion and margin enhancement opportunities

Products



- Fasteners
- Chemicals
- Cutting tools
- Hydraulics
- Other broad offerings and C-Parts
- Safety

Services



- Managed inventory
- Industrial vending
- Self-service inventory management
- Product recommendations
- Application advice

Value to Customer



- “One-stop shop”
- Deep product knowledge
- Reducing supply chain costs
- Purchasing leverage / private label offering with consistent delivery

End Markets



- Manufacturing
- Automotive
- Government / Military
- Construction
- Equipment rental
- Other industrial-related sectors

Geography



- United States
- Canada

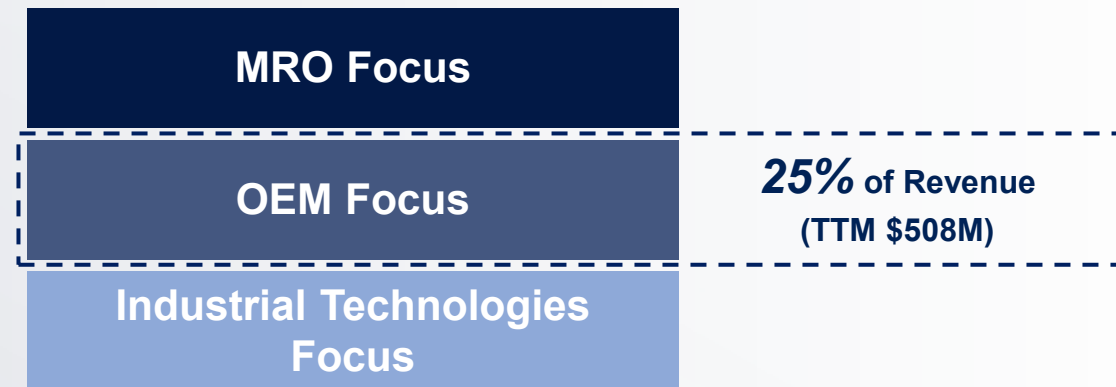
Competitors



Note: ⁽¹⁾ Reflects Lawson and Canada Branch revenue for TTM Q2'26

OEM Focus: Overview

Business Unit Snapshot



Current Strategic Initiatives

- Value creation: cross-selling, acquisition synergies, VMI, kitting, manufacturing, e-commerce offerings
- Investments in sales growth teams to drive new business; leverage existing infrastructure
- Continue growth with industrial and technology customers in the Asia-Pacific region
- High customer retention model drives wallet expansion

Comprehensive Supply Chain Solutions



Vendor Managed Inventory (VMI)



