

DSG

DISTRIBUTION
SOLUTIONS GROUP

Powerful Solutions. Proven Results.



Investor Presentation | August 2022

NASDAQ: DSGR

Forward Looking Statements

Cautionary Note Regarding Forward-Looking Statements

This presentation 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. Lawson can give no assurance that any goal or plan set forth in forward-looking statements can be achieved and Lawson cautions readers not to place undue reliance on such statements, which speak only as of the date made. Lawson 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 Distribution Solutions Group’s (“DSG”) business are also discussed from time to time in the reports DSG files with the SEC, including DSG’s 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 (related to TestEquity and Gexpro Services mergers) will be satisfied such that DSG would be required to issue additional shares of DSG 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, TestEquity and Gexpro Services, which may result in the combined company not operating as effectively and efficiently as expected.

Distribution Solutions Group

Powerful Solutions. Proven Results.



Why Own DSG: Investment Thesis

NASDAQ: DSGR



Aligned Best-in-Class Management Team

- Deeply experienced and proven operating company leadership across each focus area
- Management team owns ~10% of stock, with LKCM & affiliates owning ~65%
- Equity incentive structure fully aligns management with shareholders to drive long-term value creation
- Non-compensated support & leadership from LKCM Headwater team



Large Growth Opportunity with Significant Operating Leverage

- Scalable platform of asset-light, high touch service models in fragmented end markets
- Strong secular tailwinds within core end markets (5G/electrification, semiconductor, and renewables)
- Supply chain cost leverage focusing on both direct and indirect spend categories
- Operating leverage synergies not currently represented in TTM financials



Highly Accretive, Actionable M&A Pipeline with Dedicated In-House M&A Team

- Demonstrated success executing nine highly accretive transactions since mid-2020
- Dedicated in-house experienced business development team
- Buyer of choice with robust acquisition pipeline within highly fragmented \$57B TAM



Investor Mindset Around Capital Allocation

- Capital redeployment flexibility to fuel further organic and inorganic growth
- Prioritization of highly accretive, synergistic opportunities
- Oversight from LKCM with 42-year history of active engagement in public and private markets



Attractive Financial Profile

- High free cash flow generation
- Strong balance sheet and prudent capital structure targeting 3x-4x leverage
- Asset light model with capex at ~1.0% of sales

Annual Revenues
\$1.2B⁽¹⁾

Annual Adjusted EBITDA
\$108M⁽¹⁾

Total Addressable Market
\$57B

(1) Represents combined annual expected revenues and annual adjusted EBITDA for TTM period ended 6/30/22.

What We Do



(37% of Sales)⁽¹⁾

MRO Focus

Leading North American vendor managed inventory provider of C-parts to the MRO market

- High margin, low price point products
- Service & solution industrial MRO distributor specializing in vendor managed inventory
- Specialty knowledge with 230,000+ SKUs, including ~40% of sales private label
- Services over 90,000 customers with VMI, engineering services, technical information
- Customers serviced by 1,100+ sales representatives



(29% of Sales)⁽¹⁾

OEM Focus

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

- Global industrial OEM distributor specializing in VMI inventory solutions & kitting
- Diversified product offering of over 70,000+ SKUs
- Services 1,800 OEM customers in multiple locations/countries imbedded into supply chain
- Verticals Served: Transportation, Technology, Renewables, Power Generation, C&I, Aerospace & Defense



(34% of Sales)⁽¹⁾

Industrial Technologies Focus

Leading independent North American Test & Measurement provider

- Distributor of electronic test & measurement solutions
- Broadest T&M, electronic production supplies with 180,000+ SKUs
- Procurement alternatives of new, reconditioned & rental
- Capabilities including VMI, kitting, and complimentary calibration capabilities
- 100+ technical, consultative sales professionals across a fragmented customer base

Leveraging Strengths Across Three High-Touch, Highly-Entrenched Industrial Verticals to Create a Diversified, Highly-Profitable Specialty Distribution Company Poised for Accelerated Growth

Embedded Growth Opportunities

UNIQUE ORGANIC GROWTH OPPORTUNITIES



SELECTIVE, ACTIONABLE ACQUISITION PROGRAM

LEVERAGE PLATFORM CAPABILITIES ACROSS CUSTOMER BASE

Unique total customer value proposition



Monetize distinct capabilities across the platform



Collaborative selling across customer bases



Expand digital capabilities across the platform

EXPOSURE TO END MARKETS WITH STRONG SECULAR TAILWINDS



Technology



IoT



Renewables

- In-house Corporate Development team with first-class experience
- Well-respected brands viewed as credible acquirors with longstanding relationships in a \$57B market
- Large, highly fragmented markets with hundreds of small regional competitors across end markets with limited succession planning
- Significant scale benefits including more advanced global sourcing, ability to leverage customer relationships and technology globally
- Meaningful revenue and cost synergies for most acquisitions
- Well capitalized balance sheet and cash flow to fund acquisitions
- Significant organizational track record of purchasing and integrating acquisitions

