DISTRIBUTION SOLUTIONS GROUP

Powerful Solutions. Proven Results.







NASDAQ: DSGR

Q3 2026 Financial Results

November 5, 2026

Safe Harbor Statement, No Offer and Subsequent Events

Cautionary Note Regarding Forward-Looking Statements

This presentation contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the “safe-harbor” provisions under the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. The Terms "aim," "anticipate," "believe," "contemplates," "continues," "could," "ensure," "estimate," "expect," "forecasts," "if," "intend," "likely," "may," "might," "objective," "outlook," "plan," "positioned," "potential," "predict," "probable," "project," "shall," "should," "strategy," "will," "would," and variations of them and other words and terms of similar meaning and expression (and the negatives of such words and terms) are intended to identify forward-looking statements.

Forward-looking statements can also be identified by the fact that they do not relate strictly to historical or current facts, including those statements relating to the obtaining of the requisite approval of the Merger by DSG stockholders and the consummation of the Merger. Such forward-looking statements are based on current expectations and involve inherent risks, uncertainties and assumptions, including factors that could delay, divert or change any of them, and could cause actual outcomes to differ materially from current expectations. DSG can give no assurance that any goal or plan set forth in forward-looking statements can be achieved, and DSG cautions readers not to place undue reliance on such statements. DSG undertakes no obligation to release publicly any revisions to forward-looking statements as a result of new information, future events or otherwise. Each forward-looking statement speaks only as of the date on which such statement is made, and DSG undertakes no obligation to update any such statement to reflect events or circumstances arising after such date. Actual results may differ materially from those projected as a result of certain risks and uncertainties. Factors that could cause or contribute to such differences or that might otherwise impact DSG's business, financial condition, and results of operations include the risk that the Merger may not be completed in a timely manner or at all, the failure to satisfy closing conditions to the Merger, including receipt of the requisite stockholder approvals, the risk that borrowings under the Company's credit agreement may not be available to finance the Merger, the possibility that competing offers or acquisition proposals will be made, the occurrence of events giving rise to termination of the Merger Agreement, including in circumstances requiring payment of the termination fee, the effect of the pendency of the Merger on the Company’s business relationships, operating results, and business generally, the effect of the announcement or pendency of the Merger on the Company’s business relationships, operating results, employees, customers, suppliers, financing sources, and other business counterparties, risks related to diverting management’s attention from the Company’s ongoing business operations, the risk of litigation relating to the Merger, the risks that DSG may encounter difficulties integrating the business of DSG with the business of other companies that DSG has combined with or may otherwise combine with, and that certain assumptions with respect to such business or transactions could prove to be inaccurate. Certain risks associated with DSG's business are also discussed from time to time in the reports DSG files with the SEC, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K or other reports the Company may file from time to time with the SEC, which should be reviewed carefully.

No Offer or Solicitation

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Subsequent Events

Subsequent to the third quarter, on October 26, 2026, Lawson Products, Inc., a wholly owned subsidiary of the Company, completed the acquisition of GradeEight Holdings, LLC, the parent company of Winzer Corporation and FastServ Supply, for an aggregate purchase price of approximately $145.0 million, subject to customary adjustments.

Key Takeaways for the Quarter

Operational Performance

- Total sales growth of $55.7 million or 10.7% with organic sales up 9.2%, $7.8 million of incremental revenue from the acquisitions closed in the first nine months of 2026 not in for 2025; sequentially, organic sales up 2.2% with organic average daily sales growing 2.8% over the second quarter of 2026
- Adjusted EBITDA of $56.8 million or 9.9% of sales compared to $48.5 million or 9.4% of sales in the prior year quarter and $53.9 million or 9.7% of sales in the second quarter of 2026. Margin pressures on sales mix shift and higher tariff rates on inbound shipments partially offset by pricing benefits realized

Strategic Initiatives

- New VMI installs and wallet share expansion continue to drive Lawson's organic growth; leveraging technology through increased rigor of sales rep activity
- TestEquity driving customer value proposition, go-to-market strategy and tactical reallocation of resources through centralization of certain functions to strengthen operations
- Canadian Branch Division realizing gross margin and branch consolidation benefits. External headwinds softening in Eastern Canada, pipeline improving