Kitting & Assembly



Aftermarket / Installation



Technology

Diverse End Markets



Renewables



Technology



Aerospace & Defense



Industrial Power



Consumer & Industrial



Transportation

Serving Customers in 40 Countries and 6 Continents



USA



Denmark



Turkey



Canada



Hungary



China



Mexico



Germany



Brazil

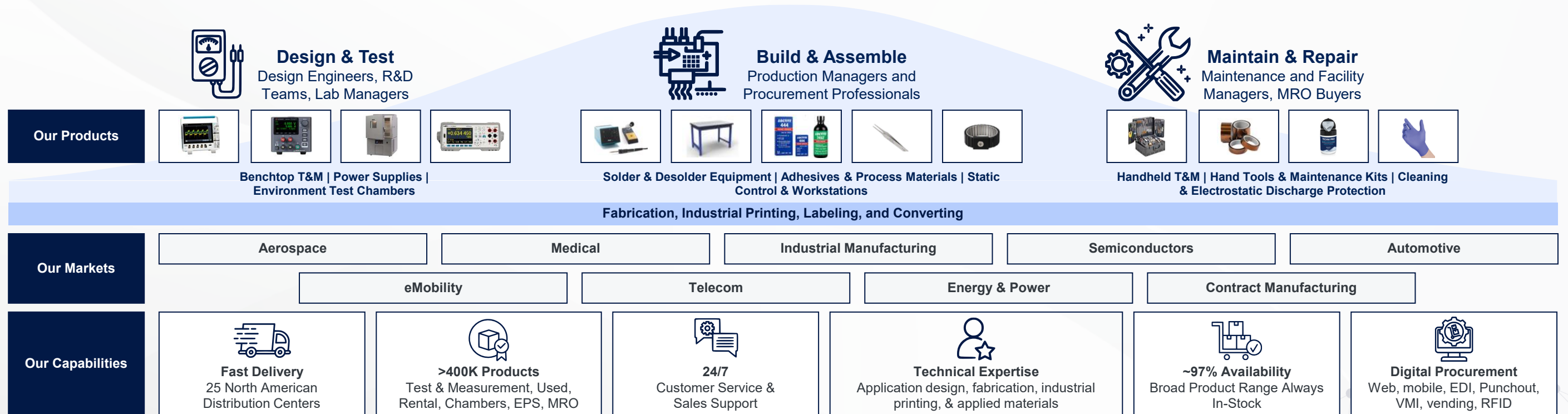
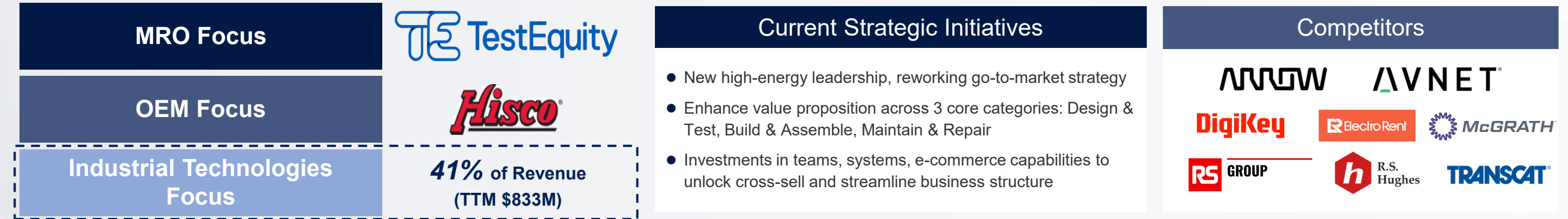
...and Many Others

Competitors



Industrial Technologies Focus: Overview

Business Unit Snapshot



GAAP to Non-GAAP Reconciliations

Adjusted EBITDA and Pro Forma Adjusted EBITDA Reconciliations (\$M)

	For the Twelve Months Ended				For the Six Months Ended		For the Three Months Ended	
	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2025	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	June 30, 2026
GAAP Reported Revenue	\$1,570.4	\$1,804.1	\$1,980.0	\$2,053.2	\$980.5	\$1,053.7	\$502.4	\$557.7
Net income (loss)	(9.0)	(7.3)	8.3	9.0	8.3	8.9	5.0	8.5
Interest expense	42.8	55.1	55.4	52.1	28.5	25.2	14.2	13.0
Income tax expense	7.0	6.8	11.1	8.2	9.1	6.3	6.9	5.9
Depreciation and amortization	63.6	74.4	80.9	80.1	40.3	39.6	20.3	19.9
Stock-based compensation ¹	7.9	5.2	6.7	9.0	2.2	4.6	1.3	2.2
Severance and acquisition related retention expenses ²	24.7	23.2	5.5	6.8	2.0	3.3	0.4	2.2
Acquisition related costs ³	11.6	10.1	0.2	1.4	(0.1)	1.1	(0.2)	0.3
Inventory step-up ⁴	3.6	2.9	-	0.1	-	0.1	-	0.1
Other non-recurring expenses ⁵	2.7	3.4	3.8	5.4	-	1.6	-	1.4
Change in fair value of earnout liabilities ⁶	(0.8)	1.0	1.0	-	1.0	-	-	-
Other expense (income) ⁷	3.0	0.4	2.5	3.6	(0.1)	1.2	0.7	0.5
Adjusted EBITDA	\$157.0	\$175.3	\$175.2	\$175.7	\$91.3	\$91.8	\$48.6	\$53.9
<i>Adjusted EBITDA % of Revenue</i>	<i>10.0%</i>	<i>9.7%</i>	<i>8.9%</i>	<i>8.6%</i>	<i>9.3%</i>	<i>8.7%</i>	<i>9.7%</i>	<i>9.7%</i>
Pro Forma Adjustments:								
Pre-acquisition EBITDA ⁸	12.5	12.7	2.2	2.0	N/M	N/M	N/M	N/M
Non-recurring / optimization ⁹	1.6	1.8	1.8	7.9	N/M	N/M	N/M	N/M
Run-rate cost savings ¹⁰	11.5	8.1	2.8	9.7	N/M	N/M	N/M	N/M
Other pro forma adjustments ¹¹	0.1	(2.0)	1.7	0.1	N/M	N/M	N/M	N/M
Pro Forma Adjusted EBITDA	\$182.7	\$195.9	\$183.7	\$195.4^(a)	N/M	N/M	N/M	N/M