ACCELERATING ACQUISITION ACTIVITY



Aligned and Tenured Leadership



J. Bryan King
Chairman & CEO
DSG



Brad Wallace
Partner
LKCM Headwater



Jacob Smith
Partner
LKCM Headwater



Ron Knutson
CFO
DSG

With daily strategy and business execution led by best-in-class management teams across each business

LAWSON PRODUCTS



Cesar Lanuza
CEO

- Joined Lawson Products in 2022 after serving as CEO of Jon Don for Incline Equity
- Previously President for NA and Asia Pacific at Optimas OE Solutions and VP at Grainger



Ron Knutson
CFO

- Joined Lawson Products in 2009 as CFO after serving as CFO of Frozen Food Express Industries
- Previously spent 12 years at Ace Hardware as Controller and VP Finance

GEXPRO SERVICES



Bob Connors
CEO

- Joined Gexpro Services in 2004 as General Manager & named corporate officer in 2015
- Previously at General Electric as General Manager of GE Supply Logistics



Craig Schilling
CFO

- Re-joined Gexpro Services in 2020 as CFO
- Previously CFO for Electrical Source Holdings and Finance Manager for Gexpro Services when it was owned by Rexel

TESTEQUITY



Russ Frazee
CEO

- Joined TestEquity in 2018 as COO before being named CEO in 2022
- Previously COO/CIO at FCX Performance, VP of Distribution Operations at CompuServe



Nick Hawtrey
CFO

- Joined TestEquity in 2020 as CFO
- Previously CFO for Allied Electronics & Automation, Global VP of Finance for Allied sister company (RS Components)

Additional Dedicated LKCM Headwater Team:

Andy Zacharias - Partner (TestEquity) | Joel Stewart - Principal (Gexpro Services and Lawson) | Rick Settle - Principal (TestEquity) | Jonathon Miller - Principal (Leads Headwater Operations team across the DSG platform)
Garrett Spriggs - VP (Gexpro Services and Lawson) | Davis Miller - VP (TestEquity) | Brett Scarbrough - Portfolio Manager (Lawson)

LKCM Headwater Introduction



- Privately owned SEC-registered investment advisor
- Founded in 1979 with over 60 investment and other professionals
- \$25.7 billion of assets under management (3/31/22)
- Primarily long-term, long-equity focused for taxable individuals and families



- Private investment arm of LKCM
- Over 100 years of collective distribution investing experience
- LKCM, investment team and affiliates are collectively the largest investor (~1/3 of capital)
- Flexible mandate with focus on U.S. lower mid-market buyouts
- More than \$2.0 billion of committed private capital
- Stable of former operating executives that play active roles within the portfolio



SIGNIFICANT PRIVATE COMPANY DISTRIBUTION EXPERIENCE	
CURRENT	<ul style="list-style-type: none"> • Portfolio of leading distribution businesses in the hose, gasket, belting, seals and flow control markets
	<ul style="list-style-type: none"> • Value-added distributor specializing in designing and implementing supply chain solutions / VMI for OEM customers
	<ul style="list-style-type: none"> • Leading provider of building automation, controls and gas detection solutions for the commercial buildings market
	<ul style="list-style-type: none"> • Value-added instrumentation, controls, and automation distributor with engineering and service capabilities
FORMER	<ul style="list-style-type: none"> • Largest North American specialty distributor of electronic T&M equipment and production supplies
	<ul style="list-style-type: none"> • North America's leading value-added distributor and service provider of mission-critical communication solutions
	<ul style="list-style-type: none"> • High growth value-added distributor, packager and re-packager of generic pharmaceuticals
	<ul style="list-style-type: none"> • Provider of supply chain solutions and distributor of indirect materials primarily to manufacturers
	<ul style="list-style-type: none"> • Leading value-added instrumentation and valve distributor based in the Gulf Coast