Macro & Demand Outlook

- Macro environment improving, momentum continues in key end markets, including technology, industrial power and consumer and industrial. Renewables, technology and aerospace & defense slow start in early 2026 but improving sequentially
- Test & measurement, chambers, rentals and electronic production supply in growth mode; industrial printing remains under pressure
- Tariff uncertainties persist, but managing through with suppliers and customers

Capital Allocation Priorities

- Generated $18.7M of cash flow from operations in Q3 and $20.4 million for the nine-month period.
- Total liquidity of $378.0M. Balance sheet continues to strengthen; net working capital ended at $545.3 million
- Backlogs and book-to-bill ratios strong
- Pipeline for acquisition opportunities remains active and building; completed acquisition of American Fasteners in Q3 and closed on GradeEight subsequent to the quarter

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

Leading Specialty Industrial Distribution Platform

DSG DISTRIBUTION SOLUTIONS GROUP

DSG

LAWSON | Gexpro Services | TestEquity

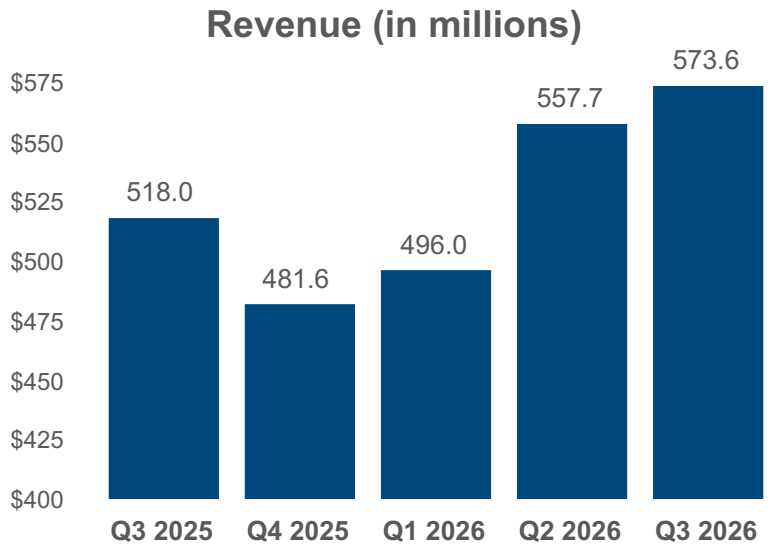
MRO Focus		OEM Focus	Industrial Technologies Focus
VMI Focus	**Canadian Branch Focus**		
Leading vendor managed inventory provider of C-parts to the MRO market	*Leading wholesale distributor of MRO supplies, safety products, fasteners, and services to the Canadian MRO market*	*Leading global supply chain services and C-parts provider to OEM and aftermarket applications*	*Leading supplier of electronic and specialty production supplies and T&M equipment across OEM and MRO markets*
~25% of Revenue [2]	***~11% of Revenue*** [2]	***~24% of Revenue*** [2]	***~40% of Revenue*** [2]

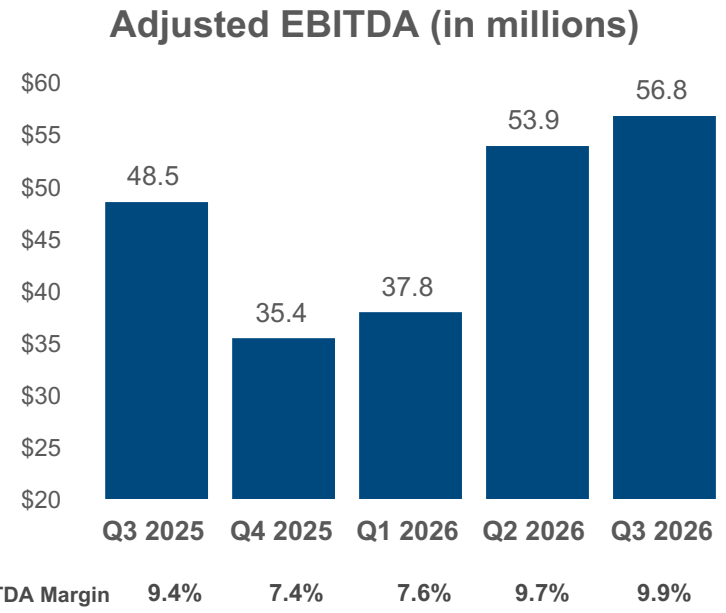
TTM Financial Highlights	$2.15Bn Adjusted Revenue (2)	~8.9% Adjusted EBITDA %	~$102M Adj. Free Cash Flow (1)	Fly-by Operating Stats	50+ Countries Served	200k+ Customers	760k+ Unique SKU's

Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for GAAP to Non-GAAP reconciliations.
Information inclusive of Other Acquisition results prior to the acquisition date.
(1) Defined as Reg G EBITDA less Reg G cash items, less capex, plus/minus change in inventory, accounts receivable & accounts payable divided by Reg G EBITDA.
(2) TTM revenue by segment and Adjusted EBITDA inclusive of Other Acquisition results prior to the acquisition date.