Note: References to table footnotes 1-11 are on slide 44. N/M represents figures not measured for the applicable period. Figures shown as 0.0 represent values that do not round to a shown decimal; ^(a) Excludes an estimated \$5.2M of public company cost avoidance as a result of the completion of the Share Acquisition

GAAP to Non-GAAP Reconciliations (Cont'd)

Segment Adjusted EBITDA Reconciliations (\$M)

	For the Twelve Months Ended December 31, 2025			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$481.1	\$496.7	\$783.2	\$221.4
Operating income (loss)	18.8	48.8	14.4	7.7
Depreciation and amortization	27.1	14.1	33.0	6.6
Stock-based compensation ¹	2.9	0.4	1.8	-
Severance and acquisition related retention expenses ²	2.6	0.5	1.6	0.8
Acquisition related costs ³	0.1	(0.1)	(0.2)	0.3
Inventory step-up ⁴	-	-	-	-
Other non-recurring ⁵	0.2	-	0.3	0.2
Adjusted EBITDA	\$51.6	\$63.7	\$51.0	\$15.6
<i>Adjusted EBITDA % of Revenue</i>	<i>10.7%</i>	<i>12.8%</i>	<i>6.5%</i>	<i>7.1%</i>

	For the Twelve Months Ended December 31, 2024			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$469.0	\$440.7	\$771.2	\$125.1
Operating income (loss)	14.6	36.5	4.0	6.0
Depreciation and amortization	24.3	15.5	30.8	3.7
Stock-based compensation ¹	4.1	-	0.4	-
Severance and acquisition related retention expenses ²	4.9	0.5	17.8	0.0
Acquisition related costs ³	7.0	1.5	2.3	0.0
Inventory step-up ⁴	1.1	-	-	1.8
Other non-recurring ⁵	0.3	1.8	1.0	-
Adjusted EBITDA	\$56.4	\$55.8	\$56.3	\$11.7
<i>Adjusted EBITDA % of Revenue</i>	<i>12.0%</i>	<i>12.7%</i>	<i>7.3%</i>	<i>9.3%</i>

	For the Twelve Months Ended December 31, 2023			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$468.7	\$405.7	\$641.8	\$55.9
Operating income (loss)	32.5	27.0	(16.5)	5.7
Depreciation and amortization	19.5	16.0	26.0	2.1
Stock-based compensation ¹	7.9	-	-	-
Severance and acquisition related retention expenses ²	0.5	0.2	23.9	0.0
Acquisition related costs ³	3.0	1.1	6.2	-
Inventory step-up ⁴	-	-	3.6	-
Other non-recurring ⁵	0.2	0.9	-	-
Adjusted EBITDA	\$63.7	\$45.2	\$43.3	\$7.8
<i>Adjusted EBITDA % of Revenue</i>	<i>13.6%</i>	<i>11.1%</i>	<i>6.7%</i>	<i>14.0%</i>

Note: References to table footnotes are on slide 44; Figures shown as 0.0 represent values that do not round to a shown decimal

GAAP to Non-GAAP Reconciliations (Cont'd)

Segment Adjusted EBITDA Reconciliations (\$M)