Operating Companies



LAWSON Products





LAWSON Products

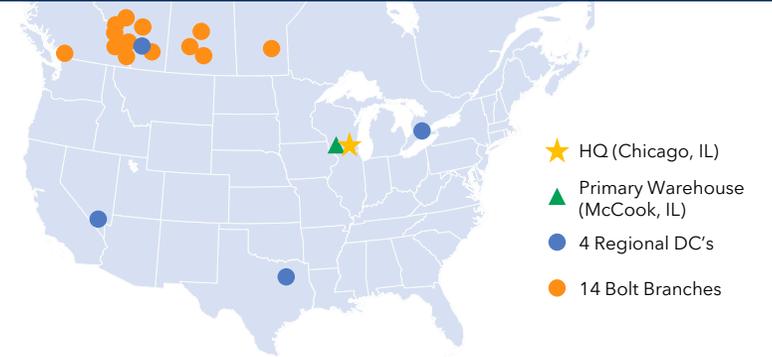




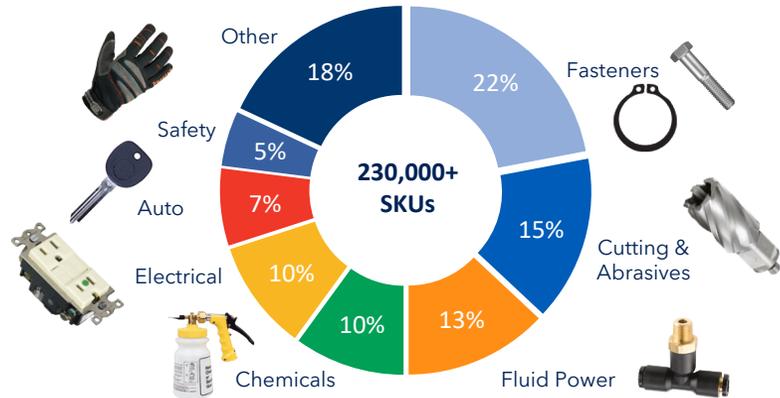
COMPANY OVERVIEW

- Leading service-focused industrial MRO distributor providing product through a vendor managed inventory approach
- Embedded within customer operations via unique high-touch VMI model
- Provides customers with optimized inventory management, engineering services, technical information, eBusiness and scanning solutions
- 90,000+ customers with daily or weekly contact
- Employs 1,100+ sales representatives providing the following:
 - Help customers choose from a wide range of products to meet needs and specifications
 - Support customer with product application advice and on-site training
 - Manage customer products and inventory at the customers' facilities
- Founded in 1952 and headquartered in Chicago, Illinois

GEOGRAPHIC COVERAGE



PRODUCT OFFERING



OPTIMIZED INVENTORY MANAGEMENT SYSTEM



Before Lawson



After Lawson

A Disorganized Parts Room Creates Downtime and Low Labor Utilization

- Time lost looking for the right product when needed
- Disorganized and inefficient bin and cabinet set-up
- Disruptive, unplanned trips to off-site stores looking for parts

Lawson Representatives Lower Total Cost of Ownership

- Making sure customers have the right product in the right place at the right time
- Designing and installing efficient custom systems of clearly labeled bins and cabinets for each facility
- Continually managing product inventory
- Offering product application advice and on-site support

~\$449M
Adj. Net Sales⁽¹⁾

~\$38M
Adj. EBITDA⁽¹⁾

230,000+
Number of SKUs

1900+
Employees

3
No. of Countries Served

~\$20B
Total Addressable Market

90,000+
Customers Served

(1) Estimated TTM June 2022 adjusted for all closed acquisitions as of 6/30/22

(2) See appendix for reconciliation of adjusted EBITDA.



COMPANY OVERVIEW

- Leading global supply chain Services and C-Parts provider of highly engineered specified products for manufacturing end users
- Specializes in Vendor Managed Inventory (“VMI”), Kitting and field installation service programs
- Built to be considered the best-in-class global sourcing and logistics provider for leading Original Equipment Manufacturers (“OEM”)
- Considered the “critical-link” between a fragmented supply chain and OEM customers focused on reducing manufacturing lead times, improving product quality & fulfillment rates, while reducing direct and indirect procurement costs
- Led by a proven management team with decades of industry experience

CUSTOMER / MARKET OVERVIEW



Renewables



Semiconductor & Telecom



Power Generation



Consumer & Industrial



Aerospace & Defense



Transportation

Blue Chip Customers in Diverse End Markets

TYPICAL MANUFACTURER PARTS PROCUREMENT SCHEME FOR A GIVEN PRODUCT

	Description	Typical # Suppliers	% Total Material Cost	Procurement
A Parts	Large, high-value parts procured from a small number of suppliers requiring significant OEM procurement attention	~20	80%	In-House
B Parts	Medium-value parts requiring OEM procurement attention	~20	15%	In-House
C-Parts	Low-cost, high volume, custom parts with significant hidden costs to procure	~1,000	5%	Outsourced

C-PART VALUE-PROPOSITION

- ✓ Drives down direct and indirect procurement cost of C-Parts
- ✓ Reduces the number of suppliers
- ✓ Leverages scale to reduce direct cost
- ✓ Removes complexity of managing thousands of suppliers across a product portfolio



