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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 25, 2021**

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**The Hillman Companies, Inc.**

(Exact name of registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-13293**  
(Commission  
File No.)

**23-2874736**  
(I.R.S. Employer  
Identification No.)

**10590 Hamilton Avenue**  
**Cincinnati, Ohio 45231**  
(Address of principal executive offices)

**Registrant's telephone number, including area code: (513) 851-4900**

**Not Applicable**  
(Former name or former address, if changed since last report.)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
<b>11.6% Junior Subordinated Debentures Preferred Securities Guaranty</b>		<b>None None</b>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## **Item 1.01. Entry into a Material Definitive Agreement.**

### ***Merger Agreement***

On January 24, 2021, HMAN Group Holdings Inc., a Delaware corporation (“Hillman Holdco”, and, together with its direct and indirect subsidiaries, collectively, “Hillman”), entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among Hillman Holdco, Landcadia Holdings III, Inc., a Delaware corporation (“Landcadia”), Helios Sun Merger Sub, Inc., a Delaware corporation and a direct wholly-owned subsidiary of Landcadia (“Merger Sub”), and CCMP Sellers’ Representative, LLC, a Delaware limited liability company in its capacity as the Stockholder Representative thereunder (the “Stockholder Representative”).

### ***Consideration***

In accordance with the terms and subject to the conditions of the Merger Agreement, Landcadia has agreed to pay aggregate consideration in the form of New Hillman (as defined below) common stock (the “Aggregate Consideration”) equal to a value of approximately (i) \$911,300,000 plus (ii) \$28,280,000, such amount being the value of 2,828,000 shares of Class B common stock valued at \$10.00 per share that Landcadia’s sponsors, TJF, LLC (“TJF Sponsor”) and Jefferies Financial Group Inc. (“JFG Sponsor” and, together with TJF Sponsor, the “Sponsors”), have agreed to forfeit at Closing pursuant to the terms of the A&R Letter Agreement (as defined below).

### ***The Merger***

The Merger Agreement provides that, among other things and upon the terms and subject to the conditions thereof, the following transactions will occur (together with the other agreements and transactions contemplated by the Merger Agreement, the “Business Combination”):

- (i) at the closing of the transactions contemplated by the Merger Agreement (the “Closing”), in accordance with the Delaware General Corporation Law, as amended, Merger Sub will merge with and into Hillman Holdco with Hillman Holdco surviving the merger as a wholly-owned subsidiary of Landcadia (the “Merger”);
- (ii) upon the effective time of the Merger (the “Effective Time”), Landcadia will immediately be renamed “Hillman Solutions Corp.” (“New Hillman”); and
- (iii) as a result of the Merger, among other things, all outstanding shares of capital stock of Hillman Holdco will be cancelled in exchange for the right to receive a certain number of shares of New Hillman common stock valued at \$10.00 per share equal to (A) (i) the Aggregate Consideration plus (ii) the value that would be received by Hillman Holdco upon the exercise of all outstanding Hillman Holdco options as of immediately prior to the Closing, divided by (B) (i) the total number of shares of Hillman Holdco common stock outstanding as of immediately prior to the Closing plus (ii) the number of shares of Hillman Holdco common stock underlying all then outstanding Hillman Holdco options and shares of Hillman Holdco restricted stock.

The board of directors of Landcadia (the “Board”) has unanimously (i) approved and declared advisable the Merger Agreement, the Business Combination and the other transactions contemplated thereby and (ii) resolved to recommend approval of the Merger Agreement and related matters by the stockholders of Landcadia. The board of directors of Hillman Holdco has also unanimously (i) approved and declared advisable the Merger Agreement, the Business Combination and the other transactions contemplated thereby and (ii) resolved to recommend approval of the Merger Agreement and related matters by the stockholders of Hillman Holdco.

### ***Conditions to Closing***

The obligation of Landcadia and Hillman Holdco to consummate the Business Combination pursuant to the Merger Agreement is subject to the satisfaction or waiver of certain closing conditions, including, among others, (i) approval of the Business Combination and related agreements and transactions by the respective stockholders of Landcadia and Hillman Holdco, (ii) effectiveness of the proxy / registration statement on Form S-4 to be filed by Landcadia in connection with the Business Combination, (iii) the aggregate cash proceeds from Landcadia’s trust account, together with proceeds of the PIPE Investment (as defined below), equaling no less than \$639,000,000, after giving effect to all redemptions of public shares, the payment of transaction expenses and any other Landcadia liabilities, (iv) aggregate indebtedness net of cash and cash equivalents of New Hillman immediately following the Closing of no more than \$885,000,000, plus an amount equal to any additional borrowings by Hillman since the end of its last fiscal year under its existing revolving credit facility of up to \$100,000,000, (v) cash and cash equivalents held by New Hillman of at least \$50,000,000 immediately after Closing, (vi) the redemption of Hillman’s outstanding debentures, trust preferred securities and notes, (vii) expiration or termination of the waiting period under the Hart-Scott-Rodino Antitrust Improvements Act (the “HSR Act”), (viii) receipt of approval for listing on the Nasdaq Capital Market (“Nasdaq”) of the shares of New Hillman common stock to be issued in connection with the Merger, and (ix) that Landcadia has at least \$5,000,001 of net tangible assets upon Closing.

### ***Covenants***

The Merger Agreement contains certain covenants, including, among others, providing for (i) the parties to conduct their respective businesses in the ordinary course through the Closing, (ii) Hillman Holdco to provide to Landcadia and its representatives reasonable access through the Closing to Hillman’s properties, books, records and personnel, (iii) the parties to not initiate any negotiations or enter into any agreements for certain alternative transactions, (iv) Landcadia to prepare and file a proxy / registration statement on Form S-4 and take certain other actions to obtain the requisite approval of Landcadia stockholders of certain proposals regarding the Business Combination, and (v) the parties to use reasonable best efforts to cause the expiration or termination of the applicable waiting period under the HSR Act as soon as practicable.

Other covenants provide for (i) Hillman using reasonable best efforts to obtain third-party debt financing in connection with the Business Combination and (ii) Landcadia using commercially reasonable efforts to obtain the proceeds of the PIPE Investment.

### ***Representations and Warranties***

The Merger Agreement contains customary representations and warranties by Landcadia, Merger Sub and Hillman Holdco. The representations and warranties of the respective parties to the Merger Agreement will not survive the Closing.

### ***Termination***

The Merger Agreement may be terminated under certain limited circumstances prior to the Closing, including, among others, (i) by mutual written consent of Landcadia and the Stockholder Representative, (ii) by either Landcadia or the Stockholder Representative if the Closing has not occurred on or before July 24, 2021 (the “Outside Date”), (iii) by either Landcadia or the Stockholder Representative if any Governmental Authority (as defined in the Merger Agreement) shall have issued or otherwise entered a final, nonappealable order making consummation of the Merger illegal or otherwise preventing or prohibiting consummation of the Merger, (iv) by either Landcadia or Stockholder Representative if certain approvals of stockholders of Landcadia are not obtained, (v) by Landcadia or the Stockholder Representative if the condition requiring Landcadia to have \$5,000,001 of net tangible assets upon Closing becomes incapable of being satisfied, (vi) by Landcadia if certain approvals of stockholders of Hillman Holdco are not obtained, and (vii) by Landcadia if Hillman Holdco does not deliver the Hillman Holdco Voting and Support Agreement (as defined below) within one business day after the date of the

## **Certain Related Agreements**

### ***Subscription Agreements***

On January 24, 2021, concurrently with the execution of the Merger Agreement, Landcadia entered into subscription agreements (the "Subscription Agreements") with certain investors (collectively, the "PIPE Investors"), pursuant to, and on the terms and subject to the conditions of which, the PIPE Investors have collectively subscribed for 37,500,000 shares of Landcadia Class A common stock for an aggregate purchase price equal to \$375,000,000 (the "PIPE Investment"). The PIPE Investment will be consummated substantially concurrently with the Closing.

The Subscription Agreements for the PIPE Investors provide for certain registration rights. In particular, New Hillman is required to, within 30 calendar days following the Closing (the "Filing Deadline"), submit to or file with the SEC a registration statement registering the resale of such shares. Additionally, New Hillman is required to use its commercially reasonable efforts to have the registration statement declared effective as soon as practicable after the filing thereof, but no later than the 60th calendar day (or 90th calendar day if the SEC notifies New Hillman that it will "review" such registration statement) following the Closing. New Hillman must use commercially reasonable efforts to keep the registration statement effective until the earliest of: (i) three years from the date of effectiveness of the registration statement, (ii) the date the PIPE Investors no longer hold any subscribed shares and (iii) the first date all subscribed shares held by the PIPE Investors may be sold without restriction under Rule 144.

The Subscription Agreements will terminate with no further force and effect upon the earliest to occur of: (i) such date and time as the Merger Agreement is terminated in accordance with its terms; (ii) the mutual written agreement of Hillman Holdco and the parties to such Subscription Agreement; (iii) if any of the conditions to closing set forth in such Subscription Agreement are not satisfied on or prior to the Closing and, as a result thereof, the transactions contemplated by the Subscription Agreement fail to occur; and (iv) July 24, 2021.

### ***Hillman Holdco Voting and Support Agreement***

On January 24, 2021, certain Hillman Holdco stockholders (the "Hillman Holdco Supporting Stockholders") entered into a voting and support agreement with Landcadia (the "Hillman Holdco Voting and Support Agreement"). Under the Hillman Holdco Voting and Support Agreement, the Hillman Holdco Supporting Stockholders agreed that they will not transfer and will deliver a written consent with respect to their shares of Hillman Holdco capital stock in favor of the adoption and approval of the Merger Agreement and the transactions contemplated by the Merger Agreement, promptly following the time at which the registration statement on Form S-4 to be filed by Landcadia in connection with the Business Combination has been declared effective and delivered or otherwise made available to the Hillman Holdco stockholders.

### ***A&R Letter Agreement***

On January 24, 2021, Landcadia, each Sponsor, each member of the Board and the management team of Landcadia amended and restated in its entirety: (i) the Letter Agreement entered on October 8, 2020 in connection with Landcadia's initial public offering and (ii) the Letter Agreement, dated January 6, 2021, from Dona Cornell to Landcadia (as so amended and restated, the "A&R Letter Agreement"). Pursuant to the A&R Letter Agreement, among other things, (i) the Sponsors agreed to forfeit their pro rata share of 2,828,000 shares of Landcadia's Class B common stock upon the Closing, (ii) TJJ Sponsor agreed to forfeit an additional 1,000,000 shares of Landcadia's Class B common stock upon the Closing and (iii) the Sponsors and each member of Landcadia's Board and/or management team agreed to vote in favor of the Business Combination. Further, the Sponsors and each member of Landcadia's Board and management team agreed to certain restrictions on transfer with respect to the shares of New Hillman common stock that they will receive upon the Closing. Such restrictions end on the date that is one year after Closing, or are subject to an early price-based release if the price of the shares of New Hillman common stock equal or exceed \$12.00 per share for any twenty trading days within any thirty-day trading period at least 150 days after the merger.

## ***A&R Registration Rights Agreement***

The Merger Agreement contemplates that, at the Closing, New Hillman, the Sponsors, and the Hillman Holdco Supporting Stockholders and will enter into an Amended and Restated Registration Rights Agreement (the "A&R Registration Rights Agreement"), pursuant to which, among other things, (i) Landcadia will agree to register for resale, pursuant to Rule 415 under the Securities Act, certain shares of New Hillman common stock and other equity securities of Landcadia that are held by the parties thereto from time to time, (ii) the Sponsors and the Hillman Holdco Supporting Stockholders will be granted certain registration rights, and (iii) the Hillman Holdco Supporting Stockholders will agree to certain restrictions on transfers of the shares of New Hillman common stock that they will receive upon the Closing during the lock-up period described therein.

The foregoing descriptions of the Merger Agreement, Subscription Agreements, A&R Letter Agreement, Hillman Holdco Voting and Support Agreement and the A&R Registration Rights Agreement, and the transactions and documents contemplated thereby, are not complete and are subject to and qualified in their entirety by reference to the Merger Agreement, Subscription Agreements, the A&R Letter Agreement, the Hillman Holdco Voting and Support Agreement and the A&R Registration Rights Agreement, copies of which are filed with this Current Report on Form 8-K as Exhibit 2.1, Exhibit 10.1, Exhibit 10.2, Exhibit 10.3 and Exhibit E to Exhibit 2.1 hereto, respectively, and the terms of which are incorporated by reference herein.

The Merger Agreement, Subscription Agreements, the A&R Letter Agreement, the Hillman Holdco Voting and Support Agreement and the A&R Registration Rights Agreement have been included to provide investors with information regarding their terms. They are not intended to provide any other factual information about Landcadia, Hillman or their respective affiliates. The representations, warranties, covenants and agreements contained in the Merger Agreement, the Subscription Agreements, the A&R Letter Agreement, the Hillman Holdco Voting and Support Agreement and the other documents related thereto were made only for purposes of the Merger Agreement as of the specific dates therein, were solely for the benefit of the parties to the Merger Agreement, the Subscription Agreements, the A&R Letter Agreement and the Hillman Holdco Voting and Support Agreement, may be subject to limitations agreed upon by the contracting parties, including being qualified by confidential disclosures made for the purposes of allocating contractual risk between the parties to the Merger Agreement, the Subscription Agreements, the A&R Letter Agreement or the Hillman Holdco Voting and Support Agreement instead of establishing these matters as facts, and may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Investors are not third-party beneficiaries under the Merger Agreement, the Subscription Agreements, the A&R Letter Agreement or the Hillman Holdco Voting and Support Agreement and should not rely on the representations, warranties, covenants and agreements or any descriptions thereof as characterizations of the actual state of facts or condition of the parties thereto or any of their respective subsidiaries or affiliates. Moreover, information concerning the subject matter of representations and warranties may change after the date of the Merger Agreement, the Subscription Agreements, the A&R Letter Agreement or the Hillman Holdco Voting and Support Agreement, as applicable, which subsequent information may or may not be fully reflected in the public disclosures of Landcadia or Hillman Holdco.

### **Item 2.02. Results of Operations and Financial Condition.**

On January 25, 2021, The Hillman Companies, Inc. held a pre-recorded joint conference call with Landcadia in connection with the announcement of the parties' entry into the Merger Agreement. A copy of this conference call transcript is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

The information in this Form 8-K and the Exhibit attached hereto are being furnished pursuant to Item 2.02 of Form 8-K and therefore shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934.

### **Item 7.01. Regulation FD Disclosure.**

The information set forth below under this Item 7.01, including the exhibits attached hereto, is intended to be furnished and shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as expressly set forth by specific reference in such filing.

#### **Press Release.**

Attached as Exhibit 99.2 to this Current Report on Form 8-K is the press release issued by the parties related to the proposed Business Combination.

#### **Investor Presentation.**

Attached as exhibit 99.3 to this Current Report on Form 8-K is the investor presentation that was prepared for use by Landcadia in connection with Landcadia's proposed transaction with Hillman Holdco, as described in this Current Report on Form 8-K.

### **Item 9.01. Financial Statements and Exhibits.**

*(d) Exhibits.*

Exhibit Number	Description
2.1*	<a href="#"><u>Agreement and Plan of Merger, dated as of January 24, 2021, by and among Landcadia Holdings III, Helios Sun Merger Sub, Inc., HMAN Group Holdings Inc., and CCMP Sellers' Representative, LLC, in its capacity as the Stockholder Representative thereunder.</u></a>
10.1	<a href="#"><u>Form of Subscription Agreement, dated as of January 24, 2021, by and between Landcadia Holdings III, Inc. and the subscribers party thereto.</u></a>
10.2	<a href="#"><u>Amended and Restated Letter Agreement, dated as of January 24, 2021, by and among Landcadia Holdings III, Inc., TJE, LLC, Jefferies Financial Group Inc. and the Landcadia Holdings III, Inc.'s directors and officers.</u></a>
10.3	<a href="#"><u>Voting and Support Agreement, dated as of January 24, 2021, by and among Landcadia Holdings III, Inc., HMAN Group Holdings Inc., and certain stockholders of HMAN Group Holdings Inc.</u></a>
99.1	<a href="#"><u>The Hillman Companies, Inc. conference call transcript, dated January 25, 2021.</u></a>
99.2	<a href="#"><u>The Hillman Companies, Inc. press release dated January 25, 2021.</u></a>
99.3	<a href="#"><u>Investor Presentation Materials.</u></a>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL (included as Exhibit 101).

\* Certain exhibits and schedules to this Exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted exhibit or schedule to the SEC upon its request.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE HILLMAN COMPANIES, INC.  
(Registrant)

Date: January 25, 2021

By: /s/ Robert O. Kraft

Robert O. Kraft

Title: Chief Financial Officer

**AGREEMENT AND PLAN OF MERGER**

**BY AND AMONG**

**LANCADIA HOLDINGS III, INC.,**

**HELIOS SUN MERGER SUB, INC.,**

**HMAN GROUP HOLDINGS INC.,**

**and**

**CCMP SELLERS' REPRESENTATIVE, LLC,**

**IN ITS CAPACITY AS THE STOCKHOLDER REPRESENTATIVE**

**DATED AS OF JANUARY 24, 2021**

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## Table of Contents

	Page
<b>RECITALS</b>	<b>1</b>
<b>Article I The Closing Transactions</b>	<b>3</b>
Section 1.1 Closing	3
Section 1.2 Parent Financing Certificate	3
Section 1.3 Company Allocation Schedule	3
Section 1.4 Closing Deliverables	3
Section 1.5 Closing Transactions	4
<b>Article II The Merger</b>	<b>5</b>
Section 2.1 Effective Times	5
Section 2.2 The Merger	5
Section 2.3 Effect of the Merger	5
Section 2.4 Governing Documents	5
Section 2.5 Directors and Officers of the Surviving Corporation	5
Section 2.6 Effect of the Merger on the Company Common Stock	5
Section 2.7 Effect of the Merger on the Company Options and Restricted Stock	6
Section 2.8 Surrender of Company Certificates and Disbursement of Closing Consideration	8
Section 2.9 Appraisal and Dissenter's Rights	9
Section 2.10 Withholding Taxes	10
Section 2.11 Taking of Necessary Action; Further Action	10
Section 2.12 Stockholder Representative Expenses	10
Section 2.13 Tax Treatment of the Merger	11
<b>Article III Representations and Warranties Regarding the Company</b>	<b>11</b>
Section 3.1 Organization and Qualification	11
Section 3.2 Company Subsidiaries	11
Section 3.3 Capitalization	12
Section 3.4 Due Authorization	13
Section 3.5 No Conflict; Governmental Consents and Filings	13
Section 3.6 Legal Compliance; Approvals	14
Section 3.7 Hillman SEC Reports; Financial Statements	14
Section 3.8 No Undisclosed Liabilities	15
Section 3.9 Absence of Certain Changes or Events	16
Section 3.10 Litigation	16
Section 3.11 Company Benefit Plans	16
Section 3.12 Labor Relations	18
Section 3.13 Real Property; Tangible Property	19
Section 3.14 Taxes	20
Section 3.15 Environmental Matters	21
Section 3.16 Brokers; Third-Party Expenses	22
Section 3.17 Intellectual Property	22
Section 3.18 Privacy	24
Section 3.19 Agreements, Contracts and Commitments	25
Section 3.20 Insurance	26
Section 3.21 Affiliate Matters	27
Section 3.22 Certain Provided Information	27
Section 3.23 Indebtedness	27
Section 3.24 Absence of Certain Business Practices	27

Section 3.25	Distributors, Suppliers and Customers	28
Section 3.26	Customer Warranties	28
Section 3.27	Product Liability	28
Section 3.28	Debt Financing	29
Section 3.29	Disclaimer of Other Warranties	29
<b>Article IV Representations and Warranties of Parent and Merger Sub</b>		<b>30</b>
Section 4.1	Organization and Qualification	30
Section 4.2	Parent Subsidiaries	30
Section 4.3	Capitalization	30
Section 4.4	Authority Relative to this Agreement	31
Section 4.5	No Conflict; Required Filings and Consents	32
Section 4.6	Compliance; Approvals	32
Section 4.7	Parent SEC Reports and Financial Statements	33
Section 4.8	Absence of Certain Changes or Events	33
Section 4.9	Litigation	33
Section 4.10	Business Activities	34
Section 4.11	Parent Material Contracts	34
Section 4.12	Parent Listing	34
Section 4.13	PIPE Investment	34
Section 4.14	Trust Account	34
Section 4.15	Taxes	35
Section 4.16	Information Supplied	37
Section 4.17	Board Approval; Stockholder Vote	37
Section 4.18	Employees; Benefit Plans	37
Section 4.19	Title to Assets	37
Section 4.20	Affiliate Transactions	37
Section 4.21	Brokers	38
Section 4.22	Disclaimer of Other Warranties	38
<b>Article V Conduct Prior to the Closing Date</b>		<b>39</b>
Section 5.1	Conduct of Business by the Company and the Company Subsidiaries	39
Section 5.2	Conduct of Business by Parent and Merger Sub	42
<b>Article VI Additional Agreements</b>		<b>43</b>
Section 6.1	Proxy Statement/Registration Statement; Special Meeting	43
Section 6.2	Regulatory Approvals	46
Section 6.3	Other Filings; Press Release	46
Section 6.4	Confidentiality; Communications Plan; Access to Information	47
Section 6.5	Reasonable Best Efforts	48
Section 6.6	[Reserved.]	49
Section 6.7	No Parent Securities Transactions	49
Section 6.8	No Claim Against Trust Account	49
Section 6.9	Disclosure of Certain Matters	49
Section 6.10	Securities Listing	49
Section 6.11	No Solicitation	50
Section 6.12	Trust Account	50
Section 6.13	Directors' and Officers' Liability Insurance	51
Section 6.14	New Parent Incentive Equity Plan	52
Section 6.15	280G Approval	52
Section 6.16	Tax Matters	52
Section 6.17	Financing	53
Section 6.18	Board of Directors	56
Section 6.19	Release	56



<b>Article VII Conditions to the Transaction</b>	<b>57</b>
Section 7.1 Conditions to Obligations of Each Party's Obligations	57
Section 7.2 Additional Conditions to Obligations of the Company	58
Section 7.3 Additional Conditions to the Obligations of Parent and Merger Sub	58
<b>Article VIII Termination</b>	<b>59</b>
Section 8.1 Termination	59
Section 8.2 Notice of Termination; Effect of Termination	60
<b>Article IX No Survival</b>	<b>60</b>
Section 9.1 No Survival	60
<b>Article X General Provisions</b>	<b>60</b>
Section 10.1 Stockholder Representative	60
Section 10.2 Notices	61
Section 10.3 Interpretation	63
Section 10.4 Counterparts; Electronic Delivery	63
Section 10.5 Entire Agreement; Third Party Beneficiaries	64
Section 10.6 Severability	64
Section 10.7 Other Remedies; Specific Performance	64
Section 10.8 Governing Law	64
Section 10.9 Consent to Jurisdiction; Waiver of Jury Trial	65
Section 10.10 Rules of Construction	66
Section 10.11 Expenses	66
Section 10.12 Assignment	66
Section 10.13 Amendment; Extension; Waiver	66
Section 10.14 No Recourse	67
Section 10.15 Legal Representation	67
Section 10.16 Disclosure Letters and Exhibits	68
<b>SCHEDULE A Defined Terms</b>	<b>71</b>
<b>EXHIBIT A Company Voting and Support Agreement</b>	<b>89</b>
<b>EXHIBIT B Parent Third A&amp;R Certificate of Incorporation</b>	<b>90</b>
<b>EXHIBIT C Parent A&amp;R Bylaws</b>	<b>91</b>
<b>EXHIBIT D A&amp;R Letter Agreement</b>	<b>92</b>
<b>EXHIBIT E A&amp;R Registration Rights Agreement</b>	<b>93</b>
<b>EXHIBIT F Letter of Transmittal</b>	<b>94</b>
<b>EXHIBIT G Equity Incentive Plan</b>	<b>95</b>

## AGREEMENT AND PLAN OF MERGER

**THIS AGREEMENT AND PLAN OF MERGER** is made and entered into as of January 24, 2021, by and among Landcadia Holdings III, Inc., a Delaware corporation (“**Parent**”), Helios Sun Merger Sub, Inc., a Delaware corporation and a direct, wholly-owned Subsidiary of Parent (“**Merger Sub**”), HMAN Group Holdings Inc., a Delaware corporation (the “**Company**”), and CCMP Sellers’ Representative, LLC, a Delaware limited liability company, in its capacity as the Stockholder Representative hereunder (in such capacity, the “**Stockholder Representative**”). Each of the Company, Parent, Merger Sub and the Stockholder Representative shall individually be referred to herein as a “**Party**” and, collectively, the “**Parties**”. The term “**Agreement**” as used herein refers to this Agreement and Plan of Merger, as the same may be amended from time to time, and all schedules, exhibits and annexes hereto (including the Company Disclosure Letter and the Parent Disclosure Letter, as defined herein). Defined terms used in this Agreement are listed alphabetically in Schedule A, together with the section and, if applicable, subsection in which the definition of each such term is located.

### **RECITALS**

**WHEREAS**, Parent is a blank check company incorporated for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses.

**WHEREAS**, the Company is a holding company incorporated to indirectly hold, and so holds, all the issued and outstanding capital stock of The Hillman Group, Inc. (“**Hillman**”), which, together with its direct and indirect subsidiaries, is in the business of providing hardware-related products and related merchandising services to retail markets in North America.

**WHEREAS**, upon the terms and subject to the conditions of this Agreement and in accordance with the General Corporation Law of the State of Delaware (the “**DGCL**”) and other applicable Legal Requirements, the Parties intend to enter into a business combination transaction by which Merger Sub will merge with and into the Company (the “**Merger**”), with the Company being the surviving corporation of the Merger (the Company, in its capacity as the surviving corporation of the Merger, is sometimes referred to as the “**Surviving Corporation**”)

**WHEREAS**, for U.S. federal income tax purposes, each of the Parties intends that the Merger be treated as a transaction that qualifies as a “reorganization” within the meaning of Section 368(a) of the Code (the “**Intended Tax Treatment**”), and that this Agreement be, and hereby is, adopted as a “plan of reorganization” for the purposes of Section 368 of the Code and Treasury Regulations Section 1.368-2(g).

**WHEREAS**, the board of directors of the Company (the “**Company Board**”) has unanimously (a) determined that it is in the best interests of the Company and the Company Stockholders, and declared it advisable, to enter into this Agreement and the other Transaction Documents; (b) approved this Agreement and the other Transaction Documents, the Merger and the other Transactions, on the terms and subject to the conditions of this Agreement; and (c) adopted a resolution recommending the approval and adoption by the Company Stockholders of this Agreement and the other Transaction Documents, the Merger and the other Transactions.

**WHEREAS**, as an inducement to Parent’s willingness to enter into this Agreement, promptly after the execution and delivery of this Agreement, the Key Company Stockholders, being Company Stockholders sufficient to deliver the Company Stockholder Approval, will execute and deliver to Parent a voting and support agreement substantially in the form attached hereto as Exhibit A (the “**Company Voting and Support Agreement**”) pursuant to which, among other things, such Company Stockholders will not transfer and will vote their shares of Company Capital Stock (whether pursuant to a duly convened meeting of the stockholders of the Company or by execution of a written consent) in favor of the adoption and

approval, promptly following the time at which the Registration Statement shall have been declared effective and delivered or otherwise made available to the Company Stockholders, of this Agreement and the other Transaction Documents, the Merger and the other Transactions.

**WHEREAS**, the board of directors of Parent (the "**Parent Board**") has unanimously (a) determined that it is in the best interests of Parent and the stockholders of Parent, and declared it advisable, to enter into this Agreement and the other Transaction Documents; (b) approved this Agreement and the other Transaction Documents, the Merger and the other Transactions, on the terms and subject to the conditions of this Agreement; and (c) adopted a resolution recommending the approval and adoption by the Parent's stockholders of this Agreement and the other Transaction Documents, the Merger and the other Transactions (the "**Parent Board Recommendation**").

**WHEREAS**, Parent, as the sole stockholder of Merger Sub, has approved and adopted this Agreement and the other Transaction Documents, the Merger and the other Transactions.

**WHEREAS**, in furtherance of the Merger and in accordance with the terms hereof, Parent shall provide an opportunity to its shareholders to have their outstanding shares of Parent Class A Common Stock redeemed on the terms and subject to the conditions set forth in this Agreement and the Parent's Organizational Documents in connection with obtaining the Parent Stockholder Approval.

**WHEREAS**, prior to the Closing, Parent will (a) subject to obtaining the approval of the Parent Stockholder Matters, adopt the Third Amended and Restated Certificate of Incorporation of Parent substantially in the form attached hereto as Exhibit B (the "**Parent Third A&R Certificate of Incorporation**"), pursuant to which, among other things, all shares of Parent Class A Common Stock (including all shares of Parent Class A Common Stock resulting from the conversion of Parent Class B Common Stock) will be renamed Parent Common Stock; and (b) amend and restate the existing bylaws of Parent substantially in the form attached hereto as Exhibit C (as so amended and restated, the "**Parent A&R Bylaws**").

**WHEREAS**, as a condition and an inducement to the Company's willingness to enter into this Agreement, concurrently with the execution and delivery of this Agreement, Parent, the Sponsors and each member of the Parent Board have amended and restated the Letter Agreement and delivered to the Stockholder Representative such amended and restated Letter Agreement substantially in the form attached as Exhibit D hereto (the "**A&R Letter Agreement**") pursuant to which, among other things, (i) as of and subject to the Closing the Sponsors will forfeit certain shares of Parent Class B Common Stock, (ii) the Sponsors will agree to not participate in the Parent Stockholder Redemptions, (iii) the Sponsors and each member of the Parent Board (in such member's personal capacity as a stockholder of Parent) will agree to vote in favor of the Parent Stockholder Matters at the Special Meeting, and (iv) the Sponsors and each member of the Parent Board will not sell, for the period set forth in the A&R Letter Agreement, the shares of Parent Common Stock that they will receive following conversion of certain shares of Parent Class B Common Stock in accordance with Parent's Organizational Documents at Closing.

**WHEREAS**, on or about the date hereof, Parent has obtained commitments from certain investors (the "**PIPE Investors**") for a private placement of shares of Parent Class A Common Stock (the "**PIPE Investment**"), such private placement to be consummated immediately prior to the consummation of the Transactions.

**WHEREAS**, at the Effective Time, Parent, the Sponsors and the Key Company Stockholders will enter into an amended and restated Registration Rights Agreement substantially in the form attached hereto as Exhibit E (the "**A&R Registration Rights Agreement**"), which will be effective as of and subject to the Closing, pursuant to which, among other things, the Key Company Stockholders will agree to a lock-up under which they will not sell, for the period set forth therein, the shares of Parent Common Stock they will receive in the Merger.

**NOW, THEREFORE**, in consideration of the covenants, promises and representations set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE I  
THE CLOSING TRANSACTIONS**

**Section 1.1 Closing.** Unless this Agreement shall have been terminated pursuant to Section 8.1, the consummation of the Transactions (the “**Closing**”), other than the filing of the Certificate of Merger (as defined below), shall take place by electronic exchange of documents at a time and date to be specified in writing by the Parties, which shall be no later than the third Business Day after the satisfaction or waiver of the conditions set forth in Article VII (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions), or at such other time, date and location as the Parties agree in writing; provided, that in no event shall any Party be required to consummate the Closing prior to the date that is sixty (60) days after the date hereof (the date on which the Closing occurs, the “**Closing Date**”).

**Section 1.2 Parent Financing Certificate.** Not more than three Business Days prior to the Closing, Parent shall deliver to the Stockholder Representative written notice (the “**Parent Financing Certificate**”) setting forth (a) the aggregate amount of cash proceeds that will be required to satisfy any exercise of the Parent Stockholder Redemptions (“**Parent Stockholder Redemption Amount**”); (b) the amount of Parent Cash and Parent Transaction Costs as of the Closing; (c) the aggregate amount of the equity financing committed to Parent by the PIPE Investors pursuant to the Subscription Agreements (the “**PIPE Investment Amount**”); and (d) the number of shares of Parent Class A Common Stock to be outstanding as of the Closing after giving effect to the Parent Stockholder Redemptions and the issuance of shares of Parent Class A Common Stock pursuant to the Subscription Agreements.

**Section 1.3 Company Allocation Schedule.** Not less than two Business Days prior to the Closing, the Company shall provide to Parent and the Exchange Agent a schedule (the “**Company Allocation Schedule**”) setting forth (a) the calculations of Adjusted Purchase Price, Adjusted Per Share Merger Value and Aggregate Stock Consideration, (b) a true, correct and complete list of each Company Stockholder as of the Effective Time, which shall set forth (i) the number and class of shares of Company Capital Stock held by each Company Stockholder, (ii) the Closing Stock Per Share Amount payable to each Company Stockholder, and (iii) any holders of Dissenting Shares, and (c) a true, correct and complete list of each Company Optionholder and holder of unvested Company Restricted Stock as of the Effective Time, which shall set forth (i) the number of Company Options held by each Company Optionholder, (ii) the number of shares of unvested Company Restricted Stock held by each holder thereof, (iii) the Closing Stock Per Option Amount payable to each Company Optionholder, and (iv) the Closing Stock Per Restricted Share Amount payable to each holder of unvested Company Restricted Stock.

**Section 1.4 Closing Deliverables.**

- (a) At the Closing, Parent and Merger Sub, as applicable, shall deliver to the Company and the Stockholder Representative:
  - (i) a certificate, signed by an executive officer of Parent and dated as of the Closing Date, certifying as to the matters set forth in Section 7.2(a) and Section 7.2(b);
  - (ii) a counterpart to the Company Voting and Support Agreement, duly executed by Parent;
  - (iii) a counterpart to the A&R Letter Agreement, duly executed by Parent, each Sponsor and each member of the Parent Board;

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- (iv) a counterpart to the A&R Registration Rights Agreement, duly executed by Parent and each Sponsor;
  - (v) resignation letters, duly executed by each director and officer of Merger Sub identified on Section 1.4(a)(v) of the Company Disclosure Letter;
  - (vi) copies of resolutions and actions taken by Parent's and Merger Sub's board of directors and stockholders in connection with the approval of this Agreement and the Transactions; and
  - (vii) certificates of good standing each dated not more than five Business Days prior to the Closing Date for (x) Parent and (y) Merger Sub, each issued by the Secretary of State of Delaware.
- (b) At the Closing, the Company or the Stockholder Representative, as applicable, shall deliver to Parent:
- (i) a certificate, signed by an executive officer of the Company and dated as of the Closing Date, certifying as to the matters set forth in Section 7.3(a) and Section 7.3(b);
  - (ii) a copy of the Certificate of Merger, duly executed by the Surviving Corporation;
  - (iii) counterparts to the Company Voting and Support Agreement, duly executed by the Key Company Stockholders;
  - (iv) counterparts to the A&R Registration Rights Agreement, duly executed by the Key Company Stockholders;
  - (v) copies of the Payoff Letters pursuant to Section 6.17(g);
  - (vi) resignation letters, duly executed by each director, officer or manager of each Group Company set forth on Section 1.4(b)(vi) of the Parent Disclosure Letter;
  - (vii) certificates of good standing (or equivalent document) each dated not more than five Business Days prior to the Closing Date (x) for the Company and (y) Hillman, each issued by the Secretary of State of Delaware; and
  - (viii) a FIRPTA Certificate pursuant to Section 6.16(c).

**Section 1.5 Closing Transactions.** At the Closing and on the Closing Date, the Parties shall cause the consummation of the following transactions in the following order, upon the terms and subject to the conditions of this Agreement:

- (a) Parent shall make any payments required to be made by Parent in connection with the Parent Stockholder Redemption.
- (b) Parent shall pay, or cause to be paid, all Parent Transaction Costs to the applicable payees, to the extent not paid prior to the Closing.
- (c) The certificate of merger with respect to the Merger shall be prepared and executed in accordance with the relevant provisions of the DGCL (the "*Certificate of Merger*") and filed with the Secretary of State of the State of Delaware.
- (d) Parent shall make available the Aggregate Stock Consideration.

(e) Parent shall (on behalf of the Company) pay, or, cause to be paid, the Stockholder Representative Expenses and all other amounts included in the Company Transaction Costs for which final or substantially final invoices have been submitted to the Company and delivered to Parent, to the extent not paid by the Company prior to the Closing, to the applicable payee by wire of immediately available funds; provided, that (i) the amounts included in the Company Transaction Costs may be paid promptly after the Closing Date as necessary; and (ii) Parent shall (on behalf of the Company) pay, or cause to be paid, any amounts included in the Company Transaction Costs that represent compensation to employees to the Company for payment to the applicable service provider at the time required by the applicable arrangement through the Company's payroll system.

## **ARTICLE II THE MERGER**

**Section 2.1 Effective Times.** Pursuant to the terms and subject to the conditions of this Agreement, on the Closing Date the Company and Merger Sub shall cause the Merger to be consummated by filing the Certificate of Merger with the Secretary of State of the State of Delaware, in accordance with the applicable provisions of the DGCL (the time of such filing, or such later time as may be agreed in writing by the Company and Parent and specified in the Certificate of Merger, being the "*Effective Time*").

**Section 2.2 The Merger.** At the Effective Time, upon the terms and subject to the conditions of this Agreement and in accordance with the applicable provisions of the DGCL, Merger Sub and the Company shall consummate the Merger, pursuant to which Merger Sub shall be merged with and into the Company, following which the separate corporate existence of Merger Sub shall cease and the Company shall continue as the Surviving Corporation after the Merger and as a direct, wholly-owned subsidiary of Parent. References to the Company for periods after the Effective Time shall include the Surviving Corporation.

**Section 2.3 Effect of the Merger.** At the Effective Time, the effect of the Merger shall be as provided in this Agreement, the Certificate of Merger and the applicable provisions of the DGCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time, all the property, rights, privileges, agreements, powers and franchises, debts, liabilities, duties and obligations of Merger Sub and the Company shall become the property, rights, privileges, agreements, powers and franchises, debts, liabilities, duties and obligations of the Surviving Corporation, which shall include the assumption by the Surviving Corporation of any and all agreements, covenants, duties and obligations of Merger Sub and the Company set forth in this Agreement to be performed after the Effective Time.

**Section 2.4 Governing Documents.** Subject to Section 6.13, at the Effective Time, the certificate of incorporation and bylaws of the Surviving Corporation shall be amended to read the same as the certificate of incorporation and bylaws of Merger Sub as in effect immediately prior to the Effective Time, except that the name of the Surviving Corporation shall be "HMAN Group Holdings Inc."

**Section 2.5 Directors and Officers of the Surviving Corporation.** Immediately after the Effective Time, the initial board of directors and executive officers of the Surviving Corporation shall be the board of directors and executive officers of the Company immediately prior to the Effective Time.

**Section 2.6 Effect of the Merger on the Company Common Stock.** Upon the terms and subject to the conditions of this Agreement, at the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Merger Sub, the Company, the Company Stockholders or the holders of any of the securities of Parent, the following shall occur:

(a) Each share of Company Common Stock (other than Dissenting Shares and Excluded Shares) issued and outstanding immediately prior to the Effective Time will be cancelled and

automatically deemed for all purposes to represent the right to receive a portion of the Aggregate Stock Consideration, with each Company Stockholder being entitled to receive with respect to each such share of Company Common Stock, the Closing Stock Per Share Amount, without interest, upon surrender of stock certificates representing all of such Company Stockholder's Company Common Stock (each, a "**Certificate**") (or affidavits of loss in lieu of the Certificates as provided in Section 2.8(g)) and delivery of the other documents required pursuant to Section 2.8. As of the Effective Time, each share of Company Common Stock shall cease to exist and shall no longer be outstanding, and each Company Stockholder shall cease to have any other rights in and to the Company or the Surviving Corporation, and each Certificate relating to the ownership of shares of Company Common Stock (other than Excluded Shares) shall thereafter represent only the right to receive the applicable portion of the Aggregate Stock Consideration, if any, contemplated by this Section 2.6(a).

(b) No fraction of a share of Parent Common Stock will be issued by virtue of the Merger, and each Company Stockholder who would otherwise be entitled to a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock that otherwise would be received by such Company Stockholder) shall receive from Parent, in lieu of such fractional share (i) one share of Parent Common Stock if the aggregate amount of fractional shares of Parent Common Stock such Company Stockholder would otherwise be entitled to is equal to or exceeds 0.50; or (ii) no shares of Parent Common Stock if the aggregate amount of fractional shares of Parent Common Stock such Company Stockholder would otherwise be entitled to is less than 0.50.

(c) Each issued and outstanding share of common stock of Merger Sub shall be converted into and become one validly issued, fully paid and nonassessable share of common stock, par value \$0.01 per share, of the Surviving Corporation, which shall constitute the only outstanding shares of capital stock of the Surviving Corporation. From and after the Effective Time, all certificates representing the common stock of Merger Sub shall be deemed for all purposes to represent the number of shares of common stock of the Surviving Corporation into which they were converted in accordance with the immediately preceding sentence.

(d) Each share of Company Capital Stock held in the Company's treasury or owned by Parent, Merger Sub or the Company immediately prior to the Effective Time (each an "**Excluded Share**"), shall be cancelled and no consideration shall be paid or payable with respect thereto.

(e) The numbers of shares of Parent Common Stock that the Company Stockholders are entitled to receive as a result of the Merger and as otherwise contemplated by this Agreement shall be adjusted to reflect appropriately the effect of any stock split, split-up, reverse stock split, stock dividend or distribution (including any dividend or distribution of securities convertible into Parent Class A Common Stock), extraordinary cash dividend, reorganization, recapitalization, reclassification, combination, exchange of shares or other like change with respect to Parent Class A Common Stock occurring on or after the date hereof and prior to the Closing.

#### **Section 2.7 Effect of the Merger on the Company Options and Restricted Stock**

(a) At the Effective Time, each Company Option that is outstanding immediately prior to the Effective Time, whether vested or unvested, shall, automatically and without any required action on the part of any holder or beneficiary thereof, be assumed by Parent and converted into an option to purchase shares of Parent Common Stock (each, a "**Parent Option**"). Each Parent Option shall continue to have and be subject to substantially the same terms and conditions as were applicable to such Company Option immediately prior to the Effective Time (including expiration date, vesting conditions, and exercise provisions), except that (i) each Parent Option shall be exercisable for that number of shares of Parent Common Stock equal to the product (rounded down to the nearest whole number) of (A) the number of shares of Company Common Stock subject to the Company Option immediately prior to the Effective Time

multiplied by (B) the Closing Stock Per Option Amount; (ii) the per share exercise price for each share of Parent Common Stock issuable upon exercise of the Parent Option shall be equal to the quotient (rounded up to the nearest whole cent) obtained by dividing (A) the exercise price per share of Company Common Stock subject to such Company Option immediately prior to the Effective Time by (B) the Closing Stock Per Option Amount; (iii) the Company Board (or the compensation committee of the Company Board) may appropriately adjust the performance conditions applicable to certain of the Parent Options; and (iv) the Company Board (or the compensation committee of the Company Board) may make such other immaterial administrative or ministerial changes to the Parent Options as it may determine in good faith are appropriate to effectuate the administration of the Parent Options and to ensure consistency with the administrative and ministerial provisions of the New Parent Incentive Equity Plan; provided, however, that the exercise price and the number of shares of Parent Common Stock purchasable under each Parent Option shall be determined in a manner intended to comply with the requirements of Section 409A of the Code; and provided, further, that in the case of any Company Option to which Section 422 of the Code applies, the exercise price and the number of shares of Parent Common Stock purchasable under such Parent Option shall be determined in accordance with the foregoing in a manner that satisfies the requirements of Section 424(a) of the Code.

(b) At the Effective Time, by virtue of the Merger and without any action on the part of any holder of Company Restricted Stock, each share of unvested Company Restricted Stock that is outstanding immediately prior to the Effective Time shall be cancelled and converted into the right to receive a number of shares of restricted Parent Class A Common Stock (each, "**Parent Restricted Stock**") equal to the Closing Stock Per Restricted Share Amount with substantially the same terms and conditions as were applicable to the related share of Company Restricted Stock immediately prior to the Effective Time (including with respect to vesting and termination-related provisions), except that (i) any per-share repurchase price of such Parent Restricted Stock shall be equal to the quotient obtained by dividing (A) the per-share repurchase price applicable to the Company Restricted Stock, by (B) the Closing Per Stock Restricted Share Amount, rounded up to the nearest cent and (ii) the Company Board (or the compensation committee of the Company Board) may make such other immaterial administrative or ministerial changes to the Parent Restricted Stock as it may determine in good faith are appropriate to effectuate the administration of the Parent Restricted Stock and to ensure consistency with the administrative and ministerial provisions of the New Parent Incentive Equity Plan.

(c) At the Effective Time, each Company RSU that is outstanding immediately prior to the Effective Time, shall, automatically and without any required action on the part of any holder or beneficiary thereof, be assumed by Parent and converted into a restricted stock unit in respect of shares of Parent Common Stock (each, a "**Parent RSU**"). Each Parent RSU shall continue to have and be subject to substantially the same terms and conditions as were applicable to such Company RSU immediately prior to the Effective Time (including with respect to vesting and termination-related provisions), except that (i) each Parent RSU shall represent the right to receive (subject to vesting) that number of shares of Parent Common Stock equal to the product (rounded up to the nearest whole number) of (A) the number of shares of Company Common Stock underlying the Company RSU immediately prior to the Effective Time multiplied by (B) the Company RSU Exchange Ratio; and (ii) the Company Board (or the compensation committee of the Company Board) may make such other immaterial administrative or ministerial changes to the Parent RSUs as it may determine in good faith are appropriate to effectuate the administration of the Parent RSUs and to ensure consistency with the administrative and ministerial provisions of the New Parent Incentive Equity Plan.

(d) The Company shall take all necessary actions to effect the treatment of Company Options, Company Restricted Stock and Company RSUs pursuant to this Section 2.7 in accordance with the Company Incentive Plan and any applicable award agreement and to ensure that no Company Option may be exercised prior to the effective date of an applicable Form S-8 (or other applicable form, including Form S-1 or Form S-3) of Parent. The Company Board shall amend the Company Incentive Plan and take



all other necessary actions, effective as of immediately prior to the Closing, in order to (i) cancel any remaining unallocated share reserve under the Company Incentive Plan and provide that shares of Company Common Stock in respect of Company Awards that for any reason become re-eligible for future issuance, shall be cancelled, (ii) provide that no new Company Award will be granted under the Company Incentive Plan, and (iii) make such other immaterial administrative or ministerial changes to the Company Incentive Plan as the Company Board (or the compensation committee of the Company Board) may determine in good faith are appropriate to effectuate the administration of the Company Incentive Plan and any outstanding awards following the Closing.

**Section 2.8 Surrender of Company Certificates and Disbursement of Closing Consideration.**

(a) Not less than five Business Days prior to the Effective Time, Parent shall appoint a commercial bank or trust company (the “**Exchange Agent**”) for the purpose of exchanging the Certificates for each eligible Company Stockholder’s portion of the Aggregate Stock Consideration.

(b) At the Effective Time, Parent shall make available the Closing Stock Per Share Amounts for the Company Stockholders. Such equity deposited with the Exchange Agent shall be referred to in this Agreement as the “**Exchange Fund**”. At the Effective Time, Parent shall deliver irrevocable instructions to the Exchange Agent to deliver the Aggregate Stock Consideration out of the Exchange Fund in the manner it is contemplated to be issued or paid pursuant to this Article II.

(c) Promptly following the receipt of the Parent Stockholder Approval (and in any event within five Business Days thereafter), the Exchange Agent shall mail to each Company Stockholder (other than holders of Dissenting Shares or of Excluded Shares) (i) a letter of transmittal in the form attached hereto as Exhibit F (the “**Letter of Transmittal**”) which shall include provisions substantially similar to Section 6.19(b) and Section 10.1 and specify that delivery shall be effected, and risk of loss and title to the Certificates shall pass, only upon delivery of the Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.8(g)) to the Exchange Agent; and (ii) instructions for surrendering the Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.8(g)) to the Exchange Agent (the “**Surrender Documentation**”). Upon surrender of a Certificate (or affidavit of loss in lieu of the Certificate as provided in Section 2.8(g)) to the Exchange Agent in accordance with the terms of the Surrender Documentation, together with the delivery of a properly completed and duly executed Letter of Transmittal, the Exchange Agent will deliver to the holder of such Certificate in exchange therefor such holder’s portion of the Aggregate Stock Consideration, with any Closing Stock Per Share Amount being delivered via book-entry issuance, less any required Tax withholdings as provided in Section 2.10; provided, however, that if the holder of such Certificate delivers to the Exchange Agent the Surrender Documentation with respect to such Company Stockholder’s Certificates prior to the Effective Time, the Exchange Agent shall deliver to the holder of such Certificate in exchange therefor such holder’s portion of the Aggregate Stock Consideration covered by such Surrender Documentation in accordance with clauses (A) and (B) of this sentence at the Effective Time or as promptly as practicable thereafter. The Certificate so surrendered shall forthwith be cancelled. Until so surrendered, each Certificate shall represent from and after the Effective Time for all purposes only the right to receive the applicable portion of the Aggregate Stock Consideration attributable to such Certificate. No interest will be paid or accrued on any amount payable upon due surrender of the Certificates. In the event of a transfer of ownership of shares of Company Common Stock that is not registered in the transfer records of the Company, the applicable portion of the Aggregate Stock Consideration to be delivered upon due surrender of the Certificate may be issued to such transferee if the Certificate formerly representing such shares of Company Common Stock is presented to the Exchange Agent, accompanied by all documents required to evidence and effect such transfer and to evidence that any applicable stock Transfer Taxes have been paid or are not applicable.

(d) Parent shall cause the Exchange Agent to mail, concurrently with the mailing of the Letters of Transmittal in accordance with Section 2.8(c), to each holder of any Company Options, unvested Company Restricted Stock or Company RSUs, a letter of transmittal which shall specify that the delivery of the Parent Options, Parent Restricted Stock or Parent RSUs, as applicable, shall be effected in exchange for the Company Options, unvested Company Restricted Stock and Company RSUs upon the Effective Time, such letter of transmittal and any additional materials contemplated thereby to be in such form and have such other provisions as Parent and the Stockholder Representative may reasonably agree. The Company shall use commercially reasonable efforts to obtain a duly executed acknowledgment of such letter of transmittal from each holder of any Company Options, unvested Company Restricted Stock or Company RSUs prior to the Closing.

(e) From and after the Effective Time, there shall be no transfers on the stock transfer books of the Company of the shares of Company Capital Stock that were outstanding immediately prior to the Effective Time. If, after the Effective Time, any Certificate is presented to the Surviving Corporation, Parent or the Exchange Agent for transfer, it shall be cancelled and deemed exchanged for (without interest and after giving effect to any required Tax withholdings as provided in Section 2.10) the portion of the Aggregate Stock Consideration represented by such Certificate.

(f) Any portion of the Exchange Fund (including the proceeds of any investments of the Exchange Fund) that remains unclaimed by the Company Stockholders for 180 days after the Effective Time shall be delivered to the Surviving Corporation. Any Company Stockholder who has not theretofore complied with this Section 2.8 shall thereafter look only to the Surviving Corporation for payment of their respective portion of the Aggregate Stock Consideration (after giving effect to any required Tax withholdings as provided in Section 2.10) upon due surrender of its Certificates (or affidavits of loss in lieu of the Certificates as provided in Section 2.8(g)), without any interest thereon. Notwithstanding the foregoing, none of the Surviving Corporation, Parent, the Exchange Agent or any other Person shall be liable to any former Company Stockholder for any amount properly delivered to a public official pursuant to applicable abandoned property, escheat or similar Legal Requirements.

(g) In the event any Certificate shall have been lost, stolen or destroyed (i) upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen or destroyed; and (ii) if required by Parent, the posting by such Person of a bond in customary amount and upon such terms as may be required by Parent as indemnity against any claim that may be made against it, the Surviving Corporation with respect to such Certificate, the Exchange Agent will issue the portion of the Aggregate Stock Consideration attributable to such Certificate (after giving effect to any required Tax withholdings as provided in Section 2.10).

### **Section 2.9 Appraisal and Dissenter's Rights**

(a) Notwithstanding anything to the contrary contained in this Agreement, and to the extent available under the DGCL, shares of Company Capital Stock that are outstanding immediately prior to the Effective Time and that are held by Company Stockholders who shall have neither voted in favor of the Merger nor consented thereto in writing and who shall have demanded properly in writing appraisal for such Company Capital Stock in accordance with Section 262 of the DGCL and otherwise complied with all of the provisions of the DGCL relevant to the exercise and perfection of dissenters' rights shall not be converted into, and any such Company Stockholder shall have no right to receive, any portion of the Aggregate Stock Consideration unless and until such Company Stockholder fails to perfect or withdraws or otherwise loses its right to appraisal and payment under the DGCL. Any Company Stockholder who fails to perfect or who effectively withdraws or otherwise loses its rights to appraisal of such shares of Company Capital Stock under Section 262 of the DGCL shall thereupon be deemed to have been converted into, and to have become exchangeable for, as of the Effective Time, the right to receive the applicable portion of the Aggregate Stock Consideration, without any interest thereon, upon surrender, in the manner provided in this Article II, of the Certificates that formerly evidenced such shares of Company Capital Stock.

(b) Prior to the Closing, the Company shall give Parent (i) prompt notice of any demands for appraisal received by the Company and any withdrawals of such demands, and (ii) the opportunity to participate in all negotiations and proceedings with respect to demands for appraisal under the DGCL. The Company shall not, except with the prior written consent of Parent (which consent shall not be unreasonably withheld), make any payment with respect to any demands for appraisal or offer to settle or settle any such demands.

**Section 2.10 Withholding Taxes.** Notwithstanding anything in this Agreement to the contrary, Parent, Merger Sub, the Company, the Surviving Corporation, the Exchange Agent and their respective Affiliates and agents shall be entitled to deduct and withhold from any amount otherwise payable pursuant to this Agreement any amount required to be deducted and withheld with respect to the making of such payment under the Code, or any provision of state, local, or foreign Tax Legal Requirements; provided, that the withholding party shall use commercially reasonable efforts to give prompt notice of its intent to withhold (other than with respect to compensatory amounts, subject to payroll reporting and withholding, including any required withholdings in respect of Company Awards for income, employment and similar Taxes) to the Stockholder Representative, and the Parties shall cooperate in good faith to establish any eligibility for an exemption from or reduction in such withholding. Such notification shall include an identification of the provisions of Tax law that the applicable withholding agent believes require such deduction or withholding. To the extent that amounts are so deducted or withheld and paid over to the appropriate Governmental Entity, such withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which such deduction or withholding was made.

**Section 2.11 Taking of Necessary Action; Further Action.** If, at any time after the Effective Time, any further action is necessary or desirable to carry out the purposes of this Agreement and to vest the Surviving Corporation following the Merger with full right, title and possession to all assets, property, rights, privileges, powers and franchises of the Company, then the Surviving Corporation, Merger Sub and their respective officers and directors are fully authorized in the name of their respective corporations or otherwise to take, and will take, all such lawful and necessary action, so long as such action is not inconsistent with this Agreement.

**Section 2.12 Stockholder Representative Expenses.** At least three Business Days prior to the Closing Date, the Stockholder Representative may provide to Parent a written estimate of the aggregate amount of the fees and expenses incurred, or that the Stockholder Representative reasonably believes in good faith will in the future be incurred, by the Stockholder Representative on behalf of the Company Stockholders in connection with the preparation, negotiation and execution of this Agreement or the consummation of the Transactions in its capacity as the Stockholder Representative (such fees and expenses, the "*Stockholder Representative Expenses*"). On the Closing Date, Parent shall pay to the Stockholder Representative or to such other Persons (and in such amounts) as may be designated by the Stockholder Representative, by wire transfer to an account or accounts designated by the Stockholder Representative in writing at least three Business Days prior to the Closing Date, immediately available funds in the amount of such Stockholder Representative Expenses and such amount shall be included in the Company Transaction Costs.

**Section 2.13 Tax Treatment of the Merger.**

(a) For U.S. federal income tax purposes (and for purposes of any applicable state or local Tax law that follows the U.S. federal income tax treatment), the Parties will, and will cause their respective Affiliates to, prepare and file all Tax Returns consistent with the treatment of the Merger as a “reorganization” within the meaning of Section 368(a) of the Code (or comparable provision of state and local Tax law) and will not take any inconsistent position on any Tax Return, or during the course of any audit, litigation or other proceeding with respect to Taxes, unless required to do so pursuant to a “determination” within the meaning of Section 1313(a) of the Code (or comparable provision of state or local law, as applicable).

(b) Parent and the Company hereby adopt this Agreement as a “plan of reorganization” within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3(a). From the date hereof through the Closing, and following the Closing, the Parties shall not knowingly, and shall not knowingly permit or cause their respective Affiliates to, take any action, or fail to take any action, which action or failure to act would reasonably be expected to prevent the Merger qualifying for the Intended Tax Treatment.

**ARTICLE III  
REPRESENTATIONS AND WARRANTIES REGARDING THE COMPANY**

Except (a) as set forth in the letter dated as of the date of this Agreement delivered by the Company to Parent and Merger Sub prior to or in connection with the execution and delivery of this Agreement (the “*Company Disclosure Letter*”) and (b) as disclosed in the Hillman SEC Reports filed with the SEC prior to the date of this Agreement (to the extent the qualifying nature of such disclosure is readily apparent from the content of such Hillman SEC Reports) excluding disclosures referred to in “Forward-Looking Statements”, “Risk Factors” and any other disclosures therein to the extent they are of a predictive or cautionary nature or related to forward-looking statements, the Company hereby represents and warrants to Parent and Merger Sub as of the date hereof and as of the Closing Date as follows:

**Section 3.1 Organization and Qualification.** The Company is a corporation duly incorporated, validly existing and in good standing under the Legal Requirements of the State of Delaware and has all requisite corporate power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted. The Company is duly licensed or qualified to do business in each jurisdiction in which the ownership of its property or the character of its activities is such as to require it to be so licensed or qualified, except where the failure to be so licensed or qualified or in good standing would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole. Complete and correct copies of the Organizational Documents of the Company as amended and in full force and effect as of the date hereof, have been made available to Parent or its Representatives.

**Section 3.2 Company Subsidiaries.**

(a) The Company’s direct and indirect Subsidiaries, together with their jurisdiction of incorporation or organization, as applicable, are listed on Section 3.2(a) of the Company Disclosure Letter (the “*Company Subsidiaries*”). Each Company Subsidiary has been duly formed or organized and is validly existing under the Legal Requirements of its respective jurisdiction of incorporation or organization and has the requisite power and authority to own, lease and operate its assets and properties and to conduct its business as now being conducted, except where the failure to be so formed, organized or existing, or to have such power and authority, would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole. The Company has previously provided to Parent or its Representatives true and complete copies of the Organizational Documents of each Company Subsidiary, as amended and currently in effect.

(b) Each Company Subsidiary is duly licensed or qualified to do business and, where applicable, is in good standing as a foreign corporation (or other entity, if applicable) in each jurisdiction in which it is conducting business, or the operation, ownership or leasing of its property or the character of its activities is such as to require it to be so licensed or qualified, except where the failure to be so licensed or qualified or in good standing would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

**Section 3.3 Capitalization.**

(a) The authorized capital stock of the Company consists of: (i) 1,800,000 shares of Company Common Stock, of which 553,254 shares are issued and outstanding; and (ii) 200,000 shares of the Company's preferred stock, par value \$0.01 per share, of which no shares are issued and outstanding. All of the issued and outstanding shares of Company Capital Stock have been duly authorized and validly issued and are fully paid and nonassessable and have not been issued in violation of any preemptive or similar rights. Each share of Company Capital Stock has been issued in compliance in all material respects with (A) applicable Legal Requirements; and (B) the Company's Organizational Documents. Section 3.3(a) of the Company Disclosure Letter contains a true and correct list of all Company Capital Stock and any other securities of the Company owned by each Company Stockholder.

(b) As of the date of this Agreement, (i) Company Options to purchase 87,238 shares of Company Common Stock, (ii) 1,071.5 shares of Company Restricted Stock, and (iii) 1,431 Company RSUs are outstanding. Section 3.3(b) of the Company Disclosure Letter includes a true and complete list of each Person who, as of the date of this Agreement, holds a Company Award, including the type of Company Award, the number of shares of Company Common Stock comprised thereof or subject thereto, vesting schedule and, if applicable, the exercise price thereof. All Company Options and shares of Company Restricted Stock are evidenced by award agreements in substantially the forms previously made available to Parent, and no Company Option, share of Company Restricted Stock or Company RSU is subject to terms that are materially different from those set forth in such forms. Each Company Option, each share of Company Restricted Stock, and each Company RSU was validly granted or issued and properly approved by, the Company Board (or appropriate committee thereof). Each Company Option has been granted with an exercise price that is intended to be no less than the fair market value of the underlying Company Common Stock on the date of grant, as determined in accordance with Section 409A of the Code or Section 422 of the Code, if applicable. Each Company Option is intended to either qualify as an "incentive stock option" under Section 422 of the Code or to be exempt under Section 409A of the Code.

(c) Except as otherwise set forth in this Section 3.3 or in Section 3.3(c) of the Company Disclosure Letter, the Company has not granted any stock appreciation, phantom stock, stock-based performance unit, profit participation, restricted stock, restricted stock unit or other equity-based compensation award or similar rights with respect to the Company, any outstanding options, warrants, rights or other securities convertible into or exchangeable or exercisable for shares of the Company Common Stock, or any other commitments or agreements providing for the issuance of additional shares, the sale of treasury shares, or for the repurchase or redemption of shares of Company Common Stock, and there are no agreements of any kind which may obligate the Company to issue, purchase, register for sale, redeem or otherwise acquire any of its capital stock. Except for this Agreement and the Stockholder Agreement, there are no registration rights, and there is no voting trust, proxy, rights plan, anti-takeover plan or other agreements or understandings with respect to the shares of Company Common Stock.