	For the Six Months Ended June 30, 2026			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$249.2	\$257.8	\$433.2	\$114.8
Operating income (loss)	5.6	22.9	14.8	4.2
Depreciation and amortization	13.5	6.2	16.5	3.4
Stock-based compensation ¹	1.7	0.8	1.2	-
Severance and acquisition related retention expenses ²	2.1	0.4	0.6	0.1
Acquisition related costs ³	0.4	0.0	0.1	0.6
Inventory step-up ⁴	-	-	-	0.1
Other non-recurring ⁵	0.2	-	0.0	0.1
Adjusted EBITDA	\$23.5	\$30.3	\$33.2	\$8.5
<i>Adjusted EBITDA % of Revenue</i>	<i>9.4%</i>	<i>11.8%</i>	<i>7.7%</i>	<i>7.4%</i>

	For the Six Months Ended June 30, 2025			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$244.8	\$246.7	\$383.8	\$106.4
Operating income (loss)	14.3	25.1	8.9	2.4
Depreciation and amortization	13.4	7.0	16.4	3.6
Stock-based compensation ¹	1.3	0.0	0.3	-
Severance and acquisition related retention expenses ²	1.0	0.0	0.9	0.1
Acquisition related costs ³	0.1	(0.1)	(0.3)	0.1
Inventory step-up ⁴	-	-	-	-
Other non-recurring ⁵	-	-	-	-
Adjusted EBITDA	\$30.0	\$32.1	\$26.3	\$6.2
<i>Adjusted EBITDA % of Revenue</i>	<i>12.3%</i>	<i>13.0%</i>	<i>6.8%</i>	<i>5.9%</i>

	For the Twelve Months Ended June 30, 2026			
	Lawson	Gexpro Services	TestEquity	Canada Branch
GAAP Reported Revenue	\$485.5	\$507.7	\$832.6	\$229.8
Operating income (loss)	10.1	46.6	20.3	9.5
Depreciation and amortization	27.2	13.3	33.2	6.5
Stock-based compensation ¹	3.3	1.2	2.6	-
Severance and acquisition related retention expenses ²	3.8	0.9	1.3	0.8
Acquisition related costs ³	0.4	0.0	0.2	0.7
Inventory step-up ⁴	-	-	-	0.1
Other non-recurring ⁵	0.3	-	0.4	0.3
Adjusted EBITDA	\$45.1	\$62.0	\$57.9	\$17.9
<i>Adjusted EBITDA % of Revenue</i>	<i>9.3%</i>	<i>12.2%</i>	<i>7.0%</i>	<i>7.8%</i>

Note: References to table footnotes are on slide 44; Figures shown as 0.0 represent values that do not round to a shown decimal

GAAP to Non-GAAP Reconciliations (Cont'd)

Net Working Capital and Free Cash Flow Reconciliations (\$M)

	December 31, 2023	December 31, 2024	December 31, 2025	June 30, 2026
GAAP Reported:				
Accounts Receivable	\$213.4	\$250.7	\$271.3	\$331.6
Inventory	316.0	348.2	353.4	378.7
Accounts Payable	(98.7)	(125.6)	(151.2)	(188.1)
Net Working Capital	\$430.8	\$473.4	\$473.5	\$522.3
TTM Pro Forma Adjusted EBITDA				\$195.4
Return on Net Working Capital¹ (%)				37.4%

	For the Twelve Months Ended				For the Three Months Ended		For the Six Months Ended	
	December 31, 2023	December 31, 2024	December 31, 2025	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	June 30, 2026
Adjusted EBITDA	\$157.0	\$175.3	\$175.2	\$175.7	\$48.6	\$53.9	\$91.3	\$91.8
Net Capital Expenditures	(18.7)	(14.4)	(26.8)	(29.5)	(5.5)	(7.7)	(10.6)	(13.3)
Change in Accounts Receivable	18.0	(1.4)	(21.4)	(53.4)	(1.5)	(30.1)	(31.0)	(63.0)
Change in Inventory	(1.2)	(9.2)	(7.2)	(35.2)	0.4	(8.2)	(1.5)	(29.5)
Change in Accounts Payable	3.0	11.3	23.6	45.3	7.8	20.9	15.6	37.2
Free Cash Flow	\$158.2	\$161.5	\$143.4	\$102.8	\$49.8	\$28.9	\$63.8	\$23.2
% Conversion ²	100.7%	92.2%	81.8%	58.5%	102.5%	53.6%	69.9%	25.3%