~\$353M
Adj. Net Sales⁽¹⁾

~\$37M
Adj. EBITDA⁽¹⁾

70,000+
Number of SKUs

660+
Employees

65+
No. of Countries Served

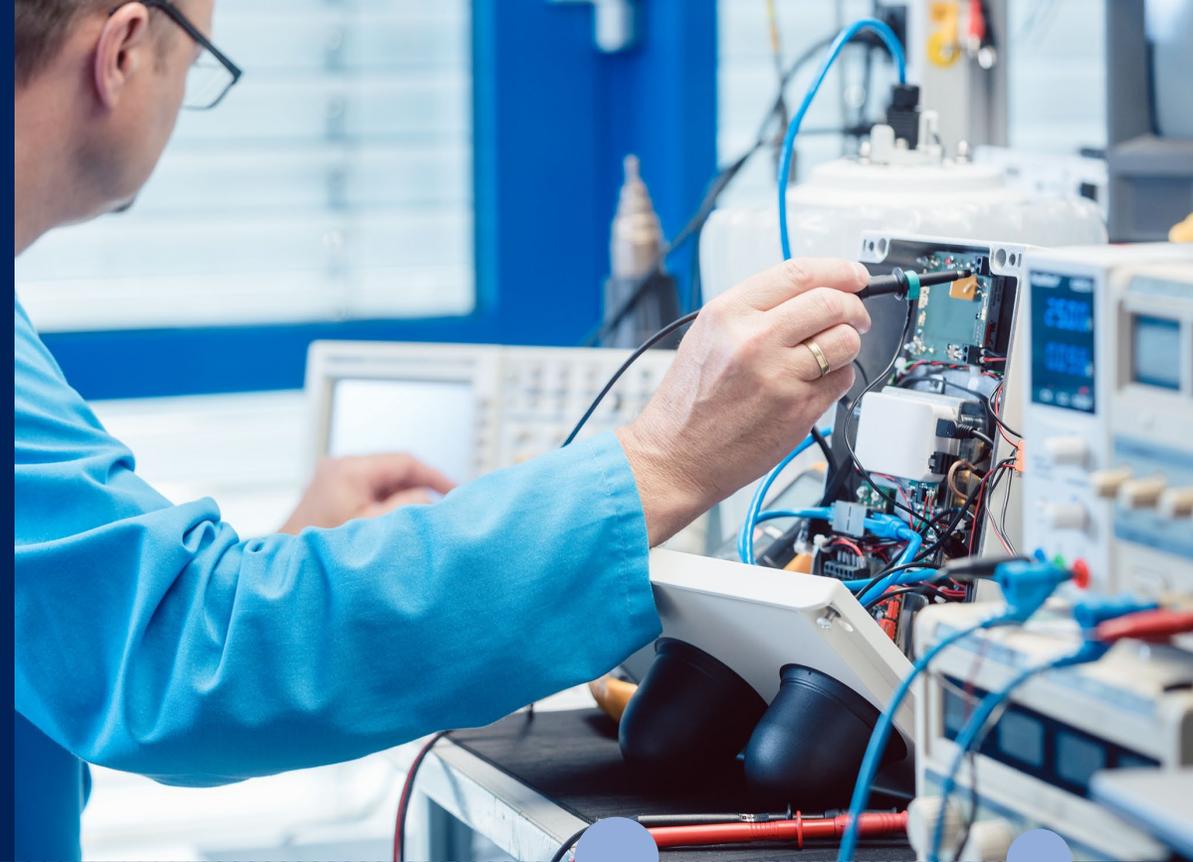
~\$30B
Total Addressable Market

75,000+
Bins Served

(1) Estimated TTM June 2022 adjusted for all closed acquisitions as of 6/30/22.

(2) See appendix for reconciliation of adjusted EBITDA.

TE TestEquity



COMPANY OVERVIEW

- One of the largest authorized distributors of Test & Measurement solutions and electronics production supplies with over 180K products.
- Premier value-added distributor of electronic test and measurement solutions and eMRO tools and supplies
- “One-stop-shop” offering with multiple procurement alternatives including new, reconditioned and rental options supported by complementary calibration capabilities and expansive value-added services such as VMI and kitting
- We operate from five primary warehouses, four in the U.S. and one in the UK to grow European presence
- 490+ non-union employees, including team of 100+ technical, consultative sales professionals
- Retooled management team with proven experience leading larger organizations

STRONG VALUE PROPOSITION

- Fills a strong customer need, providing the technical consultation and full product and services range that broad line distributors lack while stocking inventory to eliminate long lead times from OEMs
- Provides high service levels to a fragmented customer base that would be expensive and inefficient for OEMs to serve
- Robust digital capabilities (~14% of sales and growing) to meet customers through their preferred channel