(d) The outstanding shares of capital stock (or other equity interests) of each of the Company Subsidiaries have been duly authorized and validly issued and (if applicable) are fully paid and

nonassessable (where such concepts are applicable) and have not been issued in violation of any preemptive or similar rights. The Company or one or more of its wholly owned Subsidiaries own of record and beneficially all the issued and outstanding shares of capital stock (or other equity interests) of such Company Subsidiaries free and clear of any Liens except for (i) for any restrictions on sales of securities under applicable securities laws and (ii) Permitted Liens. There are no outstanding options, warrants, rights or other securities convertible into or exercisable or exchangeable for any shares of capital stock (or other equity interests) of such Company Subsidiaries, any other commitments or agreements providing for the issuance of additional shares (or other equity interests), the sale of treasury shares, or for the repurchase or redemption of such Company Subsidiaries' shares of capital stock (or other equity interests), or any agreements of any kind which may obligate any Company Subsidiary to issue, purchase, register for sale, redeem or otherwise acquire any of its shares of capital stock (or other equity interests). Except for the equity interests of the Company Subsidiaries set forth on Section 3.3(d) of the Company Disclosure Letter, neither the Company nor any of the Company Subsidiaries owns, directly or indirectly, any ownership, equity, profits or voting interest in any Person or have any agreement or commitment to purchase any such interest, and has not agreed and is not obligated to make nor is bound by any written, oral or other Contract, binding understanding, option, warranty or undertaking of any nature, as of the date hereof or as may hereafter be in effect under which it may become obligated to make, any future investment in or capital contribution to any other entity.

(e) Except as provided for in this Agreement, as a result of the consummation of the Transactions, no shares of capital stock, warrants, options or other securities of the Company are issuable and no rights in connection with any shares, warrants, options or other securities of the Company accelerate or otherwise become triggered (whether as to vesting, exercisability, convertibility or otherwise).

**Section 3.4 Due Authorization.** The Company has all requisite corporate power and authority to (a) execute, deliver and perform this Agreement and the other Transaction Documents to which it is a party; and (b) carry out the Company's obligations hereunder and thereunder and to consummate the Transactions (including the Merger), in each case, subject to the consents, approvals, authorizations and other requirements described in Section 3.5. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents to which it is a party and the consummation by the Company of the Transactions (including the Merger) have been duly and validly authorized by all requisite action, including approval by the Company Board and, following receipt of the Company Stockholder Approval, the Company Stockholders as required by the DGCL, and no other corporate proceeding on the part of the Company is necessary to authorize this Agreement. This Agreement and the other Transaction Documents to which it is a party have been duly and validly executed and delivered by the Company and (assuming this Agreement constitutes a legal, valid and binding obligation of each of Parent and Merger Sub) constitute the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with their terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (collectively, the "**Remedies Exception**").

**Section 3.5 No Conflict; Governmental Consents and Filings.**

(a) Subject to the receipt of the consents, approvals, authorizations and other requirements set forth in Section 3.5(b), or as set forth in Section 3.5(a) of the Company Disclosure Letter, the execution, delivery and performance of this Agreement (including the consummation by the Company of the Transactions) and the other Transaction Documents to which the Company is a party by the Company do not and will not (i) violate any provision of, or result in the breach of, any applicable Legal Requirement to which any of the Group Companies is subject or by which any property or asset of any of the Group Companies is bound; (ii) conflict with or violate the Organizational Documents of any of the Group Companies; (iii) violate any provision of or result in a breach, default or acceleration of, or require a consent under, any Company Material Contract, or terminate or result in the termination of any Company Material

Contract, or result in the creation of any Lien under any Company Material Contract or upon any of the properties or assets of any of the Group Companies, or constitute an event which, after notice or lapse of time or both, would result in any such violation, breach, default, acceleration, termination or creation of a Lien; or (iv) result in a violation or revocation of any required Approvals, except to the extent that the occurrence of any of the foregoing items set forth in clauses (iii) or (iv) would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

(b) Assuming the truth and completeness of the representations and warranties of Parent contained in this Agreement, no consent, notice, approval or authorization of, or designation, declaration or filing with, any Governmental Entity is required on the part of the Company with respect to the Company's execution, delivery or performance of this Agreement, any of the other Transaction Documents to which it is a party or the consummation by the Company of the Transactions (including the Merger), except for (i) applicable requirements of the HSR Act or any similar foreign law; (ii) the filing of the Investment Canada Act Notification; (iii) any consents, notices, approvals, authorizations, designations, declarations or filings, the absence of which would not reasonably be expected to have a Company Material Adverse Effect; (iv) compliance with any applicable requirements of the securities laws; (v) as otherwise disclosed on Section 3.5(b) of the Company Disclosure Letter; and (vi) the filing of the Certificate of Merger in accordance with the DGCL.

### **Section 3.6 Legal Compliance: Approvals.**

(a) Each of the Group Companies has during the past three years complied with, and is not currently in violation of, any applicable Legal Requirements with respect to the conduct of its business, or the ownership or operation of its business, except for failures to comply or violations which, individually or in the aggregate, have not been and are not reasonably likely to be material to the Group Companies, taken as a whole. No written, or to the Knowledge of the Company, oral notice of non-compliance with any applicable Legal Requirements has been received during the past three years by any of the Group Companies.

(b) Each Group Company is in possession of all franchises, grants, authorizations, licenses, permits, consents, certificates, approvals and orders from Governmental Entities ("**Approvals**") necessary to own, lease and operate the properties it purports to own, operate or lease and to carry on its business as it is now being conducted, except where the failure to have such Approvals would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

### **Section 3.7 Hillman SEC Reports: Financial Statements**

(a) Hillman has filed all forms, reports, schedules, statements and other documents, including any exhibits thereto, required to be filed or furnished by Hillman with the SEC under the Exchange Act or the Securities Act since December 30, 2017, together with any amendments, restatements or supplements thereto (all of the foregoing filed prior to the date of this Agreement, the "**Hillman SEC Reports**"), and will have filed all such forms, reports, schedules, statements and other documents required to be filed subsequent to the date of this Agreement through the Closing Date (the "**Additional Hillman SEC Reports**"). All Hillman SEC Reports, Additional Hillman SEC Reports, any correspondence from or to the SEC or NYSE Amex and all certifications and statements required by (i) Rule 13a-14 or 15d-14 under the Exchange Act; or (ii) 18 U.S.C. § 1350 (Section 906) of the Sarbanes-Oxley Act with respect to any of the foregoing (collectively, the "**Hillman Certifications**") are available on EDGAR in full without redaction. Hillman has heretofore furnished to Parent true and correct copies of all amendments and modifications that have not been filed by Hillman with the SEC to all agreements, documents and other instruments that previously had been filed by Hillman with the SEC and are currently in effect. The Hillman SEC Reports were, and the Additional Hillman SEC Reports will be, prepared in accordance with the

requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the rules and regulations thereunder. The Hillman SEC Reports did not, and the Additional Hillman SEC Reports will not, at the time they were or are filed, as the case may be, with the SEC contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Hillman Certifications are each true and correct. Hillman maintains disclosure controls and procedures required by Rule 13a-15(e) or 15d-15(e) under the Exchange Act. As used in this [Section 3.7](#), the term “file” shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC or NYSE Amex.

(b) Set forth on Section 3.7(b) of the Company Disclosure Letter are (i) the audited consolidated balance sheets as of December 28, 2019 and December 29, 2018 and consolidated statements of operations, changes in stockholders’ equity and cash flows of the Company and its Subsidiaries for the fiscal years ended December 28, 2019 and December 29, 2018 together with the auditor’s reports thereon; and (ii) an unaudited consolidated balance sheet and related consolidated statements of operations, changes in stockholders’ equity and cash flows for the nine months ended September 30, 2020 (the “**Balance Sheet Date**”, and the financial statements described in [clauses \(i\) and \(ii\)](#), together, the “**Financial Statements**”). The Financial Statements present fairly, in all material respects, the consolidated financial position and results of operations of the Company and its Subsidiaries as of the dates and for the periods indicated in such Financial Statements in conformity with GAAP, subject, in the case of interim financial statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be material) and the omission of notes.

(c) The consolidated financial statements and notes contained or incorporated by reference in the Hillman SEC Reports and the financial statements and notes to be contained in or to be incorporated by reference in the Additional Hillman SEC Reports (collectively, the “**Hillman Financial Statements**”) will fairly present, the financial condition and the results of operations, changes in stockholders’ equity and cash flows of Hillman as at the respective dates of, and for the periods referred to, in the Hillman Financial Statements, all in accordance with (i) GAAP; and (ii) Regulation S-X or Regulation S-K, as applicable, subject, in the case of interim Hillman Financial Statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be material) and the omission of notes to the extent permitted by Regulation S-X or Regulation S-K, as applicable. Hillman has no off-balance sheet arrangements that are not disclosed in the Hillman SEC Reports.

(d) The Company has established and maintained a system of internal controls. To the Knowledge of the Company, such internal controls are sufficient to provide reasonable assurance regarding the reliability of the Company’s financial reporting and the preparation of the Company’s financial statements for external purposes in accordance with GAAP.

(e) There are no outstanding loans or other extensions of credit made by any Group Company to any executive officer (as defined in Rule 3b-7 under the Exchange Act) or director of any Group Company.

**Section 3.8 No Undisclosed Liabilities.** There is no liability, debt or obligation (absolute, accrued, contingent or otherwise) of any of the Group Companies of a type required to be reflected or reserved for on a balance sheet prepared in accordance with GAAP, except for liabilities, debts and obligations (a) provided for in, or otherwise reflected or reserved for on the Financial Statements or disclosed in the notes thereto; or (b) that have arisen since the Balance Sheet Date in the Ordinary Course which would not, individually or in the aggregate, reasonably be expected to have a Company Material Adverse Effect.



**Section 3.9 Absence of Certain Changes or Events.** Except as contemplated by this Agreement, since the Balance Sheet Date, (a) except as set forth on Section 3.9 of the Company Disclosure Letter, each of the Group Companies has conducted its business in the Ordinary Course in all material respects (aside from steps taken in contemplation of the transactions contemplated hereby and any conduct, practice or action taken as Pandemic Measures), and (b) there has not been any Company Material Adverse Effect and no change, event, state of facts, development or occurrence exists or has occurred which would reasonably be expected, individually or in the aggregate, to result in a Company Material Adverse Effect.

**Section 3.10 Litigation.** Except as set forth on Section 3.10 of the Company Disclosure Letter or as would not be material to the Group Companies, taken as a whole, as of the date hereof, there are: (a) no pending or, to the Knowledge of the Company, threatened, Legal Proceedings against any of the Group Companies or any of its properties or assets, or any of the directors or officers of any of the Group Companies in their capacity as such; (b) to the Knowledge of the Company, no facts or circumstances that would reasonably be expected to give rise to any such Legal Proceeding; (c) to the Knowledge of the Company, no pending or threatened in writing, audits, examinations or investigations by any Governmental Entity against any of the Group Companies; (d) no pending or threatened in writing Legal Proceedings by any of the Group Companies against any third party; (e) no settlement or similar agreement that imposes any material ongoing obligations or restrictions on any of the Group Companies; (f) no Orders imposed or, to the Knowledge of the Company, threatened to be imposed upon any of the Group Companies or any of their respective properties or assets, or any of the directors or officers of any of the Group Companies in their capacity as such.

**Section 3.11 Company Benefit Plans.**

(a) Section 3.11(a) of the Company Disclosure Letter sets forth a complete list of each material Company Benefit Plan, including all employment contracts or offer letters unless any such employment contract or offer letter (i) relates to an employee who has annual base compensation less than \$400,000; (ii) is in a form substantially similar to a form of employment contract or offer letter identified on Schedule 3.11(a) of the Company Disclosure Letter (which schedule includes a general description of groups of employees that have entered into agreements on such forms); or (iii) provides for a severance or notice period of 90 days or less or notice period of 30 days or less (other than as required by applicable Legal Requirements). “**Company Benefit Plan**” shall mean each “employee benefit plan” as defined in Section 3(3) of ERISA, and any other agreement, arrangement, plan, policy or program providing compensation or other benefits to any current or former director, officer, employee or other service provider, including employment, consulting, retirement, severance, termination or change in control agreements, deferred compensation, vacation, sick, stock option, stock purchase, stock appreciation rights, stock-based or other equity-based, incentive, bonus, supplemental retirement, profit-sharing, insurance, medical, welfare, fringe or other benefits or remuneration of any kind, whether or not in writing and whether or not funded, in each case, which is maintained, sponsored or contributed to by any Group Company, or under which any Group Company is obligated to contribute, or with respect to which the Company or any of the Company Subsidiaries or ERISA Affiliate has any obligation or liability, direct or indirect, contingent or otherwise. No Company Benefit Plan is maintained outside the jurisdiction of the United States or Canada or covers any employees or other service providers of any Group Company who reside or work outside of the United States or Canada.

(b) With respect to each material Company Benefit Plan on Section 3.11(a) of the Company Disclosure Letter, the Company has made available to Parent or its Representatives, to the extent applicable, true, correct and complete copies of (i) such Company Benefit Plan, including any amendments thereto, and any trust agreement, insurance contracts or other funding vehicles relating to such plan (or if such Company Benefit Plan is not set forth in a written document, a written description of such plan specifying its material terms); (ii) the most recent summary plan description for such Company Benefit Plan for which such summary plan description is required together with summaries of all material

modifications thereto; (iii) the most recent annual report on Form 5500 and all attachments thereto filed with the Internal Revenue Service with respect to such Company Benefit Plan (if applicable); (iv) the most recent determination or opinion letter, if any, issued by the Internal Revenue Service with respect to such Company Benefit Plan; and (v) any material non-routine correspondence with any Governmental Entity regarding any Company Benefit Plan during the past three years.

(c) Except as would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole (i) each Company Benefit Plan has been administered in accordance with its terms and all applicable Legal Requirements, including ERISA and the Code; and (ii) all contributions required to be made with respect to any Company Benefit Plan on or before the date hereof have been made. Each Company Benefit Plan which is intended to be qualified within the meaning of Section 401(a) of the Code (A) has received a favorable determination or opinion letter as to its qualification; or (B) has been established under a standardized master and prototype or volume submitter plan for which, to the Knowledge of the Company, a current favorable Internal Revenue Service advisory letter or opinion letter has been obtained by the plan sponsors and is valid as to the adopting employer, and, to the Knowledge of the Company, nothing has occurred and no circumstances exist that would reasonably be expected to result in the loss of the qualification of such plan under Section 401(a) of the Code.

(d) No Group Company has, within the past six years, sponsored, been obligated to contribute to, or has any reasonable expectation of current or contingent liability in respect of (i) an "employee pension benefit plan" (as defined in Section 3(2) of ERISA) subject to Title IV of ERISA, Section 412 of the Code or Section 302 of ERISA (including any "multiemployer plan" within the meaning of Section 3(37) of ERISA); (ii) a "multiple employer plan" as defined in Section 413(c) of the Code; or (iii) a "multiple employer welfare arrangement" within the meaning of Section 3(40) of ERISA.

(e) Neither the Company, any Company Benefit Plan nor, to the Knowledge of the Company, any trustee, administrator or other third-party fiduciary and/or party-in-interest thereof, has engaged in any breach of fiduciary responsibility or any non-exempt "prohibited transaction" (as such term is defined in Section 406 of ERISA or Section 4975 of the Code) to which Section 406 of ERISA or Section 4975 of the Code applies and which could subject the Company or any ERISA Affiliate to the tax or penalty on prohibited transactions imposed by Section 4975 of the Code, which, assuming the taxable period of such transaction expired as of the date hereof, could reasonably be expected to result in a material liability to the Group Companies, taken as a whole. To the Knowledge of the Company, no Group Company has, within the past six years, engaged in a transaction that is expected to result in a material civil penalty under Sections 409 or 502(i) of ERISA.

(f) Except as would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole, with respect to the Company Benefit Plans or their administrators or fiduciaries (i) no actions, suits or claims (other than routine claims for benefits in the Ordinary Course) are pending or, to the Knowledge of the Company, threatened; and (ii) to the Knowledge of the Company, no facts or circumstances exist that would reasonably be expected to give rise to any such actions, suits or claims.

(g) None of the Company Benefit Plans provides for, and the Group Companies have no liability in respect of, post-retiree health, welfare or life insurance benefits or coverage for any participant or any beneficiary of a participant, except as may be required under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or similar state or other Legal Requirements and at the sole expense of such participant or the participant's beneficiary.

(h) Except as set forth on Section 3.11(h) of the Company Disclosure Letter, neither the execution and delivery of this Agreement, shareholder or other approval of this Agreement nor the consummation of the Transactions is reasonably expected to, either alone or in connection with any other

event(s) (i) result in any payment or benefit becoming due to any current or former employee, officer, independent contractor or director of the Company or its subsidiaries or under any Company Benefit Plan; (ii) increase any amount of compensation or benefits otherwise payable to any current or former employee, officer, contractor or director of the Company or its subsidiaries or under any Company Benefit Plan; (iii) result in the acceleration of the time of payment, funding or vesting of any benefits to any current or former employee, independent contractor or director of the Company or its subsidiaries or under any Company Benefit Plan; or (iv) require the Company to transfer into trust any material benefits under any Company Benefit Plan or materially or permanently restrict the right of the Company to merge, amend or terminate any Company Benefit Plan on or after the Effective Time.

(i) Except as set forth on Section 3.11(i) of the Company Disclosure Letter, neither the execution and delivery of this Agreement nor the consummation of the Transactions shall, either alone or in connection with any other event(s), give rise to any "excess parachute payment" as defined in Section 280G(b)(1) of the Code or any excise Tax owing under Sections 409A or 4999 of the Code.

(j) The Company has no obligations to gross-up, make-whole or reimburse any current or former employee, officer, independent contractor or director of the Company for any material Taxes incurred by such individual, including under Sections 409A or 4999 of the Code or otherwise.

(k) Each Company Benefit Plan which is a "nonqualified deferred compensation plan" subject to Section 409A of the Code has been established, operated and maintained in all material respects in compliance with Section 409A of the Code.

### **Section 3.12 Labor Relations.**

(a) No Group Company is a party to any collective bargaining agreement.

(b) To the Knowledge of the Company, there are no activities or proceedings of any labor union or other labor organization to organize any employees of the Company or any of the Company Subsidiaries and no demand for recognition or certification as the exclusive bargaining representative of any employees has been made by or on behalf of any labor union or other labor organization. Except as set forth on Section 3.12(b) of the Company Disclosure Letter, there are no pending or, to the Knowledge of the Company, threatened, and, for the past three years, there have been no strikes, pickets, work stoppages, slowdowns, or to the Knowledge of the Company, union organization activities (including, but not limited to, union organization campaigns or requests for representation), lockouts, arbitrations, or material labor grievances pending or other material organized labor disputes, or, to the Knowledge of the Company, threatened against or involving the Company involving any employee, except for those which would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

(c) Except as otherwise listed on Section 3.12(c) of the Company Disclosure Letter, as of the date hereof, there are no complaints, charges or claims against the Company pending or, to Knowledge of the Company, threatened before any Governmental Entity based on, arising out of, in connection with or otherwise relating to the employment, termination of employment or failure to employ by the Company, of any individual, except for those complaints, charges or claims which would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

(d) The Company is, and for the past three years, has been, in compliance with all Legal Requirements relating to the employment of labor, including all such Legal Requirements relating to wages (including minimum wage and overtime), hours of work, child labor, discrimination, civil rights, withholdings and deductions, classification and payment of employees and independent contractors, employment equity, the federal Worker Adjustment and Retraining Notification Act ("*WARN*") and any

similar state or local “mass layoff” or “plant closing” applicable Legal Requirement, collective bargaining, occupational health and safety, workers’ compensation, and immigration, except for instances of noncompliance which would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole. There has been no “mass layoff” or “plant closing” (as defined by WARN) with respect to the Company within the past three years and no such events are reasonably expected to occur prior to Closing.

(e) During the past three years, to the Knowledge of the Company, there have been no allegations of sexual harassment, sexual misconduct, or sex-based discrimination raised, brought, threatened, or settled relating to any employee at the level of vice president or above, appointed officer or director of any Group Company involving or relating to his or her services provided to such Group Company. The policies and practices of the Group Companies comply with all federal, state, and local Legal Requirements concerning employment discrimination and employment harassment, except as would not, individually or in the aggregate, reasonably be expected to be material to the Group Companies, taken as a whole.

(f) To the Knowledge of the Company, no senior executive or other key employee of any Group Company has provided notice of his or her intention to terminate his or her employment as a result of or within the twelve-month period following the consummation of the transactions contemplated by this Agreement. To the Knowledge of the Company, no senior executive or other key employee of any Group Company is party to any confidentiality, non-competition, non-solicitation, proprietary rights or other such agreement that would materially restrict the performance of such Person’s employment duties with the Company or any Company Subsidiaries or the ability of the Company and/or any of the Company Subsidiaries to conduct its or their business.

**Section 3.13 Real Property; Tangible Property.**

(a) No Group Company owns any real property, nor has any Group Company ever owned, any material real property.

(b) Section 3.13(b) of the Company Disclosure Letter lists, as of the date of this Agreement, the Leased Real Property and all Company Real Property Leases, including the address of such Leased Real Property. The Company or one of the Company Subsidiaries has a good and valid leasehold estate in, and enjoys peaceful and undisturbed possession of, all Leased Real Property free and clear of any and all Liens (other than Permitted Liens). No party to any Company Real Property Lease has exercised any termination rights with respect thereto. No Leased Real Property, or any portion thereof, is currently sublet or sublicensed by any Group Company to a third party. No condemnation proceeding is pending or, to the Knowledge of the Company, threatened with respect to any Leased Real Property which individually or in the aggregate, would be reasonably likely to be material to the Group Companies, taken as a whole.

(c) The Company or one of the Company Subsidiaries owns and has good and marketable title to, or a valid leasehold interest in or right to use, all of its material tangible assets or personal property, free and clear of all Liens other than (i) Permitted Liens; and (ii) the rights of lessors under any leases. The material tangible assets or personal property (together with the Intellectual Property rights and contractual rights) of the Group Companies (x) constitute all of the assets, rights and properties that are necessary for the operation of the businesses of the Group Companies as they are now conducted, and taken together, are adequate and sufficient for the operation of the businesses of the Group Companies as currently conducted; and (y) have been maintained in all material respects in accordance with generally applicable accepted industry practice, are in good working order and condition, except for ordinary wear and tear and as would not, individually or in the aggregate, reasonably be expected to be material to the business of the Group Companies, taken as a whole.

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**Section 3.14 Taxes.**

(a) The Company and each of the Company Subsidiaries has timely filed, or caused to be timely filed, with the appropriate taxing authorities all income and other material Tax Returns that are required to be filed by, or with respect to, the Company or any of the Company Subsidiaries. Such Tax Returns are true, correct and complete in all material respects, and accurately reflect all material Liabilities for Taxes of the Company and the Company Subsidiaries, as applicable, for the periods covered thereby.

(b) All income and other material Taxes and Tax Liabilities due and payable by or with respect to the income, assets or operations of the Company and the Company Subsidiaries have been timely paid in full. All income and other material Taxes incurred but not yet due and payable (i) for periods covered by the Financial Statements have been accrued and adequately disclosed on the Financial Statements in accordance with GAAP, and (ii) for periods not covered by the Financial Statements have been accrued on the books and records of the Company and the Company Subsidiaries.

(c) Neither the Company nor any of the Company Subsidiaries has been within the past five years or is currently the subject of any audit or other examination of Taxes by the taxing authorities of any nation, state or locality (and no such audit is pending or contemplated) that in either case has not been resolved nor has the Company or any of the Company Subsidiaries received any written notices from any taxing authority relating to any issue which could reasonably be expected to materially affect the Tax Liability of the Company or any of the Company Subsidiaries.

(d) Except as set forth in Section 3.14(d) of the Company Disclosure Letter, all material amounts of Taxes that the Company or any of the Company Subsidiaries is, or was, required by applicable Legal Requirements to withhold or collect in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, member or other third party have been duly withheld or collected, and have been timely paid over to the proper authorities to the extent due and payable. The Company and the Company Subsidiaries have complied in all material respects with all applicable Legal Requirements with respect thereto.

(e) No unresolved written claim has been made by any taxing authority in a jurisdiction where the Company or any of the Company Subsidiaries does not file Tax Returns that the Company or any of the Company Subsidiaries is or may be subject to taxation by that jurisdiction.

(f) The Company is not and was not a "United States real property holding corporation" within the meaning of Section 897(c)(2) of the Code at any time during the five-year period ending on the Closing Date.

(g) Neither the Company nor any Company Subsidiary has entered into an agreement or waiver (that has not expired) or has been requested to enter into an agreement or waiver extending any statute of limitations relating to the payment or collection of material Taxes of the Company or any Company Subsidiary.

(h) Neither the Company nor any Company Subsidiary has been included in any "consolidated," "unitary" or "combined" Tax Return provided for under the laws of the United States, any non-U.S. jurisdiction or any state, province, prefect or locality for any taxable period for which the statute of limitations has not expired (other than a group the common parent of which is or was the Company or a Company Subsidiary). Neither the Company nor any Company Subsidiary has any Liability for the Taxes of another Person (other than the Company or any Company Subsidiary) pursuant to Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Tax law) or as a transferee or a successor or as a result of a contractual obligation to indemnify any Person.

(i) There are no Tax sharing, allocation, indemnification or similar agreements in effect as between the Company, any Company Subsidiary or any predecessor or Affiliate thereof and any other Person under which Parent, the Company or any Company Subsidiary could be liable for any material Taxes or other claims of any Person (other than (i) any customary commercial agreement entered into in the Ordinary Course and not primarily concerning Taxes or (ii) any agreement solely among the Company and the Company Subsidiaries).

(j) Neither the Company nor any Company Subsidiary will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any of the following that occurred or existed on or prior to the Closing Date (in each case where there is a reference to the Code or Treasury Regulations, including any corresponding or similar provision of state, local or non-U.S. income Tax law) (i) a ruling by, or written agreement with, a taxing authority, including any closing agreement pursuant to Section 7121 of the Code, (ii) a prepaid amount or deferred revenue received outside the Ordinary Course, (iii) an intercompany item under Treasury Regulation Section 1.1502-13 or an excess loss account under Treasury Regulation Section 1.1502-19, (iv) a change in accounting method pursuant to Section 481 of the Code, (v) an installment sale or open transaction, or (vi) any income earned or accumulated earnings and profits that would result in an inclusion under Section 951(a), Section 951A or Section 965 of the Code.

(k) During the two-year period ending on the date of this Agreement, neither the Company nor any Company Subsidiary was a distributing corporation or a controlled corporation in a transaction intended to be governed by Section 355 of the Code.

(l) Neither the Company nor any Company Subsidiary has engaged in a "reportable transaction" within the meaning of Treasury Regulations Section 1.6011-4(b).

(m) There are no Liens for Taxes (other than Permitted Liens) upon any of the assets of the Company or any Company Subsidiary.

(n) Neither the Company nor any Company Subsidiary has taken or agreed to take any action not contemplated by this Agreement that could reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment. To the Knowledge of the Company, no facts or circumstances exist (other than any facts or circumstances to the extent that such facts or circumstances exist or arise as a result of or relate to any act or omission occurring after the signing date by Parent or Merger Sub or any of their respective Affiliates), in each case not contemplated by this Agreement, that could reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(o) Section 3.14 of the Company Disclosure Letter sets forth the U.S. federal income tax classifications and places of organization of the Company and each Company Subsidiary.

(p) Notwithstanding anything herein to the contrary, no representations are made concerning the amount or availability of or limitation on the Company's or any Company Subsidiary's ability to utilize or otherwise benefit from net operating losses, capital losses, deductions, Tax credits and other similar items of the Company or any Company Subsidiary, in each case, with respect to a taxable period or portion thereof ending after the Closing Date.

### **Section 3.15 Environmental Matters.**

(a) Each of the Group Companies, and each real property or facility owned, leased, or operated by any of the Group Companies or their respective predecessors, is, and for the past three years has been, in compliance with all Environmental Laws, except for any such instance of non-compliance that would not reasonably be expected to be material to the Group Companies taken as a whole.

(b) The Group Companies have obtained, hold, are, and for the past three years have been, in compliance with all permits required under applicable Environmental Laws to permit the Group Companies to operate their assets and to conduct the business of the Group Companies, except where the absence of, or failure to be in compliance with, any such permit would not reasonably be expected to be material to the Group Companies, taken as a whole.

(c) Except as set forth on Section 3.15(c) of the Company Disclosure Letter, there are no claims, proceedings, investigations, actions or notices of violation pending or, to the Knowledge of the Company, threatened against any of the Group Companies under any Environmental Law, except for any such claim, proceeding, investigation, action or notice that would not reasonably be expected to be material to the Group Companies, taken as a whole.

(d) Neither the Group Companies nor, to the Knowledge of the Company, any other Person has manufactured, handled, stored, generated, treated, disposed of or released any Hazardous Material at, in, on, to, from or under any facility currently or formerly owned, leased or operated by any of the Group Companies or any third-party site, in each case in a manner that would be reasonably likely to give rise to a liability under Environmental Law that would reasonably be expected to be material to the Group Companies, taken as a whole.

(e) Except for Contracts entered into in the Ordinary Course, none of the Group Companies has agreed to indemnify any Person or assumed by Contract the liability of any third party arising under Environmental Law, which such liability would not be a liability of the Group Companies in the absence of such Contract.

(f) The Group Companies have made available to Parent copies of all material non-privileged written environmental reports, audits, assessments, liability analyses, memoranda and studies in the possession or reasonable control of, the Group Companies with respect to compliance or liabilities under Environmental Law.

**Section 3.16 Brokers: Third-Party Expenses.** Except as set forth on Section 3.16 of the Company Disclosure Letter, no broker, finder, investment banker or other Person acting on behalf of the Company or the Company Stockholders is entitled to, nor will be entitled to, either directly or indirectly, any brokerage fee, finders' fee or other similar commission for which Parent or any of the Group Companies would be liable in connection with the Transactions.

**Section 3.17 Intellectual Property.**

(a) Section 3.17 of the Company Disclosure Letter sets forth a true, correct and complete list, of (i) all registered Patent and Patent applications, registered Trademarks and applications for Trademark registrations, registered Copyrights, and internet domain names (collectively, "Registered IP"), and (ii) all material unregistered Trademarks and material proprietary Software, in each case, which any of the Group Companies has an ownership interest or an exclusive license or similar exclusive right in any field or territory, whether in the United States or internationally (in each case setting forth the applicable jurisdiction, title, application and registration or serial number and date, and record owner and, if different, the legal owner and beneficial owner). All Registered IP owned by a Group Company is valid, enforceable, and subsisting and has been maintained effective by the filing of all necessary filings, maintenance and renewals and timely payment of requisite fees.

(b) The Company or one of its Subsidiaries is the sole and exclusive owner of all right, title and interest in and to all Owned Intellectual Property, free and clear of all Liens (other than Permitted Liens), and owns, or has the right to use pursuant to a valid license, sublicense, or other written agreement all other Intellectual Property and IT Systems used in or necessary for the conduct and operation of the business of the Group Companies, as presently conducted and as proposed to be conducted immediately

following the Closing and no such ownership, license, or right to use will be adversely impacted by (nor will require the payment or grant of additional amounts or consideration as a result of) the execution, delivery, or performance of this Agreement or the consummation of the transactions contemplated hereby.

(c) (i) Except as set forth in Section 3.17(c) of the Company Disclosure Letter, the Group Companies, the conduct and operation of the business of the Group Companies as presently conducted and as proposed to be conducted immediately following the Closing (including the creation, licensing, marketing, importation, offering for sale, sale, or use of the products and services of the business of the Group Companies), and the use of the Owned Intellectual Property has not infringed, misappropriated (or constituted or resulted from a misappropriation of) or otherwise violated, and are not infringing, misappropriating (or constitute or result from the misappropriation of) or otherwise violating any Intellectual Property rights of any Person, (ii) none of the Group Companies has received from any Person in the past six years any written (or to the Knowledge of the Company, oral) notice, charge, complaint, claim or other assertion (A) alleging any infringement, misappropriation or other violation of any Intellectual Property rights of any Person or (B) contesting the use, ownership, validity or enforceability of any of the Owned Intellectual Property, (iii) to the Knowledge of the Company, no other Person has infringed, misappropriated or violated, or is infringing, misappropriating or violating, any Owned Intellectual Property, and no such claims have been made in writing against any Person by any of the Group Companies in the past six years or, (iv) none of the Owned Intellectual Property is subject to any pending or outstanding Order, settlement, consent order or other disposition of dispute that adversely restricts the use, transfer or registration of, or adversely affects the validity or enforceability of, any Owned Intellectual Property.

(d) No past or present director, officer or employee of any of the Group Companies owns (or has any claim, or any right (whether or not currently exercisable) to any ownership interest, in or to) any Owned Intellectual Property. Each Person (including any past or present employees, consultants or independent contractors of the Group Companies) who has been or is (i) privy to any Trade Secrets of the Group Companies or (ii) engaged in creating or developing for or on behalf of such Group Company any Intellectual Property has executed and delivered a valid written agreement, pursuant to which such Person has, respectively, (x) agreed to hold all confidential information of such Group Company in confidence both during and after such Person's employment or retention, as applicable; or (y) presently assigned to such Group Company all of such Person's rights, title, and interest in and to all Intellectual Property created or developed for such Group Company in the course of such Person's employment or retention thereby that did not vest title automatically in such Group Company by operation of law. There is no breach by any such Person with respect to material Intellectual Property under any such agreement.

(e) Each of the Group Companies, as applicable, has taken adequate and commercially reasonable steps to maintain the secrecy, confidentiality and value of all Trade Secrets constituting Owned Intellectual Property and all Trade Secrets of any Person to whom any Group Company has a contractual confidentiality obligation with respect to such Trade Secrets. No Trade Secret that is material to the business of the Group Companies has been authorized to be disclosed, or, to the Knowledge of the Company, has been disclosed to any other Person, other than pursuant to a written agreement sufficiently restricting the disclosure and use of such Trade Secret. Except as set forth on Section 3.17(e) of the Company Disclosure Letter, no source code constituting Owned Intellectual Property has been delivered, disclosed, licensed or made available to, or accessed by, any escrow agent or other Person, other than employees or contractors of such Group Company subject to written agreements sufficiently restricting the disclosure and use of such source code.

(f) No Open Source Software is or has been included, incorporated or embedded in, linked to, combined, made available or distributed with, or used in the development, maintenance, operation, delivery or provision of any Software constituting Owned Intellectual Property, in each case, in a manner that requires or obligates any Group Company to (i) disclose, contribute, distribute, license or



otherwise make available to any Person (including the open source community) any source code constituting Owned Intellectual Property; (ii) license any Software constituting Owned Intellectual Property for making modifications or derivative works; (iii) disclose, contribute, distribute, license or otherwise make available to any Person any Software constituting Owned Intellectual Property for no or nominal charge; or (iv) grant a license to, or refrain from asserting or enforcing any of, its Patents or other Owned Intellectual Property (each, "*Copyright Terms*"). Each Group Company is in compliance with the terms and conditions of all relevant licenses for Open Source Software used in the business of the Group Companies.

(g) The Company or one of the Company Subsidiaries owns or has a valid right to access and use pursuant to a written agreement all Company IT Systems. The Company IT Systems (i) are adequate in all material respects for the operation and conduct of the business of the Group Companies as currently conducted; and (ii) do not contain any viruses, worms, Trojan horses, bugs, faults or other devices, errors, contaminants or effects that (A) materially disrupt or adversely affect the functionality of the Company IT Systems or (B) enable or assist any Person to access without authorization any Company IT Systems. During the past three years, the Group Companies have not experienced any information security incident that has compromised the integrity or availability of the information technology and software applications the Group Companies own, operate, or outsource, and there has been no loss, damage, or unauthorized access, disclosure, use, or breach of security of any Group Company's information in its possession, custody, or control, or otherwise held or processed on its behalf, and there have been no failures, breakdowns, continued substandard performance, data loss, material outages, material unscheduled downtime or other adverse events affecting any such Company IT Systems.

(h) Neither the execution, delivery, or performance of this Agreement nor the consummation of the Transactions (either alone or in combination with any other event) will result in the (i) loss or impairment of, or any Lien on, any Owned Intellectual Property or material Licensed Intellectual Property; (ii) release, disclosure or delivery of any source code constituting Owned Intellectual Property to any Person; (iii) grant, assignment or transfer to any other Person of any license or other right or interest under, to or in any Owned Intellectual Property; or (iv) payment of any additional consideration to, or the reduction of any payments from, any Person with respect to any Owned Intellectual Property or material Licensed Intellectual Property.

### **Section 3.18 Privacy.**

(a) Each of the Group Companies and any Person acting for or on the Group Companies' behalf has at all times during the past five years (in the case of any such Person, during the time such Person was acting for or on behalf of any of the Group Companies) materially complied, as applicable to the Group Companies, with (i) all applicable Privacy Laws; (ii) all of the Group Companies' policies and notices regarding privacy and data security ("*Group Companies' Privacy Notices*"); and (iii) all of the Group Companies' obligations regarding privacy and data security under any contracts. None of the Group Companies has received in the five years prior to the date of this Agreement any written or notice of any claims (including written notice from third parties acting on its or their behalf), investigations, or alleged violations of law, regulation, or contract with respect to personal data or information security-related incidents, nor have the Group Companies notified in writing, or been required by applicable law, regulation, or contract to notify in writing, any person or entity of any personal data or information security-related incident or been charged with, the violation of, any Privacy Laws. To the Knowledge of the Company, none of the Group Companies' Privacy Notices have contained any material omissions or been misleading or deceptive.

(b) Each of the Group Companies has during the past five years used reasonable efforts to (i) implement and maintain in all material respects commercially reasonable security to protect the confidentiality, integrity and availability of the Group Companies' Company IT Systems and the data thereon (including Personal Information and other confidential data in its possession or under its control)

against loss, theft, misuse or unauthorized access, use, modification or disclosure; and (ii) require all third-party service providers, outsourcers, processors or other third parties who process, store or otherwise handle Personal Information for or on behalf of such Group Company that obligate such Persons to comply with applicable Privacy Laws in all material respects and to take reasonable steps to protect and secure Personal Information from loss, theft, misuse or unauthorized access, use, modification or disclosure. To the Knowledge of the Company, any third party who has provided Personal Information to such Group Company during the past five years has done so in compliance with applicable Privacy Laws, including providing any notice and obtaining any consent required under such Privacy Laws.

(c) During the past three years, there have been no breaches, security incidents, misuse of or unauthorized access to or disclosure of any Personal Information in the possession or control of any of the Group Companies or collected, used or processed by or on behalf of the Group Companies and none of the Group Companies have provided or been legally or contractually required to provide any notices to any Person in connection with a disclosure of Personal Information in the last three years. During the past three years, the Group Companies have implemented reasonable disaster recovery and business continuity plans, and taken actions consistent with such plans, to the extent required, to safeguard the data and Personal Information in its possession or control. The Company has conducted commercially reasonable data security testing or audits at reasonable and appropriate intervals and has resolved or remediated any material data security issues or vulnerabilities identified. Except as set forth on Section 3.18(c) of the Company Disclosure Letter, to the Knowledge of the Company, neither any of the Group Companies nor any third party acting at the direction or authorization of such Group Companies has paid (i) any perpetrator of any data breach incident or cyber-attack; or (ii) any third party with actual or alleged information about a data breach incident or cyber-attack, pursuant to a request for payment from or on behalf of such perpetrator or other third party.

### **Section 3.19 Agreements, Contracts and Commitments.**

(a) Section 3.19 of the Company Disclosure Letter sets forth a true, correct and complete list of each Company Material Contract (as defined below) that is in effect as of the date of this Agreement. For purposes of this Agreement, “*Company Material Contract*” of the Group Companies shall mean each Company Real Property Lease and each of the following Contracts to which any of the Group Companies is a party:

(i) Each Contract (other than purchase orders with suppliers or customers entered into in the Ordinary Course) that the Company reasonably anticipates will involve annual payments or consideration furnished by or to any of the Group Companies of more than \$10,000,000;

(ii) Each note, debenture, other evidence of Indebtedness, guarantee, loan, credit or financing agreement or instrument or other contract for money borrowed by any of the Group Companies from a third party, in each case, having an outstanding principal amount in excess of \$10,000,000, including the Existing Debt Documents, but excluding guarantees of performance under Government Contracts entered into in the Ordinary Course;

(iii) Each Contract for the acquisition of any Person or any business division thereof or the disposition of any material assets of any of the Group Companies (other than in the Ordinary Course), in each case, whether by merger, purchase or sale of stock or assets or otherwise (other than Contracts for the purchase or sale of inventory or supplies entered into in the Ordinary Course) occurring in the last three years;

(iv) Each obligation to make payments, contingent or otherwise, arising out of the prior acquisition of the business, assets or stock of other Persons;

(v) Each employment or individual, independent contractor Contract providing for annual base salary or consulting fee payments in excess of \$250,000, excluding any such Contract that either (A) is terminable by the Company or the applicable Company Subsidiary at will; or (B) provides for severance, notice or garden leave obligations of 90 days or less or such longer period as is required by applicable Legal Requirements;

(vi) Each lease, rental agreement, installment and conditional sale agreement, or other Contract that, in each case, (A) provides for the ownership of, leasing of, title to, use of, or any leasehold or other interest in any personal property; and (B) involves annual payments in excess of \$500,000;

(vii) Each joint venture Contract, partnership agreement or limited liability company agreement with a third party (in each case, other than with respect to wholly owned Company Subsidiaries);

(viii) Each Contract that purports to limit or contains covenants expressly limiting in any material respect the freedom of any of the Group Companies to (A) compete with any Person in a product line or line of business; (B) operate in any geographic area; or (C) solicit customers;

(ix) Each Contract (other than those made in the Ordinary Course) (A) providing for the grant of any preferential rights to purchase or lease any asset of the Group Companies; or (B) providing for any right (exclusive or non-exclusive) to sell or distribute any material product or service of any of the Group Companies; and

(x) Each Contract pursuant to which any Group Company grants (or is granted) a license, immunity, or other rights in or to any Owned Intellectual Property (or Intellectual Property or IT Systems of a third Person) that is material to the business of such Group Company, provided, however, that none of the following are required to be set forth on Section 3.19(a)(x) of the Company Disclosure Letter (but shall constitute Company Material Contracts if they otherwise qualify) (A) click-wrap or shrink-wrap software licenses or other software licenses for uncustomized software that is commercially available on reasonable terms to the public generally, in each case, with license, maintenance, support and other fees less than \$50,000 annually; or (B) non-exclusive licenses of Owned Intellectual Property granted to customers or distributors in the Ordinary Course;

(b) All Company Material Contracts are (i) in full force and effect, subject to the Remedies Exception; and (ii) represent the valid and binding obligations of the Company or one of the Company Subsidiaries party thereto and, to the Knowledge of the Company, represent the valid and binding obligations of the other parties thereto. True, correct and complete copies of all Company Material Contracts have been made available to Parent. None of the Group Companies nor, to the Knowledge of the Company, any other party thereto, is in breach of or default under, and no event has occurred which with notice or lapse of time or both would become a breach of or default under, any of the Company Material Contracts, and no party to any Company Material Contract has given any written or, to the Knowledge of the Company, oral, claim or notice of any such breach, default or event, which individually or in the aggregate, would be reasonably likely to be material to the Group Companies, taken as a whole.

**Section 3.20 Insurance.** Section 3.20 of the Company Disclosure Letter contains a list of all material policies of property, fire and casualty, product liability, workers' compensation, and other forms of insurance held by, or for the benefit of, the Group Companies as of the date of this Agreement (collectively, the "***Insurance Policies***"), which policies are in full force and effect. True and complete

copies of the Insurance Policies (or, to the extent such policies are not available, policy binders) have been made available to Parent or its Representatives. None of the Group Companies has received any written notice from any insurer under any of the Insurance Policies, canceling, terminating or materially adversely amending any such policy or denying renewal of coverage thereunder and all premiums on such Insurance Policies due and payable as of the date hereof have been paid. There is no pending material claim by any Group Company against any insurance carrier for which coverage has been denied or disputed by the applicable insurance carrier (other than a customary reservation of rights notice).

**Section 3.21 Affiliate Matters.** Except (a) the Company Benefit Plans; (b) Contracts relating to labor and employment matters; (c) Contracts between or among the Group Companies; and (d) Contracts entered into on an arm's length basis and in the Ordinary Course between any of the Group Companies, on the one hand, and the direct or indirect portfolio companies of investment funds advised or managed by any Company Stockholder or any of their Affiliates, on the other hand, none of the Group Companies is party to any Contract with any (i) present or former officer, director, employee or Company Stockholder or a member of his or her immediate family of any of the Group Companies; or (ii) Affiliate of the Company. To the Knowledge of the Company, no present or former officer, director, employee, Company Stockholder or holder of derivative securities of the Company (each, an "**Insider**") or any member of an Insider's immediate family is, directly or indirectly, interested in any Contract with any of the Group Companies (other than such Contracts as relate to any such Person's ownership of Company Common Stock or other securities of the Company or such Person's employment or consulting arrangements with the Group Companies).

**Section 3.22 Certain Provided Information.** None of the information relating to the Group Companies supplied by the Company for inclusion in (a) the Registration Statement will, at the time the Registration Statement is filed with the SEC, at each time at which it is amended and at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, not misleading, or (b) the Proxy Statement will, at the date it is first mailed to the holders of Parent Common Stock and at the time of the Special Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, the Company makes no representation, warranty or covenant with respect to: (a) statements made or incorporated by reference therein based on information supplied by Parent or Merger Sub for inclusion or incorporation by reference in the Proxy Statement or any Parent SEC Reports or Additional Parent SEC Reports; or (b) any projections or forecasts included in the Proxy Statement.

**Section 3.23 Indebtedness.** (a) Section 3.23(a) of the Company Disclosure Letter sets forth the principal amount of all of the outstanding Indebtedness of the Group Companies (other than under the Existing Indentures) and (b) Section 3.23(b) of the Company Disclosure Letter sets forth the principal amount of all instruments outstanding under the Existing Indentures, in each case as of the date hereof.

**Section 3.24 Absence of Certain Business Practices.** For the past three years (a) the Group Companies and their respective directors and officers and, to the Knowledge of the Company, their respective employees, agents, and any other Persons acting for or on behalf of the Group Companies have been in compliance with all applicable Specified Business Conduct Laws; and (b) none of the Group Companies has (i) received written notice of or made a voluntary, mandatory or directed disclosure to any Governmental Entity relating to any actual or potential violation of any Specified Business Conduct Law; or (ii) been a party to or the subject of any pending or, to the Knowledge of the Company, threatened Legal Proceeding or, to the Knowledge of the Company, investigation by or before any Governmental Entity related to any actual or potential violation of any Specified Business Conduct Law. None of the Group Companies, nor any of their respective directors or officers, nor to the Knowledge of the Company, any of their respective employees, agents, or any other Person acting for or on behalf of the Group Companies is

the subject or target of any sanctions or the target of restrictive export controls administered by the U.S. government, the United Nations Security Council, Her Majesty's Treasury of the United Kingdom, or the European Union. For purposes of clause (a) above, a Person shall be deemed to have "Knowledge" with respect to conduct, circumstances or results if such Person is aware of (1) the existence of or (2) a high probability of the existence of such conduct, circumstances or results.

**Section 3.25 Distributors, Suppliers and Customers.** Section 3.25 of the Company Disclosure Letter sets forth an accurate and complete list of (a) the 10 largest distributors and customers based on consolidated sales and (b) the 10 largest suppliers based on consolidated expenditures, in each case, of the Group Companies for the twelve-month period ended on the Balance Sheet Date. Since the Balance Sheet Date, no such distributor, supplier or customer has canceled or otherwise terminated or, to the Knowledge of the Company, threatened to cancel or otherwise terminate, its relationship with the Company. Since the Balance Sheet Date, no Group Company has received any written or, to the Knowledge of the Company, oral notice that any such distributor, supplier or customer may cancel or otherwise materially and adversely modify its relationship with any Group Company or materially limit its services, supplies or materials to any Group Company, or its usage or purchase of the services and products of any Group Company, either as a result of the Transactions or otherwise.

**Section 3.26 Customer Warranties.** There are no pending, nor to the Knowledge of the Company, threatened, material Legal Proceedings against any Group Company pursuant to any warranty, whether expressed or implied, on products or services sold on or prior to the Closing Date by the Company that are not disclosed or referred to in the Financial Statements and that are not fully reserved against in accordance with GAAP. All of the services rendered by the Company (whether directly or indirectly through third parties) have been performed in conformity with all expressed warranties and with all applicable contractual commitments, and the Company does not have, nor shall it have, any material liability for replacement or repair or for other material damages relating to or arising from any such services, except for amounts disclosed or referred to in the Financial Statements and amounts incurred in the Ordinary Course which are not required by GAAP to be disclosed in the Financial Statements.

**Section 3.27 Product Liability.**

(a) In the past three years there have not been any material Legal Proceedings by or before any Governmental Entity against or involving any Group Company or, to the Knowledge of the Company, concerning any product manufactured, shipped, sold or delivered by or on behalf of any of them relating to or resulting from an alleged defect in design, manufacture, materials or workmanship of any product manufactured, shipped, sold or delivered by or on behalf of any Group Company or any alleged failure to warn, or any alleged breach of implied warranties or representations, and, to the Knowledge of the Company, none has been threatened.

(b) To the Knowledge of the Company, in the past three years there has not been any material Product Liability Occurrence related to the business of the Group Companies.

(c) In the past three years there has not been any Recall conducted with respect to any product manufactured (or to be manufactured), shipped, sold or delivered by or on behalf of any Group Company, or, to the Knowledge of Company, any investigation or consideration of or decision made by any Person or Governmental Entity concerning whether to undertake or not undertake any Recall.

(d) To the Knowledge of the Company, in the past three years there have been no material defects in design, manufacturing, materials or workmanship including any failure to warn, or any breach of express or implied warranties or representations, which involve any product manufactured, shipped, sold or delivered by or on behalf of any Group Company. In the past three years, all manufacturing standards applied, testing procedures used, and product specifications disclosed to customers by any Group Company have complied in all material respects with all requirements established by any applicable Legal Requirement or Order of any Governmental Entity.

**Section 3.28 Debt Financing.** Hillman has entered into the Debt Commitment Letter and the Debt Fee Letter pursuant to which the Debt Financing Sources party thereto have committed to provide the Debt Financing, subject solely to the terms and conditions thereof and expressly stated in the Debt Commitment Letter, and a true, accurate and complete copy of the Debt Commitment Letter has been provided to Parent. Except as set forth in the Debt Commitment Letter, there are no conditions precedent to the availability of the Debt Financing. There are no other agreements, side letters or arrangements relating to the Debt Financing to which Hillman or any of its Affiliates is a party that could impose conditions to the funding of the Debt Financing, other than those set forth in the Debt Commitment Letter.

**Section 3.29 Disclaimer of Other Warranties.** THE COMPANY HEREBY ACKNOWLEDGES THAT, EXCEPT AS EXPRESSLY PROVIDED IN ARTICLE IV (AS QUALIFIED BY THE PARENT DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS, NONE OF PARENT OR MERGER SUB OR ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES HAS MADE, IS MAKING, OR SHALL BE DEEMED TO MAKE ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, TO THE COMPANY, THE COMPANY STOCKHOLDERS OR ANY OF ITS OR THEIR AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON, WITH RESPECT TO PARENT, MERGER SUB OR ANY OF THEIR RESPECTIVE BUSINESSES, ASSETS OR PROPERTIES OF THE FOREGOING, OR OTHERWISE, INCLUDING ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUTURE RESULTS, PROPOSED BUSINESSES OR FUTURE PLANS. WITHOUT LIMITING THE FOREGOING, OTHER THAN AS EXPRESSLY MADE BY PARENT AND MERGER SUB TO THE COMPANY IN ARTICLE IV (AS QUALIFIED BY THE PARENT DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS, NONE OF PARENT, MERGER SUB NOR ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES, HAS MADE, IS MAKING, OR SHALL BE DEEMED TO MAKE TO THE COMPANY, COMPANY STOCKHOLDERS, OR THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO (a) THE INFORMATION DISTRIBUTED OR MADE AVAILABLE TO THEM BY OR ON BEHALF OF PARENT OR MERGER SUB IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS; (b) ANY MANAGEMENT PRESENTATION, CONFIDENTIAL INFORMATION MEMORANDUM OR SIMILAR DOCUMENT; OR (c) ANY FINANCIAL PROJECTION, FORECAST, ESTIMATE, BUDGET OR SIMILAR ITEM RELATING TO PARENT, MERGER SUB OR ANY OF THEIR BUSINESS, ASSETS, LIABILITIES, PROPERTIES, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROJECTED OPERATIONS OF THE FOREGOING. THE COMPANY HEREBY ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY PROMISE, REPRESENTATION OR WARRANTY THAT IS NOT EXPRESSLY SET FORTH IN ARTICLE IV (AS QUALIFIED BY THE PARENT DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) OR IN THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS. THE COMPANY ACKNOWLEDGES THAT IT HAS CONDUCTED, TO ITS SATISFACTION, AN INDEPENDENT INVESTIGATION AND VERIFICATION OF PARENT, MERGER SUB AND THE BUSINESS, ASSETS, LIABILITIES, PROPERTIES, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROJECTED OPERATIONS OF THE FOREGOING AND, IN MAKING ITS DETERMINATION THE COMPANY HAS RELIED ON THE RESULTS OF ITS OWN INDEPENDENT INVESTIGATION AND VERIFICATION, IN ADDITION TO THE REPRESENTATIONS AND WARRANTIES OF THE COMPANY EXPRESSLY AND SPECIFICALLY SET FORTH IN ARTICLE IV OF THIS

AGREEMENT. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ARTICLE III, CLAIMS AGAINST PARENT, MERGER SUB OR ANY OTHER PERSON SHALL NOT BE LIMITED IN ANY RESPECT IN THE EVENT OF INTENTIONAL FRAUD IN THE MAKING OF THE REPRESENTATIONS AND WARRANTIES IN ARTICLE IV BY SUCH PERSON.

**ARTICLE IV**  
**REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB**

Except (a) as set forth in the letter dated as of the date of this Agreement and delivered by Parent and Merger Sub to the Company on or prior to the date of this Agreement (the “*Parent Disclosure Letter*”); and (b) as disclosed in the Parent SEC Reports filed with the SEC prior to the date of this Agreement (to the extent the qualifying nature of such disclosure is readily apparent from the content of such Parent SEC Reports) excluding disclosures referred to in “Forward-Looking Statements”, “Risk Factors” and any other disclosures therein to the extent they are of a predictive or cautionary nature or related to forward-looking statements, Parent and Merger Sub represent and warrant to the Company as of the date hereof and as of the Closing Date as follows:

**Section 4.1 Organization and Qualification.**

(a) Each of Parent and Merger Sub is a corporation duly incorporated or organized, validly existing and in good standing under the laws of the State of Delaware, and as of immediately prior to the Closing, will be a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

(b) Each of Parent and Merger Sub has the requisite corporate power and authority to own, lease and operate its assets and properties and to carry on its business as it is now being conducted.

(c) None of Parent or Merger Sub are in violation of any of the provisions of their respective Organizational Documents.

(d) Each of Parent and Merger Sub is duly qualified or licensed to do business as a foreign corporation and is in good standing in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its activities makes such qualification or licensing necessary.

**Section 4.2 Parent Subsidiaries.** Other than Merger Sub, Parent has no direct or indirect Subsidiaries or participations in joint ventures or other entities, and does not own, directly or indirectly, any equity interests or other interests or investments (whether equity or debt) in any Person, whether incorporated or unincorporated. Merger Sub has no assets or properties of any kind, does not now conduct and has never conducted any business, and has and will have at the Closing no obligations or liabilities of any nature whatsoever, except for such obligations as are imposed under this Agreement. Merger Sub is an entity that has been formed solely for the purpose of engaging in the Transactions.

**Section 4.3 Capitalization.**

(a) As of the date of this Agreement: (i) 1,000,000 shares of Parent Preferred Stock are authorized and no shares are issued and outstanding; (ii) 380,000,000 shares of Parent Class A Common Stock are authorized and 50,000,000 are issued and outstanding; (iii) 20,000,000 shares of Parent Class B Common Stock are authorized and (A) 12,500,000 are issued and outstanding; (B) in connection with the Closing of the Transactions, Parent has committed to cancel an aggregate of 3,828,000 shares of Parent Class B Common Stock; and (C) upon the Closing of the transactions contemplated by the Subscription Agreements, Parent has committed to issue 37,500,000 shares of Parent Class A Common Stock to the PIPE Investors; (iv) 16,666,667 Parent Public Warrants are outstanding; (v) 8,000,000 Parent Sponsor Warrants are outstanding. All outstanding Parent Class A Common Stock, Parent Class B Common Stock, Parent Public Warrants and Parent Sponsor Warrants have been duly authorized, validly issued, fully paid and are non-assessable and are not subject to preemptive rights.

(b) The authorized capital stock of Merger Sub consists of 5,000 shares of Merger Sub Common Stock. As of the date hereof, 100 shares of Merger Sub Common Stock are issued and outstanding. All outstanding shares of Merger Sub Common Stock have been duly authorized, validly issued, fully paid and are non-assessable and are not subject to preemptive rights, and are held by Parent free and clear of all Liens (other than any restrictions on sales of securities under applicable securities laws).

(c) Except for the Parent Public Warrants, Parent Sponsor Warrants and the Subscription Agreements, there are no outstanding options, warrants, rights, convertible or exchangeable securities, “phantom” stock rights, stock appreciation rights, stock-based performance units, commitments or Contracts of any kind to which Parent or Merger Sub is a party or by which any of them is bound obligating Parent or Merger Sub to issue, deliver or sell, or cause to be issued, delivered or sold, additional shares of Parent Capital Stock, Merger Sub Common Stock or any other shares of capital stock or other interest or participation in, or any security convertible or exercisable for or exchangeable into shares of Parent Capital Stock, Merger Sub Common Stock or any other shares of capital stock or other interest or participation in Parent or Merger Sub.

(d) Each share of Parent Common Stock, share of Merger Sub Common Stock and Parent Warrant (i) has been issued in compliance in all material respects with (A) applicable Legal Requirements; and (B) the Organizational Documents of Parent or Merger Sub, as applicable; and (ii) was not issued in violation of any purchase option, call option, right of first refusal, preemptive right, subscription right or any similar right under any applicable Legal Requirements, the Organizational Documents of Parent or Merger Sub, as applicable, or any Contract to which any of Parent or Merger Sub is a party or otherwise bound by.

(e) Subject to approval of the Parent Stockholder Matters, the shares of Parent Class A Common Stock to be issued by Parent in connection with the Transactions, upon issuance in accordance with the terms of this Agreement will be duly authorized, validly issued, fully paid and nonassessable, and will not be subject to any preemptive rights of any other stockholder of Parent and will be capable of effectively vesting in the Company Stockholders title to all such securities, free and clear of all Liens (other than Liens arising pursuant to applicable securities Legal Requirements).

(f) Each holder of any of shares of Parent Capital Stock initially issued to the Sponsor in connection with Parent’s initial public offering (i) is obligated to vote all of such shares of Parent Capital Stock in favor of approving the Transactions; and (ii) is not entitled to elect to redeem any of such Parent pursuant to the Parent’s Organizational Documents.

(g) Except as set forth in the Parent’s Organizational Documents and in connection with the Transactions, there are no registration rights, and there is no voting trust, proxy, rights plan, anti-takeover plan or other agreements or understandings to which Parent is a party or by which Parent is bound with respect to any ownership interests of Parent.

**Section 4.4 Authority Relative to this Agreement** Each of Parent and Merger Sub has the requisite corporate power and authority to (a) execute, deliver and perform this Agreement and the other Transaction Documents to which it is a party, and each ancillary document that it has executed or delivered or is to execute or deliver pursuant to this Agreement; and (b) carry out its obligations hereunder and thereunder and, to consummate the Transactions (including the Merger). The execution and delivery by Parent and Merger Sub of this Agreement and the other Transaction Documents to which each of them is a party, and the consummation by Parent and Merger Sub of the Transactions (including the Merger) have been duly and validly authorized by all necessary corporate or limited liability company action on the part of each of Parent and Merger Sub, and no other proceedings on the part of Parent or Merger Sub are



necessary to authorize this Agreement or the other Transaction Documents to which each of them is a party or to consummate the transactions contemplated thereby, other than approval of the Parent Stockholder Matters. This Agreement and the other Transaction Documents to which each of them is a party have been duly and validly executed and delivered by Parent and Merger Sub and, assuming the due authorization, execution and delivery thereof by the other Parties, constitute the legal and binding obligations of Parent and Merger Sub (as applicable), enforceable against Parent and Merger Sub (as applicable) in accordance with their terms, except insofar as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally or by principles governing the availability of equitable remedies.

**Section 4.5 No Conflict; Required Filings and Consents.**

(a) Neither the execution, delivery nor performance by Parent and Merger Sub of this Agreement or the other Transaction Documents to which each of them is a party, nor (assuming approval of the Parent Stockholder Matters is obtained) the consummation of the Transactions shall (i) conflict with or violate their respective Organizational Documents; (ii) assuming that the consents, approvals, orders, authorizations, registrations, filings or permits referred to in Section 4.5(b) are duly and timely obtained or made, conflict with or violate any applicable Legal Requirements; or (iii) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, or materially impair their respective rights or alter the rights or obligations of any third party under, or give to others any rights of consent, termination, amendment, acceleration or cancellation of, or result in the creation of a Lien (other than any Permitted Lien) on any of the properties or assets of Parent or any of its Subsidiaries pursuant to, any Parent Material Contracts, except, with respect to clause (iii), as would not, individually or in the aggregate, have a Parent Material Adverse Effect.