Note: ⁽¹⁾ Defined as the ratio of Pro Forma Adjusted EBITDA to Net Working Capital; ⁽²⁾ Defined as the ratio of Free Cash Flow to Adjusted EBITDA

GAAP to Non-GAAP Reconciliations (Cont'd)

Total Net Leverage Ratio Reconciliation (\$M)

	December 31, 2023	December 31, 2024	December 31, 2025	June 30, 2026
TTM Pro Forma Adjusted EBITDA	\$182.7	\$195.9	\$183.7	\$195.4
Debt Components:				
Total Debt ¹	574.7	739.9	704.4	733.8
Other Debt ²	1.4	3.5	2.3	2.3
Cash ²	(50.0)	(50.0)	(61.8)	(66.9)
Net Debt	\$526.1	\$693.3	\$645.0	\$669.2
Total Net Leverage Ratio³	2.9x	3.5x	3.5x	3.4x

Note: ⁽¹⁾ Reflects Total Debt as reported in the Company's filings; ⁽²⁾ As defined in the Company's Credit Agreement; ⁽³⁾ Defined as the ratio of Net Debt to TTM Pro Forma Adjusted EBITDA

GAAP to Non-GAAP Reconciliations (Cont'd)

Pre-Merger Adjusted Revenue and Adjusted EBITDA (\$M)

	For the Twelve Months Ended
	December 31, 2021
GAAP Reported Revenue	\$520.3
Pre-Merger Revenue ¹²	417.7
Adjusted Revenue	\$938.0
Net income (loss)	(5.1)
Interest expense	16.7
Income tax expense	0.3
Depreciation and amortization	18.7
Stock-based compensation ¹	-
Severance and acquisition related retention expenses ²	0.1
Acquisition related costs ³	8.8
Inventory step-up ⁴	0.2
Other non-recurring expenses ⁵	0.2
Change in fair value of earnout liabilities ⁶	-
Other expense (income) ⁷	(0.6)
Pre-Merger EBITDA ¹³	35.8
Adjusted EBITDA	\$75.2
<i>Adjusted EBITDA % of Adjusted Revenue</i>	<i>8.0%</i>

Note: References to table footnotes are on slide 44

GAAP to Non-GAAP Reconciliations (Cont'd)

Estimated Q3 2026 and Q3 2025 Adjusted EBITDA Reconciliations (\$M)

	Estimated for the Three Months Ended September 30, 2026											
	Lawson		Gexpro Services		TestEquity		Canada Branch		All Other		Consolidated	
	Low End	High End	Low End	High End	Low End	High End	Low End	High End	Low End	High End	Low End	High End
GAAP Reported Revenue	\$128.0	\$130.5	\$139.0	\$140.0	\$238.0	\$240.0	\$60.0	\$62.0	(\$1.0)	(\$0.5)	\$564.0	\$572.0
Net income											8.6	9.2
Income tax expense											6.1	6.5
Other expense (income)											0.7	0.7
Interest expense											12.4	13.3
Operating income (loss)	7.1	7.2	13.8	14.1	8.9	9.3	3.1	3.9	(5.1)	(4.8)	27.8	29.7
Depreciation and amortization	6.5	7.0	3.1	3.3	8.0	8.5	1.8	1.9	0.0	0.0	19.4	20.7
Stock-based compensation ¹	1.0	1.1	0.3	0.4	0.4	0.5	-	-	0.4	0.4	2.2	2.3
Severance and acquisition related retention expenses ²	0.2	0.2	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.5	0.5
Acquisition related costs ³	1.4	1.5	0.7	0.7	0.1	0.1	0.1	0.1	0.1	0.1	2.3	2.5
Inventory step-up ⁴	-	-	-	-	-	-	0.0	0.0	-	-	0.0	0.0
Other non-recurring ⁵	0.0	0.0	-	-	0.4	0.4	0.0	0.0	2.5	2.7	3.0	3.2
Adjusted EBITDA	\$16.3	\$17.0	\$18.0	\$18.5	\$18.0	\$19.0	\$5.0	\$6.0	(\$2.0)	(\$1.5)	\$55.3	\$59.0
Adjusted EBITDA % of Revenue	12.7%	13.0%	12.9%	13.2%	7.6%	7.9%	8.3%	9.7%	N/M	N/M	9.8%	10.3%