~\$411M
Adj. Net Sales⁽²⁾

~\$33M
Adj. EBITDA⁽²⁾

180,000+
Number of Products

490+
Employees

30+
No. of Countries Served

~\$7.5B
Total Addressable Market

1,000+
Manufacturer Brands

PRODUCTS OVERVIEW



Test & Measurement Instrumentation (“T&M”)



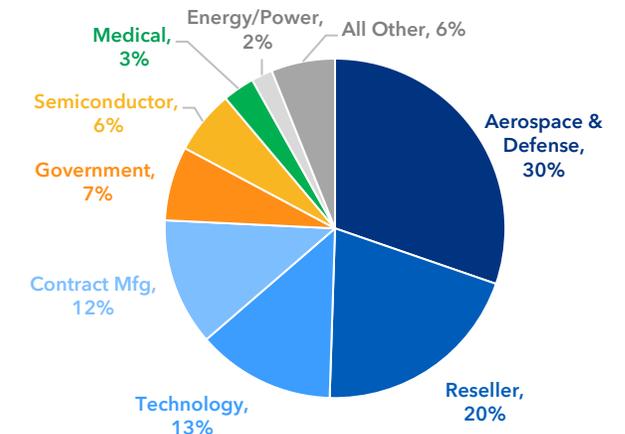
Electronic Production Supplies (“EPS”)

Broadest offering of T&M and EPS supplies in the industry

BLUE CHIP CUSTOMERS



DIVERSE END MARKETS⁽¹⁾



(1) 2021 data, excluding 2022 acquisition of TEquipment and National Test Equipment. (2) Estimated TTM June 2022 adjusted for all closed acquisitions as of 6/30/22.

(3) See appendix for reconciliation of adjusted EBITDA.

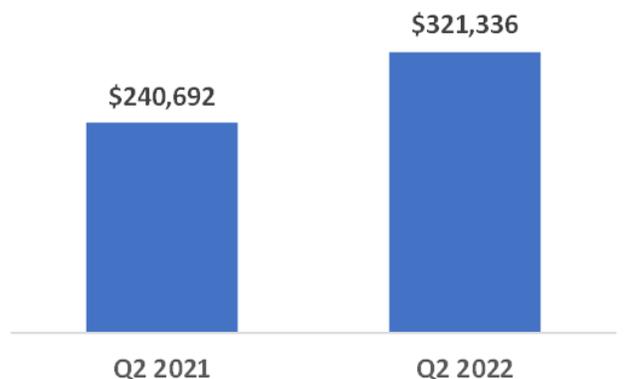


Financials

Powerful Solutions. Proven Results.

Q2 2022 Financial Highlights

Adjusted Net Sales (\$000s)



Adjusted EBITDA (\$000s)



- Sales of \$321M, an increase of \$80.6M or +34%; acquired sales of \$52.3M; organic growth of +11.8%
- Adjusted EBITDA of \$31.7M; up 58%
- Adjusted EBITDA of 9.9% of sales Strong topline and bottom-line results across the three principal operating companies
- To date, four acquisitions closed in 2022 (Resolux, Frontier, TEquipment & National Test Equipment) – Total of over \$180M of annual acquired revenue
- Product demand remains strong; increasing backlog within TestEquity
- Good progress on realizing cost savings and cross-selling among the operating companies; early wins on new customer business
- Performance of all three principal operating companies at or exceeding expected levels

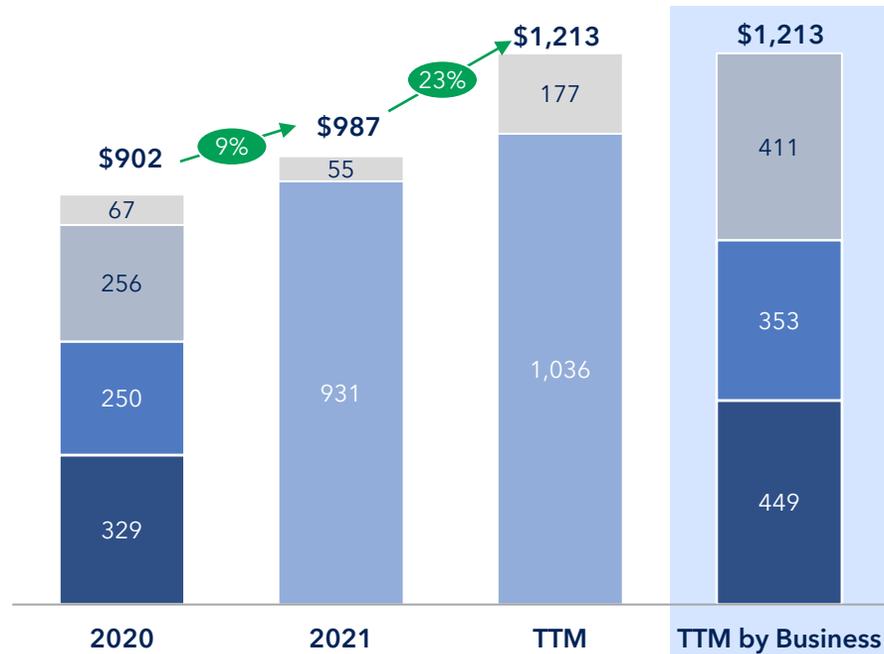
Strong Second Quarter Results for Initial Reporting Period on a Combined Basis