(b) The execution and delivery by each of Parent and Merger Sub of this Agreement and the other Transaction Documents to which it is a party, does not, and the performance of its obligations hereunder and thereunder will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Entity, except (i) for the filing of the Certificate of Merger in accordance with the DGCL; (ii) for applicable requirements, if any, of the Securities Act, the Exchange Act, blue sky laws, and the rules and regulations thereunder, and appropriate documents with the relevant authorities of other jurisdictions in which Parent is qualified to do business; (iii) for the filing of any notifications required under the HSR Act and the expiration of the required waiting period thereunder; (iv) for the filing of the Investment Canada Act Notification; and (v) where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not, individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect, or prevent the consummation of the Merger.

**Section 4.6 Compliance; Approvals.** Since its incorporation or organization, as applicable, each of Parent and Merger Sub has complied in all material respects with and has not been in violation of any applicable Legal Requirements with respect to the conduct of its business, or the ownership or operation of its business. Since the date of its incorporation or organization, as applicable, to the Knowledge of Parent, no investigation or review by any Governmental Entity with respect to Parent or any of its Subsidiaries has been pending or threatened. No written, or to the Knowledge of Parent, oral notice of non-compliance with any applicable Legal Requirements has been received by any of Parent and Merger Sub. Each of Parent and Merger Sub is in possession of all Approvals necessary to own, lease and operate the properties it purports to own, operate or lease and to carry on its business as it is now being conducted, except where the failure to have such Approvals would not, individually or in the aggregate, reasonably be expected to be material to Parent and Merger Sub, taken as a whole.

#### **Section 4.7 Parent SEC Reports and Financial Statements**

(a) Parent has filed all forms, reports, schedules, statements and other documents, including any exhibits thereto, required to be filed or furnished by Parent with the SEC under the Exchange Act or the Securities Act since Parent's incorporation to the date of this Agreement, together with any amendments, restatements or supplements thereto (all of the foregoing filed prior to the date of this Agreement, the "**Parent SEC Reports**"), and will have filed all such forms, reports, schedules, statements and other documents required to be filed subsequent to the date of this Agreement through the Closing Date (the "**Additional Parent SEC Reports**"). All Parent SEC Reports, Additional Parent SEC Reports, any correspondence from or to the SEC or Nasdaq (other than such correspondence in connection with the initial public offering of Parent) and all certifications and statements required by (i) Rule 13a-14 or 15d-14 under the Exchange Act; or (ii) 18 U.S.C. § 1350 (Section 906) of the Sarbanes-Oxley Act with respect to any of the foregoing (collectively, the "**Parent Certifications**") are available on the SEC's Electronic Data-Gathering, Analysis and Retrieval system (EDGAR) in full without redaction. Parent has heretofore furnished to the Company true and correct copies of all amendments and modifications that have not been filed by Parent with the SEC to all agreements, documents and other instruments that previously had been filed by Parent with the SEC and are currently in effect. The Parent SEC Reports were, and the Additional Parent SEC Reports will be, prepared in accordance with the requirements of the Securities Act, the Exchange Act and the Sarbanes-Oxley Act, as the case may be, and the rules and regulations thereunder. The Parent SEC Reports did not, and the Additional Parent SEC Reports will not, at the time they were or are filed, as the case may be, with the SEC contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Parent Certifications are each true and correct. Parent maintains disclosure controls and procedures required by Rule 13a-15(e) or 15d-15(e) under the Exchange Act. Each director and executive officer of Parent has filed with the SEC on a timely basis all statements required with respect to Parent by Section 16(a) of the Exchange Act and the rules and regulations thereunder. As used in this Section 4.7, the term "file" shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC or Nasdaq.

(b) The consolidated financial statements and notes contained or incorporated by reference in the Parent SEC Reports fairly present, and the financial statements and notes to be contained in or to be incorporated by reference in the Additional Parent SEC Reports will fairly present, the financial condition and the results of operations, changes in stockholders' equity and cash flows of Parent as at the respective dates of, and for the periods referred to, in such financial statements, all in accordance with GAAP, and Regulation S-X or Regulation S-K, as applicable, subject, in the case of interim financial statements, to normal recurring year-end adjustments (the effect of which will not, individually or in the aggregate, be material) and the omission of notes to the extent permitted by Regulation S-X or Regulation S-K, as applicable. Parent has no off-balance sheet arrangements that are not disclosed in the Parent SEC Reports. No financial statements other than those of Parent are required by GAAP to be included in the consolidated financial statements of Parent.

**Section 4.8 Absence of Certain Changes or Events**. Except as set forth in Parent SEC Reports filed prior to the date of this Agreement, and except as contemplated by this Agreement, since the date of Parent's initial public offering, each of Parent and Merger Sub has conducted its business in the ordinary course of business consistent with past practice and there has not been any Parent Material Adverse Effect and no change, event, state of facts, development or occurrence exists or has occurred which would reasonably be expected, individually or in the aggregate, to result in a Parent Material Adverse Effect.

**Section 4.9 Litigation**. There are no Legal Proceedings pending or, to the Knowledge of Parent, threatened in writing against or otherwise relating to Parent or Merger Sub, before any Governmental Entity (a) challenging or seeking to enjoining, alter or materially delay the Transactions; or (b) that would, individually or in the aggregate, reasonably be expected to be material to Parent.

**Section 4.10 Business Activities.** Since their respective incorporation, none of Parent or Merger Sub has conducted any business activities other than activities (a) in connection with its organization; or (b) directed toward the accomplishment of a business combination. Except as set forth in the Parent's Organizational Documents, there is no Contract or Order binding upon Parent or Merger Sub or to which any of them is a party which has or could reasonably be expected to have the effect of prohibiting or materially impairing any business practice of it, any acquisition of property by it or the conduct of business by it as currently conducted or as currently contemplated to be conducted (including, in each case, following the Closing).

**Section 4.11 Parent Material Contracts.** Section 4.11 of the Parent Disclosure Letter sets forth a true, correct and complete list of each "material contract" (as such term is defined in Regulation S-K of the SEC) to which Parent or Merger Sub is party (the "**Parent Material Contracts**"), other than any such Parent Material Contract that is listed as an exhibit to Parent's Registration Statement on Form S-1 filed in connection with Parent's initial public offering.

**Section 4.12 Parent Listing.** The issued and outstanding Parent Units are registered pursuant to Section 12(b) of the Exchange Act and are listed for trading on Nasdaq under the symbol "LCYAU". The issued and outstanding shares of Parent Class A Common Stock are registered pursuant to Section 12(b) of the Exchange Act and are listed for trading on Nasdaq under the symbol "LCY". The issued and outstanding Parent Warrants are registered pursuant to Section 12(b) of the Exchange Act and are listed for trading on Nasdaq under the symbol "LCYAW". Parent is a member in good standing with Nasdaq. There is no action or proceeding pending or, to the Knowledge of Parent, threatened in writing against Parent by Nasdaq or the SEC with respect to any intention by such entity to deregister the Parent Units, the shares of Parent Class A Common Stock or Parent Warrants or terminate the listing of Parent on Nasdaq. None of Parent or any of its Affiliates has taken any action in an attempt to terminate the registration of the Parent Units, the Parent Class A Common Stock or Parent Warrants under the Exchange Act.

**Section 4.13 PIPE Investment.** Parent has entered into the Subscription Agreements with the PIPE Investors pursuant to which the PIPE Investors have, collectively, committed to make the PIPE Investment, subject solely to the terms and conditions thereof and expressly stated therein, and a true, accurate and complete copy of each Subscription Agreement has been provided to the Company. Except as set forth in the Subscription Agreements, there are no conditions precedent to the obligations of the PIPE Investors to provide the PIPE Investment or any contingencies that would permit the PIPE Investors to reduce the total amount of the PIPE Investment. There are no other agreements, side letters or arrangements relating to the PIPE Investment to which Parent or any of its Affiliates is a party that could impose conditions to the funding of the PIPE Investment, other than those set forth in the Subscription Agreements.

**Section 4.14 Trust Account.**

(a) As of January 22, 2021, Parent had approximately \$500,086,473.96 in a trust account (the "**Trust Account**"), maintained and invested pursuant to that certain Investment Management Trust Agreement (the "**Trust Agreement**") effective as of October 8, 2020, by and between Parent and Continental Stock Transfer & Trust Company, a New York corporation (the "**Trustee**") for the benefit of its public stockholders, with such funds invested in United States Government securities or money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act. Other than pursuant to the Trust Agreement and the Subscription Agreements, the obligations of Parent under this Agreement are not subject to any conditions regarding Parent's, its Affiliates', or any other Person's ability to obtain financing for the consummation of the Transactions.

(b) The Trust Agreement has not been amended or modified and, to the Knowledge of Parent with respect to the Trustee, is valid and in full force and effect and is enforceable in accordance with its terms, except insofar as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally or by principles governing the availability of equitable remedies. Parent has complied in all material respects with the terms of the Trust Agreement and is not in breach thereof or default thereunder and there does not exist under the Trust Agreement any event which, with the giving of notice or the lapse of time, would constitute such a breach or default by Parent or, to the Knowledge of Parent, the Trustee. There are no separate Contracts, side letters or other understandings (whether written or unwritten, express or implied) (i) between Parent and the Trustee that would cause the description of the Trust Agreement in the Parent SEC Reports to be inaccurate in any material respect; or (ii) to the Knowledge of Parent, that would entitle any Person (other than stockholders of Parent holding Parent Class A Common Stock sold in Parent's initial public offering who shall have elected to redeem their shares of Parent Class A Common Stock pursuant to Parent's Organizational Documents) to any portion of the proceeds in the Trust Account. Prior to the Closing, none of the funds held in the Trust Account may be released except (A) to pay income and franchise Taxes from any interest income earned in the Trust Account; and (B) to redeem Parent Class A Common Stock in accordance with the provisions of Parent's Organizational Documents. There are no Legal Proceedings pending or, to the Knowledge of Parent, threatened in writing with respect to the Trust Account.

#### **Section 4.15 Taxes.**

(a) Each of Parent and Merger Sub has timely filed, or caused to be timely filed, with the appropriate taxing authorities all income and other material Tax Returns that are required to be filed by, or with respect to, Parent or Merger Sub. Such Tax Returns are true, correct and complete in all material respects, and accurately reflect all material Liabilities for Taxes of Parent and Merger Sub, as applicable, for the periods covered thereby.

(b) All income and other material Taxes and Tax Liabilities due and payable by or with respect to the income, assets or operations of Parent and Merger Sub have been timely paid in full. All income and other material Taxes incurred but not yet due and payable (i) for periods covered by their financial statements have been accrued and adequately disclosed on such financial statements in accordance with GAAP, and (ii) for periods not covered by such financial statements have been accrued on the books and records of Parent and Merger Sub.

(c) Neither Parent nor Merger Sub has been within the past five years or is currently the subject of any audit or other examination of Taxes by the taxing authorities of any nation, state or locality (and no such audit is pending or contemplated) that in either case has not been resolved nor has Parent or Merger Sub received any written notices from any taxing authority relating to any issue which could reasonably be expected to materially affect the Tax Liability of Parent or Merger Sub.

(d) All material amounts of Taxes that Parent or Merger Sub is, or was, required by applicable Legal Requirements to withhold or collect in connection with amounts paid or owing to any employee, independent contractor, creditor, stockholder, member or other third party have been duly withheld or collected, and have been timely paid over to the proper authorities to the extent due and payable. Parent and Merger Sub have complied in all material respects with all applicable Legal Requirements with respect thereto.

(e) No unresolved written claim has been made by any taxing authority in a jurisdiction where Parent or Merger Sub does not file Tax Returns that Parent or Merger Sub is or may be subject to taxation by that jurisdiction.

(f) Parent is not and was not a “United States real property holding corporation” within the meaning of Section 897(e)(2) of the Code at any time during the five-year period ending on the Closing Date.

(g) Neither Parent nor Merger Sub has entered into an agreement or waiver (that has not expired) or has been requested to enter into an agreement or waiver extending any statute of limitations relating to the payment or collection of material Taxes of Parent or Merger Sub.

(h) Neither Parent nor Merger Sub has been included in any “consolidated,” “unitary” or “combined” Tax Return provided for under the laws of the United States, any non-U.S. jurisdiction or any state, province, prefect or locality for any taxable period for which the statute of limitations has not expired (other than a group the common parent of which is or was Parent or Merger Sub). Neither Parent nor Merger Sub has any Liability for the Taxes of another Person (other than Parent or Merger Sub) pursuant to Treasury Regulation Section 1.1502-6 (or any similar provision of state, local or non-U.S. Tax law) or as a transferee or a successor or as a result of a contractual obligation to indemnify any Person.

(i) There are no Tax sharing, allocation, indemnification or similar agreements in effect as between Parent, Merger Sub or any predecessor or Affiliate thereof and any other Person under which Parent, the Company or any Company Subsidiary could be liable for any material Taxes or other claims of any Person (other than (i) any customary commercial agreement entered into in the ordinary course and not primarily concerning Taxes or (ii) any agreement solely among Parent and Merger Sub).

(j) During the two-year period ending on the date of this Agreement, neither Parent nor Merger Sub was a distributing corporation or a controlled corporation in a transaction intended to be governed by Section 355 of the Code.

(k) Neither Parent nor Merger Sub will be required to include any material item of income in, or exclude any material item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date as a result of any of the following that occurred or existed on or prior to the Closing Date (in each case where there is a reference to the Code or Treasury Regulations, including any corresponding or similar provision of state, local or non-U.S. income Tax law) (i) a ruling by, or written agreement with, a taxing authority, including any closing agreement pursuant to Section 7121 of the Code, (ii) a prepaid amount or deferred revenue received outside the ordinary course, (iii) an intercompany item under Treasury Regulation Section 1.1502-13 or an excess loss account under Treasury Regulation Section 1.1502-19, (iv) a change in accounting method pursuant to Section 481 of the Code, (v) an installment sale or open transaction, or (vi) any income earned or accumulated earnings and profits that would result in an inclusion under Section 951(a), Section 951A or Section 965 of the Code.

(l) Neither Parent nor Merger Sub has engaged in a “reportable transaction” within the meaning of Treasury Regulations Section 1.6011-4(b).

(m) There are no Liens for Taxes (other than Permitted Liens) upon any of the assets of Parent or Merger Sub.

(n) Neither Parent nor Merger Sub has taken or agreed to take any action not contemplated by this Agreement that could reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment. To the knowledge of Parent, no facts or circumstances exist (other than any facts or circumstances to the extent that such facts or circumstances exist or arise as a result of or relate to any act or omission occurring after the signing date by Parent or Merger Sub or any of their respective Affiliates), in each case not contemplated by this Agreement, that could reasonably be expected to prevent the Merger from qualifying for the Intended Tax Treatment.

(o) Parent and Merger Sub are each organized as corporations under the laws of Delaware and treated as corporations for U.S. federal income tax purposes.

(p) Notwithstanding anything herein to the contrary, no representations are made concerning the amount or availability of or any limitation on Parent's or Merger Sub's ability to utilize or otherwise benefit from net operating losses, capital losses, deductions, Tax credits and other similar items of Parent or Merger Sub, in each case, with respect to a taxable period or portion thereof ending after the Closing Date.

**Section 4.16 Information Supplied.** None of the information supplied or to be supplied by Parent for inclusion or incorporation by reference in the Registration Statement/Proxy Statement will as of the time the Registration Statement becomes effective under the Securities Act and at the date the Proxy Statement is mailed to stockholders of Parent or at the time of the Special Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. Notwithstanding the foregoing, Parent makes no representation, warranty or covenant with respect to (a) statements made or incorporated by reference therein based on information supplied by the Company or any other Group Company for inclusion or incorporation by reference in the Proxy Statement; or (b) any projections or forecasts included in the Registration Statement/Proxy Statement.

**Section 4.17 Board Approval; Stockholder Vote.** The Parent Board and the board of directors of Merger Sub (including any required committee or subgroup of the Parent Board or the board of directors of Merger Sub, as applicable), as of the date of this Agreement, unanimously (a) approved and declared the advisability of this Agreement, the other Transaction Documents and the consummation of the Transactions; and (b) determined that the consummation of the Transactions is in the best interest of, as applicable, the stockholders of Parent or Merger Sub (as applicable). Other than the approval of the Parent Stockholder Matters at the Special Meeting, no other corporate proceedings on the part of Parent are necessary to approve the consummation of the Transactions.

**Section 4.18 Employees; Benefit Plans.** Other than any former officers or as described in the Parent SEC Reports, Parent has never had any employees. Other than reimbursement of any out-of-pocket expenses incurred by Parent's officers and directors in connection with activities on Parent's behalf in an aggregate amount not in excess of the amount of cash held by Parent outside of the Trust Account, Parent has no unsatisfied material liability with respect to any employee. Parent does not currently maintain or have any direct liability under any benefit plan, and neither the execution and delivery of this Agreement or the other Transaction Documents nor the consummation of the Transactions will: (a) result in any payment (including severance, unemployment compensation, golden parachute, bonus or otherwise) becoming due to any director, officer or employee of Parent, except for the payment of \$100,000 to each of the independent directors of the Parent at the Closing; or (b) result in the acceleration of the time of payment or vesting of any such benefits.

**Section 4.19 Title to Assets.** Subject to the restrictions on use of the Trust Account set forth in the Trust Agreement, Parent owns good and marketable title to, or holds a valid leasehold interest in, or a valid license to use, all of the assets used by Parent in the operation of its business and which are material to Parent, free and clear of any Liens (other than Permitted Liens).

**Section 4.20 Affiliate Transactions.** Except as described in the Parent SEC Reports, no Contract between Parent, on the one hand, and any of the present or former directors, officers, employees, stockholders or warrant holders or Affiliates of Parent (or an immediate family member of any of the foregoing), on the other hand, will continue in effect following the Closing, other than any such Contract that is not material to Parent.

**Section 4.21 Brokers.** Other than fees or commissions for which Parent will be solely responsible, none of Parent, Merger Sub, nor any of their respective Affiliates, including any Sponsor, has any liability or obligation to pay, or is entitled to receive, any fees or commissions to any broker, finder or agent with respect to the Transactions.

**Section 4.22 Disclaimer of Other Warranties.** PARENT, AND MERGER SUB HEREBY ACKNOWLEDGE THAT, EXCEPT AS EXPRESSLY PROVIDED IN ARTICLE III (AS QUALIFIED BY THE COMPANY DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS, NONE OF THE COMPANY, ANY OF ITS SUBSIDIARIES OR ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES HAS MADE, IS MAKING, OR SHALL BE DEEMED TO MAKE ANY REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AT LAW OR IN EQUITY, TO PARENT, MERGER SUB, ANY OF THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON, WITH RESPECT TO THE COMPANY STOCKHOLDERS (OR ANY HOLDER OF DERIVATIVE SECURITIES OF THE COMPANY), ANY OF THE GROUP COMPANIES OR ANY OF THE DIRECTORS, OFFICERS, EMPLOYEES, BUSINESSES, ASSETS OR PROPERTIES OF THE FOREGOING, OR OTHERWISE, INCLUDING ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, FUTURE RESULTS, PROPOSED BUSINESSES OR FUTURE PLANS. WITHOUT LIMITING THE FOREGOING OTHER THAN AS EXPRESSLY MADE BY THE COMPANY TO PARENT AND MERGER SUB IN ARTICLE III (AS QUALIFIED BY THE COMPANY DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS, NONE OF THE COMPANY NOR ANY OF ITS SUBSIDIARIES, NOR THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES, HAS MADE, IS MAKING, OR SHALL BE DEEMED TO MAKE TO PARENT, MERGER SUB, OR THEIR RESPECTIVE AFFILIATES OR REPRESENTATIVES OR ANY OTHER PERSON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO (a) THE INFORMATION DISTRIBUTED OR MADE AVAILABLE TO PARENT OR ITS REPRESENTATIVES BY OR ON BEHALF OF THE COMPANY IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS; (b) ANY MANAGEMENT PRESENTATION, CONFIDENTIAL INFORMATION MEMORANDUM OR SIMILAR DOCUMENT; OR (c) ANY FINANCIAL PROJECTION, FORECAST, ESTIMATE, BUDGET OR SIMILAR ITEM RELATING TO THE COMPANY OR ANY OF ITS SUBSIDIARIES OR ANY OF ITS OR THEIR BUSINESS, ASSETS, LIABILITIES, PROPERTIES, FINANCIAL CONDITION, RESULTS OF OPERATIONS OR PROJECTED OPERATIONS. EACH OF PARENT AND MERGER SUB HEREBY ACKNOWLEDGES THAT IT HAS NOT RELIED ON ANY PROMISE, REPRESENTATION OR WARRANTY THAT IS NOT EXPRESSLY SET FORTH IN ARTICLE III (AS QUALIFIED BY THE COMPANY DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS. EACH OF PARENT, AND MERGER SUB ACKNOWLEDGES THAT IT HAS CONDUCTED, TO ITS SATISFACTION, AN INDEPENDENT INVESTIGATION AND VERIFICATION OF THE COMPANY, ITS SUBSIDIARIES AND THE BUSINESS, ASSETS, LIABILITIES, PROPERTIES, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROJECTED OPERATIONS OF THE FOREGOING AND, IN MAKING ITS DETERMINATION TO PROCEED WITH THE TRANSACTIONS, EACH OF PARENT AND MERGER SUB HAS RELIED ON THE RESULTS OF ITS OWN INDEPENDENT INVESTIGATION AND VERIFICATION, IN ADDITION TO THE REPRESENTATIONS AND WARRANTIES OF THE COMPANY EXPRESSLY AND SPECIFICALLY SET FORTH IN ARTICLE III (AS QUALIFIED BY THE COMPANY DISCLOSURE LETTER AND THE DOCUMENTS REFERRED TO THEREIN) AND THE REPRESENTATIONS AND WARRANTIES IN THE TRANSACTION DOCUMENTS. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SECTION 4.22, CLAIMS AGAINST THE COMPANY OR ANY OTHER PERSON SHALL NOT BE LIMITED IN ANY RESPECT IN THE EVENT OF INTENTIONAL FRAUD IN THE MAKING OF THE REPRESENTATIONS AND WARRANTIES IN ARTICLE III BY SUCH PERSON.

**ARTICLE V**  
**CONDUCT PRIOR TO THE CLOSING DATE**

**Section 5.1 Conduct of Business by the Company and the Company Subsidiaries** (a) During the period commencing on the date hereof and ending on the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, the Company shall, and shall cause each Group Company to, use its commercially reasonable efforts to preserve intact its respective business organizations, keep available the services of its officers and employees and maintain satisfactory relationships with licensors, suppliers, distributors, clients and others having business relationships with them, and conduct its respective operations (including its respective working capital and cash management practices) only in the Ordinary Course and except (1) as may be required by applicable Legal Requirements, (2) as may be required by another provision of this Agreement, (3) as the Company determines, in its reasonable judgment, may be necessary or desirable in light of COVID-19 (including to comply with or as a response to any Pandemic Measures), provided that any action taken in accordance with this clause (3) is taken in good faith and taken to preserve the continuity of the business of the Group Companies or the health and safety of their respective employees, and the Company shall, to the extent reasonably practicable, inform Parent of any such actions prior to the taking thereof and shall consider in good faith any suggestions or modifications from Parent with respect thereto, (4) as set forth on Section 5.1 of the Company Disclosure Letter, or (5) to the extent that Parent shall otherwise provide its prior consent in writing (which consent shall not be unreasonably withheld, conditioned or delayed).

(b) Without limiting the generality of the foregoing, except as required by this Agreement, without the prior written consent of Parent, during the period commencing on the date hereof and ending on the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, except (1) as may be required by applicable Legal Requirements, (2) as may be required by another provision of this Agreement, (3) as the Company determines, in its reasonable judgment, may be necessary or desirable in light of COVID-19 (including to comply with or as a response to any Pandemic Measures), provided that any action taken in accordance with this clause (3) is taken in good faith and taken to preserve the continuity of the business of the Group Companies or the health and safety of their respective employees, and the Company shall, to the extent reasonably practicable, inform Parent of any such actions prior to the taking thereof and shall consider in good faith any suggestions or modifications from Parent with respect thereto, (4) as set forth on Section 5.1 of the Company Disclosure Letter, or (5) to the extent that Parent shall otherwise provide its prior consent in writing (which consent shall not be unreasonably withheld, conditioned or delayed), the Company shall not, and shall cause the Company Subsidiaries not to, do any of the following:

(i) except as otherwise required by any existing Company Benefit Plan or applicable Legal Requirements (A) increase or grant any increase in the compensation, bonus, fringe or other benefits of, or pay, grant or promise any bonus to, any current or former employee, director or individual independent contractor except such increases in the rate of base salary, target bonus or wage to any such Persons who are not directors or officers of the Company or any Company Subsidiaries that does not exceed 10% individually or 15% in the aggregate of such Person's current base salary or wage, as applicable; (B) grant or pay any severance or change in control pay or benefits to, or otherwise increase the severance or change in control pay or benefits of, any current or former employee, director or independent contractor; (C) enter into, amend (other than immaterial amendments) or terminate any Company Benefit Plan or any employee benefit plan, policy, program, agreement, trust or arrangement that would have constituted an



Company Benefit Plan if it had been in effect on the date of this Agreement (other than annual renewal of welfare plans in the Ordinary Course that does not result in a material increase in cost to the Group Companies); (D) take any action to amend or waive any performance or vesting criteria or accelerate the vesting or payment of, or otherwise fund or secure the payment of, any compensation or benefits under any Company Benefit Plan; (E) enter into, amend or terminate any collective bargaining agreement or other agreement with a labor union, works council or similar organization; (F) hire or engage any new employee or individual independent contractor if such new employee or individual independent contractor will receive annual base compensation in excess of \$250,000, other than in the Ordinary Course; or (G) terminate the employment or engagement, other than for cause, of any employee or individual independent contractor with an annual compensation in excess of \$250,000;

(ii) (A) declare, set aside or pay any dividends on or make any other distributions (whether in cash, stock, equity securities or property) in respect of any capital stock or split, combine or reclassify any capital stock or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for any capital stock; (B) repurchase, redeem or otherwise acquire, or offer to repurchase, redeem or otherwise acquire, any membership interests, capital stock or any other equity interests, as applicable, in any Group Company; (C) grant, issue sell or otherwise dispose, or authorize to issue sell, or otherwise dispose any membership interests, capital stock or any Company Award or other equity interests (such as stock options, stock units, restricted stock or other Contracts for the purchase or acquisition of such capital stock), as applicable, in any Group Company except as otherwise required by any existing Company Benefit Plan or applicable Legal Requirements; (D) declare, set aside or pay any dividend or make any other distribution; or (E) issue, deliver, sell, authorize, pledge or otherwise encumber, or agree to any of the foregoing with respect to, any shares of capital stock or other equity securities or ownership interests or any securities convertible into or exchangeable for shares of capital stock or other equity securities or ownership interests, or subscriptions, rights, warrants or options to acquire any shares of capital stock or other equity securities or ownership interests or any securities convertible into or exchangeable for shares of capital stock or other equity securities or other ownership interests, or enter into other agreements or commitments of any character obligating it to issue any such shares, equity securities or other ownership interests or convertible or exchangeable securities;

(iii) amend the Organizational Documents of any Group Company, or form or establish any Subsidiary;

(iv) (A) merge, consolidate or combine with any Person; or (B) acquire or agree to acquire by merging or consolidating with, purchasing any equity interest in or a substantial portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, in a single transaction or a series of related transactions, or enter into any Contract, letter of intent or similar arrangement (whether or not enforceable) with respect to the foregoing;

(v) (A) transfer, sell, assign, divest, license, sublicense, covenant not to assert, encumber, impair, abandon, fail to maintain, permit to lapse or expire, dedicate to the public, transfer, or otherwise dispose of, any real, tangible, or intangible rights, assets, or properties of any of the Group Companies (other than (x) non-exclusive licenses of Owned Intellectual Property granted by a Group Company to its customers or distributors in the Ordinary Course; (y) any sale, lease or disposition of real or tangible assets in the Ordinary Course; or (z) immaterial assets); (B) extend, amend, waive, cancel or modify any material

rights in or to any Owned Intellectual Property or Licensed Intellectual Property, in each case, that is material to any business of the Group Companies; (C) subject any Owned Intellectual Property to Copyleft Terms; or (D) divulge, disclose, furnish to or make accessible any material Trade Secrets of any Group Company (other than pursuant to a written agreement sufficiently restricting the disclosure and use of such Trade Secret);

(vi) (A) issue or sell any debt securities or rights to acquire any debt securities of any of the Group Companies or guarantee any debt securities of another Person; (B) make, incur, create or assume any loans, advances or capital contributions to, or investments in, or guarantee any Indebtedness of, any Person other than any of the Group Companies except for loans, advances or capital contributions pursuant to and in accordance with the terms of agreements or legal obligations existing as of the date of this Agreement, in each case set forth on Section 5.1(b) (vi) of the Company Disclosure Letter, and except for the Indebtedness pursuant to the Existing Debt Documents and the Debt Financing (C) except in the Ordinary Course, create any material Liens on any material property or assets of any of the Group Companies in connection with any Indebtedness thereof (other than Permitted Liens); (D) cancel or forgive any Indebtedness owed to any of the Group Companies; or (E) make, incur or commit to make or incur any capital expenditures, other than in the Ordinary Course, or enter into any Contract, letter of intent or similar arrangement (whether or not enforceable) with respect to the such capital expenditure;

(vii) release, assign, compromise, settle or agree to settle any Legal Proceeding material to the Group Companies or their respective properties or assets, except for Legal Proceedings commenced in the Ordinary Course, and compromises, settlements and arrangements entered into in the Ordinary Course, involving potential payments by or to the Group Companies that do not exceed \$1,000,000;

(viii) (A) except in the Ordinary Course (x) modify, amend or terminate in a manner that is, or is reasonably expected to be, material to the applicable Group Company, any Company Material Contract; (y) waive, delay the exercise of, release or assign any material rights or claims under any Company Material Contract or (z) incur or enter into a Contract requiring the Company to make any capital expenditures (other than consistent with the Company's existing capital expenditure budget made available to Parent prior to the date hereof); or (B) modify or amend any material term under the Existing Debt Documents or terminate or allow the termination of the Existing Credit Agreements or any commitments thereunder, except in connection with the Debt Financing;

(ix) except as required by U.S. GAAP or applicable Legal Requirements, make any change in accounting methods, principles or practices;

(x) (A) make, change or revoke any material election concerning Taxes, enter into any material Tax closing agreement, settle any material Tax claim or assessment, or consent to any extension or waiver of the limitation period applicable to or relating to any material Tax claim or assessment, other than any extension pursuant to an extension to file any Tax Return; (B) file an amended Tax Return or knowingly surrender a claim for a refund of Taxes; or (C) incur any Liability for material Taxes, in each case of clauses (A) through (C), other than in the Ordinary Course;

(xi) effect, authorize, recommend, propose, announce an intention to adopt a plan of complete or partial liquidation, restructuring, recapitalization, dissolution or winding-up of the Company or any Company Subsidiary;

(xii) subject to Section 5.1(b)(ii) above, enter into or amend any agreement with, or pay, distribute or advance any assets or property to, any of its officers, directors, employees, partners, direct and indirect stockholders or other Affiliates, other than arms-length commercial transactions pursuant to the agreements set forth on Section 5.1(b)(xii) of the Company Disclosure Letter as existing on the date of this Agreement;

(xiii) engage in any material new line of business;

(xiv) implement any employee layoffs, plant closings, or similar events that individually or in the aggregate would give rise to any obligations or liabilities on the part of the Group Companies under WARN or any similar state or local "mass layoff" or "plant closing" Legal Requirement, other than in the Ordinary Course as a result of the expiration or termination of a Government Contract without renewal, a government shutdown or the reduction in the scope of work of a Government Contract; or

(xv) agree in writing or otherwise agree, commit or resolve to take any of the actions described in Section 5.1(b)(i) through (xiv) above.

(c) Nothing contained in this Agreement shall give Parent, directly or indirectly, any right to control or direct the operations of the Group Companies prior to the Closing. Prior to the Closing, each of the Company and Parent shall exercise, consistent with the other terms and conditions of this Agreement, complete control and supervision over their respective businesses.

**Section 5.2 Conduct of Business by Parent and Merger Sub.** During the period commencing on the date hereof and ending on the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, Parent shall, and shall cause its Subsidiaries to, use its commercially reasonable efforts to, carry on its business in the ordinary course consistent with past practice, except to the extent that the Stockholder Representative shall otherwise consent in writing or as contemplated by this Agreement (including as contemplated by the PIPE Investment). Without limiting the generality of the foregoing, except as required or permitted by the terms of this Agreement or as required by applicable Legal Requirements, without the prior written consent of the Stockholder Representative (which consent shall not be unreasonably withheld, conditioned or delayed), during the period commencing on the date hereof and ending on the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, Parent shall not, and shall cause its Subsidiaries not to, do any of the following:

(a) declare, set aside or pay dividends on or make any other distributions (whether in cash, stock, equity securities or property) in respect of any capital stock (or warrant) or split, combine or reclassify any capital stock (or warrant), effect a recapitalization or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for any capital stock or warrant, or effect any like change in capitalization;

(b) purchase, redeem or otherwise acquire, directly or indirectly, any equity securities of Parent or any of its Subsidiaries;

(c) other than in connection with the PIPE Investment, grant, issue, deliver, sell, authorize, pledge or otherwise encumber, or agree to any of the foregoing with respect to, any shares of capital stock or other equity securities or any securities convertible into or exchangeable for shares of capital stock or other equity securities, or subscriptions, rights, warrants or options to acquire any shares of capital stock or other equity securities or any securities convertible into or exchangeable for shares of capital stock or other equity securities, or enter into other agreements or commitments of any character obligating it to issue any such shares of capital stock or equity securities or convertible or exchangeable securities;

(d) amend its Organizational Documents or form or establish any Subsidiary;

(e) (i) merge, consolidate or combine with any Person; or (ii) acquire or agree to acquire by merging or consolidating with, or by purchasing any equity interest in or a portion of the assets of, or by any other manner, any business or any corporation, partnership, association or other business organization or division thereof, or otherwise acquire or agree to acquire any assets, or enter into any joint ventures, strategic partnerships or alliances;

(f) incur any Indebtedness or guarantee any such Indebtedness of another Person or Persons, issue or sell any debt securities or options, warrants, calls or other rights to acquire any debt securities of Parent, as applicable, enter into any “keep well” or other agreement to maintain any financial statement condition or enter into any arrangement having the economic effect of any of the foregoing, in each case, except in the ordinary course of business consistent with past practice;

(g) except as required by GAAP (or any interpretation thereof) or applicable Legal Requirements, make any change in accounting methods, principles or practices;

(h) (i) make, change or revoke any material election concerning Taxes, enter into any material Tax closing agreement, settle any material Tax claim or assessment, or consent to any extension or waiver of the limitation period applicable to or relating to any material Tax claim or assessment, other than any extension pursuant to an extension to file any Tax Return; (ii) file an amended Tax Return or knowingly surrender a claim for a refund of Taxes; or (iii) incur any Liability for material Taxes, in each case of clauses (i) through (iii), other than in the ordinary course;

(i) create any material Liens on any material property or assets of Parent or Merger Sub;

(j) liquidate, dissolve, reorganize or otherwise wind up the business or operations of Parent or Merger Sub;

(k) commence, settle or compromise any Legal Proceeding;

(l) engage in any material new line of business;

(m) amend the Trust Agreement or any other agreement related to the Trust Account; or

(n) agree in writing or otherwise agree, commit or resolve to take any of the actions described in Section 5.2(a) through (m) above.

## ARTICLE VI ADDITIONAL AGREEMENTS

### **Section 6.1 Proxy Statement/Registration Statement: Special Meeting**

(a) Proxy Statement and Prospectus.

(i) As promptly as practicable following the execution and delivery of this Agreement, in accordance with this Section 6.1(a), (A) Parent and the Company shall jointly prepare and, and Parent shall file with the SEC, mutually acceptable materials which shall include the proxy statement to be filed with the SEC as part of the Registration Statement and sent to the stockholders of Parent relating to the Special Meeting (as amended or supplemented, the “*Proxy Statement*”) and (B) Parent shall prepare (with the Company’s reasonable cooperation (including causing its Subsidiaries and Representatives to cooperate)) and file with the SEC the Registration Statement, in which the Proxy Statement will be included as a prospectus (the “*Proxy Statement/Registration Statement*”), in connection with the registration under the Securities Act of the shares of Parent Common Stock that constitute the Aggregate Stock Consideration

(collectively, the “*Registration Statement Securities*”). Each of Parent and the Company shall use its reasonable best efforts to cause the Proxy Statement/Registration Statement to comply with applicable Legal Requirements, including the rules and regulations promulgated by the SEC, to have the Registration Statement declared effective under the Securities Act as promptly as practicable after such filing and to keep the Registration Statement effective as long as is necessary to consummate the Transactions. Parent also agrees to use its reasonable best efforts to obtain all necessary state securities law or “blue sky” permits and approvals and make all filings required to carry out the Transactions; provided, that Parent shall not be required to qualify to do business in any jurisdiction in which it is not now so qualified. The Company and Parent shall furnish all information concerning the Company, Parent and their respective Subsidiaries and any of their respective members or stockholders as may be reasonably requested in connection with any such action. Each of Parent and the Company agrees to furnish to the other all information concerning itself, its Subsidiaries, officers, directors, managers, stockholders, and other equityholders and information regarding such other matters as may be reasonably necessary or advisable or as may be reasonably requested in connection with the Proxy Statement/Registration Statement, any Current Report on Form 8-K filed or furnished in connection with the Transactions, or any other statement, filing, notice or application made by or on behalf of Parent, the Company or their respective Subsidiaries to any regulatory authority (including Nasdaq) in connection with the Merger and the other transactions contemplated hereby (the “*Offer Documents*”). Parent will cause the Proxy Statement/Registration Statement to be mailed to the holders of Parent Common Stock as of the record date to be established by the board of directors of Parent, promptly after the Registration Statement is declared effective under the Securities Act.

(ii) Parent will advise the Company, promptly after Parent receives notice thereof, of the time when the Proxy Statement/Registration Statement has become effective or any supplement or amendment has been filed, of the issuance of any stop order or the suspension of the qualification of the Parent Common Stock for offering or sale in any jurisdiction, of the initiation or written threat of any proceeding for any such purpose and of any request by the SEC for the amendment or supplement of the Proxy Statement/Registration Statement or for additional information. The Company and their counsel shall be given a reasonable opportunity to review and comment on the Proxy Statement/Registration Statement and any Offer Document each time before any such document is filed with the SEC, and Parent shall give reasonable and good-faith consideration to any comments made by the Company and its counsel. Parent shall not file any such documents with the SEC without the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned or delayed). To the extent not prohibited by applicable Legal Requirement, Parent shall provide the Company and their counsel with (A) any comments or other communications, whether written or oral, that Parent or its counsel may receive from time to time from the SEC or its staff with respect to the Proxy Statement/Registration Statement or Offer Documents promptly after receipt of those comments or other communications and (B) a reasonable opportunity to participate in the response of Parent to those comments and to provide comments on that response (to which reasonable and good-faith consideration shall be given), including by participating with the Company or its counsel in any discussions or meetings with the SEC.

(iii) Each of Parent and the Company shall ensure that none of the information supplied by it or on its behalf for inclusion or incorporation by reference in (A) the Registration Statement will, at the time the Registration Statement is filed with the SEC, at each time at which it is amended and at the time it becomes effective under the Securities Act, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, not misleading or (B) the Proxy Statement will, at the date it is first mailed to the holders of Parent Common Stock and at the time of the Special Meeting, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading.

(iv) If at any time prior to the Effective Time any information relating to the Company, Parent or any of their respective Subsidiaries, Affiliates, directors or officers is discovered by

the Company or Parent, which is required to be set forth in an amendment or supplement to the Registration Statement/Proxy Statement so that the Registration Statement/Proxy Statement would not include any misstatement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Party which discovers such information shall promptly notify the other Parties and an appropriate amendment or supplement describing such information shall be promptly filed with the SEC and, to the extent required by applicable Legal Requirement, disseminated to the holders of Parent Common Stock.

(v) The Registration Statement, to the extent permitted by applicable Legal Requirement, including the rules and regulations of the SEC, also will register the resale of the shares of Parent Common Stock that constitute the Aggregate Stock Consideration, other than certain equity securities issuable under the New Parent Incentive Equity Plan that are based on Parent Common Stock and constitute a portion of the Aggregate Stock Consideration, which shall instead be registered pursuant to an effective Registration Statement on Form S-8 (or other applicable form, including Form S-1 or Form S-3) in accordance with this [Section 6.1\(a\)](#).

(b) **Special Meeting.** Parent shall, as promptly as practicable following the date the Registration Statement is declared effective, (i) cause the Proxy Statement to be disseminated to the holders of Parent Common Stock in compliance with applicable Legal Requirements, (ii) duly call and give notice of a meeting of Parent's stockholders (the "**Special Meeting**") for a date that is as soon as practicable following the date on which the Registration Statement is declared effective, for the purposes of obtaining the Parent Stockholder Approval and, if applicable, any approvals related thereto and providing its stockholders with the opportunity to elect to redeem shares of Parent Class A Common Stock (the "**Parent Stockholder Redemption**") in accordance with Parent's Organizational Documents. Parent shall, through the Parent Board, recommend to the holders of Parent Common Stock (the "**Parent Recommendation**") (1) the adoption of this Agreement and approval of the Transactions; (2) the issuance of shares of Parent Common Stock in connection with the Merger; (3) the approval of the Parent Third A&R Certificate of Incorporation (as the same may be subsequently amended by mutual written agreement of the Company and Parent at any time prior to the effectiveness of the Registration Statement); (4) the approval of the adoption of the New Parent Incentive Equity Plan; (5) election of directors to the Parent Board; and (6) any other proposals the Parties deem necessary or desirable to consummate the Transactions ([clauses \(1\) through \(6\)](#), collectively, the "**Parent Stockholder Matters**"). Without the prior written consent of the Stockholder Representative and the Company (each such consent not to be unreasonably withheld, conditioned or delayed), the Parent Stockholder Matters shall be the only matters (other than procedural matters) which Parent shall propose to be acted on by the holders of Parent Common Stock at the Special Meeting. Parent shall include the Parent Recommendation in the Proxy Statement. The Parent Board shall not (and no committee or subgroup thereof shall) change, withdraw, withhold, qualify or modify, or publicly propose to change, withdraw, withhold, qualify or modify, the Parent Recommendation (a "**Change in Recommendation**"); provided, that the Parent Board may make a Change in Recommendation if it determines in good faith, after consultation with its outside legal counsel, that a failure to make a Change in Recommendation would constitute a breach of the Parent Board's fiduciary obligations to Parent's stockholders under applicable Legal Requirements. Parent agrees that its obligation to establish a record date for, duly call, give notice of, convene and hold the Special Meeting for the purpose of seeking approval of the Parent Stockholder Matters shall not be affected by any Change in Recommendation, and Parent agrees to duly call, give notice of, convene and hold the Special Meeting and submit for the approval of its stockholders the matters contemplated by the Proxy Statement as contemplated by this [Section 6.1\(b\)](#), regardless of whether or not there shall have occurred any Change in Recommendation. Notwithstanding anything to the contrary contained in this Agreement, Parent shall be entitled to postpone or adjourn the Special Meeting (A) to ensure that any supplement or amendment to the Proxy Statement that the Parent Board has determined in good faith is required by applicable Legal Requirements is disclosed to Parent's stockholders and for such supplement or amendment to be promptly disseminated to Parent's stockholders

prior to the Special Meeting; (B) if, as of the time for which the Special Meeting is originally scheduled (as set forth in the Proxy Statement), there are insufficient shares of Parent Common Stock represented (either in person or by proxy) to constitute a quorum necessary to conduct the business to be conducted at the Special Meeting; or (C) in order to solicit additional proxies from stockholders for purposes of obtaining approval of the Parent Stockholder Matters; provided, that in the event of a postponement or adjournment pursuant to clauses (A) or (B) above, the Special Meeting shall be reconvened as promptly as practicable following such time as the matters described in such clauses have been resolved.

**Section 6.2 Regulatory Approvals.** As promptly as practicable after the date of this Agreement, and in any event within ten Business Days after the date hereof, Parent and the Company shall each make all required filings under the HSR Act (collectively, the “*Antitrust Filings*”). Each Party shall promptly furnish to the other such necessary information and reasonable assistance as the other may request in connection with its preparation of any filing or submission that is necessary under the HSR Act and will use reasonable best efforts to cause the expiration or termination of the applicable waiting periods as soon as practicable. Each Party shall promptly provide the other with copies of all written communications (and memoranda setting forth the substance of all oral communications) between each of them, any of their Affiliates or any of its or their Representatives, on the one hand, and any Governmental Entity, on the other hand, with respect to this Agreement or the Transactions. Without limiting the generality of the foregoing, and subject to applicable Legal Requirements, each Party shall (i) promptly notify the other Parties of any written communication made to or received by it from any Governmental Entity regarding the Transactions; (ii) permit each other to review in advance any proposed written communication to any such Governmental Entity and incorporate reasonable comments thereto; (iii) not agree to participate in any substantive meeting or discussion with any such Governmental Entity in respect of any filing, investigation or inquiry concerning this Agreement or the Transactions unless, to the extent reasonably practicable, it consults with the other Party in advance and, to the extent permitted by such Governmental Entity, gives the other Party the opportunity to attend; and (iv) furnish each other with copies of all correspondence, filings and written communications between such Party and their Affiliates and their respective representatives, on one hand, and any such Governmental Entity, on the other hand, in each case, with respect to this Agreement and the Transactions. Parent, on the one hand, and the Company, on the other hand, shall each pay 50% of any filing fees required by any Governmental Entities, including with respect to any registrations, declarations and filings required in connection with the execution and delivery of this Agreement, the performance of the obligations hereunder and the consummation of the Transactions, including filing fees in connection with filings under the HSR Act. As promptly as practicable following the Closing, and no later than 30 days after the Closing, Parent shall prepare and file the Investment Canada Act Notification.

**Section 6.3 Other Filings: Press Release.**

(a) As promptly as practicable after execution of this Agreement, Parent will prepare and file a Current Report on Form 8-K pursuant to the Exchange Act to report the execution of this Agreement, the form and substance of which shall be approved in advance in writing by the Company.

(b) Promptly after the execution of this Agreement, Parent and the Company shall also issue a joint press release announcing the execution of this Agreement.

(c) Parent shall prepare a draft Current Report on Form 8-K announcing the Closing, together with, or incorporating by reference, the Financial Statements prepared by the Company and its accountant, and such other information that may be required to be disclosed with respect to the Transactions in any report or form to be filed with the SEC (“*Closing Form 8-K*”), the form and substance of which shall be approved in advance in writing by the Stockholder Representative. Prior to Closing, Parent and the Company shall prepare a joint press release announcing the consummation of the Transactions hereunder (“*Closing Press Release*”). Concurrently with the Closing, Parent shall issue the Closing Press Release. Concurrently with the Closing, or as soon as practicable thereafter, Parent shall file the Closing Form 8-K with the SEC.

**Section 6.4 Confidentiality; Communications Plan; Access to Information.**

(a) Parent and the Company acknowledge that they are parties to the Confidentiality Agreement, the terms of which are incorporated herein by reference. Following Closing, the Confidentiality Agreement shall be superseded in its entirety by the provisions of this Agreement; provided, however, that if for any reason this Agreement is terminated prior to the Closing, the Confidentiality Agreement shall nonetheless continue in full force and effect in accordance with its terms. Beginning on the date hereof and ending 18 months following the date of this Agreement (but perpetually with respect to any trade secrets), each Party (the “**Receiving Party**”) agrees to maintain in confidence any non-public information received from each other Party (the “**Disclosing Party**”), and to use such non-public information only for purposes of consummating the Transactions. Such confidentiality obligations will not apply to (i) information which was known to the Receiving Party or its agents or Representatives prior to receipt from the Disclosing Party; (ii) information which is or becomes generally known to the public without breach of this Agreement or an existing obligation of confidentiality; (iii) information acquired by the Receiving Party or its agents or Representatives from a third party who was not bound to a known obligation of confidentiality to the Disclosing Party; (iv) information developed by the Receiving Party independently without any reliance on the non-public information received from the Disclosing Party; (v) disclosure required by applicable Legal Requirement or stock exchange rule; or (vi) disclosure consented to in writing by the Disclosing Party.

(b) None of Parent, the Company or any of their respective Affiliates or Representatives shall make any public announcement or issue any public communication regarding this Agreement or the transactions contemplated hereby, or any matter related to the foregoing, without first obtaining the prior written consent of the Company or Parent, as applicable (which consent shall not be unreasonably withheld, conditioned or delayed), except (i) if such announcement or other communication is required by applicable Legal Requirements, in which case the Party proposing such announcement shall, to the extent permitted by applicable Legal Requirements, first allow such other Parties to review such announcement or communication and have the opportunity to comment thereon and the disclosing Party shall consider such comments in good faith; (ii) in the case of the Company or the Company Stockholders, Parent and their respective Affiliates, if such announcement or other communication is made in connection with fundraising or other investment related activities and is made to such Person’s direct and indirect investors (other than the Sponsors) or potential investors or financing sources subject to an obligation of confidentiality; (iii) to the extent provided for in the Communications Plan, internal announcements to employees of the Group Companies; (iv) to the extent such announcements or other communications contain only information previously disclosed in a public statement, press release or other communication previously approved in accordance with Section 6.3 or this Section 6.4(b); (v) announcements and communications to Governmental Entities in connection with registrations, declarations and filings relating to the Transactions required to be made under this Agreement; and (vi) communications to customers and suppliers of the Group Companies for purposes of seeking any consents and approvals required in connection with the Transactions.

(c) The Company will afford Parent and its financial advisors, accountants, counsel and other Representatives reasonable access during normal business hours, upon reasonable prior notice, to the properties, books, records and personnel of the Group Companies during the period prior to the Closing to obtain all information concerning the business, including the status of business development efforts, properties, results of operations and personnel of the Group Companies, as Parent may reasonably request in connection with the Transactions; provided, however, that (i) any such access shall be conducted in a manner not to unreasonably interfere with the businesses or operations of the Company, and (ii) the Company may, in its reasonable discretion, require Parent and its Representatives to comply with any applicable Legal Requirements or Company policies regarding access to such personnel and Company



premises in connection with COVID-19 or any Pandemic Measures, including, if the Company determines in its reasonable judgment to be necessary or desirable, providing such access solely via videoconference or other electronic means. Parent will afford the Company and its financial advisors, underwriters, accountants, counsel and other Representatives reasonable access during normal business hours, upon reasonable notice, to the properties, books, records and personnel of Parent during the period prior to the Closing to obtain all information concerning the business, including properties, results of operations and personnel of Parent, as the Company may reasonably request in connection with the consummation of the Transactions; provided, however, that any such access shall be conducted in a manner not to unreasonably interfere with the businesses or operations of Parent.

#### **Section 6.5 Reasonable Best Efforts.**

(a) Upon the terms and subject to the conditions set forth in this Agreement and subject to applicable Legal Requirements, each of the Parties agrees to use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other Parties in doing, all things necessary, proper or advisable to consummate and make effective, in the most expeditious manner practicable, the Merger and the other Transactions, including using their reasonable best efforts to (i) cause the conditions precedent set forth in Article VII to be satisfied, (ii) obtain all necessary actions, waivers, consents, approvals, orders and authorizations from Governmental Entities and third parties, including any consents, approvals or waivers from third parties referred to on Section 6.5(a) of the Company Disclosure Letter, (iii) make all necessary registrations, declarations and filings (including registrations, declarations and filings with Governmental Entities, if any), (iv) defend any Legal Proceeding challenging this Agreement or the consummation of the Transactions, including seeking to have any stay or temporary restraining order entered by any court or other Governmental Entity vacated or reversed, and (v) execute or deliver any additional instruments reasonably necessary to consummate, and fully carry out the purposes of, the Transactions.

(b) Notwithstanding anything herein to the contrary, nothing in this Section 6.5 shall be deemed to require any Party or any of their respective Affiliates to agree to any divestiture by itself or any of its Affiliates of shares of capital stock or of any business, assets or property, the imposition of any limitation on the ability of any of them to conduct their business or to own or exercise control of their respective assets, properties and capital stock, or the incurrence of any liability or expense.

(c) From and after the date of this Agreement until the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, Parent, on the one hand, and the Company, on the other hand, shall each notify the other in writing promptly after learning of any stockholder demands or other stockholder Legal Proceedings (including derivative claims) relating to this Agreement, any Transaction Document or any matters relating thereto other than any appraisal claims contemplated by Section 2.9 (collectively, the “*Transaction Litigation*”) commenced against, in the case of Parent or Merger Sub, any of Parent or Merger Sub or any of their respective Representatives (in their capacity as a representative of Parent or Merger Sub) or, in the case of the Company, any Group Company or any of their respective Representatives (in their capacity as a representative of a Group Company). Parent and the Company shall each (i) keep the other reasonably informed regarding any Transaction Litigation, (ii) give the other the opportunity to, at its own cost and expense, participate in the defense, settlement and compromise of any such Transaction Litigation and reasonably cooperate with the other in connection with the defense, settlement and compromise of any such Transaction Litigation and (iii) consider in good faith the other’s advice with respect to any such Transaction Litigation; provided, however, that in no event shall Parent or Merger Sub, on one hand, or the Company, any other Group Company, on the other hand, or, in any case, any of their respective Representatives settle or compromise any Transaction Litigation without the prior written consent of the Company or Parent, as the case may be.

**Section 6.6 [Reserved.]**

**Section 6.7 No Parent Securities Transactions.** Neither the Company nor any of its controlled Affiliates, directly or indirectly, shall engage in any transactions involving the securities of Parent prior to the time of the making of a public announcement regarding all of the material terms of the business and operations of the Company and the Transactions. The Company shall use its reasonable best efforts to require each of its officers, directors, employees, agents, advisors, contractors, associates, clients, customers and Representatives, to comply with the foregoing requirement.

**Section 6.8 No Claim Against Trust Account.** Each of the Company and the Stockholder Representative acknowledge that Parent has established the Trust Account, which holds the proceeds of its initial public offering, for the benefit of its public stockholders. For and in consideration of Parent entering into this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Company and the Stockholder Representative, each for itself and its respective Affiliates it has the authority to bind, hereby agrees it does not now and shall not at any time hereafter have any right, title, interest or claim of any kind in or to any assets in the Trust Account (or distributions therefrom to (i) the holders of Parent Class B Common Stock upon the Parent Stockholder Redemption and (ii) the underwriters of Parent's initial public offering in respect of their deferred underwriting commissions held in the Trust Account, in each case as set forth in the Trust Agreement (collectively, the "**Trust Distributions**")), and hereby irrevocably waives any right, title, interest or claim of any kind it has or may have in the future in or to the Trust Account (including the Trust Distributions) and agrees not to seek recourse against the Trust Account or any funds distributed therefrom (including the Trust Distributions) for any reason whatsoever. The Company agrees and acknowledges that such irrevocable waiver is material to this Agreement and specifically relied upon by Parent to induce Parent to enter in this Agreement, and the Company further intends and understands such waiver to be valid, binding and enforceable against the Company and each of their respective Affiliates that it has the authority to bind under applicable Legal Requirements. To the extent the Company or any of its Affiliates that it has the authority to bind commences any Legal Proceeding against Parent or any of its Affiliates based upon, in connection with, relating to or arising out of any matter relating to Parent, its Affiliates or its Representatives, which Legal Proceeding seeks, in whole or in part, monetary relief against Parent, its Affiliates or its Representatives, the Company hereby acknowledges and agrees that each of the Company's and such Affiliates' sole remedy shall be against assets of Parent or such Affiliate or Representatives not in the Trust Account and that such claim shall not permit the Company or such Affiliates (or any Person claiming on any of their behalves) to have any claim against the Trust Account (including the Trust Distributions) or any amounts contained in the Trust Account while in the Trust Account.

**Section 6.9 Disclosure of Certain Matters.** Each of Parent, Merger Sub, the Company and the Stockholder Representative will promptly provide the other Parties with prompt written notice of any event, development or condition of which they have Knowledge, that (a) is reasonably likely to cause any of the conditions set forth in Article VII not to be satisfied; or (b) would require any amendment or supplement to the Proxy Statement/Registration Statement.

**Section 6.10 Securities Listing.** Parent will use its reasonable best efforts to cause the shares of Parent Common Stock issued in connection with the Transactions to be approved for listing on Nasdaq at Closing. During the period from the date hereof until the Closing, Parent shall use its reasonable best efforts to keep the Parent Class A Common Stock and Parent Warrants listed for trading on Nasdaq. After the Closing, Parent shall use commercially reasonable efforts to continue the listing for trading of the Parent Common Stock, Parent Units, and Parent Warrants on Nasdaq.

**Section 6.11 No Solicitation.**

(a) During the period from the date of this Agreement and continuing until the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, the Company shall not, and shall cause its Subsidiaries and the Key Company Stockholders not to (and each Key Company Stockholder has acknowledged to the Company that it shall not), and shall direct its Representatives not to, directly or indirectly (i) solicit, initiate, enter into or continue discussions, negotiations or transactions with, or encourage or respond to any inquiries or proposals by, or provide any information to, any Person (other than Parent and its agents, Representatives, advisors) concerning any merger, sale of ownership interests and/or assets of the Company, recapitalization or similar transaction (each, a “**Company Business Combination**”); (ii) enter into any agreement regarding, continue or otherwise participate in any discussions or negotiations regarding, or cooperate in any way that would otherwise reasonably be expected to lead to a Company Business Combination; or (iii) commence, continue or renew any due diligence investigation regarding a Company Business Combination. In addition, the Company shall, and shall cause its Subsidiaries and the Key Company Stockholders to, and shall cause their respective Representatives to, immediately cease any and all existing discussions or negotiations with any Person with respect to any Company Business Combination.

(b) During the period from the date of this Agreement and continuing until the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, Parent and Merger Sub shall not, and shall direct their respective Representatives not to, directly or indirectly (i) solicit, initiate, enter into or continue discussions or transactions with, or encourage or respond to any inquiries or proposals by, or provide any information to, any Person (other than the Company, the Company Stockholders and their respective Representatives) concerning any merger, purchase of ownership interests or assets of or by Parent, recapitalization or similar business combination transaction (each, a “**Parent Business Combination**”); (ii) enter into any agreement regarding, continue or otherwise participate in any discussions or negotiations regarding, or cooperate in any way that would otherwise reasonably be expected to lead to a Parent Business Combination; or (iii) commence, continue or renew any due diligence investigation regarding a Parent Business Combination. Parent and Merger Sub shall, and shall cause their respective Representatives to, immediately cease any and all existing discussions or negotiations with any Person with respect to any Parent Business Combination.

(c) Each Party shall promptly (and in no event later than 24 hours after becoming aware of such inquiry, proposal, offer or submission) notify the other Parties (and in the case of Parent’s receipt of a Parent Business Combination proposal, Parent shall also provide notice to the Stockholder Representative) if it or, to its Knowledge, any of its or its Representatives receives any inquiry, proposal, offer or submission with respect to a Company Business Combination or Parent Business Combination, as applicable (including the identity of the Person making such inquiry or submitting such proposal, offer or submission), after the execution and delivery of this Agreement. If either Party or its Representatives receives an inquiry, proposal, offer or submission with respect to a Company Business Combination or Parent Business Combination, as applicable, such Party shall provide the other Parties with a copy of such inquiry, proposal, offer or submission (and in the case of Parent’s receipt, Parent shall also provide copies to the Stockholder Representative).

**Section 6.12 Trust Account.** Upon satisfaction or waiver of the conditions set forth in Article VII (other than those conditions that by their nature are to be satisfied at Closing, but subject to the satisfaction or waiver of those conditions) and provision of notice thereof to the Trustee (which notice Parent shall provide to the Trustee in accordance with the terms of the Trust Agreement) (a) in accordance with and pursuant to the Trust Agreement and Parent’s Organizational Documents, at the Closing, Parent

(i) shall cause the documents, opinions and notices required to be delivered to the Trustee pursuant to the Trust Agreement to be so delivered; and (ii) shall use its reasonable best efforts to cause the Trustee to, and the Trustee shall thereupon be obligated to, distribute the Trust Account, including all amounts payable (A) to holders of Parent Common Stock who participate in the Parent Stockholder Redemption; (B) for income Tax or other Tax obligations of Parent prior to Closing; (C) for any Parent Transaction Costs; (D) as repayment of loans and reimbursement of expenses to directors, officers and stockholders of Parent; and (E) all amounts payable pursuant to Section 1.5; and (b) thereafter, the Trust Account shall terminate, except as otherwise provided therein.

**Section 6.13 Directors' and Officers' Liability Insurance.**

(a) Parent agrees that all rights to exculpation, indemnification and advancement of expenses now existing in favor of the current or former directors or officers, as the case may be, of any Group Company (each, together with such person's heirs, executors or administrators, a "**D&O Indemnified Party**"), as provided in their respective Organizational Documents or in any indemnification agreement with any Group Company set forth on Section 6.13(a) of the Company Disclosure Letter shall survive the Closing and shall continue in full force and effect. For a period of six years from the Closing Date, Parent shall cause the Group Companies to maintain in effect the exculpation, indemnification and advancement of expenses provisions of such Group Company's Organizational Documents as in effect immediately prior to the Closing Date or in any indemnification agreements of each Group Company with any D&O Indemnified Party as in effect immediately prior to the Closing Date, and Parent shall, and shall cause the Group Companies to, not amend, repeal or otherwise modify any such provisions in any manner that would adversely affect the rights thereunder of any D&O Indemnified Party; provided, however, that all rights to indemnification or advancement of expenses in respect of any Legal Proceedings pending or asserted or any claim made within such period shall continue until the disposition of such Legal Proceeding or resolution of such claim. From and after the Closing Date, Parent shall cause the Group Companies to honor, in accordance with their respective terms, each of the covenants contained in this Section 6.13 without limit as to time.

