Distribution Solutions Group, Inc. DSGR

Nasdaq; shops; SIC 5080, Wholesale-Machinery, Equipment & Supplies; CIK 0000703604

C/D

on the C/D boundary of 256 graded peers in shops

rank 148 of 256; percentile 57.6; sampling error 2.9 points; lower is stronger

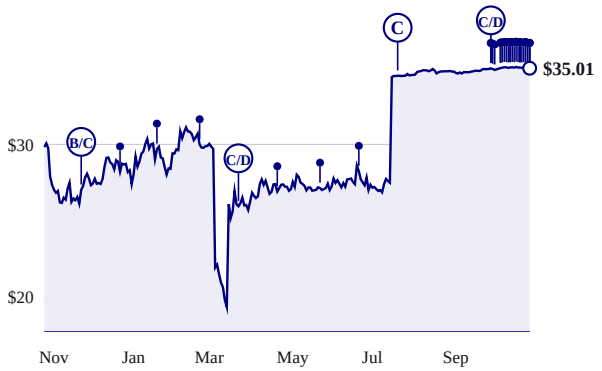
A B C D E

C/D, the tortoise



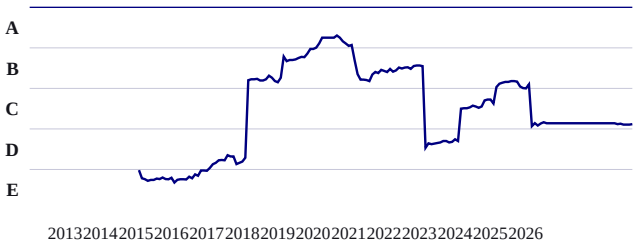
Scoreboard	
Profitability	D percentile 69.6
Solvency	C percentile 46.4
Growth and financing	B/C percentile 39.0
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.7B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	11 of 14
Graded from	filings received through Mar 5, 2026 236 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026
Last close	$35.02 2026-10-26; market equity $1.6B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Mar 5, 2026

Distribution Solutions Group, Inc. ("DSG"), a Delaware corporation, is a global specialty distribution company providing value-added distribution solutions to the maintenance, repair and operations ("MRO"), original equipment manufacturer ("OEM") and industrial technology markets. Through the strategic Mergers (as defined below) completed in 2022, the complementary distribution businesses of Lawson Products, Inc.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 69.6						
Gross profitability	37.9%	42.0%		53.1	240	2025-12-31
Return on invested capital	2.7%	10.9%		80.7	84	2025-12-31
Accruals ratio	(4.3%)	(4.9%)		58.8	285	2025-12-31
Gross margin stability, five years	3.7 pts	1.2 pts		85.7	218	2025-12-31

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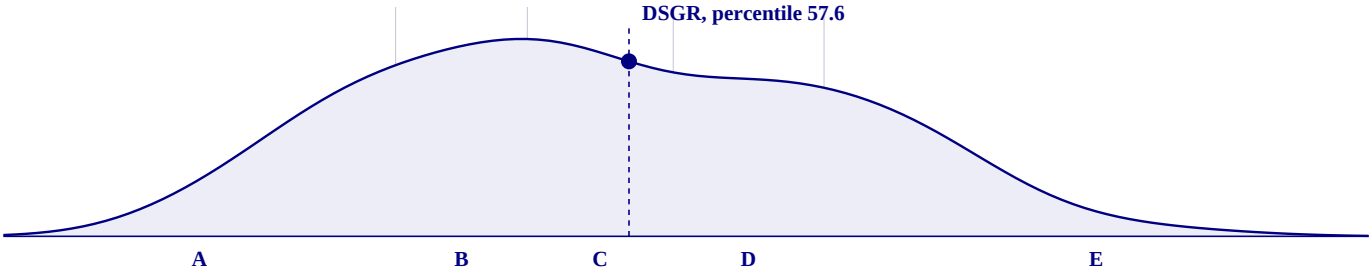
Solvency, sleeve percentile 46.4						
Twelve-month failure probability	not computable	0.04%				
latest liabilities, cash plus short-term investments, book equity, and shares are required						
Altman Z double-prime	2.57	1.93	37.7	205	2025-12-31	
Net debt to EBITDA	3.79x	1.84x	81.8	100	2025-12-31	
Interest coverage	not computable	2.28x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	2.56x	1.38x	19.5	293	2025-12-31	
Growth and financing, sleeve percentile 39.0						
Revenue growth, three-year compound	19.8%	1.6%	4.1	267	2025-12-31	
Free cash flow growth, three-year compound	not computable	4.8%				
current FCF must be positive and base FCF must exceed $100,000						
Reinvestment rate	(149.6%)	8.4%	94.0	152	2025-12-31	
Asset growth, three years	12.9%	3.4%	12.3	270	2025-12-31	
Net share issuance, one year	(0.8%)	(0.6%)	45.4	208	2026-02-27	