2026 Consolidated Financial Highlights

- Q3 revenue of $573.6M; up $55.7M or 10.7% over a year ago primarily driven by organic sales growth of 9.2% and $7.8 million of incremental revenue from the acquisitions closed in the first nine months of 2026. Sequentially, organic sales grew 2.2% with organic average daily sales growing 2.8% over the second quarter of 2026.
- Q3 Adjusted EBITDA of $56.8M or 9.9% of sales compared to $48.5M or 9.4% of sales in the prior year quarter and $53.9M or 9.7% sequentially. Sequential improvement primarily driven by sales growth across all verticals, partially offset by customer mix impact on gross margins.
- Diluted net earnings per share was $0.19 for the quarter compared to diluted net earnings per share of $0.14 in the year-ago quarter. Non-GAAP adjusted diluted earnings per share was $0.58 compared to $0.40 for the same period a year ago and $0.47 in the second quarter 2026.





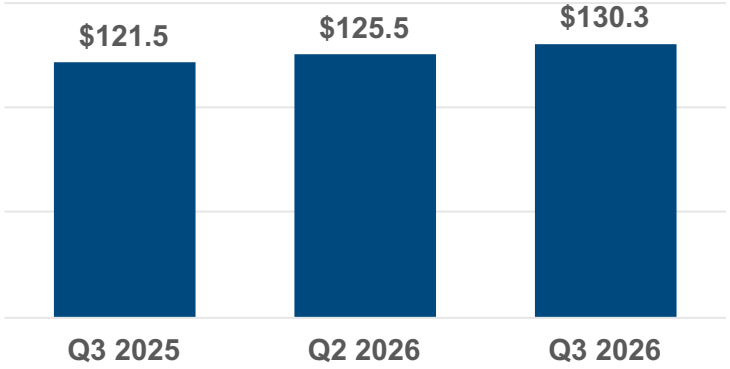
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Lawson Products – MRO Focus

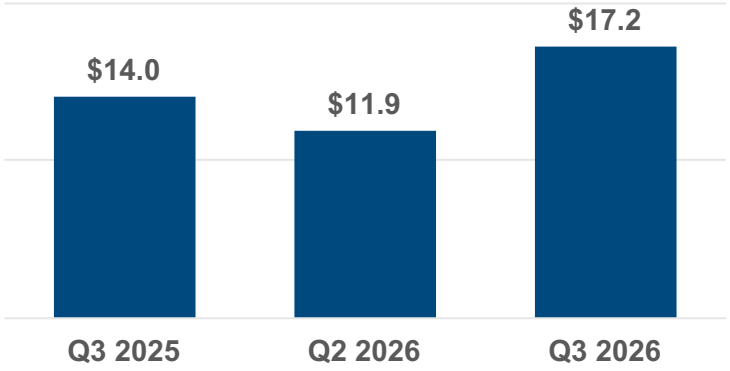
Q3 2026 Highlights:

- Organic average daily sales (ADS) growth of 4.1% YoY and 0.8% sequentially. Growth continues with strategic, Kent Automotive and government segments. Core business turned to positive growth in Q3. American Fasteners contributed $3.8M in sales for the quarter
- Q3 Adjusted EBITDA of $17.2M or 13.2% of revenue; up from $14.0M or 11.5% of revenue YoY from increased organic revenue and leveraging operating expenses over a higher sales base, partially offset by lower gross profit margin from continued sales mix shift. Adjusted EBITDA margin up sequentially from 9.5%
- Completed the acquisition of American Fasteners
- Continued investment in tools, products and support resources to provide productivity opportunities for our sales force. Leveraging technology while driving daily operating rigor and expanding e-commerce channel while investing in sales leadership. Sales improving on a per rep basis on early stages of territory optimization

Revenue (in millions)



Adjusted EBITDA (in millions)