(b) Prior to the Closing, the Company shall purchase a "tail" or "runoff" directors' and officers' liability insurance policies (the "**D&O Tail**") in respect of acts or omissions occurring prior to the Effective Time covering each such Person that is a director or officer of a Group Company currently covered by a directors' and officers' liability insurance policies of one or more Group Companies on terms with respect to coverage, deductibles and amounts no less favorable than those of such policy in effect on the date of this Agreement for the six-year period following the Closing. Parent shall, and shall cause the Surviving Corporation to, maintain the D&O Tail in full force and effect for its full term and cause all obligations thereunder to be honored by the Group Companies, as applicable, and no other party shall have any further obligation to purchase or pay for such insurance pursuant to this Section 6.13(b).

(c) The rights of each D&O Indemnified Party hereunder shall be in addition to, and not in limitation of, any other rights such person may have under the Organizational Documents of any Group Company, any other indemnification arrangement, any applicable Legal Requirement or otherwise. The obligations of Parent and the Group Companies under this Section 6.13 shall not be terminated or modified in such a manner as to adversely affect any D&O Indemnified Party without the consent of such D&O Indemnified Party. The provisions of this Section 6.13 shall survive the Closing and expressly are intended to benefit, and are enforceable by, each of the D&O Indemnified Parties, each of whom is an intended third-party beneficiary of this Section 6.13.

(d) If Parent or, after the Closing, any Group Company, or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving entity of such consolidation or merger; or (ii) transfers or conveys all or substantially all of its properties and assets to any Person, then, in each such case, proper provision shall be made so that the successors and assigns of Parent or such Group Company, as applicable, assume the obligations set forth in this Section 6.13.

**Section 6.14 New Parent Incentive Equity Plan.** Prior to the effectiveness of the Proxy Statement/Registration Statement, the Parent Board shall approve and adopt, subject to obtaining the approval of the Parent Stockholder Matters, an equity incentive plan, in substantially the form attached hereto as Exhibit G and with any changes or modifications thereto as the Company and Parent may mutually agree (such agreement not to be unreasonably withheld, conditioned or delayed) (the “*New Parent Incentive Equity Plan*”), in the manner prescribed under applicable Legal Requirements, effective as of one day prior to the Closing Date.

**Section 6.15 280G Approval.** To the extent that any “disqualified individual” (within the meaning of Section 280G(c) of the Code and the regulations thereunder) has the right to receive any payments or benefits that would be deemed to constitute “parachute payments” (within the meaning of Section 280G(b)(2)(A) of the Code and the regulations thereunder), then, the Company will (a) no later than five days prior to the Closing Date, solicit and use its reasonable best efforts to obtain from each such “disqualified individual” a waiver of such disqualified individual’s rights to some or all of such payments or benefits (the “*Waived 280G Benefits*”) so that any remaining payments and/or benefits shall not be deemed to be “excess parachute payments” (within the meaning of Section 280G of the Code and the regulations thereunder); and (b) no later than two days prior to the Closing Date, with respect to each individual who agrees to the waiver described in clause (a), submit to a vote of holders of the equity interests of the Company entitled to vote on such matters, in the manner required under Section 280G(b)(5) of the Code and the regulations promulgated thereunder, along with adequate disclosure intended to satisfy such requirements (including Q&A 7 of Section 1.280G-1 of such regulations), the right of any such “disqualified individual” to receive the Waived 280G Benefits. Prior to, and in no event later than three days prior to soliciting such waivers and approval, the Company shall provide drafts of such waivers and approval materials to Parent for its reasonable review and comment, and the Company shall consider in good faith any such comments. No later than three days prior to soliciting the waivers, the Company shall provide Parent with the calculations and related documentation to determine whether and to what extent the vote described in this Section 6.15 is necessary in order to avoid the imposition of Taxes under Section 4999 of the Code. Prior to the Closing Date, the Company shall deliver to Parent evidence that a vote of the stockholders of the Company was solicited in accordance with the foregoing and shall inform Parent whether the requisite number of votes of the stockholders of the Company was obtained with respect to the Waived 280G Benefits or that the vote did not pass and the Waived 280G Benefits will not be paid or retained.

**Section 6.16 Tax Matters.**

(a) Each Group Company shall prepare and timely file, or cause to be prepared and timely filed, all Tax Returns required to be filed by it that are due on or before the Closing Date (taking into account any extensions), and shall timely pay all Taxes that are due and payable on or before the Closing Date (taking into account any extensions). Any such Tax Return shall be prepared in a manner consistent with past practice (unless otherwise required by law). Unless it would be unreasonable for Parent to withhold, condition or delay the written consent contemplated by clause (ii) of this sentence, the Company shall cause each income and other material Tax Return (i) to be provided to Parent for review and comment as soon as reasonably practicable before the due date of each such Tax Return and (ii) to not be filed without the prior written consent of Parent (such consent not to be unreasonably withheld, conditioned or delayed).

(b) All transfer, documentary, sales, use, stamp, registration, excise, recording, value added and other such similar Taxes and fees (including any penalties and interest) (“*Transfer Taxes*”) that become payable in connection with or by reason of the execution of this Agreement and the Transactions shall be borne and paid by Parent. Parent shall prepare and timely file, or shall cause to be prepared and

timely filed, any Tax Return or other document with respect to such Transfer Taxes; provided, however, that the Stockholder Representative will reasonably cooperate with respect thereto. For the avoidance of doubt, Transfer Taxes shall not include any taxes on or determined with respect to net income.

(c) On the Closing Date, the Company shall provide Parent with a certificate on behalf of the Company, prepared in a manner consistent and in accordance with the requirements of Treasury Regulation Sections 1.897-2(g), (h) and 1.1445-2(c)(3), certifying that no interest in the Company is, or has been during the relevant period specified in Section 897(c)(1)(A)(ii) of the Code, a “United States real property interest” within the meaning of Section 897(c) of the Code, and a form of notice to the Internal Revenue Service prepared in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2) (together, a “**FIRPTA Certificate**”), except that the sole recourse for Parent if this condition is not met is to withhold on the proceeds payable to the extent required by applicable Legal Requirements.

(a) The Company shall terminate, or cause there to be terminated, any and all tax sharing, allocation, indemnification or similar agreements, arrangements or undertakings in effect, written or unwritten, on the Closing Date as between the Company and/or the Company Subsidiaries, on the one hand, and any other Person, on the other hand, for all Taxes, regardless of the period in which such Taxes are imposed, and there shall be no continuing obligation to make any payments under any such agreements, arrangements or undertakings.

#### **Section 6.17 Financing.**

(a) Subject to the terms and conditions of this Agreement, prior to Closing, Parent shall use, and shall cause its Affiliates to use, commercially reasonable efforts to obtain the proceeds of the PIPE Investment on the terms and conditions described in the Subscription Agreements, including using reasonable best efforts to (i) satisfy (or, if deemed advisable by Parent, obtain the waiver of) on a timely basis all conditions in the Subscription Agreements that are within its control (including payment of all fees and expenses) and comply with its obligations thereunder, (ii) maintain in effect the Subscription Agreements in accordance with their terms and (iii) diligently enforce all of its rights under the Subscription Agreements (and any definitive agreements related thereto), including to commence or pursue litigation for the purposes of enforcing the obligations of the PIPE Investors to fund the PIPE Investment. Parent shall not and shall cause its Affiliates not to take or refrain from taking, directly or indirectly, any action that could reasonably be expected to result in a default under or failure of any of the conditions contained in, or materially impair, delay or prevent consummation of the PIPE Investment contemplated by the Subscription Agreement. Parent shall give the Company prompt notice of any material breach by any party to the Subscription Agreements of which Parent has become aware or any termination (or alleged or purported termination in writing) of any Subscription Agreements. Parent shall keep the Company informed on a reasonably current basis in reasonable detail of the status of its efforts to obtain the proceeds of the PIPE Investment and shall not permit any amendment or modification to, or any waiver of any provision or remedy under, any Subscription Agreement without the prior written consent of the Company; provided, that any amendment, modification or waiver that is solely ministerial in nature or otherwise immaterial and does not affect any economic or any other material term of a Subscription Agreement shall not require the prior written consent of the Company.

(b) Subject to the terms and conditions of this Agreement, prior to Closing, the Company shall cause Hillman to use reasonable best efforts to obtain the proceeds of the Debt Financing on the terms and conditions described in the Debt Commitment Letter (subject to any “market flex” provisions contained in the Debt Fee Letter), including using reasonable best efforts to (i) negotiate definitive agreements with respect to the Debt Financing (the “**Definitive Debt Agreements**”) consistent with the terms and conditions contained in the Debt Commitment Letter, (ii) satisfy on a timely basis all conditions in the Debt Commitment Letter that are within its control and comply with its obligations thereunder, (iii) maintain in effect the Debt Commitment Letter and Debt Fee Letter in accordance with

their terms and (iv) diligently enforce all of its rights under the Debt Commitment Letter and Debt Fee Letter, provided, however, that the Company, Hillman and their Affiliates shall not be required to commence or pursue litigation, and neither Parent nor Merger Sub shall have any right to compel the Company, Hillman or their Affiliates to commence or pursue litigation, to enforce the obligations of the Debt Financing Sources to fund the Debt Financing. The Company shall not and shall cause its Affiliates not to take or refrain from taking, directly or indirectly, any action that could reasonably be expected to result in a default under or failure of any of the conditions contained in, or materially impair, delay or prevent consummation of the Debt Financing contemplated by the Debt Commitment Letter or in any Definitive Debt Agreement related to the Debt Financing.

(c) The Company shall give Parent prompt notice of any material breach by any party to the Debt Commitment Letter of which the Company has become aware or any termination (or alleged or purported termination in writing) of the Debt Commitment Letter. The Company shall keep Parent informed on a reasonably current basis in reasonable detail of the status of its efforts to obtain the proceeds of the Debt Financing and shall not permit any amendment or modification to, or any waiver of any material provision or remedy under, the Debt Commitment Letter entered into at or prior to the date hereof if such amendment, modification, waiver or remedy (i) would materially delay the occurrence of the Closing, (ii) reduces the aggregate amount of the Debt Financing, or (iii) adds or imposes new conditions or amends the existing conditions to the drawdown of the Debt Financing, in each case, in any material respect.

(d) Prior to the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, Parent and Merger Sub agree, and Parent and Merger Sub shall cause its appropriate officers and employees, to use reasonable best efforts to cooperate in connection with the arrangement of the Debt Financing (including the satisfaction of the conditions precedent set forth in the Debt Commitment Letter that are within its control) as may be reasonably requested by the Company and Hillman, including by (i) participating in (including making appropriate officers available for) a reasonable number of meetings, presentations, due diligence sessions, drafting sessions and sessions with rating agencies at mutually agreeable times and locations and upon reasonable advance notice, (ii) assisting with the preparation of customary marketing materials, rating agency presentations and offering documents (including a public side version), (iii) executing and delivering customary management authorization letters and confirmations to the Debt Financing Sources authorizing the distributions of information to prospective lenders and containing customary representations to the Debt Financing Sources in connection with the marketing of the Debt Financing, (iv) furnishing the Company and Hillman at least three Business Days prior to the Closing Date (to the extent requested at least ten Business Days prior to the Closing Date), with all documentation and other information required by bank regulatory authorities under applicable “know-your-customer” and anti-money laundering rules and regulations, including the Patriot Act, (v) cooperating reasonably with the Debt Financing Sources’ due diligence, to the extent customary and reasonable and (vi) reasonably cooperating with the marketing and syndication efforts of Hillman and the Debt Financing Sources.

(e) Prior to the earlier of the Closing and the valid termination of this Agreement pursuant to its terms, the Stockholder Representative and the Company agree, and the Company shall cause each Group Company and its and their appropriate officers and employees, to use reasonable best efforts to cooperate in connection with the arrangement of the PIPE Investment (including the satisfaction of the conditions precedent set forth in the Subscription Agreements) as may be reasonably requested by Parent, including by (i) participating in (including making appropriate officers of the Company and its subsidiaries available for) a reasonable number of meetings, presentations, due diligence sessions, drafting sessions and sessions with rating agencies at mutually agreeable times and locations and upon reasonable advance notice and (ii) assisting with the preparation of customary materials for actual and potential PIPE Investors, rating agency presentations and private placement memoranda required in connection with the PIPE Investment. Notwithstanding the foregoing, (A) such requested cooperation shall not unreasonably interfere with the ongoing operations of any Group Company, (B) no Group Company shall be required to pay any

commitment or other similar fee or incur any other Liability or obligation in connection with the PIPE Investment prior to the Closing, (C) no Group Company nor any of their respective officers, directors, or employees shall be required to execute or enter into or perform any agreement with respect to the PIPE Investment that is not contingent upon the Closing or that would be effective prior to the Closing (other than any customary management representation and authorization letter in connection with marketing materials contemplated by the Financing) and (D) Persons who are on the board of directors or the board of managers (or similar governing body) of any Group Company prior to the Closing in their capacity as such shall not be required to pass resolutions or consents to approve or authorize the execution of the PIPE Investment. Nothing contained in this Section 6.17 or otherwise shall require any Group Company, prior to the Closing, to be an issuer or other obligor with respect to the PIPE Investment.

(f) None of the Stockholder Representative, the Group Companies, their Affiliates or any of their respective Representatives shall be required to take any action that would subject such Person to actual or potential liability, to bear any cost or expense or to pay any commitment or other similar fee or make any other payment or incur any other liability or provide or agree to provide any indemnity in connection with the PIPE Investment or their performance of their respective obligations in connection with the PIPE Investment under this Section 6.17 or any information utilized in connection therewith. Parent shall indemnify and hold harmless the Stockholder Representative, the Group Companies, their Affiliates and their respective Representatives from and against any and all Loss suffered or incurred by them in connection with the arrangement of the PIPE Investment and the performance of their respective obligations in connection with the PIPE Investment under this Section 6.17 and any information utilized in connection therewith, for any of the foregoing except to the extent the same is the result of (i) claims based upon the accuracy of any historical information provided by or on behalf of the Stockholder Representative, any Group Company or their respective Affiliates and Representatives expressly for use in connection with the arrangement of the PIPE Investment or (ii) the gross negligence, willful misconduct or fraud committed by or on behalf of the Stockholder Representative, any Group Company or their respective Affiliates and Representatives.

(g) The Company shall, and the Company shall cause the Company Subsidiaries to, take all such actions as are appropriate to effect the Refinancing, the Trust Preferred Redemption and the Junior Debenture Redemption (as such terms are defined in the Debt Commitment Letter) on the Closing Date. The Company shall, and the Company shall cause the Company Subsidiaries to, deliver all customary notices and take all other reasonably necessary actions to facilitate the termination on the Closing Date of all commitments in respect of the Existing Credit Agreements, the repayment in full on the Closing Date of all obligations in respect of such Indebtedness, and the release on the Closing Date of any Liens securing such Indebtedness and guarantees in connection therewith. In furtherance and not in limitation of the foregoing, the Company and its Subsidiaries shall use reasonable best efforts to deliver to Parent prior to the Closing executed payoff letters with respect to Existing Credit Agreements (each, a "**Payoff Letter**") in form and substance customary for transactions of this type, from the applicable agents on behalf of the persons to whom such Indebtedness is owed, which Payoff Letters together with any related release documentation shall, among other things, include the payoff amount and provide that Liens (and guarantees), if any, granted in connection with the Existing Credit Agreements relating to the assets, rights and properties of the Company and its Subsidiaries securing or relating to such Indebtedness, shall, upon the payment of the amount set forth in the applicable Payoff Letter at or prior to the Effective Time, be released and terminated. The obligations of the Company pursuant to this Section 6.17(g) shall be subject to Parent or Merger Sub providing or causing to be provided all funds required to effect all such repayments at or prior to the Effective Time; provided that, no such repayment shall be required to be made prior to the Effective Time.

(h) None of Parent, Merger Sub, their Affiliates or any of their respective Representatives shall be required to take any action that would subject such Person to actual or potential liability, to bear any cost or expense or to pay any commitment or other similar fee or make any other



payment or incur any other liability or provide or agree to provide any indemnity in connection with the Debt Financing or their performance of their respective obligations in connection with the Debt Financing under this [Section 6.17](#) or any information utilized in connection therewith. The Company shall indemnify and hold harmless Parent, Merger Sub, their Affiliates and their respective Representatives from and against any and all Loss suffered or incurred by them in connection with the arrangement of the Debt Financing and the performance of their respective obligations in connection with the Debt Financing under this [Section 6.17](#) and any information utilized in connection therewith, for any of the foregoing except to the extent the same is the result of (i) claims based upon the accuracy of any historical information provided by or on behalf of Parent, Merger Sub or their respective Affiliates and Representatives expressly for use in connection with the arrangement of the Debt Financing or (ii) the gross negligence, willful misconduct or fraud committed by or on behalf of Parent, Merger Sub or their respective Affiliates and Representatives.

**Section 6.18 Board of Directors.** The Parties shall use commercially reasonable efforts to ensure that effective immediately after the Effective Time, the Parent Board shall initially consist of nine (9) directors, which shall be divided into three (3) classes, designated Class I, Class II and Class III, with each class consisting of three (3) directors. The members of the Parent Board and their applicable class, effective immediately after the Effective Time, are set forth on Section 6.18 of the Company Disclosure Letter and shall be reflected in the Proxy Statement filed with the SEC and mailed to the holders of Parent Common Stock.

**Section 6.19 Release.**

(a) Effective upon and following the Closing, Parent, on its own behalf and on behalf of its respective Affiliates and Representatives, generally, irrevocably, unconditionally and completely releases and forever discharges each Company Stockholder, its Affiliates, and its and their respective Related Parties, (collectively, the “*Company Stockholder Released Parties*”) from all disputes, claims, losses, controversies, demands, rights, Liabilities, actions and causes of action of every kind and nature, whether known or unknown, arising from any matter concerning any Group Company occurring prior to the Closing Date (other than as contemplated by this Agreement and the other Transaction Documents), including for controlling equityholder liability or breach of any fiduciary duty relating to any pre-Closing actions or failures to act by the Company Stockholder Released Parties; provided, however, that nothing in this [Section 6.19\(a\)](#) shall release any Company Stockholder Released Parties from (i) their obligations under this Agreement or the other Transaction Documents; or (ii) as applicable, any disputes, claims, losses, controversies, demands, rights, Liabilities, breaches of fiduciary duty, actions and causes of action arising out of such Company Stockholder Released Party’s employment by any Group Company.

(b) Effective upon and following the Closing, each Company Stockholder, on its own behalf and on behalf of each of its Affiliates and Representatives, generally, irrevocably, unconditionally and completely releases and forever discharges each of Parent and each Group Company, their respective Affiliates, and its and their respective Related Parties (collectively, the “*Parent Released Parties*”) from all disputes, claims, losses, controversies, demands, rights, Liabilities, actions and causes of action of every kind and nature, whether known or unknown, arising from any matter concerning any Group Company occurring prior to the Closing Date (other than as contemplated by this Agreement, including with respect to [Section 6.13](#), or the other Transaction Documents); provided, however, that nothing in this [Section 6.19](#) shall release the Parent Released Parties from their obligations (i) under this Agreement or the other Transaction Documents or (ii) with respect to any salary, bonuses, vacation pay or employee benefits accrued pursuant to a Company Benefit Plan in effect as of the date of this Agreement or any expense reimbursement pursuant to a policy of the Group Companies in effect as of the date of this Agreement accrued in the Ordinary Course.

**ARTICLE VII**  
**CONDITIONS TO THE TRANSACTION**

**Section 7.1 Conditions to Obligations of Each Party's Obligations.** The respective obligations of each Party to this Agreement to effect the Merger and the other Transactions shall be subject to the satisfaction or waiver at or prior to the Closing of the following conditions, any of which may be waived only by mutual written agreement of Parent and Company:

- (a) Registration Statement. The Registration Statement shall have become effective under the Securities Act and no stop order suspending the effectiveness of the Registration Statement shall have been issued and no Legal Proceedings for that purpose shall have been initiated or threatened by the SEC and not withdrawn.
- (b) Parent Stockholder Approval. The Parent Stockholder Matters shall have been duly adopted by the stockholders of Parent in accordance with the DGCL, the Parent's Organizational Documents and the Nasdaq rules and regulations.
- (c) Company Stockholder Approval. The Company Stockholder Approval shall have been obtained.
- (d) Parent Stockholder Redemption. The Parent Stockholder Redemption shall have been completed in accordance with the terms hereof and the Parent's Organizational Documents.
- (e) Minimum Cash. At the Effective Time, the Closing Available Proceeds shall be equal to or exceed \$639,000,000.
- (f) Required Funds. The aggregate amount of Cash and Cash Equivalents held by Parent and the Group Companies, collectively, immediately after the Closing, after giving effect to the transactions contemplated by Section 1.5, will equal or exceed \$50,000,000.
- (g) Maximum Indebtedness. The aggregate amount of (i) the Post-Closing Indebtedness, *minus* (ii) Cash and Cash Equivalents of Parent and the Group Companies, collectively, immediately following Closing, shall not exceed the sum of (A) \$885,000,000, *plus* (B) an amount equal to any increased borrowings after December 26, 2020 under the Existing ABL Credit Agreement of up to \$100,000,000.
- (h) HSR Act. All applicable waiting periods (and any extensions thereof) under the HSR Act will have expired or otherwise been terminated.
- (i) Redemption of Debentures, Trust Preferred Securities and Notes At the Closing, substantially concurrently with the consummation of the Merger and the other Transactions, (i) all outstanding debentures shall be redeemed and thereupon the Debentures Indenture shall be discharged and all outstanding Trust Preferred Securities shall be redeemed, and (ii) all outstanding Notes shall be redeemed pursuant to the Notes Indenture (or an amount deposited with the trustee under the Notes Indenture to satisfy the Notes) and thereupon the Notes Indenture shall be discharged.
- (j) Illegality. There shall not be in effect any Governmental Order or applicable Legal Requirement enjoining, restricting or making illegal the consummation of the Transactions.
- (k) Listing. The shares of Parent Common Stock to be issued in connection with the Merger shall be approved for listing on Nasdaq.

(l) Tangible Assets. Parent shall have at least \$5,000,001 of net tangible assets following the exercise by the holders of Parent Class A Common Stock issued in Parent's initial public offering of securities and outstanding immediately before the Closing of their right to convert their Parent Class A Common Stock held by them into a pro rata share of the Trust Account in accordance with Parent's Organizational Documents.

**Section 7.2 Additional Conditions to Obligations of the Company**. The obligations of the Company to consummate and effect the Merger and the other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, exclusively by the Company:

(a) Representations and Warranties of Parent. The Fundamental Representations of Parent shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Parent Material Adverse Effect or any similar limitation contained therein) on and as of the Closing Date as though made on and as of the Closing Date (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty shall be true and correct as of such earlier date); and all other representations and warranties of Parent set forth in Article IV hereof shall be true and correct (without giving effect to any limitation as to "materiality" or Parent Material Adverse Effect or any similar limitation contained therein) on as of the Closing Date as though made on and as of the Closing Date (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty shall be true and correct as of such earlier date), except where the failure of such representations and warranties of Parent to be so true and correct, individually or in the aggregate, has not had and is not reasonably expected to have a Parent Material Adverse Effect.

(b) Performance. Parent and Merger Sub shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by them on or prior to Closing Date, in each case in all material respects.

(c) Parent Third A&R Certificate of Incorporation. The Parent Third A&R Certificate of Incorporation shall have been filed with the Secretary of State of the State of Delaware.

(d) No Parent Material Adverse Effect. No Parent Material Adverse Effect shall have occurred since the date of this Agreement.

**Section 7.3 Additional Conditions to the Obligations of Parent and Merger Sub**. The obligations of Parent and Merger Sub to consummate and effect the Merger and the other Transactions shall be subject to the satisfaction at or prior to the Closing of each of the following conditions, any of which may be waived, in writing, exclusively by Parent:

(a) Representations and Warranties of the Company. The Fundamental Representations of the Company shall be true and correct in all material respects (without giving effect to any limitation as to "materiality" or Company Material Adverse Effect or any similar limitation contained therein) on and as of the Closing Date as though made on and as of the Closing Date (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty shall be true and correct as of such earlier date); and all other representations and warranties of the Company set forth in Article III hereof shall be true and correct (without giving effect to any limitation as to "materiality" or "Company Material Adverse Effect" or any similar limitation contained therein) on as of the Closing Date as though made on and as of the Closing Date (except to the extent that any such representation and warranty expressly speaks as of an earlier date, in which case such representation and warranty shall be true and correct as of such earlier date), except where the failure of such representations and warranties of the Company to be so true and correct, individually or in the aggregate, has not had and is not reasonably expected to have a Company Material Adverse Effect.

(b) Performance. The Company shall have performed or complied with all agreements and covenants required by this Agreement to be performed or complied with by it at or prior to the Closing Date in all material respects.

(c) No MAE. No Company Material Adverse Effect shall have occurred since the date of this Agreement.

## ARTICLE VIII TERMINATION

**Section 8.1** Termination. This Agreement may be terminated at any time prior to the Closing:

(a) by mutual written agreement of Parent and the Stockholder Representative at any time;

(b) by either Parent or the Stockholder Representative if the Transactions shall not have been consummated by July 24, 2021 (the "Outside Date"); provided, however, that the right to terminate this Agreement under this Section 8.1(b) shall not be available to any Party whose action or failure to act has been a principal cause of or resulted in the failure of the Transactions to occur on or before such date and such action or failure to act constitutes a breach of this Agreement;

(c) by either Parent or the Stockholder Representative if a Governmental Entity shall have issued an Order or taken any other action, in any case having the effect of permanently restraining, enjoining or otherwise prohibiting the Transactions, including the Merger, which Order or other action is final and nonappealable;

(d) by the Stockholder Representative, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement on the part of Parent or Merger Sub, or if any representation or warranty of Parent or Merger Sub shall have become untrue, in either case such that the conditions set forth in Article VII would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become untrue; provided, that if such breach is curable by Parent or Merger Sub prior to the Closing, then the Stockholder Representative may not terminate this Agreement under this Section 8.1(d) until the earlier of (i) 30 days after delivery of written notice from the Stockholder Representative to Parent of such breach if such breach then remains uncured, and (ii) the Outside Date; provided, further, that the Stockholder Representative may not terminate this Agreement pursuant to this Section 8.1(d) if it shall have materially breached this Agreement and such breach has not been cured;

(e) by Parent, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement on the part of the Company or the Stockholder Representative or if any representation or warranty of the Company shall have become untrue, in either case such that the conditions set forth in Article VII would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become untrue; provided, that if such breach is curable by the Company or the Stockholder Representative prior to the Closing, then Parent may not terminate this Agreement under this Section 8.1(e) until the earlier of (i) 30 days after delivery of written notice from Parent to the Stockholder Representative of such breach if such breach then remains uncured, and (ii) the Outside Date; provided, further, that Parent may not terminate this Agreement pursuant to this Section 8.1(e) if it shall have materially breached this Agreement and such breach has not been cured;

(f) by either Parent or the Stockholder Representative, if the Parent Stockholder Redemption results in the condition set forth in Section 7.1(l) (*Tangible Assets*) becoming incapable of being satisfied at the Closing;

(g) by either Parent or the Stockholder Representative, if the Parent Stockholder Approval shall not have been obtained by reason of the failure to obtain the required vote at the Special Meeting duly convened therefor or at any adjournment or postponement thereof;

(h) by Parent, if the Company Stockholder Approval shall not have been obtained within two Business Days after the Registration Statement has been declared effective by the SEC and delivered or otherwise made available to the holders of Parent Common Stock; and

(i) by Parent, if the Company does not deliver, or cause to be delivered to Parent, a Company Voting and Support Agreement executed by the Key Company Stockholders within one Business Day following the date of this Agreement.

#### **Section 8.2 Notice of Termination; Effect of Termination**

(a) Any termination of this Agreement under Section 8.1 will be effective immediately upon the delivery of written notice of the terminating Party to the other Parties.

(b) In the event of the termination of this Agreement as provided in Section 8.1, this Agreement shall be of no further force or effect and the Transactions shall be abandoned, except for and subject to the following: (i) Section 6.4 (*Confidentiality; Communications Plan; Access to Information*), Section 6.8 (*No Claim Against Trust Account*), this Section 8.2 (*Notice of Termination; Effect of Termination*), Article X (*General Provisions*), Schedule A (*Defined Terms*) and the Confidentiality Agreement shall survive the termination of this Agreement; and (ii) nothing herein shall relieve any Party from liability for any intentional breach of this Agreement or intentional fraud in the making of the representations and warranties in this Agreement.

### **ARTICLE IX NO SURVIVAL**

**Section 9.1 No Survival**. None of the representations, warranties, covenants or agreements in this Agreement or in any instrument delivered pursuant to this Agreement shall survive the Closing and all rights, claims and causes of action (whether in contract or in tort or otherwise, or whether at law or in equity) with respect thereto shall terminate at the Closing. Notwithstanding the foregoing, neither this Section 9.1 nor anything else in this Agreement to the contrary shall limit (a) the survival of any covenant or agreement of the Parties which by its terms is required to be performed or complied with in whole or in part after the Closing, which covenants and agreements shall survive the Closing in accordance with their respective terms; or (b) any claim against any Person with respect to intentional fraud in the making of the representations and warranties by such Person in Article III or Article IV, as applicable.

### **ARTICLE X GENERAL PROVISIONS**

#### **Section 10.1 Stockholder Representative**

(a) The Stockholder Representative shall act as the Representative of the Company Stockholders in respect of all matters arising under this Agreement or the Transaction Documents, and shall be authorized to act, or refrain from acting, with respect to any actions to be taken by or on behalf of any Company Stockholder or the Stockholder Representative, including to enforce any rights granted to any Company Stockholder hereunder, in each case as the Stockholder Representative believes is necessary or appropriate under this Agreement and the Transaction Documents, for and on behalf of the Company

Stockholders. The Company Stockholders shall be bound by all such actions taken by the Stockholder Representative and no Company Stockholder shall be permitted to take any such actions. The Stockholder Representative is serving as the Stockholder Representative solely for purposes of administrative convenience, and is not personally liable (except in its capacity as a Company Stockholder hereunder) for any of the obligations of the Company, any of its Subsidiaries or any of Company Stockholders hereunder, and Parent (on behalf of itself and its Affiliates) agrees that it will not look to the Stockholder Representative or the underlying assets of the Stockholder Representative for the satisfaction of any obligations of the Company, any of its Subsidiaries or any of the Company Stockholders. The Stockholder Representative shall not be liable for any error of judgment, or any action taken, suffered or omitted to be taken, in connection with the performance by the Stockholder Representative of the Stockholder Representative's duties or the exercise by the Stockholder Representative of the Stockholder Representative's rights and remedies under this Agreement or any Transaction Document, except in the case of its bad faith or willful misconduct. No bond shall be required of the Stockholder Representative. The Stockholder Representative may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts. The Stockholder Representative shall not have any duty to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or any Transaction Document. Without limiting the generality of the foregoing, the Stockholder Representative shall have the full power and authority to interpret all the terms and provisions of this Agreement and the Transaction Documents, and to consent to any amendment hereof or thereof on behalf of all Company Stockholders and their respective successors. Parent shall be entitled to rely on all statements, representations, decisions of, and actions taken or omitted to be taken by, the Stockholder Representative relating to this Agreement or any Transaction Document.

(b) The Company Stockholders will indemnify and hold harmless the Stockholder Representative from and against any and all Losses arising out of or in connection with the Stockholder Representative's execution and performance of this Agreement and the Transaction Document, in each case as such Loss is suffered or incurred; provided, that in the event that any such Loss is finally adjudicated to have been directly caused by the gross negligence or willful misconduct of the Stockholder Representative, the Stockholder Representative will reimburse the Company Stockholders the amount of such indemnified Loss to the extent attributable to such gross negligence or willful misconduct. The Stockholder Representative shall be entitled to reimbursement by the Company Stockholders for all reasonable expenses, disbursements and advances (including fees and disbursements of its counsel, experts and other agents and consultants) incurred by the Stockholder Representative in such capacity. In the event that the Stockholder Representative determines, in its sole and absolute discretion, that the funds paid to the Stockholder Representative pursuant to Section 2.12 or otherwise exceed the Stockholder Representative Expenses, the Stockholder Representative shall pay such excess amount pro rata to the Company Stockholders, as an addition to such portions of the Purchase Price received by Company Stockholders; provided, however, that notwithstanding anything to the contrary in this Agreement, in no event shall such excess amount become payable to Parent or the Surviving Corporation. In no event will the Stockholder Representative be required to advance its own funds on behalf of the Company Stockholders or otherwise. The Company Stockholders acknowledge and agree that the foregoing indemnities will survive the resignation or removal of the Stockholder Representative and the termination of this Agreement.

(c) The Stockholder Representative may resign at any time by giving 30 days' notice to Parent and the Company Stockholders; provided, however, in the event of the resignation or removal of the Stockholder Representative, a new Stockholder Representative (who shall be reasonably acceptable to Parent) shall be appointed by the vote or written consent of the Company Stockholders who held of a majority of the Company Common Stock immediately prior to the Effective Time.

**Section 10.2 Notices.** All notices and other communications hereunder shall be in writing and shall be deemed given (a) on the date established by the sender as having been delivered personally; (b)

one Business Day after being sent by a nationally recognized overnight courier guaranteeing overnight delivery; or (c) on the date delivered, if delivered by email, with confirmation of transmission. Such communications, to be valid, must be addressed as follows:

if to Parent or Merger Sub, and to the Company following Closing, to:

Landcadia Holdings III, Inc.  
1501 West Loop South.  
Houston, TX 77027  
Attention: Steven L. Scheinthal  
General Counsel  
E-mail: [sscheinthal@ldry.com](mailto:sscheinthal@ldry.com)

with a copy (which shall not constitute notice) to:

White & Case LLP  
1221 Avenue of the Americas  
New York, NY 10020  
Attention: Joel L. Rubinstein  
Michael A. Deyong  
Email: [joel.rubinstein@whitecase.com](mailto:joel.rubinstein@whitecase.com)  
[michael.deyong@whitecase.com](mailto:michael.deyong@whitecase.com)

if to the Company prior to the Closing, to:

HMAN Group Holdings Inc.  
c/o The Hillman Group, Inc.  
10590 Hamilton Avenue  
Cincinnati, Ohio 45231  
Attention: Doug Cahill  
Doug Roberts  
Email: [doug.cahill@hillmangroup.com](mailto:doug.cahill@hillmangroup.com)  
[doug.roberts@hillmangroup.com](mailto:doug.roberts@hillmangroup.com)

with a copy (which shall not constitute notice) to:

Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, NY 10036  
Attention: David Blittner  
Laura Steinke  
Email: [david.blittner@ropesgray.com](mailto:david.blittner@ropesgray.com)  
[laura.steinke@ropesgray.com](mailto:laura.steinke@ropesgray.com)

and to the Stockholder Representative.

if to the Stockholder Representative, to:

c/o CCMP Capital L.P.  
277 Park Avenue, 27<sup>th</sup> Floor  
New York, NY 10172  
Attention: Joe Scharfenberger  
Richard Jansen  
Email: [joe.scharfenberger@ccmpcapital.com](mailto:joe.scharfenberger@ccmpcapital.com)  
[richard.jansen@ccmpcapital.com](mailto:richard.jansen@ccmpcapital.com)

with a copy (which shall not constitute notice) to:

Ropes & Gray LLP  
1211 Avenue of the Americas  
New York, NY 10036  
Attention: David Blittner  
Laura Steinke  
Email: david.blittner@ropesgray.com  
laura.steinke@ropesgray.com

or to such other address or to the attention of such Person or Persons as the recipient Party has specified by prior written notice to the sending Party (or in the case of counsel, to such other readily ascertainable business address as such counsel may hereafter maintain). If more than one method for sending notice as set forth above is used, the earliest notice date established as set forth above shall control.

**Section 10.3 Interpretation.** The words “hereof,” “herein,” “hereinafter,” “hereunder,” and “hereto” and words of similar import refer to this Agreement as a whole and not to any particular section or subsection of this Agreement and reference to a particular section of this Agreement will include all subsections thereof, unless, in each case, the context otherwise requires. The definitions of the terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context shall require, any pronoun shall include the corresponding masculine, feminine and neuter forms. When a reference is made in this Agreement to an Exhibit or Schedule, such reference shall be to an Exhibit or Schedule to this Agreement unless otherwise indicated. When a reference is made in this Agreement to Sections, subsections or clauses, such reference shall be to a Section, subsection or clause of this Agreement. Unless otherwise indicated the words “include,” “includes” and “including” when used herein shall be deemed in each case to be followed by the words “without limitation.” References to “writing” or comparable expressions include a reference to facsimile transmission or comparable means of communication, including electronic mail, provided the sender complies with the provisions of [Section 10.2](#). The phrase “made available” means that the subject documents or other materials were included in and available at the “Project Helios” online datasite hosted by Datasite at least one Business Day prior to the date of this Agreement. The table of contents and headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. When reference is made herein to “the business of” an entity, such reference shall be deemed to include the business of all direct and indirect subsidiaries of such entity. Reference to the subsidiaries of an entity shall be deemed to include all direct and indirect subsidiaries of such entity. The word “or” shall be disjunctive but not exclusive. The word “extent” in the phrase “to the extent” means the degree to which a subject or other thing extends, if applicable, and such phrase does not mean simply “if”. When calculating the period of time before which, within which or following which any act is to be done or step taken pursuant to this Agreement, the date that is the reference date in calculating such period shall be excluded and if the last day of such period is a non-Business Day, the period in question shall end on the next succeeding Business Day. References to a particular statute or regulation including all rules and regulations thereunder and any predecessor or successor statute, rule, or regulation, in each case as amended or otherwise modified from time to time. All references to currency amounts in this Agreement shall mean United States dollars.

**Section 10.4 Counterparts; Electronic Delivery.** This Agreement, the Transaction Documents and each other document executed in connection with the Transactions, and the consummation thereof, may be executed in one or more counterparts, all of which shall be considered one and the same document and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Parties, it being understood that all Parties need not sign the same counterpart. Delivery by electronic transmission to counsel for the other Parties of a counterpart executed by a Party, including by electronic signature, shall be deemed to meet the requirements of the previous sentence.



**Section 10.5 Entire Agreement; Third Party Beneficiaries** This Agreement, the other Transaction Documents and any other documents and instruments and agreements among the Parties as contemplated by or referred to herein, including the Exhibits and Schedules hereto (a) constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof; and (b) are not intended to confer upon any other Person other than the Parties any rights or remedies, other than (i) the rights, at and after the Effective Time, of Persons pursuant to the provisions of [Section 6.13](#) and [Section 10.14](#) (which will be for the benefit of the Persons set forth therein) and (ii) the rights of the Debt Financing Sources, each of whom (x) is an express third-party beneficiary of [Section 10.7](#), [Section 10.8](#), [Section 10.9](#), [Section 10.12](#), [Section 10.13](#), [Section 10.14\(b\)](#) and this [Section 10.5\(b\)](#) to the extent such sections affect the rights and obligations of the Debt Financing Sources and (y) shall be entitled to enforce such provisions and rely thereon.

**Section 10.6 Severability.** In the event that any term, provision, covenant or restriction of this Agreement, or the application thereof, is held to be illegal, invalid or unenforceable under any present or future applicable Legal Requirement (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by such severance; and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms of such illegal, invalid or unenforceable provision as may be possible.

**Section 10.7 Other Remedies; Specific Performance.** Except as otherwise provided herein, prior to the Closing, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that each Party shall be entitled to enforce specifically the terms and provisions of this Agreement in any court of the United States or any state having jurisdiction and immediate injunctive relief to prevent breaches of this Agreement, without the necessity of proving the inadequacy of money damages as a remedy and without bond or other security being required, this being in addition to any other remedy to which they are entitled at law or in equity. Each of the Parties hereby acknowledges and agrees that it may be difficult to prove damages with reasonable certainty, that it may be difficult to procure suitable substitute performance, and that injunctive relief and/or specific performance will not cause an undue hardship to the Parties. Each of the Parties hereby further acknowledges that the existence of any other remedy contemplated by this Agreement does not diminish the availability of specific performance of the obligations hereunder or any other injunctive relief. Each Party hereby further agrees that in the event of any action by any other party for specific performance or injunctive relief, it will not assert that a remedy at law or other remedy would be adequate or that specific performance or injunctive relief in respect of such breach or violation should not be available on the grounds that money damages are adequate or any other grounds. Parent acknowledges and agrees that the Stockholder Representative shall be entitled to bring an action for specific enforcement to cause Parent to seek to enforce the provisions of the Subscription Agreements to the fullest extent permissible pursuant to such Subscription Agreements as if it were a party thereto.

**Section 10.8 Governing Law.** This Agreement and the consummation the Transactions, and any action, suit, dispute, controversy or claim arising out of this Agreement and the consummation of the

Transactions, or the validity, interpretation, breach or termination of this Agreement and the consummation of the Transactions, shall be governed by and construed in accordance with the internal law of the State of Delaware regardless of the law that might otherwise govern under applicable principles of conflicts of law thereof. Notwithstanding the foregoing, all disputes against any Debt Financing Source under the Debt Commitment Letter related to this Agreement or the facts and circumstances leading to its execution, whether in contract, tort or otherwise (including any dispute arising out of or relating in any way to the Debt Commitment Letter), will be governed by, and construed in accordance with, the law of the State of New York applicable to contracts executed in and to be performed entirely within such State, without regard to conflict of law principles that would result in the application of any law other than the law of the State of New York.

**Section 10.9 Consent to Jurisdiction; Waiver of Jury Trial**

(a) Except as provided in Section 6.16, each of the Parties irrevocably consents to the exclusive jurisdiction and venue of the courts of the State of Delaware or the federal courts located in the State of Delaware in connection with any matter based upon or arising out of this Agreement, the other Transaction Documents and the consummation of the Transactions, agrees that process may be served upon them in any manner authorized by the laws of the State of Delaware for such Person and waives and covenants not to assert or plead any objection which they might otherwise have to such manner of service of process. Each Party and any Person asserting rights as a third-party beneficiary may do so only if he, she or it hereby waives, and shall not assert as a defense in any legal dispute, that (i) such Person is not personally subject to the jurisdiction of the above named courts for any reason; (ii) such Legal Proceeding may not be brought or is not maintainable in such court; (iii) such Person's property is exempt or immune from execution; (iv) such Legal Proceeding is brought in an inconvenient forum; or (v) the venue of such Legal Proceeding is improper. Each Party and any Person asserting rights as a third-party beneficiary hereby agrees not to commence or prosecute any such action, claim, cause of action or suit other than before one of the above-named courts, nor to make any motion or take any other action seeking or intending to cause the transfer or removal of any such action, claim, cause of action or suit to any court other than one of the above-named courts, whether on the grounds of inconvenient forum or otherwise. Each Party hereby consents to service of process in any such Legal Proceeding in any manner permitted by Delaware law, and further consents to service of process by nationally recognized overnight courier service guaranteeing overnight delivery, or by registered or certified mail, return receipt requested, at its address specified pursuant to Section 10.2. Notwithstanding the foregoing in this Section 10.9, any Party may commence any action, claim, cause of action or suit in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts. Notwithstanding the foregoing, each of the Parties agrees that it will not bring or support any action against the Debt Financing Sources, including any dispute arising out of or relating in any way to any Debt Commitment Letter or the performance thereof, whether based on contract, tort or otherwise, in any forum other than exclusively in federal court sitting in the State of New York, Borough of Manhattan in the City of New York.

(b) TO THE EXTENT NOT PROHIBITED BY APPLICABLE LEGAL REQUIREMENT WHICH CANNOT BE WAIVED, EACH OF THE PARTIES AND ANY PERSON ASSERTING RIGHTS AS A THIRD-PARTY BENEFICIARY (INCLUDING, FOR THE AVOIDANCE OF DOUBT, ANY DEBT FINANCING SOURCE) MAY DO SO ONLY IF HE, SHE OR IT IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT TO TRIAL BY JURY ON ANY CLAIMS OR COUNTERCLAIMS ASSERTED IN ANY LEGAL DISPUTE RELATING TO THIS AGREEMENT, EACH OTHER TRANSACTION DOCUMENTS AND THE CONSUMMATION OF THE TRANSACTIONS, AND FOR ANY COUNTERCLAIM RELATING THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING. IF THE SUBJECT MATTER OF ANY SUCH LEGAL DISPUTE IS ONE IN WHICH THE WAIVER OF JURY TRIAL IS PROHIBITED, NO PARTY NOR ANY PERSON ASSERTING RIGHTS AS A THIRD-PARTY BENEFICIARY SHALL ASSERT IN SUCH LEGAL DISPUTE A NONCOMPULSORY COUNTERCLAIM ARISING OUT OF

OR RELATING TO THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS AND THE CONSUMMATION OF THE TRANSACTIONS. FURTHERMORE, NO PARTY NOR ANY PERSON ASSERTING RIGHTS AS A THIRD-PARTY BENEFICIARY SHALL SEEK TO CONSOLIDATE ANY SUCH LEGAL DISPUTE WITH A SEPARATE ACTION OR OTHER LEGAL PROCEEDING IN WHICH A JURY TRIAL CANNOT BE WAIVED.

**Section 10.10 Rules of Construction.** Each of the Parties agrees that it has been represented by independent counsel of its choice during the negotiation and execution of this Agreement and each Party hereto and its counsel cooperated in the drafting and preparation of this Agreement and the documents referred to herein and, therefore, waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the Party drafting such agreement or document.

**Section 10.11 Expenses.** Except as otherwise expressly provided in this Agreement, whether or not the Transactions are consummated, each Party will pay its own costs and expenses incurred in anticipation of, relating to and in connection with the negotiation and execution of this Agreement and the Transaction Documents and the consummation of the Transactions.

**Section 10.12 Assignment.** No Party may assign, directly or indirectly, including by operation of law, either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other Parties; provided, that notwithstanding the foregoing, the Company may assign its rights under this Agreement to its lenders providing financing in connection with the transactions contemplated hereby (including the Debt Financing Sources) for collateral security purposes, it being understood that no such assignment shall relieve Parent of any of its obligations hereunder. Subject to the first sentence of this Section 10.12, this Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and permitted assigns.

**Section 10.13 Amendment; Extension; Waiver.** This Agreement may be amended by the Parties at any time by execution of an instrument in writing signed on behalf of each of the Parties. At any time prior to the Closing, Parent (on behalf of itself and Merger Sub), on the one hand, and the Stockholder Representative (on behalf of itself, the Company and the Company Stockholders), on the other hand, may, to the extent not prohibited by applicable Legal Requirements (a) extend the time for the performance of any of the obligations or other acts of the other Party; (b) waive any inaccuracies in the representations and warranties made to the other Party contained herein or in any document delivered pursuant hereto; and (c) waive compliance with any of the agreements or conditions for the benefit of such Party contained herein. Any agreement on the part of a Party to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. Notwithstanding the foregoing, the provisions of Section 10.5(b) (Third-Party Beneficiaries), Section 10.7 (Other Remedies; Specific Performance), Section 10.8 (Governing Law), Section 10.9 (Consent to Jurisdiction; Waiver of Jury Trial), Section 10.12 (Assignment), Section 10.14(b) (No Recourse) and this Section 10.13 (and any definitions used therein and any other provision in this Agreement that would have the effect of amending, supplementing, modifying, replacing or waiving such definitions or provisions or the substance thereof) may not be amended, supplemented, modified, replaced or waived without the consent of any Debt Financing Source directly and adversely affected by such amendment, supplement, modification, replacement or waiver. Delay in exercising any right under this Agreement shall not constitute a waiver of such right. In the event any provision of any of the other Transaction Document in any way conflicts with the provisions of this Agreement (except where a provision therein expressly provides that it is intended to take precedence over this Agreement), this Agreement shall control.

#### **Section 10.14 No Recourse**

(a) This Agreement may only be enforced against, and any Legal Proceeding for breach of this Agreement or any other claim of any nature whatsoever arising under or relating to this Agreement, the negotiation thereof, its subject matter, or the Transactions, may only be made against, the entities that are expressly identified herein as Parties to this Agreement, and no other Person including any Related Parties of the Parties (each, a “**Nonparty Affiliate**”) shall have any liability (whether in tort, contract or otherwise) under this Agreement or in respect of any oral representations made or alleged to be made in connection herewith, and no personal liability shall attach to any Nonparty Affiliate, whether by or through attempted piercing of the corporate veil, by the enforcement of any judgment, fine or penalty or by virtue of any Legal Requirement or otherwise. Without limiting the generality of the foregoing, the Parties will not, and will not cause or permit any other Person to, hold or attempt to hold any Nonparty Affiliate liable for any actual or alleged inaccuracies, misstatements or omissions with respect to any information or materials of any kind furnished by the Company or any Nonparty Affiliate, or their respective agents or other Representatives, concerning the Company, any of its Subsidiaries, this Agreement or the Transactions. The provisions of this Section 10.14 are intended to be for the benefit of, and enforceable by the Nonparty Affiliates and each such Person shall be a third-party beneficiary of this Section 10.14. This Section 10.14 shall be binding on all successors and assigns of Parties.

(b) Notwithstanding any provision to the contrary in this Agreement, (a) in no event shall Parent, Merger Sub or any of their respective Affiliates or Representatives (i) seek to enforce this Agreement against, make any claims for breach of this Agreement against, or seek to recover monetary damages from, any Debt Financing Source in connection with this Agreement or (ii) seek to enforce the commitments against, make any claims for breach of the Debt Commitment Letter against, or seek to recover monetary damages from, or otherwise sue, any Debt Financing Source for the Debt Financing in connection with (y) this Agreement or (z) the obligations of the Debt Financing Sources for the Debt Financing under the Commitment Letter; it being agreed that the foregoing clauses (i) and (ii) shall include the agreement not to commence (and, if commenced, agrees to dismiss or otherwise terminate, and not to assist) any action, arbitration, audit, hearing, investigation, litigation, petition, grievance, complaint, suit or proceeding against any Debt Financing Source, and (b) Parent and Merger Sub on behalf of themselves and their respective Affiliates and Representatives hereby (i) acknowledges that no Debt Financing Source shall have any liability to Parent or Merger Sub under this Agreement or for any claim made by Parent or Merger Sub based on, in respect of, or by reason of the transactions contemplated hereby, including, but not limited to, any dispute relating to, or arising from, the Debt Financing, the Debt Commitment Letters or the performance thereof, (ii) waives any rights or claims of any kind or nature (whether in law or in equity, in contract, in tort or otherwise) Parent or Merger Sub may have against any Debt Financing Source relating to this Agreement, the Debt Financing, the Debt Commitment Letters or the transactions contemplated hereby or thereby. Nothing in this Section 10.14(b) shall in any way limit or qualify the rights and obligations of (x) the Debt Financing Sources for the Debt Financing and the other parties to the Debt Financing (or the definitive documents related thereto) to each other thereunder or in connection therewith and (y) Parent against the Company. Without limiting the foregoing, no Debt Financing Source shall be subject to any special, consequential, punitive or indirect damages or damages of a tortious nature with respect to the transactions contemplated by this Agreement, any Debt Financing or the Debt Commitment Letters.

**Section 10.15 Legal Representation**. Parent hereby agrees on behalf of its directors, members, partners, officers, employees and Affiliates (including, after the Closing, the Company), and each of their respective successors and assigns (all such parties, the “**Waiving Parties**”), that Ropes & Gray LLP (or any successor) may represent the Company Stockholders or any of their respective directors, members, partners, officers, employees or Affiliates (other than the Company), in each case, in connection with any Legal Proceeding or obligation arising out of or relating to this Agreement, any Transaction Document or the Transactions, notwithstanding its representation (or any continued representation) of the Group Companies

or other Waiving Parties, and each of Parent and the Company on behalf of itself and the Waiving Parties hereby consents thereto and irrevocably waives (and will not assert) any conflict of interest, breach of duty or any other objection arising therefrom or relating thereto. Parent and the Company acknowledge that the foregoing provision applies whether or not Ropes & Gray LLP provides legal services to any Group Companies after the Closing Date. Each of Parent and the Company, for itself and the Waiving Parties, hereby further irrevocably acknowledges and agrees that all communications, written or oral, between any Group Company, any Company Stockholder and their respective counsel, including Ropes & Gray LLP, made in material connection with the negotiation, preparation, execution, delivery and performance under, or any dispute or Legal Proceeding arising out of or relating to, this Agreement, any Transaction Documents or the Transactions, are privileged communications that do not pass to the Company notwithstanding the Merger, and instead survive, remain with and are controlled by the CCMP Parties (the "*Privileged Communications*"), without any waiver thereof. Parent and the Company, together with any of their respective Affiliates, Subsidiaries, successors or assigns, agree that no Person may use or rely on any of the Privileged Communications, whether located in the records or email server of the Company or otherwise (including in the Knowledge of the officers and employees of the Company), in any adverse Legal Proceeding between Parent or the Company, on the one hand, and any Company Stockholder, on the other hand, and Parent and the Company agree not to assert that any privilege has been waived as to the Privileged Communications, whether located in the records or email server of the Company or otherwise (including in the Knowledge of the officers and employees of the Company).

**Section 10.16 Disclosure Letters and Exhibits.** The Company Disclosure Letter and Parent Disclosure Letter shall each be arranged in separate parts corresponding to the numbered and lettered sections and subsections in this Agreement, and the information disclosed in any numbered or lettered part shall be deemed to relate to and to qualify only the particular provision set forth in the corresponding numbered or lettered Section or subsection of this Agreement, except to the extent that (a) such information is cross-referenced in another part of the Company Disclosure Letter or Parent Disclosure Letter, as applicable; or (b) it is reasonably apparent on the face of the disclosure (without any independent Knowledge on the part of the reader regarding the matter disclosed) that such information qualifies another provision in this Agreement. The specification of any dollar amount in the representations and warranties contained in this Agreement or the inclusion of any specific item in the Company Disclosure Letter and Parent Disclosure Letter is not intended to imply that such amounts (or higher or lower amounts) are or are not material, and no Party shall use the fact of the setting of such amounts or the fact of the inclusion of any such item in the Company Disclosure Letter or Parent Disclosure Letter in any dispute or controversy between the Parties as to whether any obligation, item, or matter not described herein or included in Company Disclosure Letter or the Parent Disclosure Letter is or is not material for purposes of this Agreement. The inclusion of any item in the Company Disclosure Letter or Parent Disclosure Letter shall not be deemed to constitute an acknowledgment by the Company or Parent, as applicable, that the matter is required to be disclosed by the terms of this Agreement, nor shall such disclosure be deemed (i) an admission of any breach or violation of any Contract or applicable Legal Requirement, (ii) an admission of any liability or obligation to any third party, or (iii) to establish a standard of materiality. The disclosure of any items or information that is not required by this Agreement to be so included is solely for informational purposes and the convenience of Parent, Merger Sub or the Company, as applicable. In addition, under no circumstances shall the disclosure of any matter in this Company Disclosure Letter or Parent Disclosure Letter, where a representation or warranty of the Company or Parent, as applicable, is limited or qualified by the materiality of the matters to which the representation or warranty is given or by Company Material Adverse Effect or Parent Material Adverse Effect, respectively, imply that any other undisclosed matter having a greater value or other significance is material or would have a material adverse effect. Neither the Company nor Parent shall be prejudiced in any manner whatsoever, and no presumptions shall be created, by virtue of the disclosure of any matter in the Company Disclosure Letter or Parent Disclosure Letter, as applicable, which otherwise is not required to be disclosed by this Agreement.



IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above.