	For the Three Months Ended September 30, 2025						
	Lawson	Gexpro Services	TestEquity	Canada Branch	All Other	Consolidated	
GAAP Reported Revenue	\$121.5	\$130.5	\$206.5	\$60.0	(\$0.6)	\$518.0	
Net income							6.5
Income tax expense							1.9
Other expense (income)							1.3
Interest expense							14.0
Operating income (loss)	5.4	13.9	2.6	3.5	(1.8)		23.6
Depreciation and amortization	6.7	3.5	8.2	1.6	-		20.0
Stock-based compensation ¹	1.0	0.1	0.9	-	0.4		2.4
Severance and acquisition related retention expenses ²	0.8	0.3	0.5	0.5	-		2.1
Acquisition related costs ³	(0.0)	(0.0)	0.1	0.0	-		0.1
Inventory step-up ⁴	-	-	-	-	-		-
Other non-recurring ⁵	0.1	-	0.0	0.1	-		0.2
Adjusted EBITDA	\$14.0	\$17.8	\$12.4	\$5.8	(\$1.4)	\$48.5	
<i>Adjusted EBITDA % of Revenue</i>	<i>11.5%</i>	<i>13.6%</i>	<i>6.0%</i>	<i>9.6%</i>	<i>N/M</i>	<i>9.4%</i>	

Note: References to table footnotes are on slide 44. N/M represents figures not measured for the applicable period. Figures shown as 0.0 represent values that do not round to a shown decimal; As of the date of this presentation we have not finalized our financial and operating results for the three months ended September 30, 2026. Based on outlook information currently available to management, we estimate that certain of our financial and operating results for this period will be within the approximate ranges set forth above. Estimates of results are inherently uncertain and subject to change, and we do not undertake any obligation to update this information. We have provided ranges, rather than specific amounts, because our normal reporting processes have not been completed for the quarter. During the course of our review, we may identify items that would require adjustments to, and could materially affect, our final results. Accordingly, you should not place undue reliance on these estimated figures. Our independent registered public accounting firm has not audited, reviewed, compiled, or performed any procedures with respect to such information. Accordingly, our independent registered public accounting firm does not express an opinion or any other form of assurance with respect thereto. These estimates for the three months ended September 30, 2026 are not necessarily indicative of the results to be achieved in any future period

Table Footnotes

- 1 Expense (benefit) primarily for stock-based compensation, of which a portion varies with the Company's stock price
- 2 Includes severance expense for actions taken not related to a formal restructuring plan and acquisition related retention expenses
- 3 Transaction and integration costs related to acquisitions and the merger of Lawson Products, TestEquity, and Gexpro Services
- 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
- 6 Change in fair value of the earnout liabilities associated with the Frontier acquisition
- 7 Effects of changes in foreign currency exchange rates, interest income, net, and other non-operating income and expenditures
- 8 Adjusted EBITDA of acquired businesses prior to the respective acquisition dates
- 9 Fees, costs, and expenses related to financing and disposition transactions and non-ordinary course investment costs
- 10 Estimated go-forward cost savings from actions taken prior to the last day of the respective period
- 11 Including, but not limited to, directors fees, executive leadership sign-on bonuses and other adjustments permitted under the Company's Credit Agreement
- 12 Lawson revenue generated prior to the Lawson Products, TestEquity, and Gexpro Services merger closing on April 1, 2022
- 13 Lawson Adjusted EBITDA generated prior to the Lawson Products, TestEquity, and Gexpro Services merger closing on April 1, 2022

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