



Distribution Solutions Group's Operating Company, TestEquity, Announces Strategic Acquisition

June 1, 2022

Expands Calibration Services, Broadens Technical Expertise and Solutions

CHICAGO—June 1, 2022—Distribution Solutions Group (NASDAQ: DSGR) ("DSG" or the "Company") a best-in-class, specialty distribution company announced today that its operating company, TestEquity, completed its acquisition of National Test Equipment, a leading test and measurement provider for reconditioned equipment with a strong focus on rental and leasing purchase options.

"I am thrilled to partner with National Test Equipment, a highly trusted and respected partner, who will help us continue building on our mission of being the world's largest test and measurement distributor," said Russ Frazee, Chief Executive Officer of TestEquity. "This strategic acquisition enables TestEquity to immediately expedite our timeline of delivering more service capabilities our customers require and is expected to be accretive to earnings of TestEquity and our parent company, DSG."

"This acquisition is a natural fit to accelerate our continued growth as a premier and trusted provider of test equipment. We are enthusiastic to be part of a larger organization with synergies to expand our offerings and customer reach enabling incremental cash flow," said Scott Schlumpberger, Chief Financial Officer of National Test Equipment.

The equipment is calibrated in their ISO/IEC 17025 accredited lab with in-house Application Engineers to assist customers with equipment expertise. TestEquity purchased National Test Equipment for approximately \$7.8 million and is expected to be funded from the Company's existing credit facility. The business is expected to generate annual sales of more than \$9 million with annual adjusted EBITDA in excess of \$1.4 million.

About Distribution Solutions Group, Inc.

Distribution Solutions Group ("DSG") is a best-in-class specialty distribution company providing high touch, value-added distribution solutions to the maintenance, repair & operations (MRO), original equipment manufacturer (OEM) and the industrial technologies markets. DSG was formed through the strategic combination of Lawson Products, a leader in MRO distribution of C-parts, Gexpro Services, a leading global supply chain services provider to manufacturing customers, and TestEquity, a leader in electronic test & measurement solutions.

Through its collective businesses, DSG is dedicated to helping customers lower their total cost of operation by increasing productivity and efficiency with the right products, expert technical support, and fast, reliable delivery to be a one-stop solution provider. DSG serves 120,000+ long-standing customers in several diverse end markets supported by more than 3,000 dedicated employees and strong vendor partnerships. DSG ships from strategically located distribution and service centers to customers in North America, Europe, Asia, South America and the Middle East.

For more information on Distribution Solutions Group please visit www.distributionsolutionsgroup.com.

About TestEquity

TestEquity is a leading distributor focused on providing the largest and highest quality selection of test and measurement equipment and solutions, electronic production supplies, and tool kits from its leading manufacturer partners supporting the technology, aerospace, defense, automotive, electronics, education, and medical industries. TestEquity also designs a full line of the industry's highest-quality environmental test chambers. Serving electronic design and test engineers as well as maintenance technicians, industrial manufacturing assembly, and the telecommunication repair community, TestEquity features more than 175,000 products from over 640 manufacturer brands. TestEquity continues to benefit from ubiquitous electrification of all types of products across most industries including IOT, EV, and 5G. For more information, visit www.testequity.com.

About National Test Equipment:

National Test Equipment is a leader in the electronic test and measurement equipment service industry specializing in the repair of RF and microwave test equipment. NTE is also an ISO 17025 & ANSI/NCSL Z540-1-1994 accredited calibration lab. Complementing the service business, NTE offers refurbished equipment sales and rentals at substantial discounts. For more information visit www.ntecusa.com.

Cautionary Note Regarding Forward-Looking Statements

This Press Release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, 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 other words and terms of similar meaning and expression 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. 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, which speak only as of the date made. DSG undertakes no obligation to release publicly any revisions to forward-looking statements as a result of new information, future events or otherwise. Actual results may differ materially from those projected as a result of certain risks and uncertainties. Certain risks associated with DSG's business are also discussed from time to time in the reports DSG files with the SEC, including DSG's (formerly Lawson Products, Inc.) Annual Report on Form 10-K for the fiscal year ended December 31, 2021, DSG's Quarterly Reports on Form 10-Q and DSG's Current Reports on Form 8-K. In addition, the following factors, among others, could cause actual outcomes and results to differ materially from those discussed in the forward-looking statements: (i) whether or not the terms of the earnout provisions in either of the merger

agreements will be satisfied such that DSG would be required to issue additional shares of common stock in connection with the mergers; (ii) unanticipated difficulties or expenditures relating to the mergers; (iii) the risk that stockholder litigation in connection with the mergers results in significant costs of defense, indemnification and liability; and (iv) any problems arising in combining the businesses of Lawson Products, TestEquity and Gexpro Services, which may result in the combined company not operating as effectively and efficiently as expected.

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Source: Lawson Products, Inc.