**LANDCADIA HOLDINGS III, INC.**

By: \_\_\_\_\_  
Name: [•]  
Title: [•]

**HELIOS SUN MERGER SUB, INC.**

By: \_\_\_\_\_  
Name: [•]  
Title: [•]

**HMAN GROUP HOLDINGS INC.**

By: \_\_\_\_\_  
Name: [•]  
Title: [•]

**CCMP SELLERS' REPRESENTATIVE, LLC**

By: \_\_\_\_\_  
Name: [•]  
Title: [•]

*[Signature Page to Agreement and Plan of Merger]*

## SCHEDULE A

### Defined Terms

(a) Index of Terms. Terms defined in this Agreement are organized alphabetically as follows, together with the Section and, where applicable, paragraph, number in which definition of each such term is located:

“A&R Letter Agreement”	<u>Recitals</u>
“A&R Registration Rights Agreement”	<u>Recitals</u>
“Additional Hillman SEC Reports”	<u>Section 3.7(a)</u>
“Additional Parent SEC Reports”	<u>Section 4.7(a)</u>
“Affiliate”	<u>Schedule A Section 2</u>
“Aggregate Stock Consideration”	<u>Schedule A Section 2</u>
“Agreement”	<u>Preamble</u>
“Antitrust Filings”	<u>Section 6.2</u>
“Antitrust Laws”	<u>Schedule A Section 2</u>
“Approvals”	<u>Section 3.6(b)</u>
“Financial Statements”	<u>Section 3.7(b)</u>
“Balance Sheet Date”	<u>Section 3.7(b)</u>
“Business Day”	<u>Schedule A Section 2</u>
“Cash and Cash Equivalents”	<u>Schedule A Section 2</u>
“CCMP Parties”	<u>Schedule A Section 2</u>
“Certificate”	<u>Section 2.6(a)</u>
“Certificate of Merger”	<u>Section 1.5(c)</u>
“Change in Recommendation”	<u>Section 6.1(b)</u>
“Closing”	<u>Section 1.1</u>
“Closing Available Proceeds”	<u>Schedule A Section 2</u>
“Closing Date”	<u>Section 1.1</u>
“Closing Form 8-K”	<u>Section 6.3(c)</u>
“Closing Press Release”	<u>Section 6.3(c)</u>
“Code”	<u>Schedule A Section 2</u>
“Communications Plan”	<u>Section 6.4(b)</u>
“Company”	<u>Preamble</u>
“Company Award”	<u>Schedule A Section 2</u>
“Company Benefit Plan”	<u>Section 3.11(a)</u>
“Company Board”	<u>Recitals</u>
“Company Business Combination”	<u>Section 6.11(a)</u>
“Company Capital Stock”	<u>Schedule A Section 2</u>
“Company Common Stock”	<u>Schedule A Section 2</u>
“Company Disclosure Letter”	<u>Article III</u>



“Company Incentive Plan”	<a href="#"><u>Schedule A Section 2</u></a>
“Company IT Systems”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Material Adverse Effect”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Material Contract”	<a href="#"><u>Section 3.19(a)</u></a>
“Company Options”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Real Property Leases”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Restricted Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Stockholder”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Stockholder Approval”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Stockholder Released Parties”	<a href="#"><u>Section 6.19(a)</u></a>
“Company Subsidiaries”	<a href="#"><u>Section 3.2(a)</u></a>
“Company Transaction Costs”	<a href="#"><u>Schedule A Section 2</u></a>
“Company Voting and Support Agreement”	<a href="#"><u>Recitals</u></a>
“Confidentiality Agreement”	<a href="#"><u>Schedule A Section 2</u></a>
“Contract”	<a href="#"><u>Schedule A Section 2</u></a>
“Copyleft Terms”	<a href="#"><u>Section 3.17(f)</u></a>
“Copyrights”	<a href="#"><u>Schedule A Section 2</u></a> (Definition of “Intellectual Property”)
“D&O Indemnified Party”	<a href="#"><u>Section 6.13(a)</u></a>
“D&O Tail”	<a href="#"><u>Section 6.13(b)</u></a>
“Definitive Debt Agreements”	<a href="#"><u>Section 6.16(b)</u></a>
“DGCL”	<a href="#"><u>Recitals</u></a>
“Disclosing Party”	<a href="#"><u>Section 6.4(a)</u></a>
“Dissenting Shares”	<a href="#"><u>Schedule A Section 2</u></a>
“EDGAR”	<a href="#"><u>Schedule A Section 2</u></a>
“Effective Time”	<a href="#"><u>Section 2.1</u></a>
“Environmental Law”	<a href="#"><u>Schedule A Section 2</u></a>
“ERISA”	<a href="#"><u>Schedule A Section 2</u></a>
“ERISA Affiliate”	<a href="#"><u>Schedule A Section 2</u></a>
“Exchange Act”	<a href="#"><u>Schedule A Section 2</u></a>
“Exchange Agent”	<a href="#"><u>Section 2.8(a)</u></a>
“Exchange Fund”	<a href="#"><u>Section 2.8(b)</u></a>
“Excluded Share”	<a href="#"><u>Section 2.6(d)</u></a>
“Existing ABL Credit Agreement”	<a href="#"><u>Schedule A Section 2</u></a>
“Existing Credit Agreements”	<a href="#"><u>Schedule A Section 2</u></a>
“Existing Debt Documents”	<a href="#"><u>Schedule A Section 2</u></a>
“Existing Indentures”	<a href="#"><u>Schedule A Section 2</u></a>
“Existing Term Loan Credit Agreement”	<a href="#"><u>Schedule A Section 2</u></a>
“Financial Statements”	<a href="#"><u>Section 3.7(b)</u></a>

“FIRPTA Certificate”	<a href="#">Section 6.16(c)</a>
“Fully Diluted Company Shares”	<a href="#">Schedule A Section 2</a>
“Fundamental Representations”	<a href="#">Schedule A Section 2</a>
“GAAP”	<a href="#">Schedule A Section 2</a>
“Governmental Entity”	<a href="#">Schedule A Section 2</a>
“Governmental Order”	<a href="#">Schedule A Section 2</a>
“Group Companies”	<a href="#">Schedule A Section 2</a>
“Group Companies’ Privacy Notices”	<a href="#">Section 3.18(a)</a>
“Hazardous Material”	<a href="#">Schedule A Section 2</a>
“Hillman”	<a href="#">Recitals</a>
“Hillman Certifications”	<a href="#">Section 3.7(a)</a>
“Hillman Financial Statements”	<a href="#">Section 3.7(c)</a>
“Hillman HoldCo”	<a href="#">Schedule A Section 2</a>
“Hillman SEC Reports”	<a href="#">Section 3.7(a)</a>
“Hillman Trust”	<a href="#">Schedule A Section 2</a>
“HSR Act”	<a href="#">Schedule A Section 2</a>
“Hillman Trust”	<a href="#">Schedule A Section 2</a>
“Indebtedness”	<a href="#">Schedule A Section 2</a>
“Insider”	<a href="#">Section 3.21</a>
“Insurance Policies”	<a href="#">Section 3.20</a>
“Intellectual Property”	<a href="#">Schedule A Section 2</a>
“Intended Tax Treatment”	<a href="#">Recitals</a>
“Investment Canada Act Notification”	<a href="#">Schedule A Section 2</a>
“IT Systems”	<a href="#">Schedule A Section 2</a>
“Key Company Stockholders”	<a href="#">Schedule A Section 2</a>
“Knowledge”	<a href="#">Schedule A Section 2</a>
“Leased Real Property”	<a href="#">Schedule A Section 2</a>
“Legal Proceeding”	<a href="#">Schedule A Section 2</a>
“Legal Requirements”	<a href="#">Schedule A Section 2</a>
“Letter Agreement”	<a href="#">Schedule A Section 2</a>
“Licensed Intellectual Property”	<a href="#">Schedule A Section 2</a>
“Lien”	<a href="#">Schedule A Section 2</a>
“Losses”	<a href="#">Schedule A Section 2</a>
“Losses”	<a href="#">Schedule A Section 2</a>
“Merger”	<a href="#">Recitals</a>
“Merger Sub”	<a href="#">Preamble</a>
“Merger Sub Common Stock”	<a href="#">Schedule A Section 2</a>
“Nasdaq”	<a href="#">Schedule A Section 2</a>

“New Parent Incentive Equity Plan”	<a href="#"><u>Section 6.14</u></a>
“Nonparty Affiliates”	<a href="#"><u>Section 10.14</u></a>
“Notes”	<a href="#"><u>Schedule A Section 2</u></a>
“Notes Indenture”	<a href="#"><u>Schedule A Section 2</u></a>
“NYSE Amex”	<a href="#"><u>Schedule A Section 2</u></a>
“Oak Hill Parties”	<a href="#"><u>Schedule A Section 2</u></a>
“OFAC”	<a href="#"><u>Schedule A Section 2</u></a>
“Offer Documents”	<a href="#"><u>Section 6.1(a)(i)</u></a>
“Order”	<a href="#"><u>Schedule A Section 2</u></a>
“Ordinary Course”	<a href="#"><u>Schedule A Section 2</u></a>
“Organizational Documents”	<a href="#"><u>Schedule A Section 2</u></a>
“Outside Date”	<a href="#"><u>Section 8.1(b)</u></a>
“Owned Intellectual Property”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent”	<a href="#"><u>Preamble</u></a>
“Parent A&R Bylaws”	<a href="#"><u>Recitals</u></a>
“Parent Board”	<a href="#"><u>Recitals</u></a>
“Parent Board Recommendation”	<a href="#"><u>Recitals</u></a>
“Parent Business Combination”	<a href="#"><u>Section 6.11(b)</u></a>
“Parent Capital Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Cash”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Certifications”	<a href="#"><u>Section 4.7(a)</u></a>
“Parent Class A Common Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Class B Common Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Capital Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Disclosure Letter”	<a href="#"><u>Article IV</u></a>
“Parent Financing Certificate”	<a href="#"><u>Section 1.2</u></a>
“Parent Material Adverse Effect”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Material Contracts”	<a href="#"><u>Section 4.11</u></a>
“Parent Option”	<a href="#"><u>Section 2.7(a)</u></a>
“Parent Preferred Stock”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Public Warrants”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Recommendation”	<a href="#"><u>Recitals</u></a>
“Parent Released Parties”	<a href="#"><u>Section 6.19(b)</u></a>
“Parent Restricted Stock”	<a href="#"><u>Section 2.7(b)</u></a>
“Parent RSUs”	<a href="#"><u>Section 2.7(c)</u></a>
“Parent SEC Reports”	<a href="#"><u>Section 4.7(a)</u></a>
“Parent Sponsor Warrants”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Stockholder Approval”	<a href="#"><u>Schedule A Section 2</u></a>

“Parent Stockholder Matters”	<a href="#"><u>Section 6.1(b)</u></a>
“Parent Stockholder Redemption”	<a href="#"><u>Section 6.1(b)</u></a>
“Parent Stockholder Redemption Amount”	<a href="#"><u>Section 1.2(a)</u></a>
“Parent Third A&R Certificate of Incorporation”	<a href="#"><u>Recitals</u></a>
“Parent Transaction Costs”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Units”	<a href="#"><u>Schedule A Section 2</u></a>
“Parent Warrants”	<a href="#"><u>Schedule A Section 2</u></a>
“Parties”	<a href="#"><u>Preamble</u></a>
“Patents”	<a href="#"><u>Schedule A Section 2</u></a> (Definition of “Intellectual Property”)
“Payoff Letter”	<a href="#"><u>Section 6.17(g)</u></a>
“Permitted Lien”	<a href="#"><u>Schedule A Section 2</u></a>
“Person”	<a href="#"><u>Schedule A Section 2</u></a>
“Personal Information”	<a href="#"><u>Schedule A Section 2</u></a>
“PIPE Investment”	<a href="#"><u>Recitals</u></a>
“PIPE Investors”	<a href="#"><u>Recitals</u></a>
“Post-Closing Indebtedness”	<a href="#"><u>Schedule A Section 2</u></a>
“Privacy Laws”	<a href="#"><u>Schedule A Section 2</u></a>
“Privileged Communications”	<a href="#"><u>Section 10.15</u></a>
“Product Liability Occurrence”	<a href="#"><u>Schedule A Section 2</u></a>
“Proxy Statement”	<a href="#"><u>Section 6.1(a)(i)</u></a>
“Proxy Statement/Registration Statement”	<a href="#"><u>Section 6.1(a)(i)</u></a>
“Purchase Price”	<a href="#"><u>Schedule A Section 2</u></a>
“Recall”	<a href="#"><u>Schedule A Section 2</u></a>
“Receiving Party”	<a href="#"><u>Section 6.4(a)</u></a>
“Registration Statement”	<a href="#"><u>Schedule A Section 2</u></a>
“Registration Statement Securities”	<a href="#"><u>Section 6.1</u></a>
“Related Parties”	<a href="#"><u>Schedule A Section 2</u></a>
“Remedies Exception”	<a href="#"><u>Section 3.4</u></a>
“Representatives”	<a href="#"><u>Schedule A Section 2</u></a>
“SEC”	<a href="#"><u>Schedule A Section 2</u></a>
“Securities Act”	<a href="#"><u>Schedule A Section 2</u></a>
“Special Meeting”	<a href="#"><u>Section 6.1(b)</u></a>
“Specified Business Conduct Laws”	<a href="#"><u>Schedule A Section 2</u></a>
“Sponsors”	<a href="#"><u>Schedule A Section 2</u></a>
“Stockholder Agreement”	<a href="#"><u>Schedule A Section 2</u></a>
“Stockholder Representative”	<a href="#"><u>Preamble</u></a>
“Stockholder Representative Expenses”	<a href="#"><u>Section 2.12</u></a>

“Subscription Agreements”	<a href="#">Schedule A Section 2</a>
“Subsidiary”	<a href="#">Schedule A Section 2</a>
“Surrender Documentation”	<a href="#">Section 2.8(c)</a>
“Surviving Corporation”	<a href="#">Recitals</a>
“Tax/Taxes”	<a href="#">Schedule A Section 2</a>
“Tax Return”	<a href="#">Schedule A Section 2</a>
“Trade Secrets”	<a href="#">Schedule A Section 2</a> (Definition of “Intellectual Property”)
“Trademarks”	<a href="#">Schedule A Section 2</a> (Definition of “Intellectual Property”)
“Transaction Documents”	<a href="#">Schedule A Section 2</a>
“Transaction Litigation”	<a href="#">Section 6.5(c)</a>
“Transactions”	<a href="#">Schedule A Section 2</a>
“Transfer Taxes”	<a href="#">Section 6.16(b)</a>
“Treasury Regulations”	<a href="#">Schedule A Section 2</a>
“Trustee”	<a href="#">Section 4.14(a)</a>
“Trust Account”	<a href="#">Section 4.14(a)</a>
“Trust Agreement”	<a href="#">Section 4.14(a)</a>
“Waived 280G Benefits”	<a href="#">Section 6.15</a>
“Waiving Parties”	<a href="#">Section 10.15</a>
“WARN”	<a href="#">Section 3.12(d)</a>
“Trust Declaration”	<a href="#">Schedule A Section 2</a>
“Trust Preferred Securities”	<a href="#">Schedule A Section 2</a>

(b) Definitions. For purposes of this Agreement, the following capitalized terms have the following meanings:

“**Adjusted Purchase Price**” shall mean (a) the Purchase Price, plus (b) the aggregate exercise price that would be paid to the Company in respect of all Company Options if all Company Options were exercised in full immediately prior to the Effective Time (without giving effect to any “net” exercise or similar concept).

“**Adjusted Per Share Merger Value**” shall mean (a) the Adjusted Purchase Price, divided by (b) the number of Fully Diluted Company Shares.

“**Affiliate**” shall mean, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with, such Person. For purposes of this definition, “**Control**” (including with correlative meanings, the terms “controlling,” “controlled by” and “under common control with”), as applied to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise; provided, that a direct or indirect holder of 50% of a Person’s voting securities shall be presumed to control such Person.

“**Aggregate Stock Consideration**” shall mean a number of shares of Parent Common Stock equal to the aggregate Closing Stock Per Share Amount payable with respect to all shares of Company Common Stock outstanding immediately prior to the Effective Time.

“**Antitrust Laws**” shall mean the HSR Act and any federal, state or foreign law, regulation or decree designed to prohibit, restrict or regulate actions for the purpose or effect of monopolization or restraint of trade or the significant impediment of effective competition, including merger control procedures.

“**Business Day**” shall mean any day other than a Saturday, a Sunday or other day on which commercial banks in New York, New York are authorized or required by Legal Requirements to close.

“**Cash and Cash Equivalents**” shall mean the cash and cash equivalents, including checks, money orders, marketable securities, short-term instruments, negotiable instruments, funds in time and demand deposits or similar accounts on hand, in lock boxes, in financial institutions or elsewhere, together with all accrued but unpaid interest thereon, and all bank, brokerage or other similar accounts. For the avoidance of doubt: (a) Cash and Cash Equivalents shall be determined in accordance with GAAP; and (b) the amount of Cash and Cash Equivalents as of any given time shall be: (i) decreased by any restricted cash (as determined in accordance with GAAP) and any checks, drafts and wires issued as of such time that have not yet cleared; and (ii) increased by any deposits in transit as of such time that have not yet cleared.

“**CCMP Parties**” shall mean, collectively, CCMP Capital Investors III, L.P., CCMP Capital Investors (Employee) III, L.P., CCMPCo-Invest III A, L.P.

“**Closing Available Proceeds**” shall mean an amount equal to (a) Parent Cash as of the Closing, after deducting any amounts required to satisfy (i) the Parent Stockholder Redemption Amount and (ii) any Company Transaction Costs and Parent Transaction Costs and any Parent Liabilities, *plus* (b) the PIPE Investment Amount actually received by Parent at or prior to the Closing.

“**Closing Stock Per Option Amount**” shall mean, with respect to each Company Option, a number of shares of Parent Common Stock equal to the quotient of (a) the Adjusted Per Share Merger Value, divided by (b) \$10.

“**Closing Stock Per Restricted Share Amount**” shall mean, with respect to each share of unvested Company Restricted Stock, a number of shares of Parent Common Stock equal to the quotient of (a) the Adjusted Per Share Merger Value, divided by (b) \$10.

“**Closing Stock Per Share Amount**” shall mean, with respect to each share of Company Common Stock, a number of shares of Parent Common Stock equal to the quotient of (a) the Adjusted Per Share Merger Value, *divided by* (b) \$10.

“**Code**” shall mean the Internal Revenue Code of 1986, as amended.

“**Company Award**” shall mean a Company Option, Company RSU or Company Restricted Stock.

“**Company Capital Stock**” shall mean, collectively, (a) the Company Common Stock, (b) the preferred stock, par value \$0.01, of the Company, and (c) any other class or series of capital stock of the Company.

“**Company Common Stock**” shall mean the common stock, par value \$0.01 per share, of the Company.

“**Company Incentive Plan**” means the Company 2014 Equity Incentive Plan, as amended from time to time.

“**Company IT Systems**” shall mean any and all IT Systems owned, leased, licensed, or outsourced by or for any Group Company and used (or held for use in) the conduct of the business of the Group Companies.

“**Company Material Adverse Effect**” shall mean any change, event, state of facts, development or occurrence that, individually or when aggregated with other changes, events, states of facts, developments or occurrences (a) has had or would reasonably be expected to have a materially adverse effect on the business, assets, financial condition or results of operations of the Group Companies, taken as a whole; or (b) is reasonably likely to prevent or materially delay or impede the ability of the Company to consummate the Transactions; provided, however, that no change, event, occurrence or effect arising out of or related to any of the following, shall be taken into account in determining whether a Company Material Adverse Effect pursuant to clause (a) has occurred: (i) acts of war, sabotage, civil unrest or terrorism; (ii) earthquakes, hurricanes, tornados, pandemics or other natural orman-made disasters; (iii) epidemics, pandemics (including COVID-19), disease outbreaks, or public health emergencies (as declared by the World Health Organization or the Health and Human Services Secretary of the United States), or any escalation or worsening thereof; (iv) any Pandemic Measures or any change in any such Legal Requirement, directive, pronouncement or guideline or interpretation thereof; (v) changes attributable to the public announcement or pendency of the Transactions (including the impact thereof on relationships with customers, suppliers, employees or Governmental Entities); (vi) changes or proposed changes in applicable Legal Requirements; (vii) changes or proposed changes in GAAP (or any interpretation thereof) after the date of this Agreement; (viii) any downturn in general economic conditions, including changes in the credit, debit, securities, financial, capital or reinsurance markets (including changes in interest or exchange rates, prices of any security or market index or commodity or any disruption of such markets), in each case, in the United States or anywhere else in the world; (ix) events or conditions affecting the hardware, home solutions or personal protection equipment industries and markets; (x) any failure to meet any projections, forecasts, guidance, estimates, milestones, budgets or financial or operating predictions of revenue, earnings, cash flow or cash position, provided that this clause (x) shall not prevent a determination that any change, event, or occurrence underlying such failure has resulted in a Company Material Adverse Effect; or (xi) any actions required to be taken, or required not to be taken, pursuant to the terms of this Agreement; provided, however, that if a change or effect related to clauses (i), (ii), and (iv) through (ix) disproportionately adversely affects the Group Companies, taken as a whole, compared to other Persons operating in the same industry as the Group Companies, then such disproportionate impact may be taken into account in determining whether a Company Material Adverse Effect has occurred.

“**Company Options**” shall mean any options granted under the Company Incentive Plan to purchase shares of Company Common Stock.

“**Company Optionholder**” shall mean a holder of a Company Option immediately prior to the Effective Time.

“**Company Real Property Lease**” shall mean any of the leases, subleases, licenses, occupancy agreements and other similar documents related to the Group Companies’ use or occupancy of any Leased Real Property, including all amendments, and modifications thereto and guarantees thereof.

“**Company Restricted Stock**” shall mean a share of Company Common Stock that, as of immediately prior to the Effective Time, is subject to a substantial risk of forfeiture, within the meaning of Section 83 of the Code and was issued pursuant to the Company Incentive Plan.

“**Company Rollover Shares**” shall mean any shares of Company Common Stock with respect to which the holder thereof agrees, pursuant to a written agreement entered into between the Company and such holder prior to the Effective Time, to be treated as a Company Rollover Share hereunder.

“**Company RSU Exchange Ratio**” shall mean, with respect to each Company RSU, a number of shares of Parent Common Stock equal to the quotient of (a) the Adjusted Per Share Merger Value, divided by (b) \$10.

“**Company RSUs**” shall mean any award of restricted stock units granted under the Company Incentive Plan in respect of shares of Company Common Stock.

“**Company Stockholder**” shall mean a holder of a share of Company Common Stock issued and outstanding immediately prior to the Effective Time.

“**Company Stockholder Approval**” shall mean the approval and adoption of this Agreement, the other Transaction Documents and the Transactions contemplated hereby and thereby, including the Merger, by the affirmative vote or written consent of the holders of at least a majority of the voting power of the outstanding Company Capital Stock voting as a single class and on an as-converted basis pursuant to the terms and subject to the conditions of the Company’s Organizational Documents and applicable Legal Requirements.

“**Company Transaction Costs**” shall mean all fees, costs and expenses of the Group Companies, in each case, incurred prior to and through the Closing Date in connection with the negotiation, preparation and execution of this Agreement, the other Transaction Documents and the consummation of the Transactions, whether paid or unpaid prior to the Closing, including any and all professional or transaction related costs, fees and expenses of legal, accounting and financial advisors, consultants, auditors, accountants and brokers.

“**Confidentiality Agreement**” shall mean that certain Confidentiality Agreement, dated November 20, 2020, by and between Landcadia Holdings III, Inc. and the Company, as amended and joined from time to time.

“**Contract**” shall mean any contract, subcontract, agreement, indenture, note, bond, loan or credit agreement, instrument, installment obligation, lease, mortgage, deed of trust, license, sublicense, commitment, power of attorney, guaranty or other legally binding commitment, arrangement, understanding or obligation, whether written or oral, in each case, as amended and supplemented from time to time and including all schedules, annexes and exhibits thereto.

“**COVID-19**” means SARS-CoV-2 or COVID-19, and any evolutions thereof or related or associated epidemics, pandemics, public health emergencies or disease outbreaks.

“**Debentures Indenture**” shall mean the indenture, dated as of September 5, 1997, between Hillman (as successor to the original issuer thereunder) and The Bank of New York, as trustee, as amended or supplemented.

“**Debt Commitment Letter**” means the commitment letter dated as of the date hereof among Jefferies Finance LLC, Barclays Bank PLC and Hillman, a wholly owned indirect subsidiary of the Company, as executed, amended, modified, supplemented, replaced or extended from time to time after the date of this Agreement in accordance with [Section 6.17](#).

“**Debt Fee Letter**” means the fee letter dated as of the date hereof delivered in connection with the Debt Commitment Letter among Jefferies Finance LLC, Barclays Bank PLC and Hillman, a wholly owned indirect subsidiary of the Company, as executed, amended, modified, supplemented, replaced or extended from time to time after the date of this Agreement in accordance with [Section 6.17](#).

“**Debt Financing**” means the debt financing committed to be provided by the Debt Financing Sources party to the Debt Commitment Letter as contemplated by the Debt Financing Letter.



**“Debt Financing Sources”** means the Persons that have committed to provide or otherwise entered into agreements in connection with the Debt Financing for the transactions contemplated by this Agreement, including the parties named in the Debt Commitment Letters and any joinder agreements or credit agreements entered into pursuant thereto or relating thereto, together with their current or future limited partners, shareholders, managers, members, controlling Persons, respective Affiliates and their respective Affiliates and Representatives involved in the Debt Financing and, in each case, their respective successors and assigns.

**“Dissenting Shares”** shall mean all shares of Company Common Stock held by a Company Stockholder who has validly exercised its appraisal rights pursuant to Section 262 of the DGCL with respect to its Company Common Stock.

**“EDGAR”** shall mean the SEC’s Electronic Data-Gathering, Analysis and Retrieval system.

**“Environmental Law”** shall mean any and all applicable Legal Requirements relating to pollution, Hazardous Materials, the environment, natural resources, endangered or threatened species, or human health and safety.

**“ERISA”** shall mean the Employee Retirement Income Security Act of 1974, as amended.

**“ERISA Affiliate”** shall mean any trade or business (whether or not incorporated) that, together with any Group Company is treated as a single employer under Section 414 of the Code.

**“Exchange Act”** shall mean the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

**“Existing ABL Credit Agreement”** shall mean that certain ABL Credit Agreement, dated as of May 31, 2018 (as amended, amended and restated, supplemented or otherwise modified on or prior to the date hereof), by and among Hillman HoldCo, Hillman, Big Time Products, LLC, The Hillman Group Canada ULC, Hillman Investment Company, certain financial institutions from time to time party thereto and Barclays Bank PLC, as the administrative agent and the collateral agent.

**“Existing Credit Agreements”** shall mean, collectively, (a) the Existing Term Loan Credit Agreement and (b) the Existing ABL Credit Agreement.

**“Existing Debt Documents”** shall mean, collectively, (a) the Existing Credit Agreements and (b) the Existing Indentures.

**“Existing Indentures”** shall mean, collectively, (a) the Debentures Indenture and (b) the Notes Indenture.

**“Existing Term Loan Credit Agreement”** shall mean that certain Credit Agreement, dated as of May 31, 2018 (as amended, amended and restated, supplemented or otherwise modified on or prior to the date hereof), by and among Hillman HoldCo, Hillman, certain financial institutions from time to time party thereto and Barclays Bank PLC, as the administrative agent and the collateral agent.

**“Fully Diluted Company Shares”** shall mean, without duplication (i) the aggregate number of shares of Company Common Stock, excluding any Excluded Shares, issued and outstanding immediately prior to the Effective Time (for the avoidance of doubt, including any shares of vested Company Restricted Stock), *plus* (ii) the aggregate number of shares of Company Common Stock issuable upon the exercise in full of all of the Company Options outstanding immediately prior to the Effective Time, *plus* (iii) the aggregate number of shares of unvested Company Restricted Stock outstanding immediately prior to the Effective Time.

“**Fundamental Representations**” shall mean (a) in the case of the Company, the representations and warranties contained in Section 3.1 (*Organization and Qualification*); Section 3.3 (*Capitalization*); Section 3.4 (*Due Authorization*); and Section 3.16 (*Brokers; Third Party Expenses*); and (b) in the case of Parent, the representations and warranties contained in Section 4.1 (*Organization and Qualification*); Section 4.2 (*Parent Subsidiaries*); Section 4.3 (*Capitalization*); Section 4.4 (*Authority Relative to this Agreement*); and Section 4.10 (*Business Activities*).

“**GAAP**” shall mean United States generally accepted accounting principles, consistently applied.

“**Governmental Entity**” shall mean any federal, state, provincial, municipal, local or foreign government, governmental authority, regulatory or administrative agency, governmental commission, department, board, bureau, agency or instrumentality, court or tribunal.

“**Governmental Order**” means any order, notice, judgment, injunction, decree, writ, stipulation, determination or award, in each case, entered by or with any Governmental Entity.

“**Group Companies**” shall mean the Company and all of its direct and indirect Subsidiaries.

“**Hazardous Material**” shall mean any substance, material or waste that is listed, classified, defined, characterized, designated or otherwise regulated by a Governmental Entity as a “toxic substance,” “hazardous substance,” “hazardous material,” “contaminant,” “pollutant,” “hazardous waste,” “solid waste” or words of similar meaning or effect, including any radioactive materials, chlorinated solvents, petroleum, petroleum derivatives (or synthetic substitutes), petroleum byproducts, petroleum breakdown products, asbestos, asbestos containing materials, mold, radon, flammable substances, explosive substances, urea formaldehyde foam insulation, polychlorinated biphenyls, per- and polyfluoroalkyl substances, and any other substances regulated under Environmental Law.

“**Hillman HoldCo**” shall mean The Hillman Companies, Inc., a Delaware corporation and indirectly wholly owned Subsidiary of the Company.

“**Hillman Trust**” shall mean Hillman Group Capital Trust, a Delaware business statutory trust.

“**HSR Act**” shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“**Indebtedness**” shall mean any of the following: (a) any indebtedness for borrowed money; (b) any obligations evidenced by bonds, debentures, notes or other similar instruments; (c) any obligations to pay the deferred purchase price of property or services, except trade accounts payable and other current liabilities; (d) any obligations as lessee under capitalized leases; (e) any obligations, contingent or otherwise, under acceptance, letters of credit or similar facilities to the extent drawn; (f) any guaranty of any of the foregoing; (g) any accrued interest, fees and charges in respect of any of the foregoing; and (h) any prepayment premiums and penalties actually due and payable, and any other fees, expenses, indemnities and other amounts actually payable as a result of the prepayment or discharge of any of the foregoing.

“**Intellectual Property**” shall mean all worldwide rights, title and interest in or relating to intellectual property, whether protected, created or arising under the laws of the United States or any other jurisdiction, including: (a) all patents and patent applications, including provisional patent applications and similar filings and any and all substitutions, divisions, continuations, continuations-in-part, divisions, reissues, renewals, extensions, reexaminations, patents of addition, supplementary protection certificates, utility models, inventors’ certificates, or the like and any foreign equivalents of the foregoing (including certificates of invention and any applications therefor) (collectively, “**Patents**”); (b) all trademarks, business marks, service marks, brand names, trade dress rights, logos, corporate names, and trade names, and other source or business identifiers and general intangibles of a like nature, together with the goodwill associated with any of the foregoing, along with all applications, registrations, intent-to-use registrations or similar reservations of marks, renewals and extensions thereof (collectively, “**Trademarks**”); (c) all registered and

unregistered copyrights, applications for registration of copyright, works of authorship, literary works, design rights, Software (including all source code, object code, firmware, development tools, files, records and data, and all documentation related to any of the foregoing), pictorial and graphic works, reversions and moral rights (collectively, “**Copyrights**”); (d) all internet domain names and social media identifiers and accounts; (e) trade secrets, know-how, technology, discoveries and improvements, know-how, proprietary rights, formulae, confidential and proprietary information, technical information, techniques, inventions (including conceptions and/or reductions to practice), designs, drawings, procedures, processes, models, formulations, manuals and systems, whether or not patentable or copyrightable (collectively “**Trade Secrets**”); (f) data, databases and data collections; and (g) all other intellectual property, intellectual property rights, proprietary information and proprietary rights.

“**Investment Canada Act Notification**” shall mean a notification pursuant to Section 12 of the Investment Canada Act (*Canada*) in respect of the Transactions.

“**IT Systems**” shall mean any and all Software, hardware, databases, servers, systems, circuits, networks, data communications lines, workstations, routers, hubs, switches, interfaces, websites (including the content thereon), platforms, automated networks and control systems, and all other computer, telecommunications and information technology systems, assets and equipment, including outsourced or cloud computing arrangements, and all associated documentation.

“**Key Company Stockholders**” shall mean the CCMP Parties and the Oak Hill Parties.

“**Knowledge**” shall mean the actual knowledge or awareness as to a specified fact or event, of: (a) with respect to the Company, the individuals listed on Section A of the Company Disclosure Letter; and (b) with respect to Parent or Merger Sub, the individuals listed on Section A of the Parent Disclosure Letter.

“**Leased Real Property**” shall mean all real property leased, subleased, licensed or otherwise occupied, by the Group Companies.

“**Legal Proceeding**” shall mean any action, suit, hearing, claim, charge, audit, lawsuit, litigation, investigation (formal or informal), inquiry, arbitration or proceeding (in each case, whether civil, criminal or administrative or at law or in equity) by or before a Governmental Entity.

“**Legal Requirements**” shall mean (i) any federal, state, local, municipal, foreign or other law, statute, constitution, treaty, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling, injunction, judgment, Governmental Order, assessment, writ or other legal requirement, administrative policy or guidance, or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity and (ii) the rules of any stock exchange or quotation system on which the Parent Common Stock is listed or quoted, in each case as in effect from time to time.

“**Letter Agreement**” shall mean that certain letter agreement dated as of October 8, 2020, by and among Parent, the Sponsors and each member of the Parent Board.

“**Liabilities**” shall mean any and all Indebtedness, liabilities and obligations, whether accrued or fixed, known or unknown, absolute or contingent, matured or unmatured or determined or determinable.

“**Licensed Intellectual Property**” shall mean all Intellectual Property licensed to any of the Group Companies.

“**Lien**” shall mean any mortgage, pledge, security interest, encumbrance, lien, license, option, right of first offer, right of first refusal, restriction or charge of any kind (including, any conditional sale or other title retention agreement or lease in the nature thereof, any agreement to give any security interest and any restriction relating to use, quiet enjoyment, voting, transfer, receipt of income or exercise of any other attribute of ownership).

“**Losses**” shall mean, without duplication, (a) any and all judgments, settlements, losses, Liabilities, damages, interest, fines, penalties, Taxes, costs and expenses (including reasonable legal, accounting and other costs and expenses of professionals, whether involving a dispute solely between the Parties or otherwise), and (b) any losses or costs incurred in connection with investigating, defending, settling or satisfying any and claim, action or cause of action described in clause (a), and in seeking indemnification, compensation or reimbursement therefor whether the underlying claim, action or cause of action is actually asserted or is merely alleged or threatened.

“**Merger Sub Common Stock**” shall mean the common stock, par value \$0.01 per share, of Merger Sub.

“**Nasdaq**” shall mean the Nasdaq Capital Market.

“**Notes**” shall mean the 6.375% senior notes due 2022 issued by Hillman.

“**Notes Indentures**” shall mean the indenture, dated as of June 30, 2014, among Hillman (as successor to HMAN Finance Sub Corp.), the guarantors party thereto and Wells Fargo Bank, National Association, as trustee, as amended or supplemented.

“**NYSE Amex**” shall mean NYSE American.

“**Oak Hill Parties**” shall mean, collectively, Oak Hill Capital Partners III, L.P., and Oak Hill Capital Management Partners III, L.P., and OHCP III HC RO, L.P.

“**OFAC**” shall mean the U.S. Treasury Department Office of Foreign Assets Control.

“**Open Source Software**” means any Software (or portion thereof) that is distributed as free Software or open source Software (for example, Software distributed under the GNU General Public License, the GNU Lesser General Public License, the Affero General Public License, or the Apache Software License), or pursuant to open source, copyleft or similar licensing and distribution models, or that requires as a condition of use, modification and/or distribution of such Software that such Software or other Software incorporated into, derived from or distributed with such Software (a) be disclosed or distributed in source-code form, (b) be licensed for the purpose of making derivative works or (c) be redistributable at no or minimal charge.

“**Order**” shall mean any award, injunction, judgment, regulatory or supervisory mandate, order, writ, decree or ruling entered, issued, made, or rendered by any Governmental Entity that possesses competent jurisdiction.

“**Ordinary Course**” shall mean the ordinary course of the operation of business of the Group Companies consistent with past practice.

“**Organizational Documents**” of a Person shall mean, collectively, such Person’s certificate of incorporation and bylaws or other comparable governing instruments.

“**Owned Intellectual Property**” shall mean any and all Intellectual Property owned (or purported to be owned), in whole or in part, by any of the Group Companies.

“**Pandemic Measures**” means any “shelter-in-place”, “stay at home”, workforce reduction, social distancing, shut down, closure, sequester, or other conditions or restrictions, or any other Legal Requirement, directive, pronouncement, guideline or recommendations by a Governmental Entity, the Centers for Disease Control and Prevention, the World Health Organization or industry group in connection with or in respect to COVID-19 or any other pandemic, epidemic, public health emergency or disease outbreak.

“**Parent Capital Stock**” shall mean, collectively, (a) the Parent Class A Common Stock, (b) the Parent Class B Common Stock, and (c) the Parent Preferred Stock.

“**Parent Cash**” shall mean, as of the date of determination (a) all amounts in the Trust Account<sup>plus</sup> (b) all other Cash and Cash Equivalents of Parent.

“**Parent Class A Common Stock**” shall mean the Class A common stock, par value \$0.0001 per share, of Parent.

“**Parent Class B Common Stock**” shall mean the Class B common stock, par value \$0.0001 per share, of Parent.

“**Parent Common Stock**” shall mean (a), prior to the effective time of the Parent Third A&R Certificate of Incorporation, collectively, the Parent Class A Common Stock and the Parent Class B Common Stock, and (b) as of the effective time of the Parent Third A&R Certificate of Incorporation, the common stock, par value \$0.0001 per share, of Parent.

“**Parent Liabilities**” shall mean, as of immediately prior to the Closing, the aggregate amount of Liabilities of Parent and Merger Sub that would be accrued on a balance sheet in accordance with GAAP, whether or not such Liabilities are due and payable as of such time. Notwithstanding the foregoing or anything to the contrary herein, Parent Liabilities shall not include any Parent Transaction Costs.

“**Parent Material Adverse Effect**” shall mean any change, event, state of facts, development or occurrence, that, individually or when aggregated with other changes, events, states of facts, developments or occurrences (a) has had a materially adverse effect on the business, assets, financial condition or results of operations of Parent and Merger Sub, taken as a whole; or (b) is reasonably likely to prevent or materially delay the ability of Parent or Merger Sub to consummate the Transactions; provided, however, that no change or effect related to any of the following, alone or in combination, shall be taken into account in determining whether a Parent Material Adverse Effect has occurred pursuant to clause (a): (i) changes or proposed changes in applicable Legal Requirements, regulations or interpretations thereof or decisions by courts or any Governmental Entity after the date of this Agreement; (ii) changes or proposed changes in GAAP (or any interpretation thereof) after the date of this Agreement; or (iii) any downturn in general economic conditions, including changes in the credit, debt, securities, financial, capital or reinsurance markets (including changes in interest or exchange rates, prices of any security or market index or commodity or any disruption of such markets), in each case, in the United States or anywhere else in the world; provided, however, that if a change or effect related to clauses (i), (ii) or (iii) disproportionately adversely affects Parent compared to other Persons operating in the same industry as Parent, then such disproportionate impact may be taken into account in determining whether a Parent Material Adverse Effect has occurred.

“**Parent Outside Director**” shall mean each of Scott J. Kelly, Dona Cornell and any member of the Parent Board appointed following the date hereof and reasonably intended to qualify as an independent director.

“**Parent Preferred Stock**” shall mean the preferred stock, par value \$0.0001 per share, of Parent.

“**Parent Public Warrants**” shall mean, collectively, those certain redeemable warrants exercisable for one share of Parent Class A Common Stock, each at an exercise price of \$11.50 per share, issued in connection with the initial public offering of Parent’s securities.

**“Parent Sponsor Warrants”** shall mean, collectively, those certain redeemable warrants exercisable for one share of Parent Class A Common Stock, each at an exercise price of \$11.50 per share, acquired by the Sponsors in a private placement on October 8, 2020.

**“Parent Stockholder Approval”** means the approval at a stockholders’ meeting duly called by the Parent Board, held for such purpose, and at which a quorum is present of (a) each of the Parent Stockholder Matters identified in clauses (1), (2), (4) and (5) of Section 6.1(b), in each case, by an affirmative vote of the holders of a majority of the outstanding shares of Parent Common Stock entitled to vote thereupon, who attend such meeting and vote thereupon (as determined in accordance with Parent’s Organizational Documents) and (b) those Parent Stockholder Matters identified in clause (3) of Section 6.1(b) by an affirmative vote of the holders of at least a majority of the outstanding shares of Parent Common Stock entitled to vote thereupon (as determined in accordance with Parent’s Governing Documents), or, in each case, any such vote as may be required to approve the Parent Stockholder Matter proposed in accordance with the DGCL and Parent’s Organizational documents.

**“Parent Transaction Costs”** shall mean (a) all fees, costs and expenses of Parent incurred or to be incurred prior to and through the Closing Date in connection with the negotiation, preparation and execution of this Agreement, the other Transaction Documents and the consummation of the Transactions, whether paid or unpaid prior to the Closing, including any and all professional or transaction related costs, fees and expenses of legal, accounting and financial advisors, consultants, auditors, accountants and brokers, including any deferred underwriting commissions being held in the Trust Account, and director fees in an amount equal to \$100,000 payable to each Parent Outside Director in connection with the Transactions; and (b) any Indebtedness of Parent or its Subsidiaries owed to its Affiliates or stockholders, including any Sponsor loans and similar expense.

**“Parent Units”** shall mean equity securities of Parent each consisting of one share of Parent Class A Common Stock and one-third of one Parent Public Warrant.

**“Parent Warrants”** shall mean Parent Public Warrants and Parent Sponsor Warrants.

**“Permitted Lien”** shall mean (a) Liens for Taxes not yet delinquent or for Taxes that are being contested in good faith by appropriate proceedings and in each case that are sufficiently reserved for on applicable financial statements in accordance with GAAP; (b) statutory and contractual Liens of landlords with respect to Leased Real Property that do not, individually or in the aggregate, materially detract from the value of, or materially interfere with the present use or the value of the affected Leased Real Property; (c) Liens of carriers, warehousemen, mechanics, materialmen and repairmen incurred in the Ordinary Course and (i) that are not yet delinquent; or (ii) that are being contested in good faith through appropriate proceedings and in each case that are sufficiently reserved for on the Financial Statements in accordance with GAAP; (d) in the case of Leased Real Property, zoning, building code, or other planning restrictions, variances, covenants, rights of way, encumbrances, easements and other irregularities in title, none of which, individually or in the aggregate, materially detract from the value of, or interfere in any material respect with the present use of or occupancy of, the affected Leased Real Property by any of the Group Companies; (e) Liens securing capital lease obligations of any of the Group Companies; (f) all exceptions, restrictions, easements, imperfections of title, charges, rights-of-way and other Liens of record arising in the Ordinary Course and not incurred in connection with the borrowing of money that do not, individually or in the aggregate, materially detract from the value of, or materially interfere with the present use of, the assets of any Group Company; (g) Liens securing the Indebtedness pursuant to the Existing Debt Documents; and (h) Liens securing the Debt Financing.

**“Person”** shall mean any individual, corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, joint venture, estate, trust, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization, sole proprietorship, incorporated or unincorporated entity or Governmental Entity.

“**Personal Information**” shall mean, in addition to any definition for any similar term (e.g., “personally identifiable information” or “PII”) provided by applicable Legal Requirement, or by the Group Companies in any of its privacy policies, notices or Contracts, all information that identifies, could be used to identify or is otherwise associated with an individual person or device, whether or not such information is associated with an identifiable individual. Personal Information may relate to any individual, including a current, prospective, or former customer, end user or employee of any Person, and includes information in any form or media, whether paper, electronic, or otherwise.

“**Post-Closing Indebtedness**” shall mean the aggregate Indebtedness of Parent and the Group Companies, collectively, immediately following Closing (for the avoidance of doubt, after giving effect to the transactions contemplated under [Section 1.5](#)).

“**Privacy Laws**” shall mean any and all applicable Legal Requirements, Legal Requirements and self-regulatory guidelines (including of any applicable foreign jurisdiction) relating to the receipt, collection, compilation, use, storage, processing, sharing, safeguarding, privacy, security (both technical and physical), disposal, destruction, disclosure or transfer (including cross-border) of Personal Information, including, but not limited to, the Federal Trade Commission Act, California Consumer Privacy Act (CCPA), General Data Protection Regulation (GDPR), Regulation 2016/679/EU on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and any and all applicable Legal Requirements relating to breach notification in connection with Personal Information.

“**Product Liability Occurrence**” shall mean any accident, happening or event which occurs or has occurred at any time on or prior to the Closing that is caused or allegedly caused by any hazard or defect in manufacture, design, materials or workmanship including any failure or alleged failure to warn, or any breach or alleged breach of express or implied warranties or representations, with respect to a product manufactured, shipped, sold or delivered by or on behalf of any Group Company which results, or is alleged to have resulted in, injury or death to any Person or damage to or destruction of property (including damage to or destruction of the product itself) or other consequential damages, at any time.

“**Purchase Price**” shall mean an amount equal to (a) \$911,300,000, plus (b) the product of (i) the 2,828,000 shares of Parent Class A Common Stock being forfeited under the A&R Letter Agreement, *multiplied by* (ii) \$10.

“**Recall**” shall mean a product recall, rework or post sale warning or similar action.

“**Registration Statement**” shall mean the Registration Statement on Form S-4, or other appropriate form, including any pre-effective or post-effective amendments or supplements thereto, to be filed with the SEC by Parent under the Securities Act with respect to the Registration Statement Securities.

“**Related Parties**” shall mean, with respect to a Person, such Person’s former, current and future direct or indirect equityholders, controlling Persons, shareholders, optionholders, members, general or limited partners, Affiliates, Representatives, and each of their respective successors and assigns.

“**Representatives**” shall mean a Person’s equityholders, employees, agents, officers, directors, managers, general partners, representatives and advisors.

“**SEC**” shall mean the United States Securities and Exchange Commission.

“**Securities Act**” shall mean the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**Software**” shall mean any and all (a) computer programs, applications, middleware, utilities, tools, drivers, firmware, microcode, scripts, batch files, instruction sets and macros, including any and all software implementations of algorithms, models and methodologies, whether in source-code, object-code or other form, (b) descriptions, flow-charts and other work product used to design, plan, organize and develop any of the foregoing, screens, user interfaces, report formats, firmware, development tools, templates, menus, buttons and icons, (c) data, databases and compilations and collections of data, whether machine readable or otherwise, and (d) documentation and other materials related to any of the foregoing, including user manuals and training materials.

“**Specified Business Conduct Laws**” shall mean (a) the U.S. Foreign Corrupt Practices Act of 1977, as amended, the UK Bribery Act 2010, and other applicable Legal Requirements relating to bribery or corruption; (b) all Legal Requirements imposing economic or financial sanctions on any Person, including, all Legal Requirements administered by OFAC, all sanctions laws or embargos imposed or administered by the U.S. Department of State, the United Nations Security Council, Her Majesty’s Treasury or the European Union and all anti-boycott or anti-embargo laws; (c) all Legal Requirements relating to the import, export, re-export, transfer of information, data, goods, software and technology, including the Export Administration Regulations administered by the U.S. Department of Commerce and the International Traffic in Arms Regulations administered by the U.S. Department of State; and (d) the Money Laundering Control Act, the Currency and Foreign Transactions Reporting Act, The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, and other applicable Legal Requirements relating to money laundering.

“**Sponsors**” shall mean, collectively, TJF, LLC and Jefferies Financial Group, Inc.

“**Stockholder Agreement**” shall mean that certain Stockholders’ Agreement, dated as of June 30, 2014, by and among the Company, the CCMP Parties and the Oak Hill Parties, as amended.

“**Subscription Agreements**” shall mean, collectively, the subscription agreements pursuant to which the PIPE Investment will be consummated.

“**Subsidiary**” shall mean, with respect to any Person (other than an individual), any partnership, limited liability company, corporation or other business entity of which (a) if a corporation, a majority of the total voting power of shares of capital stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers, or trustees thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person or a combination thereof; (b) if a partnership, limited liability company or other business entity, a majority of the partnership or other similar ownership interests thereof is at the time owned or controlled, directly or indirectly, by that Person or one or more Subsidiaries of that Person or a combination thereof; or (c) in any case, such Person controls the management thereof.

“**Tax**” or “**Taxes**” shall mean all taxes, assessments, charges, duties, fees, levies or other governmental charges including all United States federal, state, local, foreign and other income, franchise, profits, gross receipts, capital gains, capital stock, net worth, transfer, sales, ad valorem, use, value-added, property, excise, escheat and unclaimed property, severance, windfall profits, recapture, stamp, license, payroll, occupation, social security, environmental, registration, withholding and other taxes, assessments, charges, duties, fees, levies or other governmental charges of any kind whatsoever in the nature of, or similar to, a tax (whether payable directly or by withholding and whether or not requiring the filing of a Tax Return), all estimated taxes, deficiency assessments, additions to tax, penalties and interest.

“**Tax Return**” shall mean any return, certification, declaration, report, claim for refund, or information return or statement relating to Taxes that is filed or required to be filed with a Governmental Entity, including any schedule or attachment thereto and any amendment thereof.



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**“Transaction Documents”** shall mean this Agreement and all agreements contemplated by the Exhibits hereto.

**“Transactions”** shall mean the transactions contemplated pursuant to this Agreement and the other Transaction Documents, including the Merger.

**“Treasury Regulations”** shall mean the regulations promulgated by the U.S. Department of the Treasury pursuant to and in respect of provisions of the Code.

**“Trust Declaration”** shall mean the amended and restated declaration of trust, dated as of September 5, 1997, as amended or supplemented.

**“Trust Preferred Securities”** shall mean the 11.6% trust preferred securities issued by Hillman Trust.

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**EXHIBIT A**

**Company Voting and Support Agreement**

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**EXHIBIT B**

**Parent Third A&R Certificate of Incorporation**

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**EXHIBIT C**

**Parent A&R Bylaws**

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**EXHIBIT D**  
**A&R Letter Agreement**

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**EXHIBIT E**

**A&R Registration Rights Agreement**

## AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT (this “*Agreement*”), dated as of [●], is made and entered into by and among (i) Hillman Solutions Corp. (f/k/a Landcadia Holdings III, Inc.), a Delaware corporation (the “*Company*”), (ii) Jefferies Financial Group Inc., a New York corporation (“*Jefferies*”), and TFJ, LLC, a Delaware limited liability company (“*TFJ*”, and together with Jefferies and their respective Permitted Transferees (as defined herein), the “*Sponsors*”), (iii) CCMP Capital Investors III, L.P., a Delaware limited partnership (“*CCMP III*”), CCMP Capital Investors (Employee) III, L.P., a Delaware limited partnership (“*CCMP Employee*”) and CCMP Co-Invest III A, L.P., a Delaware limited partnership (“*CCMP Co-Invest*, and together with CCMP III, CCMP Employee and their respective Permitted Transferees, the “*CCMP Holders*”), (iv) Oak Hill Capital Partners III, L.P., a Delaware limited partnership (“*Oak Hill III*”) Oak Hill Capital Management Partners III, L.P., a Delaware limited partnership (“*Oak Hill Management*”), and OHCP III HC RO, L.P., a Delaware limited partnership (“*OHCP*, and together with Oak Hill III, Oak Hill Management and their respective Permitted Transferees, the “*Oak Hill Holders*”, and together with the CCMP Holders, the “*Hillman Holders*”). The Sponsors, the Hillman Holders and any person or entity who hereafter becomes a party to this Agreement pursuant to Section 5.2 of this Agreement are each referred to herein as a “*Holder*” and collectively as the “*Holdes*”.

### RECITALS

WHEREAS, the Sponsors hold an aggregate of 12,500,000 shares of the Company’s Class B common stock, par value \$0.0001 per share (the “*Founder Shares*”);

WHEREAS, upon the closing of the transactions (the “*Transactions*”) contemplated by that certain Agreement and Plan of Merger, dated [●], by and among the Company, Helios Sun Merger Sub, Inc., a Delaware corporation and wholly-owned subsidiary of the Company, HMAN Group Holdings Inc., a Delaware corporation (“*Hillman*”), and the stockholder representative thereunder (the “*Merger Agreement*”), the Sponsors forfeited an aggregate of [2,828,000] Founder Shares, and [9,672,000] Founder Shares were subsequently converted, on a one-to-one basis, into shares of the Company’s common stock, par value \$0.0001 per share (the “*Common Stock*”);

WHEREAS, on October, 8 2020, the Company and the Sponsors entered into that certain Private Placement Warrants Purchase Agreement (the “*Private Placement Warrants Purchase Agreement*”), pursuant to which the Sponsors purchased an aggregate of 8,000,000 warrants (the “*Private Placement Warrants*”), in a private placement transaction occurring simultaneously with the closing of the Company’s initial public offering on October 14, 2020;

WHEREAS, on October 8, 2020, the Company and the Sponsors entered into that certain Registration Rights Agreement (the “*Existing Registration Rights Agreement*”), pursuant to which the Company granted the Sponsors certain registration rights with respect to certain securities of the Company;

WHEREAS, immediately after giving effect to the Transactions, in accordance with the Merger Agreement, the Hillman Holders shall receive shares of Common Stock (the “*Closing Hillman Stock*”);

**WHEREAS**, pursuant to Section 5.5 of the Existing Registration Rights Agreement, the provisions, covenants and conditions set forth therein may be amended or modified upon the written consent of the Company and the Holders (as defined in the Existing Registration Rights Agreement) of at least a majority-in-interest of the Registrable Securities (as defined in the Existing Registration Rights Agreement) at the time in question; and

**WHEREAS**, the Company and the Sponsors desire to amend and restate the Existing Registration Rights Agreement pursuant to Section 5.5 thereof in order to provide the Holders with registration rights with respect to the Registrable Securities on the terms set forth herein.

**NOW, THEREFORE**, in consideration of the representations, covenants and agreements contained herein, and certain other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

## **ARTICLE I DEFINITIONS**

1.1. Definitions. The terms defined in this Article I shall, for all purposes of this Agreement, have the respective meanings set forth below:

“**Adverse Disclosure**” shall mean any public disclosure of material non-public information, which disclosure, in the good faith judgment of the Board, after consultation with counsel to the Company, (a) would be required to be made in any Registration Statement or Prospectus in order for the applicable Registration Statement or Prospectus not to contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein (in the case of any prospectus and any preliminary prospectus, in light of the circumstances under which they were made) not misleading, (b) would not be required to be made at such time if the Registration Statement were not being filed, and (c) the Company has a bona fide business purpose for not making such information public.

“**Affiliate**” means, with respect to a specified Person, each other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified; provided that no Holder shall be deemed an Affiliate of any other Holder solely by reason of an investment in, or holding of Common Stock (or securities convertible or exchangeable for shares of Common Stock) of, the Company. As used in this definition, “control” (including with correlative meanings, “controlled by” and “under common control with”) means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of voting securities or by contract or other agreement); provided, however, that in no event shall the term “Affiliate” include any portfolio company of any Holder or their respective Affiliates (other than the Company).

“**Agreement**” shall have the meaning given in the Preamble.

“**Aggregate Blocking Period**” shall have the meaning given in Section 2.4.



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“**Board**” shall mean the Board of Directors of the Company.

“**Block Trade**” means an offering and/or sale of Registrable Securities by any Holder on a block trade or underwritten basis (whether firm commitment or otherwise) for reoffering to the public without a roadshow or substantial marketing efforts prior to pricing, including, without limitation, a same day trade, overnight trade or similar transaction.

“**CCMP Demanding Holders**” shall have the meaning given in Section 2.2.1.

“**CCMP Holders**” shall have the meaning given in the Preamble.

“**Claims**” shall have the meaning given in subsection 4.1.1.

“**Closing Date**” shall mean the date of this Agreement.

“**Commission**” shall mean the Securities and Exchange Commission.

“**Commission Guidance**” means (i) any publicly-available written or oral guidance of the Commission staff, or any comments, requirements or requests of the Commission staff and (ii) the Securities Act.

“**Common Stock**” shall have the meaning given in the Recitals hereto.

“**Company**” shall have the meaning given in the Preamble.

“**Company Shelf Take Down Notice**” shall have the meaning given in subsection 2.1.3.

“**Demand Registration**” shall have the meaning given in subsection 2.2.1.

“**Demanding Holder**” shall mean, as applicable, (a) the applicable Holder making a written demand for the Registration of Registrable Securities pursuant to subsection 2.2.1 or (b) the applicable Holder making a written demand for a Shelf Underwritten Offering of Registrable Securities pursuant to subsection 2.1.3.

“**Effectiveness Deadline**” shall have the meaning given in subsection 2.1.1.

“**Existing Registration Rights Agreement**” shall have the meaning given in the Recitals hereto.

“**Exchange Act**” shall mean the Securities Exchange Act of 1934, as it may be amended from time to time.

“**First Secondary Offering**” means the first Underwritten Offering in which any CCMP Holder Transfers all or any portion of their Registrable Securities.

“**Form S-1 Shelf**” shall have the meaning given in subsection 2.1.2.

“*Form S-3 Shelf*” shall have the meaning given in subsection 2.1.2.

“*Founder Shares*” shall have the meaning given in the Recitals hereto and shall be deemed to include the shares of Common Stock issued upon conversion thereof.

“*Founder Shares Lock-up Period*” shall mean, with respect to the Founder Shares, the period commencing on the date hereof and ending on the earlier of (A) one year after the Closing Date, (B) the first date the last sale price of the Common Stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after the Closing Date, or (C) the date on which the Company completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of the Company’s stockholders having the right to exchange their shares of Common Stock for cash, securities or other property.

“*Hillman Holders*” shall have the meaning given in the Preamble.

“*Hillman Lock-Up Period*” shall have the meaning given in Section 2.7.2.

“*Holder*” shall have the meaning given in the Preamble.

“*Insider Letter*” shall mean that certain letter agreement, dated October 8, 2020, by and among the Company, the Sponsors and the other parties thereto.

“*Jefferies*” shall have the meaning given in the Preamble.

“*Maximum Number of Securities*” shall have the meaning given in subsection 2.2.4.

“*Merger Agreement*” shall have the meaning given in the Recitals hereto.

“*Misstatement*” shall mean an untrue statement of a material fact or an omission to state a material fact required to be stated in a Registration Statement or Prospectus, or necessary to make the statements in a Registration Statement or Prospectus in the light of the circumstances under which they were made not misleading.

“*Oak Hill Demanding Holders*” shall have the meaning given in Section 2.2.1.

“*Oak Hill Holders*” shall have the meaning given in the Preamble.

“*Other Shares*” shall have the meaning given in Section 2.2.4.

“*Permitted Transferees*” or “*Permitted Transfer*” shall mean (x) any Affiliate of a Holder or (y) any transfers made: (i) pursuant to a bona fide gift or charitable contribution; (ii) by will or intestate succession upon the death of Holder; (iii) to any Permitted Transferee; (iv) to the members of the Sponsors, (v) pursuant to a court order or settlement agreement related to the distribution of assets in connection with the dissolution of marriage or civil union; (vi) pro rata to the partners, members or shareholders of a Holder upon its liquidation or dissolution; or (vii) in the event of the

Company's completion of a liquidation, merger, share exchange or other similar transaction which results in all of its shareholders having the right to exchange their Common Stock for cash, securities or other property; provided that in the case of (i) through (vi), the recipient of such Transfer must enter into a written agreement agreeing to be bound by the terms of this Agreement, including the transfer restrictions set forth in [Section 2.6](#).

**"Piggyback Registration"** shall have the meaning given in [subsection 2.3.1](#).

**"Primary Shares"** shall have the meaning given in [Section 2.2.4](#).

**"Private Placement Lock-up Period"** shall mean, with respect to Private Placement Warrants that are held by the initial purchasers of such Private Placement Warrants or their Permitted Transferees, and any of the Common Stock issued or issuable upon the exercise or conversion of the Private Placement Warrants and that are held by the initial purchasers of the Private Placement Warrants or their Permitted Transferees, the period ending 30 days after the Closing Date.

**"Private Placement Warrants"** shall have the meaning given in the Recitals hereto.

**"Private Placement Warrants Purchase Agreement"** shall have the meaning given in the Recitals hereto.

**"Pro Rata"** shall have the meaning given in [subsection 2.2.4](#).

**"Prospectus"** shall mean the prospectus included in any Registration Statement, whether preliminary or final, as supplemented by any and all prospectus supplements (including any "free writing prospectus") and as amended by any and all post-effective amendments, and including all material incorporated by reference in such prospectus.

**"Registrable Security"** shall mean (a) any outstanding share of Common Stock or any other equity security (including the Private Placement Warrants and including shares of Common Stock issued or issuable upon the exercise of any other equity security) of the Company held by a Holder as of the date of this Agreement or hereafter acquired by a Holder (including the shares of Common Stock issued upon the conversion of the Founder Shares and upon the exercise of any Private Placement Warrants), and (b) any other equity security of the Company issued or issuable with respect to any such share of Common Stock referred to in the foregoing clause (a) by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization or otherwise; provided, however, that, as to any particular Registrable Security, such securities shall cease to be Registrable Securities when: (i) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement by the applicable Holder; (ii) such securities shall have been otherwise transferred, new certificates for such securities not bearing (or book entry positions not subject to) a legend restricting further transfer shall have been delivered by the Company and subsequent public distribution of such securities shall not require registration under the Securities Act; (iii) such securities shall have ceased to be outstanding; or (iv) such securities

(A) are held, or become held, by any Holder (other than the Sponsors) who holds less than two percent (2%) of the then issued and outstanding equity securities of the Company; and (B) may be sold without registration pursuant to Rule 144 or any successor rule promulgated under the Securities Act (but with no volume or other restrictions or limitations including as to manner or timing of sale).

“**Registration**” shall mean a registration effected by preparing and filing a registration statement or similar document in compliance with the requirements of the Securities Act, and the applicable rules and regulations promulgated thereunder, and such registration statement becoming effective.

“**Registration Expenses**” shall mean the out-of-pocket expenses of a Registration, including, without limitation, the following:

(a) all registration and filing fees (including fees with respect to filings required to be made with the Financial Industry Regulatory Authority, Inc., or fees payable to any stock exchange or over-the-counter trading market) and any securities exchange on which the Common Stock is then listed;

(b) fees and expenses of compliance with securities or blue sky laws (including reasonable fees and disbursements of counsel for the Underwriters in connection with blue sky qualifications of Registrable Securities);

(c) fees and disbursements of underwriters customarily paid by issuers or sellers of securities, but excluding underwriting discounts and commissions and transfer taxes, if any;

(d) printing, messenger, telephone, delivery and road show or other marketing expenses;

(e) reasonable fees and disbursements of counsel for the Company;

(f) reasonable fees and disbursements of all independent registered public accountants of the Company incurred specifically in connection with such Registration; and

(g) reasonable fees and expenses of (A) one (1) legal counsel for the CCMP Holders (plus appropriate special and local counsel selected by the CCMP Holders), to the extent the CCMP Holders are participating in the Registration, (B) one (1) legal counsel for the Oak Hill Holders (plus appropriate special and local counsel selected by the Oak Hill Holders), to the extent the Oak Hill Holders are participating in the Registration, and (C) one (1) legal counsel for the Sponsors (plus appropriate special and local counsel selected by the Sponsors), to the extent the Sponsors are participating in the Registration.

“**Registration Statement**” shall mean any registration statement that covers the Registrable Securities pursuant to the provisions of this Agreement, including the Prospectus included in such registration statement, amendments (including post-effective amendments) and supplements to such registration statement, and all exhibits to and all material incorporated by reference in such registration statement.

“**Removed Shares**” shall have the meaning given in Section 2.6.

“**Requesting Holder**” shall have the meaning given in subsection 2.2.1.

“**Secondary Lock-Up Period**” shall mean the period ending on the earlier of (i) 12 months from the date hereof, and (ii) the date on which the CCMP Holders or any of their Affiliates are no longer subject to any Underwriter’s lock-up or other contractual restriction in connection with the First Secondary Offering.

“**Securities Act**” shall mean the Securities Act of 1933, as amended from time to time.

“**Shelf Requesting Holder**” shall have the meaning given in subsection 2.1.3.

“**Shelf Take Down Notice**” shall have the meaning given in subsection 2.1.3.

“**Shelf Underwritten Offering**” shall have the meaning given in subsection 2.1.3.

“**Sponsors**” shall have the meaning given in the Preamble.

“**Subscription Agreements**” shall mean those certain subscription agreements dated [•], 2021 by and between the Company and certain subscribers to shares of Common Stock.

“**TFJ**” shall have the meaning given in the Preamble.

“**Transactions**” shall have the meaning given in the Recitals hereto.

“**Transfer**” shall mean the (a) sale of, offer to sell, contract or agreement to sell, hypothecate, pledge, grant of any option to purchase or otherwise dispose of or agreement to dispose of, directly or indirectly, or establishment or increase of a put equivalent position or liquidation with respect to or decrease of a call equivalent position within the meaning of Section 16 of the Exchange Act, and the rules and regulations of the Commission promulgated thereunder with respect to, any security, (b) entry into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any security, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise, or (c) public announcement of any intention to effect any transaction specified in clause (a) or (b).

“**Underwriter**” shall mean a securities dealer who purchases any Registrable Securities as principal in an Underwritten Offering and not as part of such dealer’s market-making activities.

“**Underwritten Registration**” or “**Underwritten Offering**” shall mean a Registration or offering and/or sale of Registrable Securities in which securities of the Company are sold to an Underwriter in a firm commitment underwriting for distribution to the public, including a Block Trade.

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**ARTICLE II**  
**REGISTRATIONS**

2.1. Shelf Registration.

2.1.1. Initial Filing. The Company shall, as soon as practicable, but in any event within thirty (30) days after the Closing Date, file a Registration Statement under the Securities Act to permit the public resale of all the Registrable Securities held by the Holders and all shares of Common Stock received by then current or former employees of Hillman pursuant to the Transactions from time to time as permitted by Rule 415 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect) on the terms and conditions specified in this subsection 2.1.1 and shall use its reasonable best efforts to cause such Registration Statement to be declared effective as soon as practicable after the filing thereof, but in no event later than sixty (60) days following the filing deadline (the "**Effectiveness Deadline**"); provided, that the Effectiveness Deadline shall be extended to ninety (90) days after the filing deadline if the Registration Statement is reviewed by, and receives comments from, the Commission. The Registration Statement filed with the Commission pursuant to this subsection 2.1.1 shall be on Form S-3 or, if Form S-3 is not then available to the Company, on Form S-1 or such other form of registration statement as is then available to effect a registration for resale of such Registrable Securities, covering such Registrable Securities, and shall contain a Prospectus in such form as to permit any Holder to sell such Registrable Securities pursuant to Rule 415 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect) at any time beginning on the effective date for such Registration Statement. A Registration Statement filed pursuant to this subsection 2.1.1 shall provide for the resale pursuant to any method or combination of methods legally available to, and requested by, the Holders. The Company shall use its reasonable best efforts to cause a Registration Statement filed pursuant to this subsection 2.1.1 to remain effective, and to be supplemented and amended to the extent necessary to ensure that such Registration Statement is available or, if not available, that another Registration Statement is available, for the resale of all the Registrable Securities held by the Holders until all such Registrable Securities have ceased to be Registrable Securities. As soon as practicable following the effective date of a Registration Statement filed pursuant to this subsection 2.1.1, but in any event within one (1) business day of such date, the Company shall notify the Holders of the effectiveness of such Registration Statement. When effective, a Registration Statement filed pursuant to this subsection 2.1.1 (including the documents incorporated therein by reference) will comply as to form in all material respects with all applicable requirements of the Securities Act and the Exchange Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any Prospectus contained in such Registration Statement, in the light of the circumstances under which such statement is made).