	Q3 2025	Q2 2026	Q3 2026
Adj EBITDA Margin	11.5%	9.5%	13.2%

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Canada Branch Business – Canadian MRO Focus

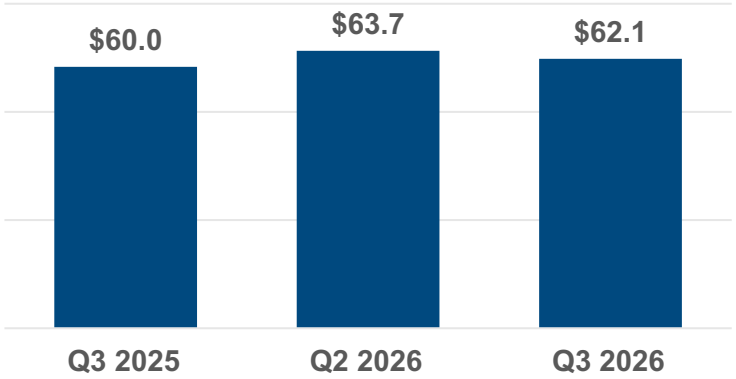
Q3 2026 Highlights:

- Backlogs improving, however, sales lumpy to larger customer projects. Eastern Valve contributed $4.0M in sales for the quarter. Organic average daily sales (ADS) down 1.7% YoY (down 0.2% on a constant currency basis) and 2.6% sequentially (down 1.5% on a constant currency basis)

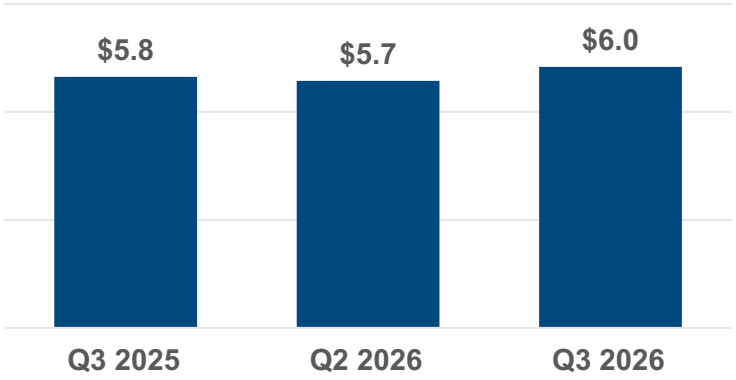
- Q3 Adjusted EBITDA of $6.0M or 9.7% of revenue, +10bps YoY driven by inclusion of Eastern Valve. Adjusted EBITDA margin up sequentially from 9.0% driven by inclusion of Eastern Valve

- Driving key operational initiatives to accelerate growth and increase margins through a national customer expansion/ acquisition model, expanding the market for proven products and services across the platform, innovative new products and services and strategic sourcing initiatives

Revenue (in millions)



Adjusted EBITDA (in millions)



	Q3 2025	Q2 2026	Q3 2026
Adj EBITDA Margin	9.6%	9.0%	9.7%

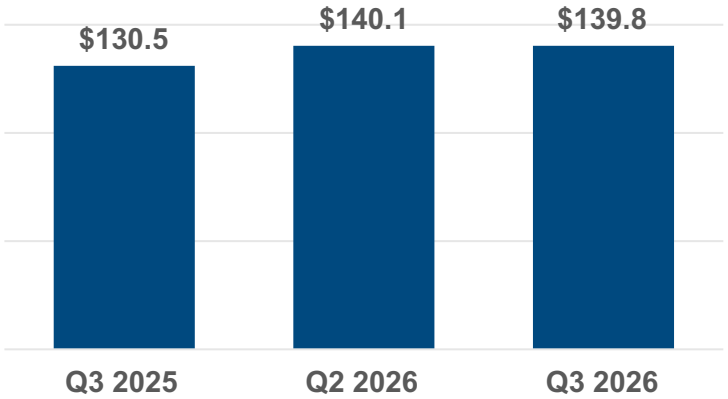
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Gexpro Services – OEM Focus