Combined Adjusted Financial Profile

UNAUDITED

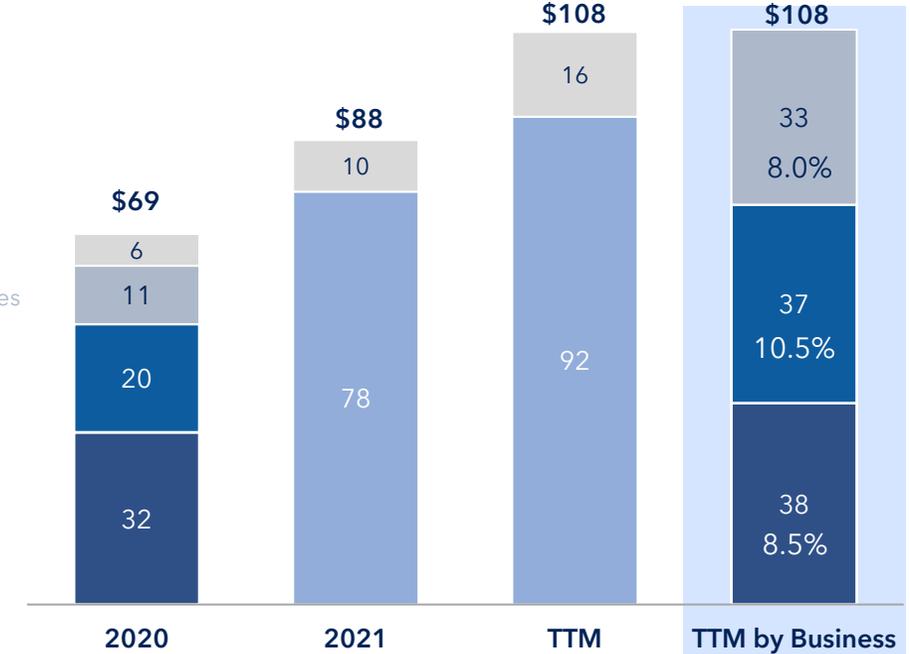
ACCELERATING GROWTH

Combined Revenue (\$mm) (1)



INCREASING PROFITABILITY

Combined Adjusted EBITDA (\$mm) (1)



% Margins

Year	% Margins
2020	7.7%
2021	8.9%
TTM	8.9%

(1) Represents combined revenue and adjusted EBITDA of all companies inclusive of pre and post of acquisition dates through 6/30/22

Combined Adjusted Balance Sheet

UNAUDITED COMBINED ADJUSTED BALANCE SHEET

Distribution Solutions Group, Inc.
Condensed Consolidated Balance Sheets
(Dollars in thousands, except share data)
(Unaudited)

	June 30, 2022	December 31, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,872	\$ 14,671
Restricted cash	194	—
Accounts receivable, less allowance for doubtful accounts of \$2,058 and \$2,473, respectively	168,247	80,574
Inventories, net	250,696	132,717
Prepaid expenses and other current assets	30,801	8,098
Total current assets	467,810	236,060
Property, plant and equipment, net	64,958	9,079
Rental equipment, net	26,108	24,727
Goodwill	355,440	106,145
Deferred tax asset	267	266
Intangible assets, net	242,926	96,608
Cash value of life insurance	17,537	—
Right of use assets	47,055	19,662
Other assets	4,095	747
Total assets	\$ 1,226,196	\$ 493,294
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 93,191	\$ 47,958
Current portion of long-term debt	16,495	134,405
Current portion of lease obligation	10,487	4,641
Earnout derivative liability	23,000	—
Related party payables	—	4,813
Accrued expenses and other current liabilities	58,310	23,126
Total current liabilities	201,483	214,943
Long-term debt, less current portion, net	389,279	93,134
Security bonus plan	10,163	—
Deferred compensation	10,827	—
Lease obligation	38,652	16,132
Deferred tax liability	30,446	2,742
Other liabilities	3,518	574
Total liabilities	684,368	327,525
Stockholders' equity:		
Preferred stock, \$1 par value:		
Authorized - 500,000 shares, issued and outstanding — None	—	—
Common stock, \$1 par value:		
Authorized - 35,000,000 shares		
Issued - 19,694,145 and 10,542,333 shares, respectively		
Outstanding - 19,443,982 and 10,294,824 shares, respectively	19,468	10,318
Capital in excess of par value	573,649	197,057
Retained deficit	(40,394)	(33,142)
Treasury stock – 250,163 and 247,509 shares, respectively	(10,144)	(10,033)
Accumulated other comprehensive (loss) income	(751)	1,569
Total stockholders' equity	541,828	165,769
Total liabilities and stockholders' equity	\$ 1,226,196	\$ 493,294