2.1.2. Form S-1 Shelf. If the Company files a shelf registration statement on Form S-3 (a "**Form S-3 Shelf**") and thereafter the Company becomes ineligible to use Form S-3 for secondary sales, the Company shall use its reasonable best efforts to file a shelf registration on Form S-1 (a "**Form S-1 Shelf**") as promptly as practicable to replace the shelf registration statement that is a Form S-3 Shelf and have the Form S-1 Shelf declared effective as promptly as

practicable and to cause such Form S-1 Shelf to remain effective, and to be supplemented and amended to the extent necessary to ensure that such Registration Statement is available or, if not available, that another Registration Statement is available, for the resale of all the Registrable Securities held by the Holders until all such Registrable Securities have ceased to be Registrable Securities. In the case of a Form S-1 filed pursuant to [Section 2.1.1](#) or a Form S-1 Shelf filed pursuant to this [Section 2.1.2](#), upon such date as the Company becomes eligible to use FormS-3 for secondary sales or, in the case of a Form S-1 Shelf filed to register the resale of Removed Shares pursuant to [Section 2.6](#) hereof, upon such date as the Company becomes eligible to register all of the Removed Shares for resale on a Form S-3 Shelf pursuant to the Commission Guidance and, if applicable, without a requirement that any of the CCMP Holders be named as an “underwriter” therein, the Company shall use its reasonable best efforts to file a Form S-3 Shelf as promptly as practicable to replace the applicable Form S-1 Shelf and have the Form S-3 Shelf declared effective as promptly as practicable and to cause such FormS-3 Shelf to remain effective, and to be supplemented and amended to the extent necessary to ensure that such Registration Statement is available or, if not available, that another Registration Statement is available, for the resale of all the Registrable Securities thereunder held by the applicable Holders until all such Registrable Securities have ceased to be Registrable Securities.

2.1.3. [Requests for Underwritten Shelf Takedowns](#). At any time and from time to time following the effectiveness of the shelf registration statement required by [subsection 2.1.1](#) or [2.1.2](#) or any replacement thereof, by notice to the Company specifying the intended method or methods of disposition thereof any CCMP Holder or any Sponsor or Oak Hill Holder (as applicable, the “**Shelf Requesting Holder**”) may make a written request to the Company to effect a public offering (a “**Shelf Take Down Notice**”), (provided that any request for an underwritten offering that is registered pursuant to such shelf registration statement (including a Block Trade) (a “**Shelf Underwritten Offering**”) by any Sponsor or Oak Hill Holder is subject to and only to the extent provided by Section 2.4), of all or a portion of such Holder’s Registrable Securities that may be registered under such shelf registration statement, and as soon as practicable the Company shall amend or supplement such shelf registration statement as necessary for such purpose. Each Shelf Takedown Notice for a Shelf Underwritten Offering shall specify the approximate number of Registrable Securities proposed to be sold in the Shelf Underwritten Offering and a reasonably estimated approximate price range (net of reasonably estimated underwriting discounts and commissions) of such Shelf Underwritten Offering. Promptly upon receipt of a Shelf Takedown Notice (but in no event more than two (2) business days thereafter (or more than twenty-four (24) hours thereafter in connection with a Block Trade)), the Company shall give written notice of such requested Shelf Underwritten Offering to all other Holders of Registrable Securities (the “**Company Shelf Takedown Notice**”) and, subject to the provisions of [subsection 2.2.4](#), shall include in such Shelf Underwritten Offering such Registrable Securities requested to be included by each such Holder, up to such number of Registrable Securities equal to such Holder’s pro rata share determined based on the number of Registrable Securities that the Shelf Requesting Holder proposes to sell in such Shelf Underwritten Offering as compared to the number of outstanding Registrable Securities held by the Shelf Requesting Holder immediately prior to such Shelf Underwritten Offering, within five (5) days after sending the Company Shelf Takedown Notice, or, in the case of a Block Trade, within twenty-four (24) hours after sending the Company Shelf Takedown Notice and otherwise as provided in [Section 2.1.4](#). The Company shall enter into an

underwriting agreement in customary form with the managing Underwriter or Underwriters selected by the Shelf Requesting Holder, after reasonable consultation with the Company, and shall take all such other reasonable actions as are requested by the managing Underwriter or Underwriters in order to expedite or facilitate the disposition of such Registrable Securities. In connection with any Shelf Underwritten Offering contemplated by this subsection 2.1.3, subject to Section 3.3 and Article IV, the underwriting agreement into which each Holder and the Company shall enter shall contain such representations, covenants, indemnities and other rights and obligations as are customary in secondary underwritten offerings. Notwithstanding the delivery of any Shelf Take Down Notice, all determinations as to whether to complete any Shelf Underwritten Offering and as to the timing, manner, price and other terms of any Shelf Underwritten Offering contemplated by this Section 2.1.3, shall be determined by the Shelf Requesting Holder. At any time before the pricing of a Shelf Underwritten Offering, in accordance with Section 2.2.5, the Shelf Requesting Holder may withdraw its Shelf Take Down Notice and, upon receipt of written notice to such effect from the Shelf Requesting Holder, the Company shall cease all efforts to complete such Underwritten Offering.

2.1.4. Notwithstanding any other provision of this Article II, but subject to Section 3.4 and not in limitation of any other provision in this Article II applicable to Shelf Underwritten Offerings, if any Holder desires to effect a Block Trade, then notwithstanding any other time periods in this Article II, such Holder shall provide written notice to the Company at least three (3) business days prior to the date such Block Trade will commence. As expeditiously as possible, the Company shall use its reasonable best efforts to facilitate such Block Trade. Such Holder shall use its reasonable best efforts to work with the Company and the Underwriters (including by disclosing the maximum number of Registrable Securities proposed to be the subject of such Block Trade) in order to facilitate preparation of the Registration Statement, Prospectus and other offering documentation related to the Block Trade and any related due diligence and comfort procedures. In the event of a Block Trade, and after consultation with the Company and subject to subsection 2.2.4, the Holder initiating the Block Trade shall determine the maximum number of Registrable Securities that can be sold pursuant to such offering, the underwriter or underwriters and share price of such offering.

## 2.2. Demand Registration.

2.2.1. Request for Registration. Subject to the provisions of subsection 2.2.5 and Sections 2.4, 2.6 and 3.4 hereof, at any time and from time to time on or after the Closing Date, each of (a) the Sponsors, (b) the CCMP Holders (the “**CCMP Demanding Holders**”), and (c) the Oak Hill Holders (the “**Oak Hill Demanding Holders**”, and together with the Sponsors and the CCMP Demanding Holders, the “**Demanding Holders**”), may make a written demand for Registration of all or part of their Registrable Securities on (i) Form S-1 or (ii) if available, Form S-3, which in the case of either clause (i) or (ii), may be a shelf registration statement filed pursuant to Rule 415 under the Securities Act, which written demand shall describe the amount and type of securities to be included in such Registration and the intended method(s) of distribution thereof (such written demand a “**Demand Registration**”). The Company shall, promptly following the Company’s receipt of a Demand Registration (but in no event more than two (2) business days thereafter), notify, in writing all other Holders of Registrable Securities of such demand, and each



Holder of Registrable Securities who thereafter wishes to include any of such Holder's Registrable Securities in a Registration pursuant to a Demand Registration (each such Holder that includes any portion of such Holder's Registrable Securities in such Registration, a "**Requesting Holder**") shall so notify the Company, in writing, within three (3) business days after the receipt by the Holder of the notice from the Company. Each Requesting Holder shall be permitted to include up to such number of Registrable Securities in a Registration pursuant to a Demand Registration equal to such Requesting Holder's pro rata share determined based on the number of Registrable Securities that the Demanding Holder proposes to sell in such Demand Registration as compared to the number of outstanding Registrable Securities held by the Demanding Holder immediately prior to such Demand Registration. For the avoidance of doubt, to the extent a Requesting Holder also separately possesses Demand Registration rights pursuant to this [Section 2.2](#), but is not the Holder who exercises such Demand Registration rights, the exercise by such Requesting Holder of its rights pursuant to the foregoing sentence shall not count as the exercise by it of one of its Demand Registration rights. Upon receipt by the Company of any such written notification from a Requesting Holder(s) to the Company, subject to [subsection 2.2.4](#) below, such Requesting Holder(s) shall be entitled to have their pro rata portion of Registrable Securities included in a Registration pursuant to a Demand Registration and the Company shall effect, as soon thereafter as practicable, but not more than forty five (45) days immediately after the Company's receipt of the Demand Registration, the Registration of all Registrable Securities requested by the Demanding Holders and up to the pro rata portion of Registrable Securities requested by the Requesting Holders pursuant to such Demand Registration. The Company shall not be obligated to effect more than (A) an aggregate of six (6) Registrations pursuant to a Demand Registration initiated by the CCMP Holders, and (B) one (1) Registration pursuant to a Demand Registration initiated by the Oak Hill Holders and the Sponsors, in each case under this [subsection 2.2.1](#) with respect to any or all Registrable Securities; provided, however, that (i) a Registration shall not be counted for such purposes unless a Registration Statement that may be available at such time has become effective and all of the Registrable Securities entitled to be included by the Demanding Holders and the Requesting Holders in such Registration have been sold, in accordance with [Section 3.1](#) of this Agreement, and (ii) a Shelf Underwritten Offering effected by a Block Trade shall not be a Demand Registration. Notwithstanding the foregoing, Jefferies may not exercise its Demand Registration rights after October 8, 2025, and may not exercise its demand rights on more than one occasion.

2.2.2. Effective Registration. Notwithstanding the provisions of [subsection 2.2.1](#) above or any other part of this Agreement, a Registration pursuant to a Demand Registration shall not count as a Registration unless and until (a) the Registration Statement filed with the Commission with respect to a Registration pursuant to a Demand Registration has been declared effective by the Commission and (b) the Company has complied with all of its obligations under this Agreement with respect thereto; provided, further, that if, after such Registration Statement has been declared effective, an offering of Registrable Securities in a Registration pursuant to a Demand Registration is subsequently interfered with by any stop order or injunction of the Commission, federal or state court or any other governmental agency, the Registration Statement with respect to such Registration shall be deemed not to have been declared effective, unless and until, (i) such stop order or injunction is removed, rescinded or otherwise terminated, and (ii) the Demanding Holders initiating such Demand Registration thereafter affirmatively elect to continue

with such Registration and accordingly notify the Company in writing, but in no event later than five (5) days after the removal, rescission or other termination of such stop order or injunction, of such election; provided, further, that the Company shall not be obligated or required to file another Registration Statement until the Registration Statement that has been previously filed with respect to a Registration pursuant to a Demand Registration by the same Demanding Holder becomes effective or is subsequently terminated.

2.2.3. Underwritten Offering. Subject to the provisions of subsection 2.2.4 and Sections 2.4, 2.6 and 3.4 hereof, if the Demanding Holders so advise the Company as part of their Demand Registration that the offering of the Registrable Securities pursuant to such Demand Registration shall be in the form of an Underwritten Offering, then the right of such Demanding Holder or Requesting Holder (if any) to include its Registrable Securities in such Registration shall be conditioned upon such Holder's participation in such Underwritten Offering and the inclusion of such Holder's Registrable Securities in such Underwritten Offering to the extent provided herein. All such Holders proposing to distribute their Registrable Securities through an Underwritten Offering under this subsection 2.2.3, subject to Section 3.3 and Article IV, shall enter into an underwriting agreement in customary form with the Company and the Underwriter(s) selected for such Underwritten Offering by the Demanding Holders initiating the Demand Registration (which Underwriter(s) shall be reasonably satisfactory to the Company) which underwriting agreement shall contain such representations, covenants, indemnities and other rights and obligations customary in secondary Underwritten Offerings.

2.2.4. Reduction of Underwritten Offering. If a Demand Registration is to be an Underwritten Offering (including any Shelf Underwritten Offering) and the managing Underwriter or Underwriters (or, in the case of a Block Trade, the Holder(s) requesting a Shelf Underwritten Offering or the Demanding Holder(s), as applicable), in good faith, advises the Company in writing that, in its opinion, the dollar amount or number of Registrable Securities that the Demanding Holders and the Requesting Holders (if any) desire to sell, taken together with all other Common Stock or other equity securities that the Company desires to sell for its own account (the "**Primary Shares**") and the Common Stock, if any, as to which a Registration has been requested pursuant to separate written contractual piggy-back registration rights held by any other stockholders of the Company who desire to sell (the "**Other Shares**"), exceeds the maximum dollar amount or maximum number of equity securities that can be sold in such Underwritten Offering without adversely affecting the proposed offering price, the timing, the distribution method, or the probability of success of such offering (such maximum dollar amount or maximum number of such securities, as applicable, the "**Maximum Number of Securities**"), then the Company shall include in such Underwritten Offering, as follows: (a) first, the Registrable Securities of the Demanding Holders, Shelf Requesting Holders and the Requesting Holders (if any), as applicable, pro rata based on the total amount of Registrable Securities held by each such Demanding Holder, Shelf Requesting Holder, or Requesting Holder (if any), as applicable, at such time of determination (such proportion is referred to herein as "**Pro Rata**") that can be sold without exceeding the Maximum Number of Securities; (b) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (a), the Primary Shares which can be sold without exceeding the Maximum Number of Securities; (c) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (a) and (b), the Registrable Securities of the Sponsors; and (d) fourth, to the extent the Maximum Number of Securities has not been reached under the foregoing clauses (a), (b) and (c), the Other Shares that can be sold without exceeding the Maximum Number of Securities.

2.2.5. Demand Registration Withdrawal. A Demanding Holder, Shelf Requesting Holder, or Requesting Holder shall have the right to withdraw all or a portion of its Registrable Securities included in a Demand Registration pursuant to subsection 2.2.1 or a Shelf Underwritten Offering pursuant to subsection 2.1.3 (including a Block Trade pursuant to subsection 2.1.4) for any or no reason whatsoever upon written notification to the Company and the Underwriter or Underwriters (if any) of its intention to so irrevocably withdraw at any time prior to (a) in the case of a Demand Registration, the effectiveness of the applicable Registration Statement or (b) in the case of any Shelf Underwritten Offering (including a Block Trade), prior to the pricing of such Shelf Underwritten Offering; provided, however, that upon withdrawal by the Demanding Holders initiating a Demand Registration (or in the case of a Shelf Underwritten Offering, withdrawal of the Shelf Requesting Holder), the Company shall cease all efforts to secure effectiveness of the applicable Registration Statement or complete the Underwritten Offering, as applicable. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with a Registration pursuant to a Demand Registration or a Shelf Underwritten Offering prior to and including its withdrawal under this subsection 2.2.5.

2.3. Piggyback Registration.

2.3.1. Piggyback Rights. If the Company proposes to file a Registration Statement under the Securities Act with respect to an offering of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into equity securities, for its own account or for the account of stockholders of the Company, other than a Registration Statement (a) filed in connection with any employee stock option or other benefit plan, (b) for an exchange offer or offering of securities solely to the Company's existing stockholders, (c) for an offering of debt that is convertible into equity securities of the Company, (d) for a dividend reinvestment plan, or (e) filed pursuant to subsection 2.1.1, then the Company shall give written notice of such proposed filing to all Holders then holding Registrable Securities as soon as practicable but not less than five (5) business days before the anticipated filing date of such Registration Statement, which notice shall (i) describe the amount and type of securities to be included in such offering, the intended method(s) of distribution (including whether such registration will be pursuant to a shelf registration statement), and the proposed price and name of the proposed managing Underwriter or Underwriters, if any, in such offering, (ii) such Holders' rights under this Section 2.3 and (iii) offer to all of the Holders of Registrable Securities the opportunity to register the sale of such number of Registrable Securities as such Holders may request in writing within three (3) business days after receipt of such written notice (or in the case of a Block Trade, within twenty-four (24) hours thereafter) (such Registration a "**Piggyback Registration**"). The Company shall, in good faith, cause such Registrable Securities identified in a Holder's response notice described in the foregoing sentence to be included in such Piggyback Registration and shall use its reasonable best efforts to cause the managing Underwriter or Underwriters of a proposed Underwritten Offering, if any, to permit the Registrable Securities requested by the Holders pursuant to this subsection

2.3.1 to be included in a Piggyback Registration on the same terms and conditions as any similar securities of the Company or Company stockholder(s) for whose account the Registration Statement is to be filed included in such Registration and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. All such Holders proposing to distribute their Registrable Securities through an Underwritten Offering under this subsection 2.3.1, subject to Section 3.3 and Article IV, shall enter into an underwriting agreement in customary form with the Underwriter(s) selected for such Underwritten Offering by the Company or Company stockholder(s) for whose account the Registration Statement is to be filed. For purposes of this Section 2.3, the filing by the Company of an automatic shelf registration statement for offerings pursuant to Rule 415(a) that omits information with respect to any specific offering pursuant to Rule 430B shall not trigger any notification or participation rights hereunder until such time as the Company amends or supplements such Registration Statement to include information with respect to a specific offering of Securities (and such amendment or supplement shall trigger the notice and participation rights provided for in this Section 2.3).

2.3.2. Reduction of Piggyback Registration. If a Piggyback Registration is to be an Underwritten Offering and the managing Underwriter or Underwriters, in good faith, advises the Company and the Holders of Registrable Securities participating in the Piggyback Registration in writing that, in its opinion, the dollar amount or number of Primary Shares that the Company desires to sell, taken together with (a) the Common Stock, if any, as to which Registration has been demanded pursuant to separate written contractual arrangements with persons or entities other than the Holders of Registrable Securities hereunder, (b) the Registrable Securities as to which registration has been requested pursuant Section 2.3 hereof, and (c) the Other Shares, exceeds the Maximum Number of Securities, then:

2.3.2.1. if the Registration is undertaken for the Company's account, the Company shall include in any such Registration (a) first, the Primary Shares, which can be sold without exceeding the Maximum Number of Securities; (b) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (a), the Registrable Securities of Holders exercising their rights to register their Registrable Securities pursuant to subsection 2.3.1 hereof, Pro Rata, which can be sold without exceeding the Maximum Number of Securities; and (c) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (a) and (b), the Other Shares which can be sold without exceeding the Maximum Number of Securities; and

2.3.2.2. if the Registration is pursuant to a request by persons or entities other than the Holders of Registrable Securities, then the Company shall include in any such Registration (a) first, the Common Stock or other equity securities, if any, of such requesting persons or entities, other than the Holders of Registrable Securities, which can be sold without exceeding the Maximum Number of Securities; (b) second, to the extent that the Maximum Number of Securities has not been reached under the foregoing clause (a), the Registrable Securities of Holders exercising their rights to register their Registrable Securities pursuant to subsection 2.3.1 hereof, Pro Rata, which can be sold without exceeding the Maximum Number of Securities; (c) third, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (a) and (b), the Primary Shares which can be sold without exceeding the Maximum Number of Securities; and (d) fourth, to the extent that the Maximum Number of Securities has not been reached under the foregoing clauses (a), (b) and (c), the Other Shares which can be sold without exceeding the Maximum Number of Securities.

2.3.3. Piggyback Registration Withdrawal. Any Holder of Registrable Securities shall have the right to withdraw all or any portion of its Registrable Securities in a Piggyback Registration for any or no reason whatsoever upon written notification to the Company and the Underwriter or Underwriters (if any) of his, her or its intention to withdraw such Registrable Securities from such Piggyback Registration prior to in the case of a Piggyback Registration not involving an Underwritten Offering or Shelf Underwritten Offering, the effectiveness of the applicable Registration Statement. The Company (whether on its own good faith determination or as the result of a request for withdrawal by persons pursuant to separate written contractual obligations) may withdraw a Registration Statement filed with the Commission in connection with a Piggyback Registration at any time prior to the effectiveness of such Registration Statement. Notwithstanding anything to the contrary in this Agreement, the Company shall be responsible for the Registration Expenses incurred in connection with the Piggyback Registration prior to and including its withdrawal under this subsection 2.3.3.

2.3.4. Unlimited Piggyback Registration Rights. For purposes of clarity, any Registration effected pursuant to Section 2.3 hereof shall not be counted as a Registration pursuant to a Demand Registration effected under Section 2.2 hereof and shall not relieve the Company of its obligations under Section 2.1 or Section 2.2.

2.4. Restrictions on Registration Rights. If (a) during the period starting with the date sixty (60) days prior to the Company's good faith estimate of the date of the filing of, and ending on a date one hundred and twenty (120) days after the effective date of, a Company initiated Registration and provided that the Company has delivered written notice to the Holders prior to receipt of a Demand Registration pursuant to subsection 2.2.1 and it continues to actively employ, in good faith, all reasonable efforts to cause the applicable Registration Statement to become effective; (b) the Holders have requested an Underwritten Registration and the Company and the Holders are unable to obtain the commitment of underwriters to firmly underwrite the offer; or (c) in the good faith judgment of the Board such Registration would be seriously detrimental to the Company and the Board concludes as a result that it is essential to defer the filing of such Registration Statement at such time, then in each case the Company shall furnish to such Holders a certificate signed by the Chairman of the Board stating that in the good faith judgment of the Board it would be seriously detrimental to the Company for such Registration Statement to be filed in the near future and that it is therefore essential to defer the filing of such Registration Statement. In such event, the Company shall have the right to defer such filing for a period of not more than thirty (30) days; provided, however, that the Company shall not defer its obligation in this manner more than once in any twelve (12)-month period (the "**Aggregate Blocking Period**"). Notwithstanding anything to the contrary herein, the Oak Hill Holders and each Sponsor shall be able to either (and not both) (i) make one (1) demand request under, and subject to the terms and procedures set forth in Section 2.2, or (ii) initiate one (1) Shelf Underwritten Offering under, and subject to the terms and conditions set forth in Section 2.1 (in each case in accordance with the terms of Section 3.3).

2.5. Rule 415; Removal. If at any time the Commission takes the position that the offering of some or all of the Registrable Securities in a Registration Statement on Form S-3 filed pursuant to this Section 2 is not eligible to be made on a delayed or continuous basis under the provisions of Rule 415 under the Securities Act (provided, however, the Company shall be obligated to use diligent efforts to advocate with the Commission for the registration of all of the Registrable Securities in accordance with the Commission Guidance, including without limitation, Compliance and Disclosure Interpretation 612.09) or requires a CCMP Holder to be named as an “underwriter,” the Company shall (i) promptly notify each holder of Registrable Securities thereof (or in the case of the Commission requiring a CCMP Holder to be named as an “underwriter,” the CCMP Holders) and (ii) use reasonable best efforts to persuade the SEC that the offering contemplated by such Registration Statement is a valid secondary offering and not an offering “by or on behalf of the issuer” as defined in Rule 415 and that none of the CCMP Holders is an “underwriter.” The Holders shall have the right to select one (1) legal counsel designated by the holders of a majority of the Registrable Securities subject to such Registration Statement to review and oversee any registration or matters pursuant to this Section 2.5, including participation in any meetings or discussions with the Commission regarding the Commission’s position and to comment on any written submission made to the Commission with respect thereto. No such written submission with respect to this matter shall be made to the Commission to which the applicable Holders’ counsel reasonably objects. In the event that, despite the Company’s reasonable best efforts and compliance with the terms of this Section 2.5, the Commission refuses to alter its position, the Company shall (i) remove from such Registration Statement such portion of the Registrable Securities (the “*Removed Shares*”) and/or (ii) agree to such restrictions and limitations on the registration and resale of the Registrable Securities as the Commission may require to assure the Company’s compliance with the requirements of Rule 415; provided, however, that the Company shall not agree to name any CCMP Holder as an “underwriter” in such Registration Statement without the prior written consent of such CCMP Holder. In the event of a share removal pursuant to this Section 2.5, the Company shall give the applicable Holders at least three (3) business days prior written notice along with the calculations as to such Holder’s allotment. Any removal of shares of the Holders pursuant to this Section 2.5 shall first be applied to Holders other than the CCMP Holders with securities registered for resale under the applicable Registration Statement and thereafter allocated between the CCMP Holders on a pro rata basis based on the aggregate amount of Registrable Securities held by the CCMP Holders. In the event of a share removal of the Holders pursuant to this Section 2.5, the Company shall promptly register the resale of any Removed Shares pursuant to subsection 2.1.2 hereof and in no event shall the filing of such Registration Statement on Form S-1 or subsequent Registration Statement on Form S-3 filed pursuant to the terms of subsection 2.1.2 be counted as a Demand Registration hereunder. Until such time as the Company has registered all of the Removed Shares for resale pursuant to Rule 415 on an effective Registration Statement, the Company shall not be able to defer the filing of a Registration Statement pursuant to Section 2.4 hereof.

2.6. Lock-Up Agreements.

2.6.1. Each Sponsor agrees that it shall not Transfer any Founder Shares (or any shares of Common Stock issuable upon conversion thereof) until the expiration of the Founder Shares Lock-Up Period and will not transfer any Private Placement Warrants (or any shares of Common Stock issued or issuable upon the exercise of the Private Placement Warrants), until the expiration of the Private Placement Warrants Lock-Up Period. The foregoing restrictions shall not apply to Permitted Transfers or Transfers made by a Permitted Transferee.

2.6.2. Each Hillman Holder agrees that it, he or she shall not Transfer any shares of Closing Hillman Stock for six (6) months following the Closing Date (the "**Hillman Lock-Up Period**"); provided, (x) that 33% of the Closing Hillman Stock shall be transferable as part of an Underwritten Offering following 90 days after the Closing Date if the last closing price of the Common Stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period after the Closing, and (y) each executive officer and director of the Company shall be permitted to establish a plan to acquire and sell shares of Common Stock pursuant to Rule 10b5-1 under the Exchange Act, provided that such plan does not provide for the Transfer of shares of Closing Hillman Stock during the HillmanLock-up Period. The foregoing restrictions shall not apply to Permitted Transfers or Transfers made by a Permitted Transferee.

2.6.3. Each Holder agrees, and the Company agrees and shall cause each director and officer of the Company to agree, that, in connection with each Registration or sale of Registrable Securities pursuant to Section 2.1, Section 2.2 or Section 2.3 conducted as an Underwritten Offering, if requested, to become bound by and to execute and deliver a customary lock-up agreement with the Underwriter(s) of such Underwritten Offering restricting such applicable person or entity's right to (a) Transfer, directly or indirectly, any equity securities of the Company held by such person or entity or (b) enter into any swap or other arrangement that transfers to another any of the economic consequences of ownership of such securities during the period commencing on the date of the final Prospectus relating to the Underwritten Offering and ending on the date specified by the Underwriters (such period not to exceed ninety (90) days). The terms of such lock-up agreements shall be negotiated among the applicable Holder requested to enter into lock-up agreements in accordance with the immediately preceding sentence, the Company and the Underwriters and shall include customary exclusions from the restrictions on Transfer set forth therein, including that such restrictions on the applicable Holder shall be conditioned upon all officers and directors of the Company, as well as all Holders, being subject to the same restrictions; provided, that, to the extent any Holder is granted a release or waiver from the restrictions contained in this Section 2.6.3 and in such Holder's lock-up agreement prior to the expiration of the period set forth in such Holder's lock-up agreement, then all Holders shall be automatically granted a release or waiver from the restrictions contained in this Section 2.6.3 and the applicable lock-up agreements to which they are party to the same extent, on substantially the same terms as and on a pro rata basis with, the Holder to which such release or waiver is granted. The provisions of this Section 2.6.3 shall not apply to any Holder that holds less than one percent (1%) of then total issued and outstanding Common Stock.

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**ARTICLE III  
COMPANY PROCEDURES**

3.1. General Procedures. If the Company is required to effect the Registration of Registrable Securities, or facilitate an offering to sell Registrable Securities, pursuant to its obligations under Article 2, the Company shall use its reasonable best efforts to effect such Registration to permit the sale of such Registrable Securities in accordance with the intended plan of distribution thereof as expeditiously as possible, and, not in limitation of any of the Company's obligations under Article 2, in connection therewith the Company shall:

3.1.1. prepare and file with the Commission as soon as practicable a Registration Statement with respect to such Registrable Securities and use its reasonable best efforts to cause such Registration Statement to become effective and remain effective until all Registrable Securities covered by such Registration Statement have been sold;

3.1.2. prepare and file with the Commission such amendments and post-effective amendments to the Registration Statement, and such supplements to the Prospectus, as may be requested by any Holder with Registrable Securities covered by such Prospectus or any Underwriter of Registrable Securities or as may be required by the rules, regulations or instructions applicable to the registration form used by the Company or by the Securities Act or rules and regulations thereunder to keep the Registration Statement effective until all Registrable Securities covered by such Registration Statement are sold in accordance with the intended plan of distribution set forth in such Registration Statement or supplement to the Prospectus;

3.1.3. prior to filing a Registration Statement or Prospectus, or any amendment or supplement thereto, (a) furnish without charge to the Underwriters, if any, and the Holders of Registrable Securities included in such Registration, and such Holders' legal counsel, copies of such Registration Statement as proposed to be filed, each amendment and supplement to such Registration Statement (in each case including all exhibits thereto and documents incorporated by reference therein), the Prospectus included in such Registration Statement (including each preliminary Prospectus), and such other documents as the Underwriters and the Holders of Registrable Securities included in such Registration or the legal counsel for any such Holders may request in order to facilitate the disposition of the Registrable Securities owned by such Holders, and (b) make such changes in such documents concerning the Holders prior to the filing thereof as such Holders, or their counsel, may reasonably request;

3.1.4. prior to any public offering of Registrable Securities, but in any case no later than the effective date of the applicable Registration Statement, use its reasonable best efforts to (a) register or qualify the Registrable Securities covered by the Registration Statement under such securities or "blue sky" laws of such jurisdictions in the United States as the Holders of Registrable Securities included in such Registration Statement (in light of their intended plan of distribution) may request and to keep such registration or qualification in effect for so long as such Registration Statement remains in effect and (b) take such action necessary to cause such Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental authorities as may be necessary by virtue of the business and operations of the Company or otherwise and do any and all other acts and things that may be necessary or advisable, in each case, to enable the Holders of Registrable Securities included in such Registration Statement to consummate the disposition of such Registrable Securities in such jurisdictions; provided, however, that the Company shall not be required to qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify or take any action to which it would be subject to general service of process or taxation in any such jurisdiction where it is not then otherwise so subject;



3.1.5. cause all such Registrable Securities to be listed on each securities exchange or automated quotation system on which similar securities issued by the Company are then listed no later than the effective date of such Registration Statement;

3.1.6. provide a transfer agent or warrant agent, as applicable, and registrar for all such Registrable Securities no later than the effective date of such Registration Statement;

3.1.7. promptly furnish to each seller of Registrable Securities covered by such Registration Statement such number of conformed copies of such Registration Statement and of each such amendment and supplement thereto (in each case including all exhibits), such number of copies of the Prospectus contained in such Registration Statement (including each preliminary Prospectus and any summary Prospectus) and any other Prospectus filed under Rule 424 under the Securities Act, in conformity with the requirements of the Securities Act, and such other documents as such seller may reasonably request;

3.1.8. advise each seller of such Registrable Securities, promptly after it shall receive notice or obtain knowledge thereof, of any written comments by the Commission or any request by the Commission that the Company amend or supplement such Registration Statement or Prospectus or the issuance of any stop order by the Commission suspending the effectiveness of such Registration Statement or Prospectus the initiation or threatening of any proceeding for such purpose and promptly use its reasonable best efforts to amend or supplement such Registration Statement or Prospectus or prevent the issuance of any stop order or to obtain its withdrawal if such stop order should be issued, as applicable;

3.1.9. advise each Holder of Registrable Securities covered by such Registration Statement, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any Prospectus forming a part of such registration statement has been filed;

3.1.10. at least five (5) days prior to the filing of any Registration Statement or Prospectus or any amendment or supplement to such Registration Statement or Prospectus or any document that is to be incorporated by reference into such Registration Statement or Prospectus, furnish a copy thereof to each seller of such Registrable Securities and its counsel (including, without limitation, providing copies promptly upon receipt of any comment letters received with respect to any such Registration Statement or Prospectus), and not to file any such Registration Statement or Prospectus, or amendment or supplement thereto, to which any such Holder or Registrable Securities shall have reasonably objected;

3.1.11. notify the Holders at any time when a Prospectus relating to such Registration Statement is required to be delivered under the Securities Act, of the happening of any event or the existence of any condition as a result of which the Prospectus included in such Registration Statement, as then in effect, includes a Misstatement, or in the opinion of counsel for the Company it is necessary to supplement or amend such Prospectus to comply with law, and

then to correct such Misstatement or include such information as is necessary to comply with law, in each case as set forth in Section 3.4 hereof, at the request of any such Holder promptly prepare and furnish to such Holder a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such Prospectus shall not include a Misstatement or such Prospectus, as supplemented or amended, shall comply with law;

3.1.12. permit a representative of the Holders (such representative to be selected by a majority of the participating Holders), the Underwriters, if any, and any attorney or accountant retained by such Holders or Underwriter to participate in the preparation of any Registration Statement, each such Prospectus included therein or filed with the Commission, and each amendment or supplement thereto, and will give each of them such access to its books and records and such opportunities to discuss the business, finances and accounts of the Company and its subsidiaries with its officers, directors and the independent public accountants who have certified its financial statements as shall be necessary, in the opinion of such Holders' and such Underwriters' respective counsel, to conduct a reasonable investigation within the meaning of the Securities Act, and will cause the Company's officers, directors and employees to supply all information reasonably requested by any such representative, Underwriter, attorney or accountant in connection with the Registration; provided, however, that if requested by the Company, such representatives or Underwriters enter into a confidentiality agreement, in form and substance reasonably satisfactory to the Company, prior to the release or disclosure of any such information; and provided, further, the Company may not include the name of any Holder or Underwriter or any information regarding any Holder or Underwriter in any Registration Statement or Prospectus, any amendment or supplement to such Registration Statement or Prospectus, any document that is to be incorporated by reference into such Registration Statement or Prospectus, or any response to any comment letter, without the prior written consent of such Holder or Underwriter and providing each such Holder or Underwriter a reasonable amount of time to review and comment on such applicable document, which comments the Company shall include unless contrary to applicable law;

3.1.13. obtain a "cold comfort" letter (including a bring-down letter dated as of the date the Registrable Securities are delivered for sale pursuant to such Registration) from the Company's independent registered public accountants in the event of an Underwritten Offering which the participating Holders may rely on (if requested by a participating Holder), in customary form and covering such matters of the type customarily covered by "cold comfort" letters as the managing Underwriter may reasonably request, and reasonably satisfactory to the participating Holders and any Underwriter;

3.1.14. on the date the Registrable Securities are delivered for sale pursuant to such Registration, obtain an opinion and negative assurance letter, dated such date, of counsel representing the Company for the purposes of such Registration, addressed to the Holders, the placement agent or sales agent, if any, and the Underwriters, if any, covering such legal matters with respect to the Registration in respect of which such opinion is being given as the Holders, placement agent, sales agent, or Underwriter may reasonably request and as are customarily included in such opinions and negative assurance letters, and reasonably satisfactory to the participating Holders and any Underwriter;

3.1.15. in the event of any Underwritten Offering, enter into and perform its obligations under an underwriting agreement and a “lock up” agreement, in usual and customary form, with the managing Underwriter of such offering;

3.1.16. otherwise use its reasonable best efforts to comply with all applicable rules and regulations of the Commission, and to make available to its security holders, as soon as reasonably practicable, an earnings statement covering the period of at least twelve (12) months beginning with the first day of the Company’s first full calendar quarter after the effective date of the Registration Statement which satisfies the provisions of Section 11(a) of the Securities Act and the rules and regulations thereunder, including Rule 158 thereunder (or any successor rule promulgated thereafter by the Commission);

3.1.17. make available senior executives of the Company to participate in customary “road show” presentations or meetings with potential investors that may be reasonably requested by the Underwriter in any Underwritten Offering; and

3.1.18. otherwise, in good faith, cooperate reasonably with, and take such customary actions as may reasonably be requested by the Holders, including causing the officers and directors of the Company to enter into customary “lock-up agreements,” in connection with such Registration.

3.2. Registration Expenses. The Registration Expenses of all Registrations shall be borne by the Company. It is acknowledged by the Holders that the Holders shall bear all incremental selling expenses relating to the sale of Registrable Securities, such as Underwriters’ commissions and discounts, brokerage fees and, other than as set forth in the definition of “Registration Expenses,” all reasonable fees and expenses of any legal counsel representing the Holders.

3.3. Participation in Underwritten Offerings

3.3.1. No person may participate in any Underwritten Offering for equity securities of the Company pursuant to a Registration initiated by the Company hereunder unless such person (a) agrees to sell such person’s securities on the basis provided in any underwriting arrangements approved by the Company and (b) completes and executes all customary questionnaires, indemnities, lock-up agreements, underwriting agreements and other customary documents as may be reasonably required under the terms of such underwriting arrangements.

3.3.2. Holders participating in an Underwritten Offering may, at their option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of the Underwriters shall also be made to and for the benefit of such Holders and that any or all of the conditions precedent to the obligations of such Underwriters shall also be made to and for the benefit of such Holders; provided, however, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Holder in writing for inclusion in the Registration Statement.

3.3.3. The Company will use its commercially reasonable efforts to ensure that no Underwriter shall require any Holder to make any representations or warranties to or agreements with the Company or the Underwriters other than representations, warranties or agreements regarding such Holder and such Holder's intended method of distribution and any other representation required by law, and if, despite the Company's commercially reasonable efforts, an Underwriter requires any Holder to make additional representation or warranties to or agreements with such Underwriter, such Holder may elect not to participate in such Underwritten Offering (but shall not have any claims against the Company as a result of such election). Any liability of such Holder to any Underwriter or other person under such underwriting agreement shall be limited to an amount equal to the proceeds (net of expenses and underwriting discounts and commissions) that it derives from such registration.

3.4. Suspension of Sales; Adverse Disclosure. Upon receipt of written notice from the Company that a Registration Statement or Prospectus contains a Misstatement, or in the opinion of counsel for the Company it is necessary to supplement or amend such Prospectus to comply with law, each of the Holders shall forthwith discontinue disposition of Registrable Securities until it has received copies of a supplemented or amended Prospectus correcting the Misstatement or including the information counsel for the Company believes to be necessary to comply with law (it being understood that the Company hereby covenants to prepare and file such supplement or amendment as soon as practicable after the time of such notice such that the Registration Statement or Prospectus, as so amended or supplemented, as applicable, will not include a Misstatement and complies with law), or until it is advised in writing by the Company that the use of the Prospectus may be resumed. If the filing, initial effectiveness or continued use of a Registration Statement in respect of any Registration at any time would require the Company to make an Adverse Disclosure or would require the inclusion in such Registration Statement of financial statements that are unavailable to the Company for reasons beyond the Company's control, the Company may, upon giving prompt written notice of such action to the Holders, delay the filing or initial effectiveness of, or suspend use of, such Registration Statement for the shortest period of time, but in no event more than thirty (30) days, determined in good faith by the Board to be necessary for such purpose; provided, that each day of any such suspension pursuant to this Section 3.4 shall correspondingly decrease the Aggregate Blocking Period available to the Company during any twelve (12)-month period pursuant to Section 2.4 hereof. In the event the Company exercises its rights under the preceding sentence, the Holders agree to suspend, immediately upon their receipt of the notice referred to above, their use of the Prospectus relating to any Registration in connection with any sale or offer to sell Registrable Securities. The Company shall immediately notify the Holders of the expiration of any period during which it exercised its rights under this Section 3.4.

3.5. Covenants of the Company. As long as any Holder shall own Registrable Securities, the Company hereby covenants and agrees:

3.5.1. the Company will not file any Registration Statement or Prospectus included therein or any other filing or document (other than this Agreement) with the Commission which refers to any Holder of Registrable Securities by name or otherwise without the prior written approval of such Holder;

3.5.2. the Company will not effect or permit to occur any combination or subdivision of securities which would adversely affect the ability of the Holders to effect registration of Registrable Securities in the manner contemplated by this Agreement;

3.5.3. at all times while it shall be a reporting company under the Exchange Act, to file timely (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to Sections 13(a) or 15(d) of the Exchange Act and to promptly furnish the Holders with true and complete copies of all such filings. The Company further covenants that it shall take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell shares of Common Stock held by such Holder without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 promulgated under the Securities Act (or any successor rule promulgated thereafter by the Commission), including providing any legal opinions. Upon the request of any Holder, the Company shall deliver to such Holder a written certification of a duly authorized officer as to whether it has complied with such requirements; and

3.5.4. promptly following the effectiveness of the shelf registration statement required by subsection 2.1.1 (and in any event within three (3) business days from such effectiveness), the Company shall cause the transfer agent to remove any restrictive legends (including any electronic transfer restrictions) from any Common Stock or Private Placement Warrants held by such Holder and provide or cause any customary opinions of counsel to be delivered to the transfer agent in connection with such removal.

#### **ARTICLE IV INDEMNIFICATION AND CONTRIBUTION**

##### **4.1. Indemnification.**

4.1.1. In connection with any registration of and/or any offering and sale of Registrable Securities pursuant to this Agreement, the Company agrees to indemnify, to the full extent permitted by law, each Holder of Registrable Securities, its officers, directors, partners, stockholders or members, employees, agents, investment advisors and each person who controls such Holder (within the meaning of the Securities Act and Exchange Act) from and against all losses, claims, damages, liabilities and expenses (including attorneys' fees), joint or several (or actions or proceedings, whether commenced or threatened, in respect thereof) (collectively, "**Claims**"), to which any such Holder or other persons may become subject, insofar as such Claims arise out of or are based on any untrue or alleged untrue statement of any material fact contained in any Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, and the Company will reimburse such Holder or other person for any legal or any other expenses reasonably incurred by them in connection with investigating or defending any such Claim; except insofar as the Claim or expense arises out of or is based upon an untrue statement or alleged untrue statement or

omission or alleged omission made in such filing in reliance upon and in conformity with information furnished in writing to the Company by such Holder expressly for use therein. The Company shall indemnify the Underwriters, their officers and directors and each person who controls such Underwriters (within the meaning of the Securities Act and Exchange Act) to the same extent as provided in the foregoing with respect to the indemnification of the Holder.

4.1.2. In connection with any Registration Statement in which a Holder of Registrable Securities is participating, the Company may require that, as a condition to including any Registrable Securities in any Registration Statement, the Company shall have received an undertaking reasonably satisfactory to it from such Holder, to indemnify the Company, its directors and officers and agents and each person who controls the Company (within the meaning of the Securities Act and Exchange Act) from and against any Claims, to which any the Company or such other persons may become subject, insofar as such Claims arise out of or are based on any untrue statement of any material fact contained in the Registration Statement, Prospectus or preliminary Prospectus or any amendment thereof or supplement thereto or any omission of a material fact required to be stated therein or necessary to make the statements therein not misleading, but only to the extent that such untrue statement or omission is contained in any information furnished in writing by such Holder expressly for use therein; provided, however, that the obligation to indemnify shall be several, not joint and several, among such Holders of Registrable Securities, and the liability of each such Holder of Registrable Securities shall be in proportion to and limited to the net proceeds received by such Holder from the sale of Registrable Securities pursuant to such Registration Statement. The Holders of Registrable Securities shall indemnify the Underwriters, their officers, directors and each person who controls such Underwriters (within the meaning of the Securities Act and Exchange Act) to the same extent as provided in the foregoing with respect to indemnification of the Company and the Company shall use its commercially reasonable efforts to ensure that no Underwriter shall require any Holder of Registrable Securities to provide any indemnification other than that provided hereinabove in this subsection 4.1.2, and, if, despite the Company's commercially reasonable efforts, an Underwriter requires any Holder of Registrable Securities to provide additional indemnification, such Holder may elect not to participate in such Underwritten Offering (but shall not have any claim against the Company as a result of such election).

4.1.3. Any person entitled to indemnification herein shall (a) give prompt written notice to the indemnifying party of any Claim with respect to which it seeks indemnification (provided that the failure to give prompt notice shall not impair any person's right to indemnification hereunder to the extent such failure has not materially prejudiced the indemnifying party) and (b) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such Claim, permit such indemnifying party to assume the defense of such Claim with counsel reasonably satisfactory to the indemnified party. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one (1) counsel (plus local counsel) for all parties indemnified by such indemnifying party with respect to such claim, unless in the reasonable judgment of any indemnified party a conflict of interest may exist between such indemnified party and any other of such indemnified parties with respect to such claim. No indemnifying party shall, without the consent of the indemnified party, consent to the

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entry of any judgment or enter into any settlement which cannot be settled in all respects by the payment of money (and such money is so paid by the indemnifying party pursuant to the terms of such settlement) and which settlement includes a statement or admission of fault or culpability on the part of such indemnified party or does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

4.1.4. The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director, partners, stockholders or members, employees, agents, investment advisors or controlling person of such indemnified party and shall survive the transfer of Registrable Securities.

4.1.5. If the indemnification provided under Section 4.1 hereof from the indemnifying party is unavailable or insufficient to hold harmless an indemnified party in respect of any Claims, then the indemnifying party, in lieu of indemnifying the indemnified party, shall contribute to the amount paid or payable by the indemnified party as a result of such Claims (a) in such proportion as is appropriate to reflect the relative benefits received by the indemnifying party or parties on the one hand and the indemnified party or parties on the other hand from the offering of the Registrable Securities or (b) if the allocation provided by clause (a) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (a) above but also to reflect the relative fault of the indemnifying party or parties on the other hand in connection with the statements or omissions that resulted in such Claims, as well as any other relevant equitable considerations. The relative fault of the indemnifying party and indemnified party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact, was made by, or relates to information supplied by, such indemnifying party or indemnified party, and the indemnifying party's and indemnified party's relative intent, knowledge, access to information and opportunity to correct or prevent such action; provided, however, that the liability of any Holder or any director, officer, employee, agent, investment advisor or controlling person thereof under this subsection 4.1.5 shall be limited to the amount of the net proceeds received by such Holder in such offering giving rise to such liability. The amount paid or payable by a party as a result of the losses or other liabilities referred to above shall be deemed to include, subject to the limitations set forth in subsections 4.1.1, 4.1.2 and 4.1.3 above, any legal or other fees, charges or expenses reasonably incurred by such party in connection with any investigation or proceeding. The parties hereto agree that it would not be just and equitable if contribution pursuant to this subsection 4.1.5 were determined by pro rata allocation or by any other method of allocation, which does not take account of the equitable considerations referred to in this subsection 4.1.5. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution pursuant to this subsection 4.1.5 from any person who was not guilty of such fraudulent misrepresentation.

4.1.6. The indemnification required by this Section 4.1 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

## ARTICLE V MISCELLANEOUS

5.1. Notices. Any notice or communication under this Agreement must be in writing and given by (a) delivery in person or by courier service providing evidence of delivery, or (b) transmission by hand delivery, electronic mail or facsimile. Each notice or communication that is delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent, and received, in the case of notices delivered by courier service, hand delivery, electronic mail or facsimile, at such time as it is delivered to the addressee (with the delivery receipt or the affidavit of messenger) or at such time as delivery is refused by the addressee upon presentation. Any notice or communication under this Agreement must be addressed, if to the Company, to: Hillman Solutions Corp., 10590 Hamilton Avenue, Cincinnati, OH 45231, Attention: Chief Executive Officer and General Counsel, and, if to any Holder, at such Holder's address or contact information (including e-mail address) as set forth in the Company's books and records. Any party may change its address for notice at any time and from time to time by written notice to the other parties hereto, and such change of address shall become effective thirty (30) days after delivery of such notice as provided in this Section 5.1.

### 5.2. Assignment; No Third Party Beneficiaries.

5.2.1. This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part.

5.2.2. The rights of a Holder hereunder may be assigned (but only with all related obligations as set forth below) in connection with a Transfer of Registrable Securities to a Permitted Transferee of that Holder. No assignment by any Holder of such Holder's rights, duties and obligations hereunder shall be binding upon or obligate the Company unless and until the Company shall have received (a) written notice of such assignment as provided in Section 5.1 hereof and (b) the written agreement of the Permitted Transferee to which the assignment is being made, in a form reasonably satisfactory to the Company, to be bound by the terms and provisions of this Agreement (which may be accomplished by an addendum or certificate of joinder to this Agreement). Any transfer or assignment made other than as provided in this Section 5.2 shall be null and void.

5.2.3. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties and its successors and the permitted assigns of the applicable Holders.

5.2.4. This Agreement shall not confer any rights or benefits on any persons that are not parties hereto, other than as expressly set forth in this Agreement and Section 5.2 hereof.



5.3. Counterparts. This Agreement may be executed in multiple counterparts (including facsimile or PDF counterparts), each of which shall be deemed an original, and all of which together shall constitute the same instrument, but only one of which need be produced.

5.4. Governing Law; Venue. NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT (I) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED UNDER THE LAWS OF THE STATE OF NEW YORK AS APPLIED TO AGREEMENTS AMONG NEW YORK RESIDENTS ENTERED INTO AND TO BE PERFORMED ENTIRELY WITHIN NEW YORK, AND (II) THE VENUE FOR ANY ACTION TAKEN WITH RESPECT TO THIS AGREEMENT SHALL BE ANY STATE OR FEDERAL COURT IN NEW YORK COUNTY IN THE STATE OF NEW YORK.

5.5. Amendments and Modifications. Upon the written consent of the Company and the Holders of at least a majority in interest of the Registrable Securities at the time in question, compliance with any of the provisions, covenants and conditions set forth in this Agreement may be waived, or any of such provisions, covenants or conditions may be amended or modified; provided, however, that notwithstanding the foregoing, (a) any amendment hereto or waiver hereof that adversely affects one Holder, solely in its capacity as a holder of the shares of capital stock of the Company, in a manner that is adverse and different from the other Holders (in such capacity) shall require the consent of the Holder so affected, and (b) the consent of any Sponsor, CCMP Holder and Oak Hill Holder, as applicable, shall be required for any amendment, modification or waiver which has an adverse effect on the specific and personal rights, limitations or obligations of such Holder. No course of dealing between any Holder or the Company and any other party hereto or any failure or delay on the part of a Holder or the Company in exercising any rights or remedies under this Agreement shall operate as a waiver of any rights or remedies of any Holder or the Company. No single or partial exercise of any rights or remedies under this Agreement by a party shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder or thereunder by such party.

5.6. Other Registration Rights. Other than pursuant to the terms of the Subscription Agreements, the Company represents and warrants that no person, other than a Holder of Registrable Securities, has any right to require the Company to register any securities of the Company for sale or to include such securities of the Company in any Registration filed by the Company for the sale of securities for its own account or for the account of any other person. Further, the Company represents and warrants that this Agreement supersedes any other registration rights agreement or agreement with similar terms and conditions among the parties thereto and in the event of a conflict between any such agreement or agreements and this Agreement, the terms of this Agreement shall prevail.

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5.7. Term. This Agreement shall terminate upon the earlier of the date as of which (A) all of the Registrable Securities have been sold pursuant to a Registration Statement (but in no event prior to the applicable period referred to in Section 4(a)(3) of the Securities Act and Rule 174 thereunder (or any successor rule promulgated thereafter by the Commission)) or (B) no Holder holds Registrable Securities. The provisions of Section 3.5 and Article IV shall survive any termination.

*[Signature Pages Follow]*

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed as of the date first written above.

**COMPANY:**

**Hillman Solutions Corp.,**  
a Delaware corporation

By: \_\_\_\_\_  
Name:  
Title:

**SPONSORS:**

**JEFFERIES FINANCIAL GROUP INC.,**  
a New York corporation

By: \_\_\_\_\_  
Name:  
Title:

**TJF, LLC,**  
a Delaware limited liability company

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to A&R Registration Rights Agreement]

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**CCMP HOLDERS:**

**CCMP CAPITAL INVESTORS III, L.P.,**  
a Delaware limited liability company

By: CCMP Capital Associates III, L.P., its general partner

By: CCMP Capital Associates GP, LLC, its general partner

By: \_\_\_\_\_  
Name:  
Title:

**CCMP CAPITAL INVESTORS (EMPLOYEE) III, L.P.,**  
a Delaware limited liability company

By: CCMP Capital Associates III, L.P., its general partner

By: CCMP Capital Associates GP, LLC, its general partner

By: \_\_\_\_\_  
Name:  
Title:

**CCMP CO-INVEST III A, L.P.,**  
a Delaware limited liability company

By: CCMP Co-Invest III A GP, LLC, its general partner

By: \_\_\_\_\_  
Name:  
Title:

**OAK HILL HOLDERS:**

**OAK HILL CAPITAL PARTNERS III, L.P.,**  
a Delaware limited partnership

[Signature Page to A&R Registration Rights Agreement]

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By: OHCP GenPar III, L.P., its General Partner

By: OHCP MGP Partners III, L.P., its General Partner

By: OHCP MGP III, Ltd., its General Partner

By: \_\_\_\_\_  
Name:  
Title:

**OAK HILL CAPITAL MANAGEMENT PARTNERS  
III, L.P.,**  
a Delaware limited partnership

By: OHCP GenPar III, L.P., its General Partner

By: OHCP MGP Partners III, L.P., its General Partner

By: OHCP MGP III, Ltd., its General Partner

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to A&R Registration Rights Agreement]

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**OHCP III HC RO, L.P.,**  
a Delaware limited partnership

By: OHCP GenPar III, L.P., its General Partner

By: OHCP MGP Partners III, L.P., its General Partner

By: OHCP MGP III, Ltd., its General Partner

By: \_\_\_\_\_  
Name:  
Title:

[Signature Page to A&R Registration Rights Agreement]

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**EXHIBIT F**  
**Letter of Transmittal**

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**EXHIBIT G**  
**Equity Incentive Plan**



## FORM OF SUBSCRIPTION AGREEMENT

This SUBSCRIPTION AGREEMENT (this "Subscription Agreement") is entered into on January 24, 2021, by and between Landcadia Holdings III, Inc., a Delaware corporation (the "Company"), and the undersigned subscriber ("Subscriber").

WHEREAS, concurrently with the execution of this Subscription Agreement, the Company is entering into a definitive agreement with HMAN Group Holdings, Inc., a Delaware corporation ("Hillman"), Helios Sun Merger Sub, Inc., a Delaware corporation, and the other parties thereto, providing for the combination of the Company and Hillman (the "Merger Agreement" and the transactions contemplated by the Merger Agreement, the "Transaction");

WHEREAS, in connection with the Transaction, Subscriber desires to subscribe for and purchase from the Company, immediately prior to the consummation of the Transaction, that number of shares of the Company's Class A common stock, par value \$0.0001 per share (the "Common Stock"), set forth on the signature page hereto (the "Subscribed Shares") for a purchase price of \$10.00 per share (the "Per Share Price" and the aggregate of such Per Share Price for all Subscribed Shares being referred to herein as the "Purchase Price"), and the Company desires to issue and sell to Subscriber the Subscribed Shares in consideration of the payment of the Purchase Price by or on behalf of Subscriber to the Company; and

WHEREAS, concurrently with the execution of this Subscription Agreement, the Company is entering into subscription agreements (the "Other Subscription Agreements") and together with the Subscription Agreement, the "Subscription Agreements") with certain other investors (the "Other Subscribers") and together with Subscriber, the "Subscribers"), pursuant to which such Subscribers have agreed to purchase on the closing date of the Transaction (the "Closing Date"), inclusive of the Subscribed Shares, an aggregate amount of up to 37,500,000 shares of Common Stock, at the Per Share Price (the shares of the Other Subscribers, the "Other Subscribed Shares" and together with the Subscribed Shares, the "Collective Subscribed Shares").

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties and covenants, and subject to the conditions, herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Subscription. Subject to the terms and conditions hereof, at the Closing (as defined below), Subscriber hereby agrees to subscribe for and purchase, and the Company hereby agrees to issue and sell to Subscriber, upon the payment of the Purchase Price, the Subscribed Shares (such subscription and issuance, the "Subscription").

2. Closing.

a. The consummation of the Subscription contemplated hereby (the "Closing") shall occur on the Closing Date concurrently with or immediately prior to the consummation of the Transaction and is contingent upon the closing of the Transaction.

b. At least five (5) Business Days (as defined below) before the anticipated Closing Date, the Company shall deliver written notice to Subscriber (the "Closing Notice") specifying (i) the anticipated Closing Date and (ii) the wire instructions for delivery of the Purchase Price to the Company. No later than two (2) Business Days prior to the Closing Date set forth in the Closing Notice, Subscriber shall deliver the Purchase Price for the Subscribed Shares by wire transfer of United States dollars in immediately available funds to the account specified by the Company in the Closing Notice, such funds to be held by the Company in escrow until the Closing, and deliver to the Company such information as is reasonably requested in the Closing Notice in order for the Company to

issue the Subscribed Shares to Subscriber, including the legal name of the person in whose name the Subscribed Shares are to be issued. Upon satisfaction (or, if applicable, waiver) of the conditions set forth in this Section 2, the Company shall deliver to Subscriber (or its nominee in accordance with its delivery instructions) (i) at the Closing, the Subscribed Shares in book entry form, free and clear of any liens or other restrictions (other than those arising under this Subscription Agreement or state or federal securities laws), in the name of Subscriber (or its nominee in accordance with its delivery instructions), and (ii) as promptly as practicable after the Closing (and, in any event, within five (5) Business Days), evidence from the Company's transfer agent of the issuance to Subscriber of the Subscribed Shares on and as of the Closing Date; provided, that the Company's obligation to issue the Subscribed Shares to Subscriber is contingent upon the Company having received the Purchase Price in full in accordance with this Section 2.b. In the event that the consummation of the Transaction does not occur within three (3) Business Days after the anticipated Closing Date specified in the Closing Notice, unless otherwise agreed to in writing by the Company and the Subscriber, the Company shall promptly (but in no event later than two (2) Business Days thereafter) return the funds so delivered by Subscriber to the Company by wire transfer in immediately available funds to the account specified by Subscriber, and any book entries representing the Subscribed Shares shall be deemed cancelled. Notwithstanding such return or cancellation (x) a failure to close on the anticipated Closing Date shall not, by itself, be deemed to be a failure of any of the conditions to Closing set forth in this Section 2 to be satisfied or waived on or prior to the Closing Date, and (y) unless and until this Subscription Agreement is terminated in accordance with Section 6 herein, Subscriber shall remain obligated (A) to redeliver funds to the Company in accordance with this Section 2.b following the Company's delivery to Subscriber of a new Closing Notice and (B) to consummate the Closing upon satisfaction of the conditions set forth in this Section 2. For the purposes of this Subscription Agreement, "Business Day" means any day other than a Saturday, Sunday or a day on which the Federal Reserve Bank of New York is closed.

c. The obligation of the Company and the Subscriber to consummate the Closing shall be subject to the satisfaction by the Company and Hillman of, or the valid waiver by the Company, Hillman and the Subscriber of the conditions that, on the Closing Date:

(i) no suspension of the qualification of the Subscribed Shares for offering or sale or trading in any jurisdiction, or initiation or threatening of any proceedings for any of such purposes, shall have occurred;

(ii) all conditions precedent to the closing of the Transaction set forth in the Merger Agreement, including the approval of the Company's stockholders, shall have been satisfied or waived in accordance with the terms thereof, and the closing of the Transaction shall be scheduled to occur concurrently with or immediately following the Closing;

(iii) all consents, waivers, authorizations or orders of, any notice required to be made to, and any filing or registration with, any court or other federal, state, local or other governmental authority, self-regulatory organization (including the Nasdaq Stock Market) or other person in connection with the execution, delivery and performance of this Subscription Agreement (including, without limitation, the issuance of the Subscribed Shares) required to be made in connection with the issuance and sale of the Subscribed Shares shall have been obtained or made, except where the failure to so obtain or make would not prevent the Company from consummating the transactions contemplated hereby, including the issuance and sale of the Subscribed Shares; and

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(iv) no governmental authority shall have enacted, issued, promulgated, enforced or entered any judgment, order, law, rule or regulation (whether temporary, preliminary or permanent) which is then in effect and has the effect of making consummation of the transactions contemplated hereby illegal or otherwise restraining or prohibiting consummation of the transactions contemplated hereby; and no such governmental authority shall have instituted or threatened in writing a proceeding seeking to impose any such restraint or prohibition (except in the case of a governmental authority located outside the United States where such restraint or prohibition would not be reasonably expected to have a Company Material Adverse Effect).

d. The obligation of the Company to consummate the Closing shall be subject to the satisfaction or valid waiver by the Company and Hillman of the additional conditions that, on the Closing Date:

(i) all representations and warranties of Subscriber contained in this Subscription Agreement shall be true and correct in all material respects (other than representations and warranties that are qualified as to materiality or Subscriber Material Adverse Effect (as defined below), which representations and warranties shall be true in all respects) at and as of the Closing Date (other than those representations and warranties expressly made as of an earlier date, which shall be true, and correct in all material respects, or all respects, as applicable, as of such earlier date); and

(ii) Subscriber shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Subscription Agreement to be performed, satisfied or complied with by it at or prior to the Closing.

e. The obligation of Subscriber to consummate the Closing shall be subject to the satisfaction or valid waiver by Subscriber of the additional conditions that, on the Closing Date:

(i) all representations and warranties of the Company contained in this Subscription Agreement shall be true and correct in all material respects (other than representations and warranties that are qualified as to materiality or Company Material Adverse Effect (as defined below), which representations and warranties shall be true in all respects) at and as of the Closing Date (other than those representations and warranties expressly made as of an earlier date, which shall be true, and correct in all material respects, or all respects, as applicable, as of such earlier date);

(ii) the Company shall have performed, satisfied and complied in all material respects with all covenants, agreements and conditions required by this Subscription Agreement to be performed, satisfied or complied with by it at or prior to the Closing; and

(iii) except to the extent consented to in writing by Subscriber, the Merger Agreement (as filed with the Commission on or immediately following the date hereof) shall not have been amended, modified, supplemented or waived in a manner which materially and adversely affect the economics of the Subscribed Shares that Subscriber is acquiring pursuant to this Subscription Agreement.

f. Prior to or at the Closing, Subscriber shall deliver to the Company all such other information as is reasonably requested in order for the Company to issue the Subscribed Shares to Subscriber, including a duly completed and executed Internal Revenue Service Form W-9 or appropriate Form W-8.