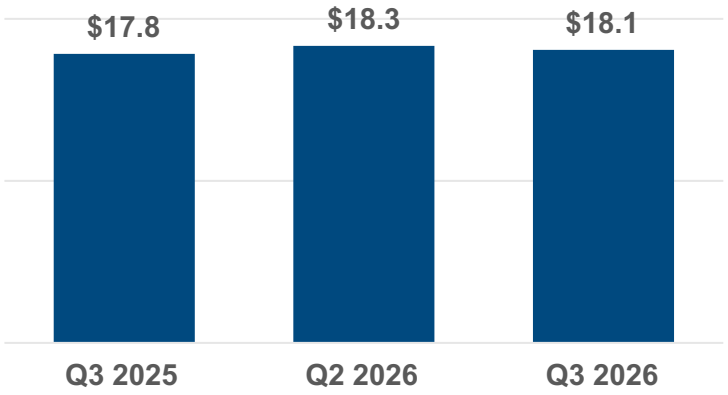
Q3 2026 Highlights:

- Organic average daily sales (ADS) growth of 7.1% YoY on improvements in the industrial power, technology and consumer & industrial vertical markets; up sequentially 1.4%
- Q3 Adjusted EBITDA of $18.1M or 12.9% of revenue; margin percentage compressed YoY on lower gross profit margin from dollar-for-dollar tariff pass through and higher employee related costs
- Performance remains strong; up against early/mid-year 2025 tough comps, book-to-bill ratios strong
- Value creation initiatives including DSG cross sell, acquisition synergies and expanded VMI, kitting, manufacturing and E-commerce offerings. Customers very interested in Gexpro Services Frontier, Omni/Orion and SIS domestic manufacturing capabilities to mitigate tariff impacts

Revenue (in millions)



Adjusted EBITDA (in millions)



	Q3 2025	Q2 2026	Q3 2026
Adj EBITDA Margin	13.6%	13.1%	12.9%

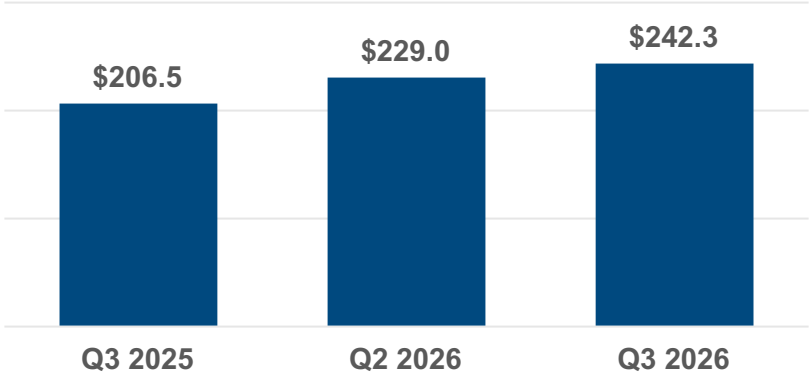
Results are presented on an Adjusted (Non-GAAP) and continuing operations basis. See appendix of this presentation and press release for GAAP to Non-GAAP reconciliations.

TestEquity – Industrial Technologies Focus

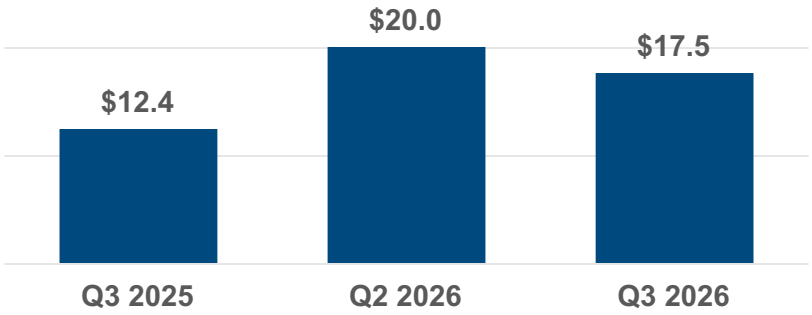
Q3 2026 Highlights:

- Organic average daily sales (ADS) growth of 17.4% YoY primarily from broad based demand in test and measurement, electronic production supplies and rentals; up 5.8% sequentially on continued end-market improvement and realizing returns on structured investments over past year
- Q3 Adjusted EBITDA of $17.5M or 7.2% of revenue, +120bps YoY driven by the increase in revenue, improved gross profit margin and leveraging operating expenses over a higher sales base. Adjusted EBITDA margin down sequentially from 8.7% on higher insurance claims, timing of incentive accruals and non-recurring Q2 benefits
- Key operating initiatives focused on expansion of service related offerings, continued acquisition integration, pricing disciplines, sales force optimization, digital channel expansion and cost containment