Among 256 peers

shops; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
143	Victoria's Secret & Co. (VSXY)	55.7	C	
144	Climb Global Solutions, Inc. (CLMB)	56.1	C	fortress balance sheet
145	Arrow Electronics, Inc. (ARW)	56.5	C	
146	BlueLinx Holdings Inc. (BXC)	56.9	C	
147	Grocery Outlet Holding Corp. (GO)	57.3	C/D	
148	Distribution Solutions Group, Inc. (DSGR)	57.6	C/D	
149	Kroger Co. (KR)	58.0	C/D	
150	Autozone Inc. (AZO)	58.4	C/D	
151	United Natural Foods Inc. (UNFI)	58.8	C/D	
152	Autonation, Inc. (AN)	59.2	C/D	
153	Papa Johns International Inc. (PZZA)	59.6	C/D	

What the price implies

at the 2026-10-26 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	15.7%	0.7%	64
Distance from 52-week high	(0.2%)	(22.3%)	99
EBIT to enterprise value	3.5%	5.3%	30
Free cash flow yield	3.9%	4.0%	47
Book value to price	0.40	0.34	53
Sales to price	1.22	1.67	40
Composite equity issuance, five years	93.7%	(16.8%)	96
Relative strength against the sector, log excess return	0.17	0.03	64

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Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$66.9M
Operating cash flow, four quarters	$56.9M
Months of runway	not finite
Days since last periodic filing	82 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	$6.7M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$662.0M	2025-12-31	2026-03-05	10-K	26-000008
2	assets	us-gaap:Assets	$1.7B	2025-12-31	2026-03-05	10-K	26-000008
3	operating income	us-gaap:OperatingIncomeLoss	$78.3M	2025-12-31	2026-03-05	10-K	26-000008
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$19.4M	2025-12-31	2026-03-05	10-K	26-000008
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$11.1M	2025-12-31	2026-03-05	10-K	26-000008
6	total debt	us-gaap:LongTermDebt	$664.2M	2025-12-31	2026-03-05	10-K	26-000008
7	book equity	us-gaap:StockholdersEquity	$649.3M	2025-12-31	2026-03-05	10-K	26-000008
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$61.8M	2025-12-31	2026-03-05	10-K	26-000008
9	total debt	us-gaap:LongTermDebt	$693.9M	2024-12-31	2026-03-05	10-K	26-000008
10	book equity	us-gaap:StockholdersEquity	$640.5M	2024-12-31	2026-03-05	10-K	26-000008
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$66.5M	2024-12-31	2026-03-05	10-K	26-000008
12	net income	us-gaap:NetIncomeLoss	$8.3M	2025-12-31	2026-03-05	10-K	26-000008
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$83.8M	2025-12-31	2026-03-05	10-K	26-000008
14	assets	us-gaap:Assets	$1.7B	2024-12-31	2026-03-05	10-K	26-000008
15	revenue	us-gaap:Revenues	$2.0B	2025-12-31	2026-03-05	10-K	26-000008
16	gross profit	us-gaap:GrossProfit	$613.8M	2024-12-31	2026-03-05	10-K	26-000008
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.8B	2024-12-31	2025-03-06	10-K	25-000012
18	gross profit	us-gaap:GrossProfit	$551.9M	2023-12-31	2026-03-05	10-K	26-000008
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.6B	2023-12-31	2025-03-06	10-K	25-000012
20	gross profit	us-gaap:GrossProfit	$390.9M	2022-12-31	2025-03-06	10-K	25-000012
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.2B	2022-12-31	2025-03-06	10-K	25-000012
22	gross profit	us-gaap:GrossProfit	$130.3M	2021-12-31	2023-03-14	10-K	23-000033
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$520.3M	2021-12-31	2023-03-14	10-K	23-000033
24	current assets	us-gaap:AssetsCurrent	$746.9M	2025-12-31	2026-03-05	10-K	26-000008
25	current liabilities	us-gaap:LiabilitiesCurrent	$291.5M	2025-12-31	2026-03-05	10-K	26-000008
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$33.7M	2025-12-31	2026-03-05	10-K	26-000008
27	liabilities	us-gaap:Liabilities	$1.1B	2025-12-31	2026-03-05	10-K	26-000008
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$80.9M	2025-12-31	2026-03-05	10-K	26-000008
29	operating income	us-gaap:OperatingIncomeLoss	$43.0M	2023-12-31	2026-03-05	10-K	26-000008
30	interest expense	us-gaap:InterestExpense	$42.8M	2023-12-31	2024-03-07	10-K	24-000021
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$21.0M	2025-12-31	2026-03-05	10-K	26-000008

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32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$56.5M	2024-12-31	2026-03-05	10-K	26-000008
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$13.7M	2024-12-31	2026-03-05	10-K	26-000008
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$102.3M	2023-12-31	2026-03-05	10-K	26-000008
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$15.3M	2023-12-31	2026-03-05	10-K	26-000008
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$11.0M	2022-12-31	2025-03-06	10-K	25-000012
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.3M	2022-12-31	2025-03-06	10-K	25-000012
38	current assets	us-gaap:AssetsCurrent	$712.2M	2024-12-31	2026-03-05	10-K	26-000008
39	current liabilities	us-gaap:LiabilitiesCurrent	$266.3M	2024-12-31	2026-03-05	10-K	26-000008
40	assets	us-gaap:Assets	$1.6B	2023-12-31	2025-03-06	10-K	25-000012
41	assets	us-gaap:Assets	$1.2B	2022-12-31	2024-03-07	10-K	24-000021
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	46,186,293	2026-02-27	2026-03-05	10-K	26-000008
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	46,558,913	2025-02-28	2025-03-06	10-K	25-000012

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