3. Company Representations and Warranties. The Company represents and warrants to Subscriber that:

a. The Company (i) is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, (ii) has the corporate power and authority to own, lease and operate its properties, to carry on its business as it is now being conducted and to enter into, deliver and perform its obligations under this Subscription Agreement, and (iii) is duly licensed or qualified to conduct its business and, if applicable, is in good standing under the laws of each jurisdiction (other than its jurisdiction of incorporation) in which the conduct of its business or the ownership of its properties or assets requires such license or qualification, except, with respect to the foregoing clause (iii), where the failure to be in good standing would not reasonably be expected to have a Company Material Adverse Effect. For purposes of this Subscription Agreement, a “Company Material Adverse Effect” means an event, change, development, occurrence, condition or effect with respect to the Company and its subsidiaries, taken together as a whole (on a consolidated basis), that, individually or in the aggregate, has a material adverse effect on (a) the Company’s ability to consummate the transactions contemplated hereby, including the issuance and sale of the Subscribed Shares or (b) the business, financial condition, or results of operations of the Company and its subsidiaries, taken together as a whole (on a consolidated basis).

b. The Subscribed Shares have been duly authorized and, when issued and delivered to Subscriber against full payment therefor in accordance with the terms of this Subscription Agreement, will be validly issued, fully paid and non-assessable and will not have been issued in violation of or subject to any preemptive or similar rights created under the Company’s organizational documents or the laws of its jurisdiction of incorporation.

c. This Subscription Agreement has been duly authorized, executed and delivered by the Company, and assuming the due authorization, execution and delivery of the same by Subscriber, this Subscription Agreement shall constitute the valid and legally binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies.

d. Assuming the accuracy of the representations and warranties of Subscriber set forth in Section 4 of this Subscription Agreement, the execution and delivery of this Subscription Agreement, the issuance and sale of the Subscribed Shares and the compliance by the Company with all of the provisions of this Subscription Agreement and the consummation of the transactions contemplated herein will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of the Company pursuant to the terms of (i) any indenture, mortgage, deed of trust, loan agreement, lease, license or other agreement or instrument to which the Company is a party or by which the Company is bound or to which any of the property or assets of the Company is subject; (ii) the organizational documents of the Company; or (iii) any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over the Company or any of its properties that, in the case of clauses (i) and (iii), would reasonably be expected to have a Company Material Adverse Effect.

e. Assuming the accuracy of the representations and warranties of the Subscriber set forth in Section 4 of this Subscription Agreement, the Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority, self-regulatory organization (including the Nasdaq Stock Market) or other person in connection with the execution, delivery and performance of this Subscription Agreement (including the issuance of the Subscribed Shares), other than (i) filings required by applicable state securities laws, (ii) the filing of the Registration Statement pursuant to Section 5 below, (iii) other required filings with the U.S. Securities and Exchange Commission (the "Commission") relating to the Transaction, (iv) those required by the Nasdaq Stock Market, including with respect to obtaining stockholder approval, if applicable, (v) those required to consummate the Transaction as provided under the Merger Agreement, (vi) the filing of notification under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, if applicable, and (vii) the failure of which to obtain would not be reasonably likely to have a Company Material Adverse Effect.

f. As of their respective dates, all forms, reports, statements, schedules, proxies, registration statements and other documents required to be filed by the Company with the Commission since its initial registration of its shares of Common Stock (the "SEC Reports") complied in all material respects with the requirements of the Securities Act of 1933, as amended (the "Securities Act") and the Securities Exchange Act of 1934, and the rules and regulations of the Commission promulgated thereunder, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing and fairly present in all material respects the financial position of the Company as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, year-end audit adjustments. There are no outstanding or unresolved comments in comment letters received by the Company from the staff of the Commission with respect to any of the SEC Reports.

g. As of the date hereof and immediately prior to the Closing (prior to giving effect to the consummation of the Transaction and the transactions contemplated by the Subscription Agreements), the authorized share capital of the Company consists of 380,000,000 shares of Common Stock, 20,000,000 shares of Class B common stock, par value \$0.0001 per share ("Class B Common Stock"), and 1,000,000 preferred shares, par

value \$0.0001 per share (“Preferred Shares”). As of the date hereof and immediately prior to the Closing (prior to giving effect to the consummation of the Transaction and the transactions contemplated by the Subscription Agreements): (i) 50,000,000 shares of Common Stock, 12,500,000 shares of Class B Common Stock and no Preferred Shares were issued and outstanding; (ii) 24,666,667 warrants, each exercisable to purchase one share of Common Stock at \$11.50 per share (“Warrants”), were issued and outstanding, including 8,000,000 private placement warrants; and (iii) no Common Stock was subject to issuance upon exercise of outstanding options. No Warrants are exercisable on or prior to the Closing. All (i) issued and outstanding Common Stock has been duly authorized and validly issued, is fully paid and non-assessable and is not subject to preemptive or similar rights and (ii) outstanding Warrants have been duly authorized and validly issued, are fully paid and are not subject to preemptive or similar rights. As of the date hereof and immediately prior to the Closing, except as set forth above and pursuant to (i) the Other Subscription Agreements, and (ii) the Merger Agreement, there are no outstanding options, warrants or other rights to subscribe for, purchase or acquire from the Company any Common Stock or other equity interests in the Company (collectively, “Equity Interests”) or securities convertible into or exchangeable or exercisable for Equity Interests. Except as set forth above and pursuant to the Merger Agreement, the Company has no subsidiaries and does not own, directly or indirectly, interests or investments (whether equity or debt) in any person, whether incorporated or unincorporated. There are no stockholder agreements, voting trusts or other agreements or understandings to which the Company is a party or by which it is bound relating to the voting of any Equity Interests, other than (A) the letter agreements entered into by the Company in connection with the Company’s initial public offering on October 8, 2020 pursuant to which the Company’s sponsors and the Company’s executive officers and independent directors agreed to vote in favor of any proposed Business Combination (as defined therein), which includes the Transaction, and (B) as contemplated by the Merger Agreement. Except as described in the SEC Reports, there are no securities or instruments issued by or to which the Company is a party containing anti-dilution or similar provisions that will be triggered by the issuance of (i) the Subscribed Shares or (ii) the shares to be issued pursuant to any Other Subscription Agreement.

h. Except for such matters as have not had and would not be reasonably likely to have a Company Material Adverse Effect, there is no (i) suit, action, proceeding or arbitration before a governmental authority or arbitrator pending, or, to the knowledge of the Company, threatened in writing against the Company or (ii) judgment, decree, injunction, ruling or order of any governmental authority or arbitrator outstanding against the Company.

i. The issued and outstanding shares of Common Stock are registered pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are listed for trading on the Nasdaq Stock Market under the symbols “LCY,” “LCYAW” and “LCYAU.” There is no suit, action, proceeding or investigation pending or, to the knowledge of the Company, threatened against the Company by the Nasdaq Stock Market or the Commission with respect to any intention by such entity to deregister the shares of Common Stock or prohibit or terminate the listing of the shares of Common Stock on the Nasdaq Stock Market. The Company has taken no action that is designed to terminate the registration of the shares of Common Stock under the Exchange Act.

j. Upon consummation of the Transaction, the issued and outstanding shares of Common Stock will be registered pursuant to Section 12(b) of the Exchange Act and will be listed for trading on the Nasdaq Stock Market.

k. Assuming the accuracy of Subscriber's representations and warranties set forth in Section 4 of this Subscription Agreement, no registration under the Securities Act is required for the offer, delivery or sale of the Subscribed Shares by the Company to Subscriber.

l. Neither the Company nor any person acting on its behalf has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Subscribed Shares. Furthermore, neither the Company, nor any person acting on its behalf has, directly or indirectly, made any offers or sales of any Company security or solicited any offers to buy any security under circumstances that would adversely affect reliance by the Company on Section 4(a)(2) of the Securities Act for the exemption from registration for the transactions contemplated hereby or would require registration of the issuance of the Subscribed Shares under the Securities Act.

m. Except for Jefferies LLC and Barclays Capital Inc. (the "Placement Agents"), no broker or finder is entitled to any brokerage or finder's fee or commission solely in connection with the sale of the Subscribed Shares to Subscriber.

n. The Company is not, and immediately after receipt of payment for the Collective Subscribed Shares will not be, an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

o. Except for such matters as have not had a Company Material Adverse Effect, the Company is, and has been since its inception, in compliance with all state and federal laws applicable to the conduct of its business. The Company has not received any written, or to its knowledge, other communication from a governmental entity that alleges that the Company is not in compliance with or is in default or violation of any applicable law, except where such non-compliance, default or violation would not be reasonably likely to have, individually or in the aggregate, a Company Material Adverse Effect.

p. The Company has not entered into any subscription agreement, side letter or similar agreement with any investor in connection with such investor's direct or indirect investment in the Company other than (i) the Merger Agreement, and (ii) the Other Subscription Agreements. The Other Subscription Agreements have not been amended in any material respect following the date of this Subscription Agreement and reflect the same Per Share Price and terms that are not materially more favorable to any such Other Subscriber thereunder than the terms of this Subscription Agreement.

q. The Company acknowledges and agrees that, notwithstanding anything herein to the contrary, the Subscribed Shares may be pledged by Subscriber in connection with a bona fide margin agreement, which shall not be deemed to be a transfer, sale or assignment of the Subscribed Shares hereunder, and Subscriber effecting a pledge of Subscribed Shares shall not be required to provide Company with any notice thereof or otherwise make any delivery to Company pursuant to this Agreement. Company hereby agrees to execute and deliver such documentation as a pledgee of the Subscribed Shares may reasonably request in connection with a pledge of the Subscribed Shares to such pledgee by Subscriber.

4. Subscriber Representations and Warranties. Subscriber represents and warrants to the Company that:

a. Subscriber (i) is duly organized, validly existing and in good standing under the laws of its jurisdiction of incorporation, and (ii) has the requisite power and authority to enter into and perform its obligations under this Subscription Agreement.

b. This Subscription Agreement has been duly executed and delivered by Subscriber, and assuming the due authorization, execution and delivery of the same by the Company, this Subscription Agreement shall constitute the valid and legally binding obligation of Subscriber, enforceable against Subscriber in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors generally and by the availability of equitable remedies.

c. The execution and delivery of this Subscription Agreement, the purchase of the Subscribed Shares and the compliance by Subscriber with all of the provisions of this Subscription Agreement and the consummation of the transactions contemplated herein will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the property or assets of Subscriber pursuant to the terms of (i) any indenture, mortgage, deed of trust, loan agreement, lease, license or other agreement or instrument to which Subscriber is a party or by which Subscriber is bound or to which any of the property or assets of Subscriber is subject; (ii) the organizational documents of Subscriber; or (iii) any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over Subscriber or any of its properties that, in the case of clauses (i) and (iii), would reasonably be expected to have a Subscriber Material Adverse Effect. For purposes of this Subscription Agreement, a “Subscriber Material Adverse Effect” means an event, change, development, occurrence, condition or effect with respect to Subscriber that would reasonably be expected to have a material adverse effect on Subscriber’s ability to consummate the transactions contemplated hereby, including the purchase of the Subscribed Shares.

d. Subscriber (i) is a “qualified institutional buyer” (as defined in Rule 144A under the Securities Act) or an “accredited investor” (within the meaning of Rule 501(a) under the Securities Act) satisfying the applicable requirements set forth on Annex A, (ii) is acquiring the Subscribed Shares only for its own account and not for the account of others, or if Subscriber is subscribing for the Subscribed Shares as a fiduciary or agent for one or more investor accounts, each owner of such account is a qualified institutional buyer and Subscriber has full investment discretion with respect to each such account, and the full power and authority to make the acknowledgements, representations and agreements herein on behalf of each owner of each such account, and (iii) is not acquiring the Subscribed Shares with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act (and has provided the Company with the requested information on Annex A following the signature page hereto). Subscriber is not an entity formed for the specific purpose of acquiring the Subscribed Shares and is an “institutional account” as defined in FINRA Rule 4512(c).



e. Subscriber understands that the Subscribed Shares are being offered in a transaction not involving any public offering within the meaning of the Securities Act and that the Subscribed Shares have not been registered under the Securities Act. Subscriber understands that the Subscribed Shares may not be resold, transferred, pledged or otherwise disposed of by Subscriber absent an effective registration statement under the Securities Act, except (i) to the Company or a subsidiary thereof, or (ii) pursuant to an applicable exemption from the registration requirements of the Securities Act, and, in each of cases (i) and (ii), in accordance with any applicable securities laws of the states and other jurisdictions of the United States, and as a result of these transfer restrictions, Subscriber may not be able to readily resell the Subscribed Shares and may be required to bear the financial risk of an investment in the Subscribed Shares for an indefinite period of time. Subscriber acknowledges and agrees that, except as otherwise set forth in Section 3.q, the Subscribed Shares will not be eligible for offer, resale, transfer, pledge or disposition pursuant to Rule 144 promulgated under the Securities Act until at least one year from the Closing Date. Subscriber understands that it has been advised to consult legal counsel prior to making any offer, resale, pledge or transfer of any of the Subscribed Shares.

f. Subscriber understands and agrees that Subscriber is purchasing the Subscribed Shares directly from the Company. Subscriber further acknowledges that there have not been, and Subscriber hereby agrees that it is not relying on, any representations, warranties, covenants or agreements made to Subscriber by the Company, Hillman, the Placement Agents, any of their respective affiliates or any control persons, officers, directors, employees, partners, agents or representatives, any other party to the Transaction or any other person or entity, expressly or by implication, other than those representations, warranties, covenants and agreements of the Company set forth in this Subscription Agreement. Notwithstanding the foregoing, the Subscriber and the other parties hereto agree for the express benefit of the Placement Agents and each of their respective affiliates and representatives that none of the Placement Agents or any of their respective affiliates or representatives (i) have any duties or obligations other than those specifically set forth herein, (ii) make any representation or warranty, or have responsibilities as to the validity, accuracy, value or genuineness of any information, certificates or documentation delivered by or on behalf of the Company pursuant to this Subscription Agreement or in connection with the Transaction, or any documents related to the Transaction, including any information in any offering document, (iii) shall be liable for any improper payments made in accordance with the information provided by the Company or (iv) shall be liable (x) for any action taken, suffered or omitted by any of them in good faith and reasonably believed to be authorized or within the discretion or rights or powers conferred upon it by this Subscription Agreement or (y) for anything which any of them may do or refrain from doing in connection with this Subscription Agreement, in each case, absent such person's own gross negligence, fraud or willful misconduct. Subscriber acknowledges that certain information provided by the Company was based on projections, and such projections were prepared based on assumptions and estimates that are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the projections.

g. In making its decision to purchase the Subscribed Shares, Subscriber has relied solely upon independent investigation made by Subscriber. Subscriber acknowledges and agrees that Subscriber has received such information as Subscriber deems necessary in order to make an investment decision with respect to the Subscribed Shares, including with respect to the Company, the Transaction and Hillman and its subsidiaries (collectively, the "Acquired Companies"). Without limiting the generality of

the foregoing, Subscriber acknowledges that Subscriber has had the opportunity to review the SEC Reports. Subscriber represents and agrees that Subscriber and Subscriber's professional advisor(s), if any, have had the full opportunity to ask such questions, receive such answers and obtain such information as Subscriber and its professional advisor(s), if any, have deemed necessary to make an investment decision with respect to the Subscribed Shares. Subscriber acknowledges and agrees that none of the Placement Agents, or any affiliate of the Placement Agents has provided Subscriber with any information or advice with respect to the Subscribed Shares nor is such information or advice necessary or desired. None of the Placement Agents or any of their respective affiliates, has made or makes any representation as to the Company or the Acquired Companies or the quality or value of the Subscribed Shares and the Placement Agents and any of their respective affiliates may have acquired non-public information with respect to the Company or the Acquired Companies which Subscriber agrees need not be provided to it. Neither the Placement Agent nor any of its representatives has any responsibility with respect to the completeness or accuracy of any information or materials furnished to such Subscriber in connection with the transactions contemplated hereby. In connection with the issuance of the Subscribed Shares to Subscriber, none of the Placement Agents or any of their respective affiliates has acted as a financial advisor or fiduciary to Subscriber. The Subscriber acknowledges that the Placement Agents, their affiliates and representatives shall be entitled to (i) rely on, and shall be protected in acting upon, any certificate, instrument, opinion, notice, letter or any other document or security delivered to any of them by or on behalf of the Company, and (ii) be indemnified by the Company for acting as Placement Agent.

h. Subscriber became aware of this offering of the Subscribed Shares solely by means of direct contact between Subscriber and the Company, or their respective representatives or affiliates, or by means of contact from the Placement Agents and the Subscribed Shares were offered to Subscriber solely by direct contact between Subscriber and the Company, or their respective representatives or affiliates. Subscriber did not become aware of this offering of the Subscribed Shares, nor were the Subscribed Shares offered to Subscriber, by any other means. Subscriber acknowledges that the Company represents and warrants that the Subscribed Shares (i) were not offered by any form of general solicitation or general advertising and (ii) are not being offered in a manner involving a public offering under, or in a distribution in violation of, the Securities Act, or any state securities laws.

i. Subscriber acknowledges that it is aware that there are substantial risks incident to the purchase and ownership of the Subscribed Shares. Subscriber has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Subscribed Shares, and Subscriber has had an opportunity to seek, and has sought, such accounting, legal, business and tax advice as Subscriber has considered necessary to make an informed investment decision.

j. Subscriber has adequately analyzed and fully considered the risks of an investment in the Subscribed Shares and determined that the Subscribed Shares are a suitable investment for Subscriber and that Subscriber is able at this time and in the foreseeable future to bear the economic risk of a total loss of Subscriber's investment in the Company. Subscriber acknowledges specifically that a possibility of total loss exists.

k. Subscriber understands and agrees that no federal or state agency has passed upon or endorsed the merits of the offering of the Subscribed Shares or made any findings or determination as to the fairness of this investment.

l. Subscriber is not (i) a person or entity named on the List of Specially Designated Nationals and Blocked Persons administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") or in any Executive Order issued by the President of the United States and administered by OFAC ("OFAC List"), or a person or entity prohibited by any sanctions program by OFAC, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom, or other relevant sanctions authority (collectively, "Sanctions"), (ii) a Designated National as defined in the Cuban Assets Control Regulations, 31 C.F.R. Part 515, or (iii) anon-U.S. shell bank or providing banking services indirectly to a non-U.S. shell bank (collectively, a "Prohibited Investor"). Subscriber agrees to provide law enforcement agencies, if requested thereby, such records as required by applicable law, provided that Subscriber is permitted to do so under applicable law. Subscriber represents that if it is a financial institution subject to the Bank Secrecy Act (31 U.S.C. Section 5311 et seq.), as amended by the USA PATRIOT Act of 2001 and its implementing regulations (collectively, the "BSA/PATRIOT Act"), that Subscriber maintains policies and procedures reasonably designed to comply with applicable obligations under the BSA/PATRIOT Act. Subscriber also represents that, to the extent required, it maintains policies and procedures reasonably designed for the screening of its investors against Sanctions, including the OFAC List. Subscriber further represents and warrants that, to the extent required, it maintains policies and procedures reasonably designed to ensure that the funds held by Subscriber and used to purchase the Subscribed Shares were legally derived.

m. If Subscriber is an employee benefit plan that is subject to Title I of ERISA, a plan, an individual retirement account or other arrangement that is subject to section 4975 of the Internal Revenue Code of 1986, as amended (the "Code") or an employee benefit plan that is a governmental plan (as defined in section 3(32) of ERISA), a church plan (as defined in section 3(33) of ERISA), a non-U.S. plan (as described in section 4(b)(4) of ERISA) or other plan that is not subject to the foregoing but may be subject to provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code, or an entity whose underlying assets are considered to include "plan assets" of any such plan, account or arrangement (each, a "Plan") subject to the fiduciary or prohibited transaction provisions of ERISA or section 4975 of the Code, Subscriber represents and warrants that (i) neither the Company, nor any of its respective affiliates (the "Transaction Parties") has acted as the Plan's fiduciary, or has been relied on for advice, with respect to its decision to acquire and hold the Subscribed Shares, and none of the Transaction Parties shall at any time be relied upon as the Plan's fiduciary with respect to any decision to acquire, continue to hold or transfer the Subscribed Shares and (ii) the acquisition and holding of the Subscribed Shares will not result in a non-exempt prohibited transaction under ERISA or Section 4975 of the Code.

n. Subscriber at the Closing will have sufficient funds to pay the Purchase Price pursuant to Section 2.a.

o. Subscriber agrees that, notwithstanding Section 8.i, the Placement Agents may rely upon the representations and warranties made by Subscriber to the Company in this Subscription Agreement.

p. No foreign person (as defined in 31 C.F.R. Part 800.224) in which the national or subnational governments of a single foreign state have a substantial interest (as defined in 31 C.F.R. Part 800.244) will acquire a substantial interest in the Company as a result of the purchase and sale of the Subscribed Shares hereunder such that a declaration to the Committee on Foreign Investment in the United States would be mandatory under 31 C.F.R. Part 800.401, and no foreign person will have control (as defined in 31 C.F.R. Part 800.208) over the Company from and after the Closing as a result of the purchase and sale of the Subscribed Shares hereunder.

5. Registration of Subscribed Shares: Certain Transactions

a. The Company agrees that, within thirty (30) days after Closing Date, the Company will file with the Commission (at the Company's sole cost and expense) a registration statement registering the resale of the Subscribed Shares (the "Registration Statement"), and the Company shall use its commercially reasonable efforts to have the Registration Statement declared effective as soon as practicable after the filing thereof, but no later than sixty (60) calendar days following the Closing Date (the "Effectiveness Deadline"), *provided*, that the Effectiveness Deadline shall be extended to ninety (90) calendar days after the Closing Date if the Registration Statement is reviewed by, and comments thereto are provided from, the Commission; *provided*, that if such day falls on a Saturday, Sunday or other day that the Commission is closed for business, the Effectiveness Deadline shall be extended to the next Business Day on which the Commission is open for business. The Company shall provide a draft of the Registration Statement to Subscriber for review (but not comment) at least two (2) Business Days in advance of filing the Registration Statement; *provided* that, in no event shall the Company be required to delay or postpone the filing of such Registration Statement as a result of or in connection with Subscriber's review. Unless otherwise agreed to in writing by Subscriber, Subscriber shall not be identified as a statutory underwriter in the Registration Statement unless requested by the Commission; *provided*, that if the Commission requests that Subscriber be identified as a statutory underwriter in the Registration Statement, Subscriber will have the opportunity to withdraw from the Registration Statement upon its prompt written request to the Company. Notwithstanding the foregoing, if the Commission prevents the Company from including any or all of the shares proposed to be registered under the Registration Statement due to limitations on the use of Rule 415 of the Securities Act for the resale of the Subscribed Shares by the applicable stockholders or otherwise, such Registration Statement shall register for resale such number of Subscribed Shares which is equal to the maximum number of Subscribed Shares as is permitted by the Commission. In such event, the number of Subscribed Shares to be registered for each selling stockholder named in the Registration Statement shall be reduced *pro rata* among all such selling stockholders. The Company agrees that, except for such times as the Company has suspended the use of the prospectus forming part of a Registration Statement in accordance with this Subscription Agreement, the Company will use its commercially reasonable efforts to cause such Registration Statement to remain effective with respect to Subscriber until the earlier of (i) three (3) years from the effective date of the Registration Statement, (ii) the date on which all of the Subscribed Shares shall have been sold, or (iii) on the first date on which Subscriber can sell all of its Subscribed Shares (or shares received in exchange therefor) under Rule 144 of the Securities Act without limitation as to the manner of sale or the amount of such securities that may be sold (the "Registration Period"). If requested by Subscriber, the Company shall use its commercially reasonable efforts to cause the removal of the restrictive legends from (i) any Subscribed Shares being sold under the Registration Statement, (ii) any Registrable Securities (as defined below) at the time of sale pursuant to Rule 144 and (iii) at the request of a Holder (as defined below) at such time as any Registrable Securities held by such Holder may be sold by such Holder without restriction under Rule 144, including without limitation, any volume and manner of sale restrictions upon the receipt of customary representations and other documentation,

if any, from the Holder as reasonably requested by the Company, its counsel or the transfer agent, establishing that restrictive legends are no longer required. Subscriber agrees to disclose its beneficial ownership, as determined in accordance with Rule 13d-3 of the Exchange Act, of Subscribed Shares to the Company (or its successor) upon request to assist the Company in making the determination described above. The Company's obligations to include the Subscribed Shares in the Registration Statement are contingent upon Subscriber furnishing in writing to the Company such information regarding Subscriber, the securities of the Company held by Subscriber and the intended method of disposition of the Subscribed Shares as shall be reasonably requested by the Company to effect the registration of the Subscribed Shares, and Subscriber shall execute such documents in connection with such registration as the Company may reasonably request that are customary of a selling stockholder in similar situations, provided that Subscriber shall not in connection with the foregoing be required to execute any lock-up or similar agreement or otherwise be subject to any contractual restriction on the ability to transfer the Subscribed Shares. Any failure by the Company to file the Registration Statement within thirty (30) days after Closing Date or to effect such Registration Statement by the Effectiveness Date shall not otherwise relieve the Company of its obligations to file or effect the Registration Statement as set forth in this Section 5. "Registrable Securities" shall mean, as of any date of determination, the Subscribed Shares and any other equity security issued or issuable with respect to the Subscribed Shares by way of share split, dividend, distribution, recapitalization, merger, exchange, replacement or similar event, provided, however, that such securities shall cease to be Registrable Securities at the earliest of (A) three (3) years from the issuance of the Subscribed Shares, (B) the date all Subscribed Shares held by a Holder may be sold by such Holder without volume or manner of sale limitations pursuant to Rule 144 and without the requirement for the Company to be in compliance with the current public information required under Rule 144(c)(1) (or Rule 144(i)(2), if applicable), (C) the date on which such securities have actually been sold by a Holder, or (D) when such securities shall have ceased to be outstanding. "Holder" shall mean Subscriber or any affiliate of Subscriber to which the rights under this Section 5 shall have been assigned.

b. In the case of the registration, qualification, exemption or compliance effected by the Company pursuant to this Subscription Agreement, the Company shall, upon reasonable request, inform Subscriber as to the status of such registration, qualification, exemption and compliance. At its expense, the Company shall:

(i) except for such times as the Company has suspended the use of the prospectus forming part of a Registration Statement in accordance with this Subscription Agreement, use its commercially reasonable efforts to keep such registration, and any qualification, exemption or compliance under state securities laws which the Company determines to obtain, continuously effective with respect to Subscriber, and to keep the applicable Registration Statement or any subsequent shelf registration statement free of any material misstatements or omissions for the Registration Period;

(ii) use its commercially reasonable efforts to obtain the withdrawal of any order suspending the effectiveness of any Registration Statement as soon as reasonably practicable;

(iii) upon the occurrence of any event contemplated above, except for such times as the Company is permitted hereunder to suspend,

and has suspended, the use of a prospectus forming part of a Registration Statement, the Company shall use its commercially reasonable efforts to prepare as soon as reasonably practicable a post-effective amendment to such Registration Statement or a supplement to the related prospectus, or file any other required document so that, as thereafter delivered to purchasers of the Subscribed Shares included therein, such prospectus will not include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(iv) use its commercially reasonable efforts to cause all Subscribed Shares to be listed on each securities exchange or market, if any, on which the shares of Common Stock have been listed; and

(v) use its commercially reasonable efforts to file all reports and other materials, and provide all customary and reasonable cooperation, necessary to enable Subscriber to resell the Subscribed Shares pursuant to the Registration Statement or Rule 144 of the Securities Act, as applicable.

c. In the case of the registration effected by the Company pursuant to this Subscription Agreement, the Company shall, upon reasonable request, inform Subscriber as to the status of such registration. Subscriber shall not be entitled to use the Registration Statement for an underwritten offering of Subscribed Shares. Notwithstanding anything to the contrary contained herein, the Company may delay or postpone filing of such Registration Statement, and from time to time require Subscriber not to sell under the Registration Statement or suspend the use or effectiveness of any such Registration Statement if it determines that in order for the registration statement to not contain a material misstatement or omission, an amendment thereto would be needed, or if such filing or use could materially affect a bona fide business or financing transaction of the Company or would require premature disclosure of information that could materially adversely affect the Company (each such circumstance, a "Suspension Event"); provided, that, (i) the Company shall not so delay filing or so suspend the use of the Registration Statement for a period of more than sixty (60) consecutive days or more than two (2) times in any three hundred and sixty (360) day period and (ii) the Company shall use commercially reasonable efforts to make such registration statement available for the sale by Subscriber of such securities as soon as practicable thereafter. Upon receipt of any written notice from the Company (which notice shall not contain any material non-public information regarding the Company) of the happening of any Suspension Event during the period that the Registration Statement is effective or if as a result of a Suspension Event the Registration Statement or related prospectus contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made (in the case of the prospectus) not misleading, Subscriber agrees that (i) it will immediately discontinue offers and sales of the Subscribed Shares under the Registration Statement (excluding, for the avoidance of doubt, sales conducted pursuant to Rule 144) until Subscriber receives copies of a supplemental or amended prospectus (which the Company agrees to promptly prepare) that corrects the misstatement(s) or omission(s) referred to above and receives notice that any post-effective amendment has become effective or unless otherwise notified by the Company that it may resume such offers and sales, and (ii) it will maintain the confidentiality of any information included in such written notice delivered by the Company unless otherwise required by law or subpoena. If so directed by the Company, Subscriber will deliver to the Company or, in Subscriber's sole discretion

destroy, all copies of the prospectus covering the Subscribed Shares in Subscriber's possession; provided, however, that this obligation to deliver or destroy all copies of the prospectus covering the Subscribed Shares shall not apply (i) to the extent Subscriber is required to retain a copy of such prospectus (a) in order to comply with applicable legal, regulatory, self-regulatory or professional requirements or (b) in accordance with a bona fide pre-existing document retention policy or (ii) to copies stored electronically on archival servers as a result of automatic data back-up.

d. For purposes of this Section 5, "Subscribed Shares" shall mean, as of any date of determination, the Subscribed Shares purchased by Subscriber pursuant to this Subscription Agreement and any other equity security issued or issuable with respect to the Subscribed Shares by way of share split, dividend, distribution, recapitalization, merger, exchange, replacement or similar event, including any equity securities received with respect to the Subscribed Shares pursuant to the Transaction.

e. The Company shall, notwithstanding any termination of this Subscription Agreement, indemnify, defend and hold harmless Subscriber (to the extent a seller under the Registration Statement), the officers, directors, agents, partners, members, managers, stockholders, affiliates, employees and investment advisers of Subscriber, each person who controls Subscriber (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, agents, affiliates, employees and investment advisers of each such controlling person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including reasonable attorneys' fees) and expenses (collectively, "Losses"), as incurred, that arise out of or are based upon (i) any untrue or alleged untrue statement of a material fact contained (or incorporated by reference) in the Registration Statement, any prospectus included in the Registration Statement or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent that such untrue statements, alleged untrue statements, omissions or alleged omissions are based upon information regarding Subscriber furnished in writing to the Company by Subscriber expressly for use therein or (ii) any violation or alleged violation by the Company of the Securities Act, Exchange Act or any state securities law or any rule or regulation thereunder, in connection with the performance of its obligations under this Section 5. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an indemnified party and shall survive the transfer of the Subscribed Shares by Subscriber. Notwithstanding the forgoing, the Company's indemnification obligations shall not apply to amounts paid in settlement of any Losses or action if such settlement is effected without the prior written consent of the Company (which consent shall not be unreasonably withheld or delayed).

f. Subscriber shall, severally and not jointly with any Other Subscriber, indemnify and hold harmless the Company, its directors, officers, agents and employees, each person who controls the Company (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising out of or are based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any prospectus included in the Registration Statement, or any form of prospectus, or in any amendment or

supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading to the extent, but only to the extent, that such untrue statements or omissions are based upon information regarding Subscriber furnished in writing to the Company by Subscriber expressly for use therein. In no event shall the liability of Subscriber be greater in amount than the dollar amount of the net proceeds received by Subscriber upon the sale of the Subscribed Shares giving rise to such indemnification obligation. Notwithstanding the forgoing, Subscriber's indemnification obligations shall not apply to amounts paid in settlement of any Losses or action if such settlement is effected without the prior written consent of Subscriber (which consent shall not be unreasonably withheld or delayed).

6. Termination. This Subscription Agreement shall terminate and be void and of no further force and effect, and all rights and obligations of the parties hereunder shall terminate without any further liability on the part of any party in respect thereof, upon the earlier to occur of (a) such date and time as the Merger Agreement is terminated in accordance with its terms, (b) upon the mutual written agreement of the Company, Hillman and the Subscriber to terminate this Subscription Agreement, (c) if, on the Closing Date of the Transaction, any of the conditions to Closing set forth in Section 2 of this Subscription Agreement have not been satisfied as of the time required hereunder to be so satisfied or waived by the party entitled to grant such waiver and, as a result thereof, the transactions contemplated by this Subscription Agreement are not consummated, or (d) July 24, 2021 (the "Outside Date"); provided, that nothing herein will relieve any party from liability for any willful breach hereof prior to the time of termination, and each party will be entitled to any remedies at law or in equity to recover reasonable and documented out-of-pocket losses, liabilities or damages arising from such breach. The Company shall promptly (and, in any event, within two (2) Business Days) notify Subscriber of the termination of the Merger Agreement promptly after the termination thereof.

7. Trust Account Waiver. Subscriber hereby acknowledges that the Company has established a trust account (the "Trust Account") containing the proceeds of its initial public offering (the "IPO") and from certain private placements occurring simultaneously with the IPO (including interest accrued from time to time thereon) for the benefit of the Company's public stockholders and certain other parties (including the underwriters of the IPO). For and in consideration of the Company entering into this Subscription Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Subscriber hereby (i) agrees that it does not now and shall not at any time hereafter have any right, title, interest or claim of any kind in or to any assets held in the Trust Account, and shall not make any claim against the Trust Account, regardless of whether such claim arises as a result of, in connection with or relating in any way to this Subscription Agreement or any other matter, and regardless of whether such claim arises based on contract, tort, equity or any other theory of legal liability (any and all such claims are collectively referred to hereafter as the "Released Claims"), (ii) irrevocably waives any Released Claims that it may have against the Trust Account now or in the future as a result of, or arising out of, any negotiations, contracts or agreements with the Company, and (iii) will not seek recourse against the Trust Account for any reason whatsoever; provided however, that nothing in this Section 7 (x) shall serve to limit or prohibit the Subscriber's right to pursue a claim against Company for legal relief against assets held outside the Trust Account, for specific performance or other equitable relief, (y) shall serve to limit or prohibit any claims that the Subscriber may have in the future against Company's assets or funds that are not held in the Trust Account (including any funds that have been released from the Trust Account and any assets that have been purchased or acquired with any such funds) or (z) shall be deemed to limit any Subscriber's right to distributions from the Trust Account in accordance with the Company's amended and restated certificate of incorporation in respect of Common Stock of the Company acquired by any means other than pursuant to this Subscription Agreement.



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8. Miscellaneous.

a. All notices, requests, demands, claims, and other communications hereunder shall be in writing. Any notice, request, demand, claim, or other communication hereunder shall be deemed duly given (i) when delivered personally to the recipient, (ii) when sent, if sent by electronic mail, during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next Business Day, (iii) one Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), or (iv) four (4) Business Days after being mailed to the recipient by certified or registered mail, return receipt requested and postage prepaid, and, in each case, addressed to the intended recipient at its address specified on the signature page hereof or to such electronic mail address or address as subsequently modified by written notice given in accordance with this Section 8.a. A courtesy electronic copy of any notice sent by methods (i), (iii), or (iv) above shall also be sent to the recipient via electronic mail if provided in the applicable signature page hereof or to an electronic mail address as subsequently modified by written notice given in accordance with this Section 8.a.

b. Subscriber acknowledges that the Company, Hillman and others will rely on the acknowledgments, understandings, agreements, representations and warranties contained in this Subscription Agreement. Prior to the Closing, Subscriber agrees to promptly notify the Company and Hillman if it becomes aware that any of the acknowledgments, understandings, agreements, representations and warranties of Subscriber set forth herein are no longer accurate in all material respects. The Company acknowledges that Subscriber and others will rely on the acknowledgments, understandings, agreements, representations and warranties contained in this Subscription Agreement. Prior to the Closing, the Company agrees to promptly notify Subscriber if it becomes aware that any of the acknowledgments, understandings, agreements, representations and warranties of the Company set forth herein are no longer accurate in all material respects.

c. Each of the Company, Hillman, the Placement Agents and Subscriber is irrevocably authorized to produce this Subscription Agreement or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

d. Each party shall pay all of its own expenses in connection with this Subscription Agreement and the transactions contemplated herein.

e. Neither this Subscription Agreement nor any rights that may accrue to Subscriber hereunder (other than the Subscribed Shares acquired hereunder, if any and Subscriber's rights under Section 5 hereof) may be transferred or assigned. Neither this Subscription Agreement nor any rights that may accrue to the Company hereunder may be transferred or assigned (provided, that, for the avoidance of doubt, the Company may transfer the Subscription Agreement and its rights hereunder solely in connection with the consummation of the Transaction and exclusively to another entity under the control of, or under common control with, the Company). Notwithstanding the foregoing, Subscriber may assign its rights and obligations under this Subscription Agreement to one or more of its affiliates (including other investment funds or accounts managed or advised by the investment manager who acts on behalf of the Subscriber) or, with the Company's prior written consent, to another person, provided that no such assignment shall relieve Subscriber of its obligations hereunder if any such assignee fails to perform such obligations, unless the Company has given its prior written consent to such relief.

f. All the agreements, representations and warranties made by each party hereto in this Subscription Agreement shall survive the Closing.

g. The Company may request from Subscriber such additional information as the Company may reasonably deem necessary to evaluate the eligibility of Subscriber to acquire the Subscribed Shares and to register the Subscribed Shares for resale, and Subscriber shall promptly provide such information as may be reasonably requested, to the extent readily available and to the extent consistent with its internal policies and procedures; *provided*, that the Company agrees to keep any such information provided by Subscriber confidential, except to the extent required to be included in the Registration Statement. Subscriber acknowledges that the Company may file a copy of the form of this Subscription Agreement with the Commission as an exhibit to a periodic report or a registration statement of the Company.

h. This Subscription Agreement may not be amended, modified, waived or terminated (other than pursuant to the terms of Section 6 above) except by an instrument in writing, signed by each of the parties hereto; provided, that no amendment, modification, waiver or termination (other than pursuant to the terms of Section 6 above) of the provisions of this Subscription Agreement shall be effective without the prior written consent of Hillman (other than amendments, modifications or waivers that are solely ministerial in nature or otherwise immaterial and do not affect any economic or any other material term of this Subscription Agreement).

i. This Subscription Agreement constitutes the entire agreement, and supersedes all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof. Except as set forth in Section 8.m, this Subscription Agreement shall not confer any rights or remedies upon any person other than the parties hereto and their respective permitted successors and assigns.

j. Except as otherwise provided herein, this Subscription Agreement shall be binding upon, and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives, and permitted assigns, and the agreements, representations, warranties, covenants and acknowledgments contained herein shall be deemed to be made by, and be binding upon, such heirs, executors, administrators, successors, legal representatives and permitted assigns.

k. If any provision of this Subscription Agreement shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Subscription Agreement shall not in any way be affected or impaired thereby and shall continue in full force and effect.

l. Paragraph titles are for descriptive purposes only and shall not control or alter the meaning of this Subscription Agreement as set forth in the text. For purposes of this Subscription Agreement, wherever the words "include," "includes," or "including" are used in this Subscription Agreement, they shall be deemed to be followed by the words "without limitation."

m. This Subscription Agreement may be executed and delivered in one or more counterparts (including by facsimile or electronic mail or in .pdf) and by different parties in separate counterparts, with the same effect as if all parties hereto had signed the same document. All counterparts so executed and delivered shall be construed together and shall constitute one and the same agreement.

n. This Subscription Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other person; provided, however, that (i) Hillman shall be an intended third party beneficiary of Section 2.c, Section 2.d, Section 6, Section 8.b, Section 8.c, Section 8.h, this Section 8.n and the last sentence of Section 8.o hereof, (ii) the Placement Agents may rely on the representations, warranties, agreements and covenants of the Company contained in this Subscription Agreement and may rely on the representations and warranties of the respective Subscribers contained in this Subscription Agreement as if such representations, warranties, agreements, and covenants, as applicable, were made directly to the Placement Agent and (iii) the beneficiaries of the indemnity provisions set forth in Section 5.b and Section 5.c shall be intended third party beneficiaries of such Sections.

o. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Subscription Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Subscription Agreement and to enforce specifically the terms and provisions of this Subscription Agreement, this being in addition to any other remedy to which such party is entitled at law, in equity, in contract, in tort or otherwise. The parties hereto acknowledge and agree that Hillman shall be entitled to seek to specifically enforce Subscriber's obligations to fund the Purchase Price and the provisions of this Subscription Agreement of which Hillman is an intended third party beneficiary, in each case, on the terms and subject to the conditions set forth herein.

p. This Subscription Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, without regard to the principles of conflicts of laws that would otherwise require the application of the law of any other state.

q. **EACH PARTY AND ANY PERSON ASSERTING RIGHTS AS A THIRD PARTY BENEFICIARY HEREBY WAIVES ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OR RELATED TO THIS SUBSCRIPTION AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY OR ANY AFFILIATE OF ANY OTHER SUCH PARTY, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS OR OTHERWISE. THE PARTIES AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS SUBSCRIPTION AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS SUBSCRIPTION AGREEMENT.**

r. The parties agree that all disputes, legal actions, suits and proceedings arising out of or relating to this Subscription Agreement must be brought exclusively in the Court of Chancery of the state of Delaware and any state appellate court therefrom within the state of Delaware (or, if the Court of Chancery of the state of Delaware declines to accept jurisdiction over a particular matter, any federal court within the state of Delaware or, in the event each federal court within the state of Delaware declines to accept jurisdiction over a particular matter, any state court within the state of Delaware) (collectively the “Designated Courts”). Each party hereby consents and submits to the exclusive jurisdiction of the Designated Courts. No legal action, suit or proceeding with respect to this Subscription Agreement may be brought in any other forum. Each party hereby irrevocably waives all claims of immunity from jurisdiction and any objection which such party may now or hereafter have to the laying of venue of any suit, action or proceeding in any Designated Court, including any right to object on the basis that any dispute, action, suit or proceeding brought in the Designated Courts has been brought in an improper or inconvenient forum or venue. Each of the parties also agrees that delivery of any process, summons, notice or document to a party hereof in compliance with Section 8.a of this Subscription Agreement shall be effective service of process for any action, suit or proceeding in a Designated Court with respect to any matters to which the parties have submitted to jurisdiction as set forth above.

s. This Subscription Agreement may only be enforced against, and any claim, action, suit or other legal proceeding based upon, arising out of, or related to this Subscription Agreement, or the negotiation, execution or performance of this Subscription Agreement, may only be brought against the entities that are expressly named as parties hereto and then only with respect to the specific obligations set forth herein with respect to such party. No past, present or future director, officer, employee, incorporator, manager, member, partner, stockholder, direct or indirect equityholder, affiliate, agent, attorney or other representative of the Company, Hillman, any Placement Agent or the Subscriber or of any affiliate or family member of any of the foregoing, or any of their successors or permitted assigns, shall have any liability for any obligations or liabilities of any party hereto under this Subscription Agreement or otherwise arising out of or relating to this Subscription Agreement or any Other Subscription Agreements, the negotiation hereof or thereof or its subject matter, or for any claim, action, suit or other legal proceeding based on, in respect of or by reason of the transactions contemplated hereby or thereby.

t. The Company shall, by 9:00 a.m., New York City time, on the first (1st) Business Day immediately following the date of this Subscription Agreement, issue one or more press releases or file with the Commission a Current Report on Form 8-K (collectively, the “Disclosure Document”) disclosing all material terms of the transactions contemplated hereby (and by the Other Subscription Agreements), the Transaction and any other material, nonpublic information that the Company has provided to Subscriber at any time prior to the filing of the Disclosure Document. From and after the issuance of the Disclosure Document, to the Company’s actual knowledge, Subscriber shall not be in possession of any material, non-public information received from the Company or any of its officers, directors or employees or the Placement Agents and Subscriber shall no longer be subject to any confidentiality or similar obligations under any current agreement, whether written or oral with Company, the Placement Agents, or any of their affiliates in connection with the Transactions. Notwithstanding the foregoing, the Company shall not publicly disclose the name of Subscriber or any affiliate or investment adviser of Subscriber, or include the name of Subscriber or any affiliate or investment adviser of Subscriber in any press release or in any filing with the Commission or any regulatory agency or trading market, without the prior written consent (including by e-mail) of Subscriber, except as required by the federal securities laws, rules or regulations and to the extent such disclosure is required by other laws, rules or regulations, at the request of the staff of the Commission or regulatory agency or under Nasdaq Stock Market regulations, in which case the Company shall provide Subscriber with prior written notice (including by e-mail) of such permitted disclosure, and shall reasonably consult with Subscriber regarding such disclosure.

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u. The obligations of Subscriber under this Subscription Agreement are several and not joint with the obligations of any Other Subscriber or any other investor under the Other Subscription Agreements, and Subscriber shall not be responsible in any way for the performance of the obligations of any Other Subscriber under this Subscription Agreement or any other investor under the Other Subscription Agreements. The decision of Subscriber to purchase Subscribed Shares pursuant to this Subscription Agreement has been made by Subscriber independently of any Other Subscriber or any other investor and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of the Company, Hillman or any of their respective subsidiaries which may have been made or given by any Other Subscriber or investor or by any agent or employee of any Other Subscriber or investor, and neither Subscriber nor any of its agents or employees shall have any liability to any Other Subscriber or investor (or any other person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein or in any Other Subscription Agreement, and no action taken by Subscriber or investor pursuant hereto or thereto, shall be deemed to constitute the Subscriber and other investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Subscriber and other investors are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this Subscription Agreement and the Other Subscription Agreements. Subscriber acknowledges that no Other Subscriber has acted as agent for the Subscriber in connection with making its investment hereunder and no Other Subscriber will be acting as agent of the Subscriber in connection with monitoring its investment in the Subscribed Shares or enforcing its rights under this Subscription Agreement. Subscriber shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Subscription Agreement, and it shall not be necessary for any Other Subscriber or investor to be joined as an additional party in any proceeding for such purpose.

[Signature pages follow.]

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**IN WITNESS WHEREOF**, each of the Company and Subscriber has executed or caused this Subscription Agreement to be executed by its duly authorized representative as of the date first set forth above.

LANDCADIA HOLDINGS III, INC.

By: \_\_\_\_\_  
Name:  
Title:

Address for Notices:

1510 West Loop South  
Houston, Texas 77027

SUBSCRIBER:

Print Name: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

Address for Notices:

\_\_\_\_\_

\_\_\_\_\_

Name in which shares are to be registered:

\_\_\_\_\_

Number of Subscribed Shares subscribed for:	_____
Price Per Subscribed Share:	\$ 10.00
Aggregate Purchase Price:	\$ _____

You must pay the Purchase Price by wire transfer of United States dollars in immediately available funds to the account of the Company specified by the Company in the Closing Notice.

ANNEX A

**ELIGIBILITY REPRESENTATIONS OF SUBSCRIBER**

This Annex A should be completed and signed by Subscriber and constitutes a part of the Subscription Agreement.

A. QUALIFIED INSTITUTIONAL BUYER STATUS (Please check the box, if applicable)

Subscriber is a "qualified institutional buyer" (as defined in Rule 144A under the Securities Act).

**\*\* OR \*\***

B. ACCREDITED INVESTOR STATUS (Please check the box)

Subscriber is an "accredited investor" (within the meaning of Rule 501(a) under the Securities Act) and has marked and initialed the appropriate box below indicating the provision under which it qualifies as an "accredited investor."

**\*\* AND \*\***

C. AFFILIATE STATUS  
(Please check the applicable box)

SUBSCRIBER:

is:

is not:

an "affiliate" (as defined in Rule 144 under the Securities Act) of the Company or acting on behalf of an affiliate of the Company.

Rule 501(a), in relevant part, states that an "accredited investor" shall mean any person who comes within any of the below listed categories, or who the issuer reasonably believes comes within any of the below listed categories, at the time of the sale of the securities to that person. Subscriber has indicated, by marking and initialing the appropriate box(es) below, the provision(s) below which apply to Subscriber and under which Subscriber accordingly qualifies as an institutional "accredited investor."

Any bank, registered broker or dealer, insurance company, registered investment company, business development company, small business investment company, private business development company, or rural business investment company;

Any investment adviser registered pursuant to section 203 of the Investment Advisers Act or registered pursuant to the laws of a state;

Any investment adviser relying on the exemption from registering with the Commission under section 203(l) or (m) of the Investment Advisers Act;



- Any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000;
- Any employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974 (“ERISA”), if (i) the investment decision is made by a plan fiduciary, as defined in section 3(21) of ERISA, which is either a bank, a savings and loan association, an insurance company, or a registered investment adviser, (ii) the employee benefit plan has total assets in excess of \$5,000,000 or, (iii) such plan is a self-directed plan, with investment decisions made solely by persons that are “accredited investors”;
- Any (i) corporation, limited liability company or partnership, (ii) Massachusetts or similar business trust, or (iii) organization described in section 501(c)(3) of the Internal Revenue Code, in each case that was not formed for the specific purpose of acquiring the securities offered and that has total assets in excess of \$5,000,000;
- Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 230.506(b)(2)(ii) of Regulation D under the Securities Act;
- Any entity, other than an entity described in the categories of “accredited investors” above, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000;
- Any “family office,” as defined under the Investment Advisers Act that satisfies all of the following conditions: (i) with assets under management in excess of \$5,000,000, (ii) that is not formed for the specific purpose of acquiring the securities offered, and (iii) whose prospective investment is directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment;
- Any “family client,” as defined under the Investment Advisers Act, of a family office meeting the requirements in the previous paragraph and whose prospective investment in the issuer is directed by such family office pursuant to the previous paragraph; or
- Any entity in which all of the equity owners are “accredited investors”.

[Specify which tests:                    ]

Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

Any natural person whose individual net worth, or joint net worth with that person’s spouse or spousal equivalent, exceeds \$1,000,000. For purposes of calculating a natural person’s net worth: (a) the person’s primary residence shall not be included as an asset; (b) indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and (c) indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability;

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Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse or spousal equivalent in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

Any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status; or

Any natural person who is a "knowledgeable employee," as defined in the Investment Company Act, of the issuer of the securities being offered or sold where the issuer would be an investment company, as defined in section 3 of such act, but for the exclusion provided by either section 3(c)(1) or section 3(c)(7) of such act.

SUBSCRIBER:

Print Name:

By: \_\_\_\_\_

Name:

Title:

January 24, 2021

Landcadia Holdings III, Inc.  
1510 West Loop South  
Houston, Texas 77027

Re: Sponsor Letter Agreement

Ladies and Gentlemen:

This letter (this "**Letter Agreement**") is being delivered to you in connection with that certain Agreement and Plan of Merger, dated as of the date hereof, by and among Landcadia Holdings III, Inc. ("**Landcadia**"), HMAN Group Holdings Inc. ("**Hillman**") and the other parties thereto (the "**Merger Agreement**") and hereby amends and restates in its entirety (i) that certain letter, dated October 8, 2020, from TFJ, LLC and Jefferies Financial Group Inc. (each, a "**Sponsor**" and collectively, the "**Sponsors**") and each of the undersigned individuals, each of whom is a member of Landcadia's board of directors and/or management team (each, an "**Insider**" and collectively, the "**Insiders**") to Landcadia (the "**Prior Letter Agreement**") and (ii) that certain letter, dated January 6, 2021, from Dona Cornell to Landcadia. Certain capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement.

In order to induce Hillman and Landcadia to enter into the Merger Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Sponsor and each of the Insiders, hereby agrees with Landcadia and, at all times prior to any valid termination of the Merger Agreement, Hillman as follows:

1. Each Sponsor and each Insider hereby agrees: (i) that at any duly called meeting of the stockholders of Landcadia (or any adjournment or postponement thereof), and in any action by written consent of the stockholders of Landcadia requested by Landcadia's board of directors or undertaken as contemplated by the Transactions, each Sponsor and each Insider shall, if a meeting is held, appear at the meeting, in person or by proxy, or otherwise cause all of its, his or her shares of Capital Stock to be counted as present thereat for purposes of establishing a quorum, and it, he or she shall vote or consent (or cause to be voted or consented), in person or by proxy, all of its, his or her shares of Capital Stock (a) in favor of the adoption of the Merger Agreement and approval of the Transactions (and any actions required in furtherance thereof), (b) against any action, proposal, transaction or agreement that would reasonably be expected to result in a breach of any representation, warranty, covenant, obligation or agreement of Landcadia contained in the Merger Agreement, (c) in favor of any other proposals set forth in Landcadia's proxy statement to be included as part of the Registration Statement on Form S-4 to be filed by Landcadia with the SEC relating to the Transactions (including any amendments or supplements thereto, the "**Proxy Statement**"), (d) for any proposal to adjourn or postpone the applicable stockholder meeting to a later date if (and only if) (1) there are not sufficient votes for approval of the Merger Agreement and any other proposals related thereto as set forth in the Proxy

Statement on the dates on which such meetings are held or (2) the closing condition in Section 7.1(k) of the Merger Agreement has not been satisfied, and (e) except as set forth in the Proxy Statement, against the following actions or proposals: (1) any Business Combination or any proposal in opposition to approval of the Merger Agreement or in competition with or inconsistent with the Merger Agreement; and (2) (A) any change in the present capitalization of Landcadia or any amendment of Landcadia's second amended and restated certificate of incorporation (as it may be amended from time to time, the "**Second A&R Certificate of Incorporation**"), except to the extent expressly contemplated by the Merger Agreement, (B) any liquidation, dissolution or other change in Landcadia's corporate structure or business, (C) any action, proposal, transaction or agreement that would result in a breach in any material respect of any covenant, representation or warranty or other obligation or agreement of the Sponsors or such Insider under this Letter Agreement, or (D) any other action or proposal involving Landcadia or any of its subsidiaries that is intended, or would reasonably be expected, to prevent, impede, interfere with, delay, postpone or adversely affect the Transactions, and (ii) not to redeem, elect to redeem or tender or submit any of its shares of Common Stock owned by it, him or her for redemption in connection with such stockholder approval or proposed Business Combination, or in connection with any vote to amend the Second A&R Certificate of Incorporation. Prior to any valid termination of the Merger Agreement, (x) each Sponsor and each Insider shall take, or cause to be taken, all actions and to do, or cause to be done, all things reasonably necessary under applicable Legal Requirements to consummate the Merger and the other transactions contemplated by the Merger Agreement and on the terms and subject to the conditions set forth therein, and (y) each Sponsor and each Insider shall be bound by and comply with Sections 6.11 (*No Solicitation*) and 6.4 (*Confidentiality; Communications Plan; Access to Information*) of the Merger Agreement (and any relevant definitions contained in any such sections) as if such Person were a signatory to the Merger Agreement with respect to such provisions. If Landcadia seeks to consummate a proposed Business Combination by engaging in a tender offer, each Sponsor and each Insider agrees that it, he or she will not seek to sell any shares of Common Stock owned by it, him or her to Landcadia in connection therewith. The obligations of the Sponsors and the Insiders specified in this paragraph 1 shall apply whether or not the Merger, any of the Transactions or any action described above is recommended by Landcadia's board of directors.

2. (a) Each Sponsor and each Insider hereby agrees that in the event that Landcadia fails to consummate a Business Combination by October 14, 2022, or such later period approved by Landcadia's stockholders in accordance with the Second A&R Certificate of Incorporation, each Sponsor and each Insider shall take all reasonable steps to cause Landcadia to (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than 10 Business Days thereafter, subject to lawfully available funds therefor, redeem 100% of the Common Stock sold as part of the Units in the Public Offering (the "**Offering Shares**"), at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account (as defined below), including interest earned on the funds held in the Trust Account and not previously released to Landcadia to pay its taxes (less up to \$100,000 of interest to pay dissolution expenses), divided by the number of then outstanding Offering Shares, which redemption will completely extinguish all Public Stockholders' rights as stockholders (including the right to receive further liquidating distributions, if any), subject to applicable law, and (iii) as

promptly as reasonably possible following such redemption, subject to the approval of Landcadia's remaining stockholders and Landcadia's board of directors, dissolve and liquidate, subject in each case to Landcadia's obligations under Delaware law to provide for claims of creditors and other requirements of applicable law. Each Sponsor and each Insider agrees to not propose any amendment to the Second A&R Certificate of Incorporation to modify the substance or timing of Landcadia's obligation (i) to redeem 100% of the Offering Shares if Landcadia does not complete a Business Combination by the date set forth in the Second A&R Certificate of Incorporation or (ii) to provide for redemption in connection with a Business Combination, unless Landcadia provides its public stockholders with the opportunity to redeem their shares of Common Stock upon approval of any such amendment at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest earned on the funds held in the Trust Account and not previously released to Landcadia to pay its taxes, divided by the number of then outstanding Offering Shares.

(b) Each Sponsor and each Insider acknowledges that it, he or she has no right, title, interest or claim of any kind in or to any monies held in the Trust Account or any other asset of Landcadia as a result of any liquidation of Landcadia with respect to the Founder Shares held by it, him or her. Each Sponsor and each Insider hereby further waives, with respect to any shares of Common Stock held by it, him or her, if any, any redemption rights it, he or she may have in connection with the consummation of a Business Combination, including, without limitation, any such rights available in the context of a stockholder vote to approve such Business Combination or a stockholder vote to approve an amendment to the Second A&R Certificate of Incorporation to modify the substance or timing of Landcadia's obligation to redeem 100% of the Offering Shares if Landcadia has not consummated a Business Combination within the time period set forth in the Second A&R Certificate of Incorporation or in the context of a tender offer made by Landcadia to purchase shares of Common Stock (although the Sponsors, the Insiders and their respective affiliates shall be entitled to redemption and liquidation rights with respect to any Offering Shares it or they hold if Landcadia fails to consummate a Business Combination within the time period set forth in the Second A&R Certificate of Incorporation).

3. Without limiting their obligations under paragraph 6 below, during the period commencing on the date hereof and ending on the earlier of (a) the valid termination of the Merger Agreement or (b) the Closing, each Sponsor and each Insider shall not, without the prior written consent of Landcadia, Transfer any Units, shares of Capital Stock, warrants (each, a "*Warrant*") to purchase shares of Common Stock or any securities convertible into, or exercisable, or exchangeable for, shares of Common Stock owned by it, him or her. In the event that (i) any shares of Capital Stock, Warrants or other equity securities of Landcadia are issued to the Sponsors or any Insider after the date hereof pursuant to any stock dividend, stock split, recapitalization, reclassification, combination or exchange of shares of Capital Stock of, on or affecting the shares of Capital Stock owned by the Sponsors or any Insider or otherwise, (ii) the Sponsors or any Insider purchases or otherwise acquires beneficial ownership of any shares of Capital Stock, Warrants or other equity securities of Landcadia after the date hereof or (iii) the Sponsors or any Insider acquires the right to vote or share in the voting of any shares of Capital Stock, Warrants or other equity securities of Landcadia after the date hereof (such shares of Capital Stock, Warrants or other equity securities of Landcadia described in clauses (i), (ii) and (iii), the "*New Shares*"), then such New Shares acquired or purchased by the Sponsors or any Insider shall be subject to the terms of this paragraph 3 and paragraph 1 above to the same extent as if they constituted the Capital Stock or Warrants owned by such Sponsor or Insider as of the date hereof.