Revenue (in millions)



Adjusted EBITDA (in millions)



	Q3 2025	Q2 2026	Q3 2026
Adj EBITDA Margin	6.0%	8.7%	7.2%

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

Capital Allocation Strategy

Organic Growth

- Market share growth
- Value-accretive initiatives
- Wallet-share expansion
- Cross-selling opportunities

M&A

- Pipeline building
- Disciplined acquisition criteria Adding scale, footprint, product adjacencies & services
- Building structurally high margin value added industrial distribution businesses
- Disciplined acquisition criteria

Robust Net Working Capital Investment

$545.3M



9/30/2026 Trade NWC

High returns realized on working capital investments

Focus on Deleveraging via Earnings Growth and Free Cash Flow Generation

3.6x

Leverage(1) at April 1, 2022 Merger Close

3.4x

Leverage(1) as of September 30, 2026

- Cash provided by operations of ~$19M in Q3
- Inclusive of 11 acquisitions post-April 2022 merger with cash portion of purchase price of ~$508M

Return Capital to Shareholders

- Authorized $67.5M share repurchase program in place
- Repurchased shares of $34.6M in prior years; $32.9M still available under prior authorizations

- **Total Liquidity at September 30, 2026 ~$378M(2)**
- **TTM Free Cash Flow Conversion of ~56%(3)**
- **TTM ROIC of ~10%(4)**

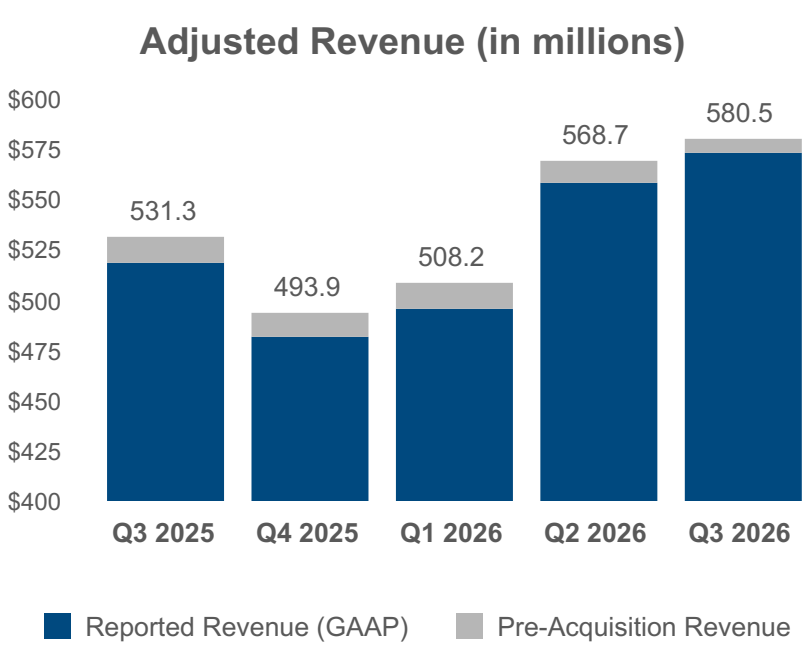
(1) As defined under DSG's credit agreement.
(2) Inclusive of restricted & unrestricted cash position and availability under credit facility.
(3) Defined as Reg G EBITDA less Reg G cash items, less capex, plus/minus change in inventory, accounts receivable & accounts payable divided by Reg G EBITDA.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