- December 31, 2021 balances exclude Lawson Products given April 1, 2022 merger date.
- Credit facility led by J.P. Morgan includes a \$200M Revolving Credit Facility, \$250M TLA amortizing 5% per year, and a \$50M delay draw term loan
 - Plus \$200M uncommitted accordion feature for growth
- Net debt of \$393.6M implies 3.6x net leverage multiple
- Anticipate leverage to be in the 3x-4x level to fund acquisitive growth
- Capital allocation will be managed by LKCM Headwater in concert with the broader holding company management team and DSG Board of Directors
- \$267.4M of net working capital⁽¹⁾

(1) Net working capital defined as accounts receivable plus inventory less accounts payable and accrued expenses.



Appendix

Powerful Solutions. Proven Results.



Q2 2022 Reconciliation of GAAP to Non-GAAP Adjusted Sales & Adjusted EBITDA

	Lawson Products		Gexpro Services		TestEquity		Other		Consolidated DSG	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
GAAP Net Sales	\$ 107,334	\$ -	\$ 99,792	\$ 66,296	\$ 97,874	\$ 67,856	\$ 16,336	\$ -	\$ 321,336	\$ 134,152
Pre-Merger Sales (1)		94,861						11,679		106,540
Adjusted Net Sales	\$ 107,334	\$ 94,861	\$ 99,792	\$ 66,296	\$ 97,874	\$ 67,856	\$ 16,336	\$ 11,679	\$ 321,336	\$ 240,692
GAAP Operating Income	\$ (2,562)	\$ -	\$ 5,390	\$ 5,465	\$ 471	\$ 3	\$ 814	\$ -	\$ 4,113	\$ 5,468
Pre-Merger Operating Income (1)		2,443						939		3,382
Adjusted Operating Income	(2,562)	2,443	5,390	5,465	471	3	814	939	4,113	8,850
Depreciation and amortization	4,522	1,885	4,093	1,085	5,761	3,381	370	119	14,746	6,470
Adjustments:										
Merger transaction costs (2)	1,818	1,353	2,160	367	1,812	-	-	-	5,790	1,720
Stock-based compensation (3)	4,013	1,574	-	-	-	-	-	-	4,013	1,574
Severance costs (4)	449	(131)	45	12	458	5	1	5	953	(109)
Acquisition related costs (5)	-	655	189	515	145	291	-	-	334	1,461
Inventory step-up (6)	1,165	-	-	-	-	-	457	-	1,622	-
Other non-recurring (7)	-	-	38	20	-	-	44	-	82	20
Adjusted EBITDA	\$ 9,405	\$ 7,779	\$ 11,915	\$ 7,464	\$ 8,647	\$ 3,680	\$ 1,686	\$ 1,063	\$ 31,653	\$ 19,986
Operating income as percent of net sales	-2.4%	-	5.4%	8.2%	0.5%	0.0%	5.0%	-	1.3%	4.1%
Adjusted EBITDA as percent of net sales	8.8%	-	11.9%	11.3%	8.8%	5.4%	10.3%	-	9.9%	14.9%
Adjusted EBITDA as percent of adjusted net sales	8.8%	8.2%	11.9%	11.3%	8.8%	5.4%	10.3%	9.1%	9.9%	8.3%

- 1) Represents Lawson Products pre-merger sales and operating income
- 2) Merger transaction costs related to the negotiation, review and execution of the merger agreements relating to the business combination of Lawson Products, TestEquity and Gexpro Services
- 3) Expense primarily for stock-based compensation, of which a portion varies with the Company's stock price
- 4) Includes severance expense for actions taken in 2022 and 2021
- 5) Expense for acquisition related costs, unrelated to the business combination of Lawson Products, TestEquity and Gexpro Services
- 6) Inventory fair value step-up adjustment resulting from the reverse merger acquisition accounting
- 7) Other non-recurring costs consist of acquisition integration costs and other non-recurring items