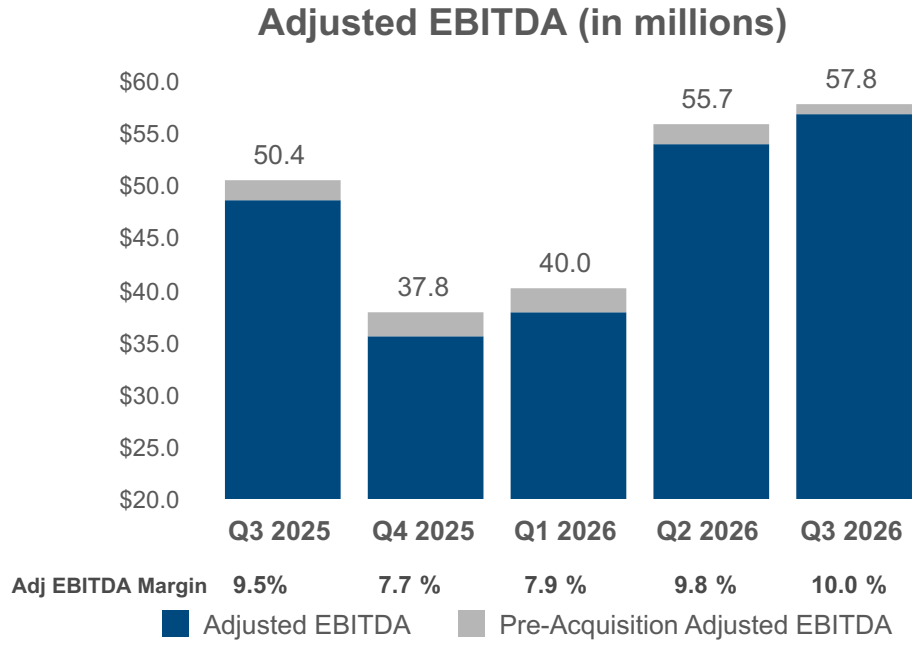
Appendix

2026 Consolidated Financial Highlights

Results Inclusive of Pre-Acquisition Results

- Adjusted Revenue and Adjusted EBITDA below include the reported GAAP results and the pre-acquisition results of other businesses that were acquired at any time during the Q3 2025-Q3 2026 period.





Adjusted Revenue and Adjusted EBITDA results are presented on an Adjusted (Non-GAAP) and continuing operations basis.
Information inclusive of Other Acquisition results prior to the acquisition date.

GAAP to Non-GAAP Reconciliations

Q3 Revenue and Adjusted EBITDA Reconciliation ($000s)

(Unaudited)

	Lawson Products		Gexpro Services		TestEquity		Canada Branch Division		All Other		Eliminations		Consolidated DSG	
Quarter Ended	Q3 2026	Q3 2025	Q3 2026	Q3 2025	Q3 2026	Q3 2025	Q3 2026	Q3 2025	Q3 2026	Q3 2025	Q3 2026	Q3 2025	Q3 2026	Q3 2025
Revenue from external customers	$ 130,202	$ 121,541	$ 139,252	$ 130,192	$ 242,126	$ 206,310	$ 62,042	$ 59,915	$ —	$ —	$ —	$ —	$ 573,622	$ 517,958
Intersegment revenue	83	8	592	333	177	169	31	62	—	—	(883)	(572)	—	—
Revenue	$ 130,285	$ 121,549	$ 139,844	$ 130,525	$ 242,303	$ 206,479	$ 62,073	$ 59,977	$ —	$ —	$ (883)	$ (572)	$ 573,622	$ 517,958
Operating income (loss)	$ 5,792	$ 5,385	$ 13,605	$ 13,880	$ 8,335	$ 2,635	$ 3,869	$ 3,494	$ (6,352)	$ (1,775)			$ 25,249	$ 23,619
Depreciation and amortization	7,045	6,666	3,011	3,541	8,155	8,220	1,970	1,615	—	—			20,181	20,042
Adjustments:														
Acquisition related costs(1)	2,754	(17)	1,101	(2)	56	58	69	48	1	—			3,981	87
Stock-based compensation(2)	1,021	1,025	347	60	512	925	—	—	465	390			2,345	2,400
Severance and acquisition related retention expenses(3)	523	840	15	276	61	486	45	492	108	—			752	2,094
Inventory step-up(4)	100	—	—	—	—	—	47	—	—	—			147	—
Other non-recurring(5)	—	60	—	—	417	27	29	128	3,718	—			4,164	215
Non-GAAP Adjusted EBITDA	$ 17,235	$ 13,959	$ 18,079	$ 17,755	$ 17,536	$ 12,351	$ 6,029	$ 5,777	$ (2,060)	$ (1,385)			$ 56,819	$ 48,457
Operating income (loss) as a percent of revenue	4.4%	4.4%	9.7%	10.6%	3.4%	1.3%	6.2%	5.8%	N/M	N/M			4.4%	4.6%
Adjusted EBITDA as a percent of revenue	13.2%	11.5%	12.9%	13.6%	7.2%	6.0%	9.7%	9.6%	N/M	N/M			9.9%	9.4%

(1) Transaction and integration costs related to acquisitions.
(2) Expense (benefit) primarily for stock-based compensation, of which a portion varies with the Company's stock price.
(3) Includes severance expense for actions taken not related to a formal restructuring plan and acquisition related retention expenses.
(4) Inventory fair value step-up adjustment for acquisition accounting related to acquisitions completed.
(5) Other non-recurring costs consist of certain non-recurring strategic projects, costs related to the proposed Merger and other non-recurring items.
N/M - Not meaningful

Results are presented on an Adjusted (Non-GAAP) and continuing operations basis.

GAAP to Non-GAAP Reconciliations

Adjusted Revenue and Adjusted EBITDA Reconciliation ($000s)

Results Inclusive of Acquisitions – Pre-Acquisition Date
(Unaudited)

	Consolidated DSG				
Quarter Ended	**Q3 2025**	**Q4 2025**	**Q1 2026**	**Q2 2026**	**Q3 2026**
Revenue	$ 517,958	$ 481,599	$ 495,995	$ 557,734	$ 573,622
Pre-acquisition revenue(1)	13,354	12,299	12,165	10,948	6,854
Adjusted revenue	$ 531,312	$ 493,898	$ 508,160	$ 568,682	$ 580,476
Operating income (loss)	$ 23,619	$ 7,721	$ 13,630	$ 27,868	$ 25,249
Pre-acquisition operating Income (loss) (1)	1,881	2,324	2,124	1,731	939
Adjusted Operating Income (loss)	25,500	10,045	15,754	29,599	26,188
Depreciation and amortization	20,042	20,520	19,724	19,865	20,181
Adjustments:					
Acquisition related costs(2)	87	178	753	335	3,981
Stock-based compensation(3)	2,400	2,048	2,424	2,158	2,345
Severance and acquisition related retention expenses(4)	2,094	1,403	1,141	2,204	752
Inventory step-up(5)	—	—	24	70	147
Other non-recurring(6)	215	3,567	137	1,433	4,164
Pre-Acquisition add-backs(7)	84	71	65	42	28
Adjusted EBITDA	$ 50,422	$ 37,832	$ 40,022	$ 55,706	$ 57,786
Operating income (loss) as a percent of revenue	4.6%	1.6%	2.7%	5.0%	4.4%
Adjusted EBITDA as a percent of adjusted revenue	9.5%	7.7%	7.9%	9.8%	10.0%

References to table footnotes are on slide 15

GAAP to Non-GAAP Reconciliations

Adjusted Revenue and EBITDA Reconciliation – Table Footnotes

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

GAAP to Non-GAAP Reconciliations

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

	Consolidated DSG					
	Q3 2026		Q3 2025		Q2 2026	
	Amount	Diluted EPS(2)	Amount	Diluted EPS(2)	Amount	Diluted EPS(2)
Net income (loss)	$ 8,892	$ 0.19	$ 6,452	$ 0.14	$ 8,494	$ 0.18
Pretax adjustments:						
Stock-based compensation	2,345	0.05	2,400	0.05	2,158	0.05
Acquisition related costs	3,981	0.08	87	—	335	0.01
Amortization of intangible assets	11,308	0.24	11,650	0.25	11,148	0.24
Severance and acquisition related retention expenses	752	0.02	2,094	0.04	2,204	0.05
Inventory step-up	147	—	—	—	70	—
Other non-recurring	4,164	0.09	215	—	1,433	0.03
Total pretax adjustments	22,697	0.48	16,446	0.34	17,348	0.38
Tax effect on adjustments(1)/(3)	(5,771)	(0.12)	(4,307)	(0.08)	(4,543)	(0.11)
Deferred tax asset valuation allowance(3)/(4)	1,616	0.03	179	—	754	0.02
Non-GAAP Adjusted net income	$ 27,434	$ 0.58	$ 18,770	$ 0.40	$ 22,053	$ 0.47

(1) The adjustment to the income tax expense (benefit) is determined by excluding the non-GAAP adjustments by jurisdiction.
(2) Pretax adjustments to diluted EPS calculated on 47.087 million, 47.060 million and 46.433 million diluted shares for the third quarter of 2026 and 2025, and the second quarter of 2026, respectively.
(3) The quarter-to-date amounts are derived from the current period year-to-date amount less the previous quarter year-to-date amount.
(4) The estimated impact to the deferred tax asset valuation allowance from interest expense limitations under Section 163(j) determined by including the non-GAAP adjustments by jurisdiction.