Reconciliation Adjusted EBITDA

\$ in 000,000's
Unaudited

	2020	2021	TTM 6/30/22
Net Income	\$ 0	\$ 3	\$ 3
Interest	16	18	19
Tax	1	3	(5)
Depreciation	25	27	39
EBITDA	\$ 43	\$ 50	\$ 56
Management Adjustments			
Acquisition/Transaction Cost (a)	7	16	24
Management Fee (b)	3	4	3
Stock Comp (c)	2	5	(2)
FX gains Losses (d)	(1)	(0)	1
Goodwill Impairment (e)	2	-	-
Inventory Adjustment (f)	-	1	2
Severance (g)	4	0	2
Other Non-recurring (h)	5	4	11
Total Add-Backs	\$ 22	\$ 30	\$ 41
Adjusted EBITDA (as reported)	\$ 64	\$ 80	\$ 96
Less Post-Acquisition Adjusted EBITDA (i)	(2)	(7)	(17)
EBITDA from Prior Year Acquisitions (j)	-	5	12
Acquired EBITDA in Current Year (k)	6	10	16
Combined Adjusted EBITDA	\$ 69	\$ 87	\$ 108

- (a) Represents non-recurring transaction costs related to mergers of Lawson, TestEquity and Gexpro Services
- (b) Represents management fees paid to LKCM which were discontinued after the mergers
- (c) Represents non-cash stock compensation expense related to award issuances and mark-to-market account on stock performance rights
- (d) Represents mark-to-market adjustments for currency fluctuations
- (e) Represents non-cash goodwill impairment
- (f) Represents non-recurring inventory adjustments for PPE items and acquisition integration
- (g) Represents severance expenses primarily related to acquisition integrations
- (h) Represents non-recurring items primarily related to debt extinguishment, earn-outs, system implementations, distribution center consolidations, shift to manufacturing outsourcing and other non-recurring items
- (i) Represents post acquisition adjusted EBITDA included in reported EBITDA
- (j) Represents adjusted EBITDA from prior year acquisitions
- (k) Represent acquired adjusted EBITDA in each respective year

Historical Acquisitions

	COMPANY	FOCUS	STRATEGIC RATIONALE	CLOSING DATE	REVENUE ⁽¹⁾	PURCHASE PRICE
2017		Industrial Technologies	<ul style="list-style-type: none"> Expanded geographic coverage and expanded customer base with an additional ~22,000 customer locations Complementary value-added products / services (kitting, VMI) 	January 2017	\$45.1	\$25.0
		Industrial Technologies	<ul style="list-style-type: none"> Adds scale to highly complementary Lab & Production supplies offering Bolsters stocked inventory and value-add capabilities (VMI, vending, etc.) 	July 2017	\$77.8	\$35.0
		MRO	<ul style="list-style-type: none"> Complementary products in fasteners, power tools and MRO supplies Provides sales/regional fulfillment expansion opportunity in W Canada 	October 2017	\$34.4	\$32.0
2020		MRO	<ul style="list-style-type: none"> Sizeable "DNA match" acquisition for MRO segment Highly accretive with significant cost synergies 	August 2020	\$64.2	\$35.3
2021		OEM	<ul style="list-style-type: none"> Complementary value-added fabrication capabilities Highly accretive with significant synergies 	June 2021	\$5.3	\$6.5
		Industrial Technologies	<ul style="list-style-type: none"> European beachhead for Industrial Technologies segment Supplier expansion and further penetration into Telecom/5G market 	July 2021	\$9.7	\$14.4
		OEM	<ul style="list-style-type: none"> Strategic expansion into Canada & Mexico for OEM segment Loyal customer base with high service levels in new and existing markets 	November 2021	\$28.3	\$18.9
		OEM	<ul style="list-style-type: none"> Highly accretive "DNA match" with diversified end markets Natural tuck-in with value-add product offering and strong management 	December 2021	\$9.6	\$11.8
2022		OEM	<ul style="list-style-type: none"> Leading global renewables supplier within the OEM segment Opened new strategic markets in Europe, the Middle East, and Asia 	January 2022	\$31.9	\$38.0
		OEM	<ul style="list-style-type: none"> Enhances B & C-class product and service offering to Renewables market Significant commercial synergies and delivers manufacturing capabilities 	March 2022	\$21.9	\$30.0
		Industrial Technologies	<ul style="list-style-type: none"> Adds complementary product lines (handhelds), brands and customers Digital go-to-market supplements Industrial Technology's sales model 	April 2022	\$113.0	\$55.0
		Industrial Technologies	<ul style="list-style-type: none"> Adds complementary product lines with reconditioned equipment Strong focus on rental and leasing purchase options 	June 2022	\$9.0	\$7.8
HIGHLIGHTED TOTAL					\$450.2	\$309.7

Questions?

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