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4. In the event of the liquidation of the Trust Account upon the failure of Landcadia to consummate its initial Business Combination within the time period set forth in the Second A&R Certificate of Incorporation, each Sponsor (together, the “*Indemnitors*”) jointly and severally agrees to indemnify and hold harmless Landcadia against any and all loss, liability, claim, damage and expense whatsoever (including, but not limited to, any and all legal or other expenses reasonably incurred in investigating, preparing or defending against any litigation, whether pending or threatened) to which Landcadia may become subject as a result of any claim by (i) any third party for services rendered or products sold to Landcadia or (ii) any prospective target business with which Landcadia has entered into a written letter of intent, confidentiality or other similar agreement or Business Combination agreement (a “*Target*”); provided, that such indemnification of Landcadia by the Indemnitors (x) shall apply only to the extent necessary to ensure that such claims by a third party or a Target do not reduce the amount of funds in the Trust Account to below the lesser of (i) \$10.00 per Offering Share and (ii) the actual amount per Offering Share held in the Trust Account as of the date of the liquidation of the Trust Account, if less than \$10.00 per Offering Share is then held in the Trust Account due to reductions in the value of the trust assets, less interest earned on the Trust Account which may be withdrawn to pay taxes, (y) shall not apply to any claims by a third party or a Target which executed a waiver of any and all rights to the monies held in the Trust Account (whether or not such waiver is enforceable) and (z) shall not apply to any claims under Landcadia’s indemnification of Jefferies, LLC (the “*Representative*”) against certain liabilities, including liabilities under the Securities Act of 1933, as amended. Each Indemnitor shall have the right to defend against any such claim with counsel of its choice reasonably satisfactory to Landcadia if, within 15 days following written receipt of notice of the claim to such Indemnitor, such Indemnitor notifies Landcadia in writing that it shall undertake such defense
  5. Each Sponsor and each Insider hereby agrees and acknowledges that: (i) the Representative, Landcadia and, prior to any valid termination of the Merger Agreement, Hillman would be irreparably injured in the event of a breach by either Sponsor or an Insider of its, his or her obligations under paragraphs 1, 2, 3, 4, 6(a), 6(b), 6(c), 6(d), 8 and 14, as applicable, of this Letter Agreement (with respect to the Representative, only to the extent such provisions were contained in the Prior Letter Agreement), (ii) monetary damages may not be an adequate remedy for such breach and (iii) the non-breaching party shall be entitled to injunctive relief, in addition to any other remedy that such party may have in law or in equity, in the event of such breach.
  6. (a) Each Sponsor and each Insider agrees that it, he or she shall not Transfer any Founder Shares (or any shares of Common Stock issuable upon conversion thereof) until the earlier of (A) one year after the Closing Date or (B) after the Closing Date, (x) if the last sale price of the Common Stock equals or exceeds \$12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within

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any 30-trading day period commencing at least 150 days after the Closing Date or (y) the date on which Landcadia completes a liquidation, merger, capital stock exchange, reorganization or other similar transaction that results in all of Landcadia's stockholders having the right to exchange their shares of Common Stock for cash, securities or other property (the "**Founder Shares Lock-up Period**").

(b) Each Sponsor and each Insider agrees that it, he or she shall not Transfer any Private Placement Warrants (or shares of Common Stock issued or issuable upon the exercise of the Private Placement Warrants), until 30 days after the Closing Date (the "**Private Placement Warrants Lock-up Period**", and together with the Founder Shares Lock-up Period, the "**Lock-up Periods**").

(c) Notwithstanding the provisions set forth in paragraphs 3, 6(a) and (b), the following Transfers of the Founder Shares, the Private Placement Warrants and shares of Common Stock issued or issuable upon the exercise or conversion of the Private Placement Warrants or the Founder Shares and that are held by either Sponsor, any Insider or any of their permitted transferees (that have complied with this paragraph 6(c)), are permitted (a) to Landcadia's officers or directors, any affiliates or family members of any of Landcadia's officers or directors, any members of the Sponsors or any affiliates of the Sponsors; (b) in the case of an individual, by gift to a member of such individual's immediate family or to a trust, the beneficiary of which is a member of such individual's immediate family, an affiliate of such individual or to a charitable organization; (c) in the case of an individual, by virtue of laws of descent and distribution upon death of such individual; (d) in the case of an individual, pursuant to a qualified domestic relations order; (e) by private sales or transfers made in connection with any forward purchase agreement or similar arrangement or in connection with the consummation of an initial Business Combination at prices no greater than the price at which the shares or warrants were originally purchased; (f) in the event of Landcadia's liquidation prior to the completion of an initial Business Combination; or (g) by virtue of the laws of the State of Delaware or the organizational documents of either Sponsor's upon dissolution of either Sponsor; provided, that in the case of clauses (a) through (e) or (g), these permitted transferees must enter into a written agreement with Landcadia agreeing to be bound by the transfer restrictions herein and the other restrictions contained in this Agreement and by the same agreements entered into by the Sponsors with respect to such securities (including provisions relating to voting, the Trust Account and liquidating distributions).

(d) (1) (A) Section 4.3(b)(i) of the Second A&R Certificate of Incorporation provides that each share of Class B Common Stock shall automatically convert into one share of Class A Common Stock (the "**Initial Conversion Ratio**") at the time of the Business Combination, and (B) Section 4.3(b)(ii) of the Second A&R Certificate of Incorporation provides that the Initial Conversion Ratio shall be adjusted (the "**Adjustment**") in the event that additional shares of Common Stock or other equity-linked securities are issued in excess of the amounts offered in the Public Offering such that the Sponsors and the Insiders shall continue to own 20% of the issued and outstanding shares of Capital Stock after giving effect to such issuance.

(2) As of and conditioned upon the Closing, each Sponsor and each Insider hereby irrevocably relinquishes and waives any and all rights each Sponsor and each Insider has or will have under Section 4.3(b)(ii) of the Second A&R Certificate of Incorporation to receive shares of Common Stock in excess of the number issuable at the Initial Conversion Ratio upon conversion of the existing Class B Common Stock held by him, her or it, as applicable, in connection with the Closing as a result of any Adjustment, and, as a result, the shares of Class B Common Stock shall convert into shares of Class A Common Stock (or such equivalent security) at Closing on a one-for-one basis.

(e) Substantially simultaneously with, but immediately prior to (and contingent upon), the Closing, each Sponsor shall, for no consideration, forfeit and surrender its pro rata share of 2,828,000 Founder Shares, and TJJ, LLC, shall for no consideration, forfeit and surrender 1,000,000 Founder Shares (such 3,828,000 forfeited Founder Shares, the "**Forfeited Shares**") to Landcadia for cancellation. Each Sponsor and Landcadia shall take such actions as are necessary to cause the Forfeited Shares to be retired and canceled, after which the Forfeited Shares shall no longer be issued, outstanding, convertible or exercisable, and each Sponsor shall provide Landcadia and Hillman with evidence that such retirement and cancellation has occurred.

7. Each Sponsor and each Insider represents and warrants that it, he or she has never been suspended or expelled from membership in any securities or commodities exchange or association or had a securities or commodities license or registration denied, suspended or revoked. Each Insider's biographical information furnished to Landcadia (including any such information to be included in the Proxy Statement) is true and accurate in all respects and does not omit any material information with respect to the Insider's background. Each Insider represents and warrants that: it, he or she is not subject to or a respondent in any legal action for, any injunction, cease-and-desist order or order or stipulation to desist or refrain from any act or practice relating to the offering of securities in any jurisdiction; it, he or she has never been convicted of, or pleaded guilty to, any crime (i) involving fraud, (ii) relating to any financial transaction or handling of funds of another person, or (iii) pertaining to any dealings in any securities and it, he or she is not currently a defendant in any such criminal proceeding.
8. Except as disclosed in Section 3.16 (*Brokers; Third Party Expenses*) of the Company Disclosure Letter, neither the Sponsors nor any Insider, nor any affiliate of the Sponsors or any Insider, nor any director or officer of Landcadia, shall receive from Landcadia any finder's fee, reimbursement, consulting fee, monies in respect of any repayment of a loan or other compensation prior to, or in connection with any services rendered in order to effectuate, the consummation of Landcadia's initial Business Combination (regardless of the type of transaction that it is), other than the following, none of which will be made from the proceeds held in the Trust Account prior to the completion of the initial Business Combination and each of which shall, as of and in connection with the Closing, be paid off in full and no further liabilities or obligations in respect thereof shall be due and owing by Landcadia or Hillman or any of its Subsidiaries from and after the Closing: payment to Fertiitta Entertainment, Inc. for certain office space, utilities and secretarial and administrative support as may be reasonably required by Landcadia for a total of \$20,000 per month; reimbursement for any reasonable out-of-pocket expenses related to



identifying, investigating and consummating an initial Business Combination; payment of a customary financial advisory fee to an affiliate of Jefferies Financial Group Inc. in an amount that constitutes a market standard financial advisory fee for comparable transactions at the closing of Landcadia's initial Business Combination; and repayment of loans, if any, and on such terms as to be determined by Landcadia from time to time, made by the Sponsors or any of Landcadia's officers or directors to finance transaction costs in connection with an intended initial Business Combination, provided, that if Landcadia does not consummate an initial Business Combination, a portion of the working capital held outside the Trust Account may be used by Landcadia to repay such loaned amounts so long as no proceeds from the Trust Account are used for such repayment. Up to \$1,500,000 of such loans may be convertible into warrants at a price of \$1.50 per warrant at the option of the lender. Such warrants would be identical to the Private Placement Warrants, including as to exercise price, exercisability and exercise period. During the period commencing on the date hereof and ending on the earlier of (i) the consummation of the Closing and (ii) the valid termination of the Merger Agreement, each Sponsor and each Insider agrees not to enter into, modify or amend any Contract between or among the Sponsors, any Insider, anyone related by blood, marriage or adoption to any Insider or any Affiliate of any such Person (other than Landcadia or any of its Subsidiaries), on the one hand, and Landcadia or any of its Subsidiaries, on the other hand, that would contradict, limit, restrict or impair (x) any party's ability to perform or satisfy any obligation under this Letter Agreement or (y) Hillman's or Landcadia's ability to perform or satisfy any obligation under the Merger Agreement.

9. Each Sponsor and each Insider has full right and power, without violating any agreement to which it is bound (including, without limitation, any non-competition or non-solicitation agreement with any employer or former employer), to enter into this Letter Agreement and, as applicable, to serve as an officer and/or director on the board of directors of Landcadia.
10. As compensation for service on the board of directors of Landcadia by each Insider serving as an "independent" member of the board of directors of Landcadia under Nasdaq listing standards and applicable Commission rules (each, an "**Independent Director**"), if Landcadia consummates its initial Business Combination, Landcadia shall pay \$100,000 to each Independent Director at the time of the consummation of the initial Business Combination so long as such Independent Director has continuously served as an Independent Director until such time.
11. As used herein, (i) "**Business Combination**" shall mean a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination, involving Landcadia and one or more businesses; (ii) "**Capital Stock**" shall mean, collectively, the Common Stock and the Founder Shares; (iii) "**Class B Common Stock**" shall mean Landcadia's Class B Common Stock, par value \$0.0001 per share; (iv) "**Common Stock**" shall mean Landcadia's Class A Common Stock, par value \$0.0001 per share; (v) "**Commission**" shall mean the U.S. Securities and Exchange Commission; (vi) "**Founder Shares**" shall mean (a) the 12,500,000 shares of Landcadia's Class B common stock, par value \$0.0001 per share, held by the Sponsors; (vii) "**Private Placement Warrants**" shall mean an aggregate of 8,000,000 Warrants that the Sponsors purchased for an aggregate purchase price of \$12,000,000, or \$1.50 per Warrant in connection with the

closing of the Public Offering; (viii) "**Public Offering**" shall mean the initial public offering of 50,000,000 of Landcadia's Units (the "**Units**"), each comprised of one share of Common Stock and one-third of one Warrant; (ix) "**Public Stockholders**" shall mean the holders of securities issued in the Public Offering; (x) "**Trust Account**" shall mean the trust fund into which a portion of the net proceeds of the Public Offering were deposited; and (xi) "**Transfer**" shall mean the (a) sale of, offer to sell, contract or agreement to sell, hypothecate, pledge, grant of any option to purchase or otherwise dispose of or agreement to dispose of, directly or indirectly, or establishment or increase of a put equivalent position or liquidation with respect to or decrease of a call equivalent position within the meaning of Section 16 of the Exchange Act, and the rules and regulations of the Commission promulgated thereunder with respect to, any security, (b) entry into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of any security, whether any such transaction is to be settled by delivery of such securities, in cash or otherwise, or (c) public announcement of any intention to effect any transaction specified in clause (a) or (b).

12. Landcadia maintains an insurance policy or policies providing directors' and officers' liability insurance, and each Director is covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any of Landcadia's directors or officers.
13. This Letter Agreement and the other agreements referenced herein constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersede all prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof or the transactions contemplated hereby, including without limitation, the Prior Letter Agreement. This Letter Agreement may not be changed, amended, modified or waived (other than to correct a typographical error) as to any particular provision, except by a written instrument executed by all parties hereto, it being acknowledged and agreed that Hillman's execution of such an instrument will not be required after any valid termination of the Merger Agreement.
14. No party hereto may assign either this Letter Agreement or any of its rights, interests, or obligations hereunder without the prior written consent of the other parties (except that, following any valid termination of the Merger Agreement, no consent from Hillman shall be required). Any purported assignment in violation of this paragraph shall be void and ineffectual and shall not operate to transfer or assign any interest or title to the purported assignee. This Letter Agreement shall be binding on Landcadia, each Sponsor and each Insider and their respective successors, heirs and assigns and permitted transferees.
15. Nothing in this Letter Agreement shall be construed to confer upon, or give to, any person or corporation other than the parties hereto any right, remedy or claim under or by reason of this Letter Agreement or of any covenant, condition, stipulation, promise or agreement hereof. All covenants, conditions, stipulations, promises and agreements contained in this Letter Agreement shall be for the sole and exclusive benefit of Landcadia, each Sponsor and the Insiders (and, prior to any valid termination of the Merger Agreement, Hillman) and their successors, heirs, personal representatives and assigns and permitted transferees.

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Notwithstanding anything herein to the contrary, each of Landcadia, each Sponsor and each Insider acknowledges and agrees that Hillman is an express third-party beneficiary of this Agreement and may directly enforce (including by an action for specific performance, injunctive relief or other equitable relief) each of the provisions set forth in this Letter Agreement as though directly party hereto.

16. This Letter Agreement may be executed in any number of original or facsimile counterparts and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.
17. This Letter Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Letter Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Letter Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible and be valid and enforceable.
18. This Letter Agreement, and all claims or causes of action (each, an "**Action**") based upon, arising out of, or related to this Letter Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the Laws of the State of Delaware, without giving effect to principles or rules of conflict of laws to the extent such principles or rules would require or permit the application of Laws of another jurisdiction. Any Action based upon, arising out of or related to this Letter Agreement or the transactions contemplated hereby may be brought in federal and state courts located in the State of Delaware, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such Action, waives any objection it may now or hereafter have to personal jurisdiction, venue or to convenience of forum, agrees that all claims in respect of the Action shall be heard and determined only in any such court, and agrees not to bring any Action arising out of or relating to this Letter Agreement or the transactions contemplated hereby in any other court. Nothing herein contained shall be deemed to affect the right of any party to serve process in any manner permitted by Law or to commence legal proceedings or otherwise proceed against any other party in any other jurisdiction, in each case, to enforce judgments obtained in any Action brought pursuant to this paragraph. **EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION BASED UPON, ARISING OUT OF OR RELATED TO THIS LETTER AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.**
19. Any notice, consent or request to be given in connection with any of the terms or provisions of this Letter Agreement shall be in writing and shall be sent by express mail or similar private courier service, by certified mail (return receipt requested), by hand delivery or email transmission to the receiving party's address or email address set forth above or on the receiving party's signature page hereto; provided that any such notice, consent or request to be given to Landcadia or Hillman at any time prior to the valid termination of the Merger Agreement shall be given in accordance with the terms of Section 10.2 (*Notices*) of the Merger Agreement.

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20. This Letter Agreement shall terminate on the earlier of (i) the expiration of the Lock-up Periods or (ii) the liquidation of the Acquiror; provided, that paragraph 4 of this Letter Agreement shall survive such liquidation; provided, further, that no such termination shall relieve the Sponsors, any Insider or the Acquiror from any liability resulting from a breach of this Letter Agreement occurring prior to such termination.
  21. Certain of the parties hereto are also a party to that certain Registration Rights Agreement, dated as of October 8, 2020, by and among Landcadia, the Sponsors and the other parties signatory thereto (the "**Existing Registration Rights Agreement**"). Effective as of the Closing, the Sponsors contemplated to become a party to the A&R Registration Rights Agreement in Exhibit E of the Merger Agreement shall deliver to Landcadia and Hillman such agreement, duly executed by such Person, in the form attached to the Merger Agreement.
  22. Each of the Sponsors and the Insiders hereby represents and warrants (severally and not jointly, as to itself, himself or herself only) to Landcadia and Hillman as follows: (i) if such Person is not an individual, it is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, formed, organized or constituted, and the execution, delivery and performance of this Letter Agreement and the consummation of the transactions contemplated hereby are within such Person's corporate, limited liability company or organizational powers and have been duly authorized by all necessary corporate, limited liability company or organizational actions on the part of such Person; (ii) if such Person is an individual, such Person has full legal capacity, right and authority to execute and deliver this Letter Agreement and to perform his or her obligations hereunder; (iii) this Letter Agreement has been duly executed and delivered by such Person and, assuming due authorization, execution and delivery by the other parties to this Letter Agreement, this Letter Agreement constitutes a legally valid and binding obligation of such Person, enforceable against such Person in accordance with the terms hereof (except as enforceability may be limited by bankruptcy Laws, other similar Laws affecting creditors' rights and general principles of equity affecting the availability of specific performance and other equitable remedies); (iv) the execution and delivery of this Letter Agreement by such Person does not, and the performance by such Person of his, her or its obligations hereunder will not, (A) if such Person is not an individual, conflict with or result in a violation of the organizational documents of such Person, or (B) require any consent or approval that has not been given or other action that has not been taken by any third party (including under any Contract binding upon such Person or such Person's Founder Shares or Private Placement Warrants, as applicable), in each case, to the extent such consent, approval or other action would prevent, enjoin or materially delay the performance by such Person of its, his or her obligations under this Letter Agreement; (v) there are no Actions pending against such Person or, to the knowledge of such Person, threatened against such Person, before (or, in the case of threatened Actions, that would be before) any arbitrator or any Governmental Entity, which in any manner challenges or seeks to prevent, enjoin or materially delay the performance by such Person of its, his or her obligations under this Letter Agreement; (vi) except for fees described in 3.16 (*Brokers; Third Party Expenses*) of the Company Disclosure Letter, no financial advisor, investment banker, broker, finder or other similar intermediary is entitled to any fee or commission from such Person, Landcadia, any of its Subsidiaries or any of their respective Affiliates in connection with

the Merger Agreement or this Letter Agreement or any of the respective transactions contemplated thereby and hereby, in each case, based upon any arrangement or agreement made by or, to the knowledge of such Person, on behalf of such Person, for which Landcadia, Hillman or any of their respective Affiliates would have any obligations or liabilities of any kind or nature; (vii) such Person has had the opportunity to read the Merger Agreement and this Letter Agreement and has had the opportunity to consult with its, his or her tax and legal advisors; (viii) such Person has not entered into, and shall not enter into, any agreement that would restrict, limit or interfere with the performance of such Person's obligations hereunder; (ix) except as otherwise described in this Letter Agreement, such Person has the direct or indirect interest in all of its, his or her Common Stock or Warrants and Founder Shares and Private Placement Warrants, which are held through the Sponsors, each Sponsor has good title to all such Founder Shares and Private Placement Warrants and any Common Stock or Warrants held by such Sponsor, and there exist no Liens or any other limitation or restriction (including, without limitation, any restriction on the right to vote, sell or otherwise dispose of such securities, other than transfer restrictions under the Securities Act) affecting any such securities, other than pursuant to (A) this Letter Agreement, (B) the Second A&R Certificate of Incorporation, (C) the Merger Agreement, (D) the Registration Rights Agreement, dated as of October 8, 2020, by and among Landcadia, the Sponsors and the other parties signatory thereto, or (E) any applicable securities laws; (x) the Founder Shares and Private Placement Warrants listed on Annex A are the only equity securities in Landcadia (including, without limitation, any equity securities convertible into, or which can be exercised or exchanged for, equity securities of Landcadia) owned of record or beneficially owned by such Person as of the date hereof and such Person has the sole power to dispose of (or sole power to cause the disposition of) and the sole power to vote (or sole power to direct the voting of) such Founder Shares and Private Placement Warrants and none of such Founder Shares or Private Placement Warrants is subject to any proxy, voting trust or other agreement or arrangement with respect to the voting of such Founder Shares or Private Placement Warrants, except as provided in this Letter Agreement; the Sponsors and each Insider hereby agrees to supplement Annex A from time to time to the extent that the Sponsors or any Insider acquires additional securities in Landcadia; and (xi) such Person is not currently (and at all times through Closing will refrain from being or becoming) a member of a "group" (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of equity securities of Landcadia (within the meaning of Rule 13d-5(b)(1) under the Exchange Act).

23. If, and as often as, there are any changes in Landcadia, the Common Stock, the Founder Shares or the Private Placement Warrants by way of stock split, stock dividend, combination or reclassification, or through merger, consolidation, reorganization, recapitalization or business combination, or by any other means, equitable adjustment shall be made to the provisions of this Letter Agreement as may be required so that the rights, privileges, duties and obligations hereunder shall continue with respect to Landcadia, Landcadia's successor or the surviving entity of such transaction, the Common Stock, the Founder Shares or the Private Placement Warrants, each as so changed.

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24. Each of the parties hereto agrees to execute and deliver hereafter any further document, agreement or instrument of assignment, transfer or conveyance as may be necessary or desirable to effectuate the purposes hereof and as may be reasonably requested in writing by another party hereto.

*[Signature Page Follows]*

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Sincerely,

**SPONSORS:**

**TJF, LLC**

By: /s/ Tilman J. Fertitta  
Name: Tilman J. Fertitta  
Title: Sole Managing Member

**JEFFERIES FINANCIAL GROUP INC.**

By: /s/ Michael J. Sharp  
Name: Michael J. Sharp  
Title: Executive Vice President and General Counsel

**INSIDERS:**

By: /s/ Tilman J. Fertitta  
Name: Tilman J. Fertitta

By: /s/ Richard B. Handler  
Name: Richard B. Handler

By: /s/ Scott J. Kelly  
Name: Scott J. Kelly

By: /s/ Dona Cornell  
Name: Dona Cornell

*[Signature Page to Letter Agreement]*

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By: /s/ Richard H. Liem  
Name: Richard H. Liem

By: /s/ Steven L. Scheinthal  
Name: Steven L. Scheinthal

By: /s/ Nicholas Daraviras  
Name: Nicholas Daraviras

**LANDCADIA HOLDINGS III, INC.**

By: /s/ Steven L. Scheinthal  
Name: Steven L. Scheinthal  
Title: Vice President and Secretary

*[Signature Page to Letter Agreement]*



## VOTING AND SUPPORT AGREEMENT

This VOTING AND SUPPORT AGREEMENT (this “**Agreement**”) is entered into this 24<sup>th</sup> day of January 2021, by and among Landcadia Holdings III, Inc., a Delaware corporation (“**Landcadia**”), and each of the undersigned (each, a “**Holder**” and collectively, the “**Holders**”). Defined terms used but not otherwise defined herein shall have the respective meanings ascribed thereto in the Merger Agreement (as defined below).

WHEREAS, as of the date hereof, each Holder “beneficially owns” (as such term is defined in Rule 13d-3 promulgated under the Exchange Act) and has the sole power to dispose of (or sole power to cause the disposition of) and the sole power to vote (or sole power to direct the voting of) the number of shares of common stock, par value \$0.01 per share, of HMAN Group Holdings, Inc., a Delaware corporation (“**Hillman**”, and such shares, the “**Hillman Shares**”), set forth on such Holder’s signature page hereto (such Hillman Shares, together with any other Hillman Shares acquired by such Holder or with respect to which such Holder otherwise becomes entitled to exercise voting power prior to the Termination Date (as defined below), the “**Covered Shares**”); and

WHEREAS, Hillman, Landcadia and the other parties named therein will, concurrently with the execution of this Agreement, enter into that certain Agreement and Plan of Merger (as amended, modified, supplemented or waived from time to time in accordance with its terms, the “**Merger Agreement**”), pursuant to which, *inter alia*, a direct, wholly owned subsidiary of Landcadia will be merged with and into Hillman, with Hillman surviving as a wholly owned subsidiary of Landcadia (the “**Merger**”), on the terms and subject to the conditions set forth therein (the Merger, together with the other transactions contemplated by the Merger Agreement, the “**Transactions**”).

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties and covenants, and subject to the conditions, herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Voting Agreement.

As promptly as reasonably practicable (and in any event within one (1) Business Day) following the time at which the Registration Statement is declared effective under the Securities Act, each Holder shall duly execute and deliver to Hillman and Landcadia a written consent, in a form reasonably acceptable to Landcadia and in accordance with the DGCL and Hillman’s Organizational Documents, under which it, he or she irrevocably and unconditionally consents to Hillman’s execution, delivery and performance of its obligations under the Merger Agreement and any other Transaction Documents to which Hillman is or will be a party, as well as consummation of the transactions contemplated thereby (including the Merger). The obligations of the Holders specified in this Section 1 shall apply whether or not the Merger, any of the Transactions or any action described above is recommended by Hillman’s board of directors.

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## 2. Representations, Warranties and Agreements.

2.1. Holders' Representations, Warranties and Agreements. Each Holder hereby represents and warrants to Landcadia and acknowledges and agrees with Landcadia as follows:

2.1.1. If a Holder is not an individual, such Holder has been duly formed or incorporated and is validly existing in good standing under the Legal Requirements of its jurisdiction of incorporation or formation, with power and authority to enter into, deliver and perform its obligations under this Agreement. If a Holder is an individual, such Holder has full legal capacity, right and authority to enter into, deliver and perform his or her obligations under this Agreement.

2.1.2. If a Holder is not an individual, this Agreement has been duly authorized, validly executed and delivered by such Holder. If a Holder is an individual, the signature on this Agreement is genuine, and such Holder has legal competence and capacity to execute the same. This Agreement is enforceable against each Holder in accordance with its terms, except as may be limited or otherwise affected by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other Legal Requirements relating to or affecting the rights of creditors generally, and (ii) principles of equity, whether considered at law or equity.

2.1.3. The execution, delivery and performance by each Holder of this Agreement and the consummation of the transactions contemplated herein do not and will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any Lien, charge or encumbrance upon Holder's Covered Shares or any other property or assets of any Holder or any of their respective subsidiaries pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, lease, license or other agreement or instrument to which any Holder or any of their respective subsidiaries is a party or by which any Holder or any of their respective subsidiaries is bound or to which Holder's Covered Shares or any other property or assets of any Holder or any of their respective subsidiaries is subject, which would reasonably be expected to impair the legal authority of any Holder to enter into and timely perform its obligations under this Agreement, (ii) if a Holder is not an individual, result in any violation of the provisions of the Organizational Documents of such Holder or any of its subsidiaries, (iii) require any consent or approval that has not been given or other action that has not been taken by any third party (including under any Contract binding upon such Holder), in each case, to the extent such consent, approval or other action would prevent, enjoin or materially delay the performance by such Person of its, his or her obligations under this Agreement or (vi) result in any violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over such Holder or any of its subsidiaries or any of their respective properties that would reasonably be expected to impair the legal authority of any Holder to enter into and timely perform its obligations under this Agreement.

2.1.4. Each Holder's signature page hereto sets forth the number of Covered Shares over which such Holder has beneficial ownership as of the date hereof. As of the date hereof, each Holder is the lawful owner of the Covered Shares denoted as being owned by such Holder on the signature page hereto and has the sole power to vote (or sole power to direct the voting of) such Covered Shares. Each Holder has good and valid title to the Covered Shares denoted as being owned by such Holder on the signature page hereto, free and clear of any and all Liens other than those created or permitted by this Agreement, the Organizational Documents of Hillman, or those imposed by applicable law, including federal and state securities laws. Except for the Covered Shares denoted on the signature page hereto, as of the date of this Agreement, Holder is not a beneficial owner or record holder of any (i) equity securities of Hillman, (ii)

securities of Hillman having the right to vote on any matters on which the holders of equity securities of Hillman may vote or which are convertible into or exchangeable for, at any time, equity securities of Hillman, or (iii) options or other rights to acquire from Hillman any equity securities or securities convertible into or exchangeable for equity securities of Hillman except as contemplated by the Merger Agreement or any other Transaction Document.

2.1.5. Each Holder acknowledges and represents that such Holder is a sophisticated stockholder and has (i) conducted his, her or its own independent review and analysis of, and, based thereon, has formed an independent judgment concerning, the business, assets, condition, operations and prospects of Landcadia, (ii) had the opportunity to read the Merger Agreement and this Agreement and has had the opportunity to consult with its, his or her tax and legal advisor, and (iii) received such information as such Holder deems necessary in order to make an investment decision with respect to the Covered Shares and to enter into this Agreement, including with respect to Hillman, Landcadia and the Transactions. Without limiting the generality of the foregoing, no Holder has relied on any statements or other information provided by Hillman or Landcadia in making its decision to enter into, deliver and perform its obligations under this Agreement. Each Holder further acknowledges that there have been no representations, warranties, covenants or agreements made to such Holder by Landcadia or any of its respective officers or directors, expressly or by implication, other than those representations, warranties, covenants and agreements expressly set forth in this Agreement. Each Holder acknowledges that the agreements contained herein with respect to the Covered Shares held by such Holder are irrevocable.

2.1.6. No Holder is currently (and at all times through Closing will refrain from being or becoming) a member of a "group" (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or any successor provision), including any group acting for the purpose of acquiring, holding or disposing of equity securities of Hillman (within the meaning of Rule 13d-5(b)(1) under the Exchange Act).

2.1.7. Each Holder understands and acknowledges that Landcadia is entering into the Merger Agreement in reliance upon the execution and delivery of this Agreement by the Holders.

2.1.8. No Holder (i) has entered into any voting agreement or voting trust with respect to such Holder's Covered Shares inconsistent with the Holders' obligations pursuant to this Agreement, (ii) has granted a proxy, a consent or power of attorney with respect to the Holders' Covered Shares and (iii) has entered into any agreement or taken any action that would make any representation or warranty of the Holders contained herein untrue or incorrect or have the effect of preventing the Holders from performing any of their obligations under this Agreement.

2.1.9. There is no Action pending against any Holder or, to the knowledge of any Holder, threatened against any Holder, before or, in the case of threatened Actions, that would be before, any arbitrator or Governmental Entity, which in any manner challenges the beneficial or record ownership of any Holder's Covered Shares, the validity of this Agreement or the performance by the Holders of their obligations under this Agreement.

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2.2. Representations, Warranties and Agreements of Landcadia. Landcadia hereby represents and warrants to the Holders and acknowledges and agrees with the Holders as follows:

2.2.1. Landcadia is duly organized and validly existing under the Legal Requirements of its jurisdiction of formation, with corporate power and authority to enter into, deliver and perform its obligations under this Agreement.

2.2.2. This Agreement has been duly authorized, executed and delivered by Landcadia and is enforceable against Landcadia in accordance with its terms, except as may be limited or otherwise affected by (i) bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other Legal Requirements relating to or affecting the rights of creditors generally and (ii) principles of equity, whether considered at law or equity.

2.2.3. The execution, delivery and performance of this Agreement (including compliance by Landcadia with all of the provisions hereof) and the consummation of the transactions contemplated herein will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any of the terms of any material contract, or other agreements or instrument to which Landcadia is a party or by which Landcadia or any of its assets may be bound, (ii) result in any violation of the provisions of the organizational documents of Landcadia, or (iii) result in any violation of any statute or any judgment, order, rule or regulation of any court or governmental agency or body, domestic or foreign, having jurisdiction over Landcadia or any of its properties that would reasonably be expected to impair Landcadia's ability to perform its obligations under this Agreement.

### 3. Additional Covenants.

3.1. No Transfers. Each Holder agrees that, prior to the Termination Date, except as contemplated by this Agreement, the Merger Agreement or any other Transaction Document, it shall not, and shall cause its Affiliates not to, without Landcadia's prior written consent (which consent may be given or withheld by Landcadia in its sole discretion): (i) directly or indirectly, offer for sale, sell (including short sales), transfer, tender, pledge, convert, encumber, assign or otherwise dispose of (including by gift, merger, tendering into any tender offer or exchange offer or otherwise), either voluntarily or involuntarily (collectively, a "**Transfer**"), or enter into any contract, option, derivative, hedging or other agreement or arrangement or understanding (including any profit-sharing arrangement) with respect to, or consent to, a Transfer of, any or all of the Covered Shares; (ii) grant any proxies or powers of attorney with respect to any or all of the Covered Shares (except in connection with voting by proxy at a meeting of stockholders of Hillman as contemplated by Section 1 of this Agreement); (iii) permit to exist any Lien with respect to any or all of the Covered Shares other than those created by this Agreement. Notwithstanding the foregoing, this Section 3.1 shall not prohibit a Transfer of Covered Shares by any Holder to an Affiliate of such Holder; provided that such Transfer shall be permitted only if, prior to or in connection with such Transfer, the transferee agrees in writing, reasonably satisfactory in form and substance to Landcadia, to assume all of the obligations of such Holder hereunder and to be bound by the terms of this Agreement; provided further that any Transfer permitted under this Section 3.1 shall not relieve the Holder of its obligations under this Agreement. Any transfer in violation of this Section 3.1 shall be null and void ab initio.

3.2. Covered Shares. In the event of a stock dividend or distribution, or any change in the Covered Shares by reason of any stock dividend or distribution, split-up, recapitalization, combination, conversion, exchange of shares or the like, the term "Covered Shares" shall be deemed to refer to and include the Covered Shares as well as all such stock dividends and distributions and any securities into which or for which any or all of the Covered Shares may be changed or exchanged or which are received in such transaction. Each Holder agrees, while this Agreement is in effect, to notify Landcadia promptly in writing (including by e-mail) of the number of any additional Covered Shares acquired by such Holder, if any, after the date hereof.

3.3. Inconsistent Actions. Each Holder agrees, while this Agreement is in effect, not to take or agree or commit to take any action that would make any representation and warranty of the Holders contained in this Agreement inaccurate or have the effect of preventing or disabling the Holders from performing its obligations under this Agreement.

3.4. Standstill Obligations. Each Holder covenants and agrees that, prior to the Termination Date:

3.4.1. Each Holder shall be bound by and comply with Sections 6.11 (No Solicitation) and 6.4 (Confidentiality) of the Merger Agreement (and any relevant definitions contained in any such sections) to the same extent as such provisions apply to Hillman as if such Holder were a signatory to the Merger Agreement with respect to such provisions.

3.4.2. Each Holder shall not, nor shall any Holder act in concert with any person to, deposit any of the Covered Shares in a voting trust or subject any of the Covered Shares to any arrangement or agreement with any person with respect to the voting of the Covered Shares, except as provided by Section 3.1.

3.5. Stop Transfers. Each Holder agrees with, and covenants to, Landcadia that no Holder shall request that Hillman register the transfer (book-entry or otherwise) of any certificate or uncertificated interest representing any Covered Shares during the term of this Agreement without the prior written consent of Landcadia, in its sole discretion, other than pursuant to a transfer permitted by Section 3.1.

3.6. No Inconsistent Agreements. Each Holder hereby covenants and agrees that, except for this Agreement, no Holder shall, at any time while this Agreement remains in effect, (i) be party or subject to, or enter into any voting agreement or voting trust with respect to such Holder's Covered Shares inconsistent with such Holder's obligations pursuant to this Agreement, (ii) grant a proxy, a consent or power of attorney with respect to such Holder's Covered Shares and (iii) be party or subject to, or enter into any agreement or taken any action that would make any representation or warranty of the Holders contained herein untrue or incorrect in any material respect or have the effect of preventing the Holders from performing any of their obligations under this Agreement.

3.7. Non-Circumvention. Each party hereto agrees that it shall not, and shall cause its Affiliates not to, indirectly accomplish that which it is not permitted to accomplish directly under this Agreement pursuant to provisions of this Agreement that have not been terminated pursuant to Section 4.

#### 4. Termination.

This Agreement shall terminate and be void and of no further force and effect, and all rights and obligations of the parties hereunder shall terminate without any further liability on the part of any party in respect thereof, upon the earlier to occur of (i) the Effective Time, (ii) such date and time as the Merger Agreement is validly terminated in accordance with its terms and (iii) upon the mutual written agreement of each of the parties hereto to terminate this Agreement (the earliest such date under clause (i), (ii) and (iii) being referred to herein as the “**Termination Date**”); provided that nothing herein will relieve any party from liability for any willful breach hereof prior to the time of termination, and each party will be entitled to any remedies at law or in equity to recover losses, liabilities or damages arising from such breach. Landcadia shall promptly notify each Holder of the termination of the Merger Agreement promptly after the termination of such agreement. Notwithstanding anything to the contrary herein, the provisions of Section 5 shall survive the termination of this Agreement.

#### 5. Miscellaneous.

5.1. Further Assurances. The parties hereto shall execute and deliver such additional documents and take such additional actions as the parties reasonably may deem to be practical and necessary in order to consummate the transactions contemplated by this Agreement.

5.1.1. Each of the parties hereto acknowledges that Landcadia and others will rely on the acknowledgments, understandings, agreements, representations and warranties contained in this Agreement. Prior to the Termination Date, each of the parties hereto agrees to promptly notify the other parties hereto if any of the acknowledgments, understandings, agreements, representations and warranties made by such party set forth herein are no longer accurate in all material respects.

5.1.2. Each Holder, from time to time, at Landcadia’s request and without further consideration, shall execute and deliver such additional documents and take all such further action as may be reasonably necessary under applicable Legal Requirements to effect the actions and consummate the transactions contemplated by the Merger Agreement and this Agreement on the terms and subject to the conditions set forth herein and therein.

5.1.3. Each of the Holders and Landcadia is entitled to rely upon this Agreement and is irrevocably authorized to produce this Agreement or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

5.1.4. Each of the parties hereto shall pay all of their respective expenses in connection with this Agreement and the transactions contemplated herein.

5.1.5. Each Holder shall take, or cause to be taken, all actions and do, or cause to be done, all things necessary, proper or advisable to consummate the transactions contemplated by this Agreement on the terms and conditions described therein no later than immediately prior to the consummation of the Transactions.

5.1.6. Each Holder further agrees not to commence or participate in, and to take all actions necessary to opt out of any class in any class Action with respect to, any Action or claim, derivative or otherwise, against Landcadia, Landcadia's Affiliates, the Sponsors, Hillman or any of their respective successors and assigns relating to the negotiation, execution or delivery of this Agreement, the Merger Agreement or any other Transaction Document.

5.2. Notices. Any notice or communication required or permitted hereunder shall be in writing and either delivered personally, emailed or sent by overnight mail via a reputable overnight carrier, and shall be deemed to be given and received (i) when so delivered personally, (ii) when sent, with no mail undeliverable or other rejection notice, if sent by email, or (iii) the next day when sent by overnight carrier to the address below or to such other address or addresses as such person may hereafter designate by notice given hereunder:

- (i) If to Landcadia:  
Landcadia Holdings III, Inc.  
1501 West Loop South.  
Houston, TX 77027  
Attention: Steven L. Scheinthal  
General Counsel  
E-mail: sscheinthal@ldry.com

with a copy (which shall not constitute notice) to:

White & Case LLP  
1221 Avenue of the Americas  
New York, NY 10020  
Attention: Joel L. Rubinstein  
Michael A. Deyong  
Email: joel.rubinstein@whitecase.com  
michael.deyong@whitecase.com

- (ii) If to a Holder, to such address or addresses set forth on the signature page hereto next to such Holder's name.

5.3. Entire Agreement. This Agreement constitutes the entire agreement, and supersedes all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof, including any commitment letter(s) entered into relating to the subject matter hereof.

5.4. Modifications and Amendments. This Agreement may not be amended, modified, supplemented or waived (i) except by an instrument in writing, signed by the party against whom enforcement of such amendment, modification, supplement or waiver is sought, (ii) without the prior written consent of Landcadia and (iii) in the event that such amendment, modification, supplement or waiver would reasonably be expected to materially and adversely affect the closing of the Transactions pursuant to the Merger Agreement, without the prior written consent of Hillman; provided that any rights (but not obligations) of a party under this Agreement may be waived, in whole or in part, by such party on its own behalf without the prior consent of any other party.

5.5. Assignment. Except for transfers permitted by Section 3.1, neither this Agreement nor any rights, interests or obligations that may accrue to the parties hereunder may be transferred or assigned without the prior written consent of each of the other parties hereto. Any such assignment without such consent shall be null and void. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns.

5.6. Benefit.

5.6.1. Except as otherwise provided herein, this Agreement shall be binding upon, and inure to the benefit of the parties hereto and their heirs, executors, administrators, successors, legal representatives, and permitted assigns, and the agreements, representations, warranties, covenants and acknowledgments contained herein shall be deemed to be made by, and be binding upon, such heirs, executors, administrators, successors, legal representatives and permitted assigns. This Agreement shall not confer rights or remedies upon any person other than the parties hereto and their respective successors and assigns.

5.6.2. Each Holder acknowledges and agrees that (i) this Agreement is being entered into in order to induce Landcadia to execute and deliver the Merger Agreement and without the representations, warranties, covenants and agreements of the Holders hereunder, Landcadia would not enter into the Merger Agreement, (ii) each representation, warranty, covenant and agreement of the Holders hereunder is being made also for the benefit of Landcadia, and (iii) Landcadia may directly enforce (including by an action for specific performance, injunctive relief or other equitable relief in accordance with Section 5.12) each of the covenants and agreements of Holder under this Agreement.

5.6.3. Each of the Holders and Landcadia agrees that Hillman is a third-party beneficiary of this Agreement and Hillman may directly enforce (including by an action for specific performance, injunctive relief or other equitable relief) each of the covenants and agreements of the Holders under this Agreement, as amended, modified, supplemented or waived in accordance with Section 5.4.

5.7. Capacity; Fiduciary Duties. The covenants and agreements set forth herein shall not (a) limit or affect any action or inaction by any Holder or any representative of such Holder serving as a member of the board of directors of Hillman or as an officer, employee or fiduciary of Hillman, in each case, acting in such person's capacity as a director, officer, employee or fiduciary of Hillman, or (b) prevent any Holder or Holder designee, director, officer or employee serving on the board of directors of Hillman from exercising his or her fiduciary duties while acting in such person's capacity as a director of Hillman. Each Holder is entering into this Agreement solely in its capacity as the beneficial owner of such Holder's Hillman Shares, and not in such Holder's capacity as a director, officer or employee of Hillman or any of Hillman's Subsidiaries, and nothing in the foregoing sentence shall be deemed to limit, amend, modify or waive (a) any obligation of any Holder hereunder in such Holder's capacity as a beneficial owner of such Holder's Hillman Shares or (b) any obligation of Hillman under the Merger Agreement or any other Transaction Document.



5.8. Governing Law. This Agreement, and all claims or causes of action (each, an “**Action**”) based upon, arising out of, or related to this Agreement or the transactions contemplated hereby, shall be governed by, and construed in accordance with, the Legal Requirements of the State of Delaware, without giving effect to principles or rules of conflict of laws to the extent such principles or rules would require or permit the application of Legal Requirements of another jurisdiction.

5.9. Consent to Jurisdiction; Waiver of Jury Trial. Any Action based upon, arising out of or related to this Agreement or the transactions contemplated hereby may be brought in federal and state courts located in the State of Delaware, and each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such Action, waives any objection it may now or hereafter have to personal jurisdiction, venue or to convenience of forum, agrees that all claims in respect of the Action shall be heard and determined only in any such court, and agrees not to bring any Action arising out of or relating to this Agreement or the transactions contemplated hereby in any other court. Nothing herein contained shall be deemed to affect the right of any party to serve process in any manner permitted by law or to commence legal proceedings or otherwise proceed against any other party in any other jurisdiction, in each case, to enforce judgments obtained in any Action brought pursuant to this paragraph. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION BASED UPON, ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5.10. Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby and shall continue in full force and effect.

5.11. No Waiver of Rights, Powers and Remedies. No failure or delay by a party hereto in exercising any right, power or remedy under this Agreement, and no course of dealing between the parties hereto, shall operate as a waiver of any such right, power or remedy of such party. No single or partial exercise of any right, power or remedy under this Agreement by a party hereto, nor any abandonment or discontinuance of steps to enforce any such right, power or remedy, shall preclude such party from any other or further exercise thereof or the exercise of any other right, power or remedy hereunder. The election of any remedy by a party hereto shall not constitute a waiver of the right of such party to pursue other available remedies. No notice to or demand on a party not expressly required under this Agreement shall entitle the party receiving such notice or demand to any other or further notice or demand in similar or other circumstances or constitute a waiver of the rights of the party giving such notice or demand to any other or further action in any circumstances without such notice or demand.

## 5.12. Remedies.

5.12.1. The parties agree that irreparable damage would occur if this Agreement was not performed or the Closing is not consummated in accordance with its specific terms or was otherwise breached and that money damages or other legal remedies would not be an adequate remedy for any such damage. It is accordingly agreed that the parties hereto shall be entitled to equitable relief, including in the form of an injunction or injunctions, to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement, including the Holders' obligations to vote their Covered Shares as provided in this Agreement, without proof of actual damages or the inadequacy of monetary damages as a remedy, in an appropriate court of competent jurisdiction as set forth in Section 5.9, this being in addition to any other remedy to which any party is entitled at law or in equity, including money damages. The right to specific enforcement shall include the right of the parties to cause the other parties to cause the transactions contemplated hereby to be consummated on the terms and subject to the conditions and limitations set forth in this Agreement. The parties hereto further agree (i) to waive any requirement for the security or posting of any bond in connection with any such equitable remedy, (ii) not to assert that a remedy of specific enforcement pursuant to this Section 5.12 is unenforceable, invalid, contrary to applicable law or inequitable for any reason, and (iii) to waive any defenses in any action for specific performance, including the defense that a remedy at law would be adequate. In connection with any action for which Landcadia is being granted an award of money damages, the Holders agree that such damages shall include, without limitation, damages related to the cash consideration that is or was to be paid to Landcadia under the Merger Agreement and such damages are not limited to an award of out-of-pocket fees and expenses related to the Merger Agreement.

5.12.2. The parties acknowledge and agree that this Section 5.12 is an integral part of the transactions contemplated hereby and without that right, the parties hereto would not have entered into this Agreement.

5.12.3. In any dispute arising out of or related to this Agreement, or any other agreement, document, instrument or certificate contemplated hereby, or any transactions contemplated hereby or thereby, the applicable adjudicating body shall award to the prevailing party, if any, the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the dispute and the enforcement of its rights under this Agreement or any other agreement, document, instrument or certificate contemplated hereby and, if the adjudicating body determines a party to be the prevailing party under circumstances where the prevailing party won on some but not all of the claims and counterclaims, the adjudicating body may award the prevailing party an appropriate percentage of the costs and attorneys' fees reasonably incurred by the prevailing party in connection with the adjudication and the enforcement of its rights under this Agreement or any other agreement, document, instrument or certificate contemplated hereby or thereby.

5.13. Survival of Representations and Warranties. All representations and warranties made by the parties hereto in this Agreement shall survive the Closing.

5.14. No Broker or Finder. Each of the Holders represents and warrants to the other parties hereto that no broker, finder or other financial consultant has acted on its behalf in connection with this Agreement or the transactions contemplated hereby in such a way as to create any liability on any other party hereto. Each of the Holders agrees to indemnify and save the other parties hereto harmless from any claim or demand for commission or other compensation by any broker, finder, financial consultant or similar agent claiming to have been employed by or on behalf of such party and to bear the cost of legal expenses incurred in defending against any such claim.

5.15. Headings and Captions. The headings and captions of the various subdivisions of this Agreement are for convenience of reference only and shall in no way modify or affect the meaning or construction of any of the terms or provisions hereof.

5.16. Counterparts. This Agreement may be executed in one or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by any form of electronic delivery, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

5.17. Construction. The words “include,” “includes,” and “including” will be deemed to be followed by “without limitation.” Pronouns in masculine, feminine, and neuter genders will be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context otherwise requires. The words “herein,” “hereof,” “hereby,” “hereunder,” and words of similar import refer to this Agreement as a whole and not to any particular subdivision unless expressly so limited. The parties hereto intend that each representation, warranty, and covenant contained herein will have independent significance. If any party hereto has breached any representation, warranty, or covenant contained herein in any respect, the fact that there exists another representation, warranty or covenant relating to the same subject matter (regardless of the relative levels of specificity) which such party has not breached will not detract from or mitigate the fact that such party is in breach of the first representation, warranty, or covenant.

5.18. Mutual Drafting. This Agreement is the joint product of the parties hereto and each provision hereof has been subject to the mutual consultation, negotiation and agreement of the parties hereto and shall not be construed for or against any party.

5.19. Consent to Disclosure. Each Holder hereby consents to the publication and disclosure in any (i) Form8-K filed by Hillman or Landcadia with the SEC in connection with the execution and delivery of the Merger Agreement and the Registration Statement or (ii) other documents or communications provided by Hillman or Landcadia to any Governmental Entity or to securityholders of Hillman, in each case, to the extent required by the federal securities laws or the SEC or any other securities authorities, of each Holder’s name or identity and beneficial ownership of Covered Shares and the nature of each Holder’s commitments, arrangements and understandings under and relating to this Agreement and, if deemed appropriate by Hillman or Landcadia, a copy of this Agreement. Without each Holder’s prior written consent, Hillman and Landcadia shall not use such Holder’s name in any press release issued in connection with the Transactions. Each Holder will promptly provide any information reasonably requested by Hillman or Landcadia for any regulatory application or filing made or approval sought in connection with the Transactions (including filings with the SEC).

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5.20. No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in Landcadia any direct or indirect ownership or incidence of ownership of or with respect to any Covered Shares.

5.21. No Partnership, Agency or Joint Venture. This Agreement is intended to create a contractual relationship between the Holders, on the one hand, and Landcadia, on the other hand, and is not intended to create, and does not create, any agency, partnership, joint venture or any like relationship between or among the parties.

5.22. No Recourse. Notwithstanding anything to the contrary contained herein or otherwise, but without limiting any provision in the Merger Agreement or any other Transaction Document, this Agreement may only be enforced against, and any claims or causes of action that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement or the transactions contemplated hereby, may only be made against the entities and Persons that are expressly identified as parties to this Agreement in their capacities as such and no former, current or future stockholders, equity holders, controlling persons, directors, officers, employees, general or limited partners, members, managers, agents or affiliates of any party hereto, or any former, current or future direct or indirect stockholder, equity holder, controlling person, director, officer, employee, general or limited partner, member, manager, agent or affiliate of any of the foregoing (each, a “**Non-Recourse Party**”) shall have any liability for any obligations or liabilities of the parties to this Agreement or for any claim (whether in tort, contract or otherwise) based on, in respect of, or by reason of, the transactions contemplated hereby or in respect of any oral representations made or alleged to be made in connection herewith. Without limiting the rights of any party against the other parties hereto, in no event shall any party or any of its affiliates seek to enforce this Agreement against, make any claims for breach of this Agreement against, or seek to recover monetary damages from, any Non-Recourse Party.

*[Signature Page Follows]*

**IN WITNESS WHEREOF**, Landcadia and each Holder has executed or caused this Voting and Support Agreement to be executed by its duly authorized representative as of the date set forth below.

LANDCADIA

**LANDCADIA HOLDINGS III, INC.**

By: \_\_\_\_\_  
Name:  
Title:

*[Signature Page to Voting and Support Agreement]*

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HOLDER

**[HOLDER]**

By:

Name:

Title:

Hillman Shares:

Notice Address:

*[Signature Page to Voting and Support Agreement]*

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HOLDER

**[HOLDER]**

By:

Name:

Title:

Hillman Shares:

Notice Address:

*[Signature Page to Voting and Support Agreement]*



**The Hillman Group Merger with Landcadia Holdings III**

**Investor Conference Call Transcript**

**January 25, 2021**

**C O R P O R A T E P A R T I C I P A N T S**

**Richard Handler**, *Co-Chairman & President, Landcadia Holdings III*

**Jim Walsh**, *Vice-Chairman, Jefferies*

**Doug Cahill**, *Chairman, CEO & President, The Hillman Group*

**Rocky Kraft**, *Chief Financial Officer, The Hillman Group*

**P R E S E N T A T I O N**

**Operator**

Hello and welcome to the Landcadia Holdings III and Hillman Group business combination announcement conference call.

If anyone should require Operator assistance, please press star zero on your touch tone telephone. There is a presentation that was publicly filed with the SEC that will accompany today's discussion. The presentation can also be viewed on Hillman's website at [hillmangroup.com](http://hillmangroup.com). For everyone on the phone, Landcadia III and Hillman will not be fielding any questions on today's call.

Before we begin, we will refer you to the forward-looking statements on Slide 1 of the presentation.

I will now turn our conference over to Mr. Richard Handler, Co-Chairman and President of Landcadia III, who will begin on Slide 2. You may begin.

**Rich Handler**, *Co-Chairman & President, Landcadia Holdings III*

Hi. My name is Rich Handler, Chairman and CEO of Jefferies, and more importantly, for this transaction I am proud to be Co-Chairman and President of Landcadia III with my partner, Tilman Fertitta.



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I'm incredibly excited to share with you this opportunity to invest with Hillman, as we are using our \$500 million SPAC to take this leading specialty distributor to amazing retailers public in the capital markets. When we told our SPAC holders and our PIPE investors that we were going to do another transaction, we described the ideal merger candidate, and we said it had several characteristics.

On the phone today is Doug Cahill, the CEO, and Rocky Kraft, the CFO, and they're going to be taking you through all the details of why Hillman hits every single checkmark that we wanted for an outstanding acquisition target.

First, our dream criteria was, a very important one, was to have a significant moat around a durable entrenched business. As you'll hear from the team, Hillman is the market leader in complex and compelling categories. They ship to direct-to-store 112,000 SKUs to 42,000 different locations. This is an incredibly entrenched business of critical mass.

They have 1,100 person in-store sales and service teams which are basically partners with their customers, as their products and brands are critical to their retailer success.

We also wanted as a criteria to do a transaction in the public markets a world-class management team that was tested in both good times and bad, and not just capable of running a private company with those challenges, but also ideal to run a public company.

Doug and the team are perfect for this, and you will see why in a couple moments. They've operated with excellence in both good environments and bad, they will explain to you how they adapted remarkably through COVID, and what's more impressive is they've navigated through several cycles with an incredibly highly leveraged balance sheet due to being owned by private equity. This is not easy.

Despite the leverage and the market swings, they've been able to innovate new products, make smart acquisitions, integrate and grow them significantly, and they've combined long-term value creation with a keen sense of urgency. Complete integrity is their hallmark, and they under-promise and over-deliver, which is just what you want in a public company management team.

It was also very important for us to create a company through a merger at the right value perspective. I have personally known the folks at CCMP for quite a while. I have enormous respect for them, and they are great investors. As private equity must do, unfortunately, they had to sell assets to monetize to raise new funds, and they had hired Jefferies to sell this asset. We could tell during the process that they were dragging their feet, as there were an abundance of people who wanted to buy the company, and we could tell CCMP was not anxious to sell.

We asked them why, and they basically said they believed in the management team, the business model, and the future prospects of the company, and they felt it was too early to sell, but they wanted to get a valuation mark to do their next loan.

We agreed that it was an attractive company, so we suggested that perhaps we use a SPAC and take the company public, in which case the management team could execute their plan, and we can participate in the upside, and over time, as the years developed, we could do it in an orderly manner to allow them to monetize their position.

They were very excited about that, and this was a great appeal to both Tilman and myself because, clearly, when you sell a world-class organization into the public markets, the first sale at a discount is always the worst sale, but from our perspective and our investors' perspective, it's the best time to buy.

Another thing that's amazing about this company is it has consistent organic growth and visibility into the future, which is an incredibly complicated future, as we all know, given everything that's happening today. Fifty-five years of the past 56, this company has grown. The only year they didn't grow was 2009, and they grew EBITDA. Remarkable accomplishment. This is because they had favorable demographic tailwinds that support 6% annual organic sales growth and a 10% Adjusted EBITDA growth. It's great to have momentum on your side.

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We also wanted a company that had a large addressable market. This \$45 billion worth of white space to grow is a huge opportunity, and the company will talk about being non-levered and the flexibility that will give them to allow them to take advantage of things they couldn't do in the past.

The final point on Tilman and my list of points that we wanted to have, and the ideal candidate to take public, was a company that can truly leverage the capabilities of Jefferies in the capital markets. This is really Doug and the team's chance to show what they can do without a levered balance sheet. They will have full access to the capital markets with Jefferies as their long-term partner.

We believe they'll be able to use their incredibly strong stock as currency when appropriate, which will also complement other organic growth. This will allow them to build upon the strong foundation that they have worked so hard to achieve over the years.

It's also worth noting that the management team, CCMP, and Jefferies are fully committed to this transaction. No one is taking money out of the transaction, and Jefferies will be committing \$25 million of additional money into the PIPE based upon the attractive valuation, and we'll be partnering alongside a world-class list of PIPE investors.

We are thrilled to be partnering with CCMP and the management in bringing Hillman to the public markets.

I'd like to turn it over to Jim Walsh, our Vice Chairman of Jefferies, who will talk to you in greater detail about the terms of the transaction. Thank you.

**Jim Walsh**, *Vice-Chairman, Jefferies*

Thank you, Rich.

On Slide 4 you can see we're utilizing Landcadia III, a \$500 million SPAC vehicle, plus an additional \$375 million we have raised in a committed PIPE comprised of high-quality investors, including Wells Capital and Columbia Threadneedle, to complete this transaction. So we expect to have \$875 million in total equity proceeds plus a refinancing of Hillman's debt. We'll use these proceeds to buy the Company for an enterprise value of 11 times projected 2021 Adjusted EBITDA. Relative to Hillman's publicly traded comps, this is a great entry price from a value perspective.

Additionally, pro forma for this transaction, Hillman is expected to cut its net leverage by more than half to a ratio of 3.3 times 2020 Adjusted EBITDA. Existing Hillman investors, including CCMP, Doug Cahill and his top team are rolling over all of their equity and will own 49% of the combined company. Landcadia III will own 5% and the remaining float will be split between PIPE investors and public shareholders of (inaudible) Landcadia III.

If you turn to Slide 5, this is what gets us really excited. This is the best-in-class specialty distribution peer group that we're using. If you look across every performance metric, Hillman stands at the very near top. We therefore view 11 times enterprise value off of 2021 EBITDA for Hillman as a great entry price for shareholders, with significant upside to the 20 times median multiple for their peers. Existing Hillman shareholders share that view and are not selling any of their stock in the transaction.

With that, let me turn it over to Doug.

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**Doug Cahill**, *Chairman, CEO & President, The Hillman Group*

Thank you, Jim.

All of us at Hillman share Landcadia's excitement for this merger. Let's start with some background on myself, I started my career at Olin Corporation and ultimately ran a number of their businesses. In 1998, I became CEO of Doane Pet Care Company which was a CCMP portfolio company. We grew it from a \$200 million revenue company to \$1.3 billion, and eventually sold it to Mars for \$1.2 billion. I then ran all of Mars U.S. pet food business. In 2014, I went back to work with CCMP as a Managing Director, where I began running and advising Hillman, for a brief stint as its Interim CEO and then as its Chairman for the past 6-plus years.

In 2019, I joined Hillman full time and added the CEO and President's role to my Chairman role. I started my career in sales and what I've always loved about Hillman is that nothing happens until you sell something. It's a customer first culture and has been for 56 years.

Looking at Slide 7. Hillman's story is attractive because we are the dominant player across our core categories and we have a multi-decade record of producing strong returns for our customers and Hillman. Our ability to build value for our shareholders, customers and employees has and will continue to be driven by the competitive moat that we have built around our Company. The moat includes our scale, well-known brands, deep customer relationships, innovation focus, high employee retention and unmatched logistical ability to manage highly complex and SKU intensive product categories. Our moat has been built over 56 years and is extremely hard to replicate, which makes Hillman an indispensable partner to customers in the specialty hardware distribution space.

We are embedded with the winning national retailers in North America. They are winning because they have huge and relevant physical and online footprints. We are unique and we use the term embedded for three reasons.

First, we source, deliver, manage, and service 112,000 SKUs and we ship to over 40,000 locations.

Second, we have 1100 sales and service members in our customers' stores managing the data, the inventory, the category, and the shelf for and with our customers. On average, these associates have nine years of experience with us and a 95% retention rate. So, as you can see, we're not talking unemployed kids looking for gas money. They are warriors in the stores and they do an amazing job for our customers.

Lastly, we've been selling to our top five customers for 23 years on average. They trust us and rely on us to manage their complexity. Simply put, no one else can do for them what we do. Our products are essential, high margin traffic drivers but very difficult to manage, so we create a seamless, value-add experience for our customers.

Our competitive moat, combined with the fact that we serve the highly resilient repair and remodel end markets, have all cemented our position as a predictable, non-cyclical, market-leading business. This is evident in the consistent record of growth with our organic top line CAGR averaging 6% over the last 20 years.

Looking ahead, we have confidence that our industry tailwinds, market leadership, proven business model and innovation pipeline will allow us to deliver 6% top line and 10% bottom line organic growth. Layering in M&A, we expect 10% top line and 15% bottom line growth in the future.

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We have completed six successful acquisitions over the past three years. The entire team and I look forward to continuing value accretion through opportunistic M&A, while preserving the financial flexibility and prudent leverage ratios achieved through this transaction.

Now let's go to Slide 8. The scale of our operation extends throughout North America. Our top five customers are Home Depot, Lowe's, Walmart, Tractor Supply and Ace Hardware and they have been our partners for the past 23 years. These are the winners in today's retail environment. Their physical stores are frequently visited destinations for must have, need now products, and they have well developed ecommerce channels for both home delivery and buy on-line, pick up in store.

Since 2017, we have grown Adjusted EBITDA at a 22% CAGR. In 2020 we grew total annual sales organically by 12% to \$1.4 billion and increased our Adjusted EBITDA margin by 160 basis points to over 16%.

On Slide 9, half of our business is with Home Depot and Lowe's. We won *Vendor of The Year* in 2020 at both the Home Depot and Lowe's and here's how we look at it. You bring them value that others can't and you have the basis for a true partnership. We need them and they need us, and that's how you win at Home Depot and Lowe's. If you look at the traditional hardware channel, which is your local hardware store, we have an embedded position with over 12,000 stores, where we directly manage the ordering, shipping and stocking of over 40,000 SKUs.

Never has the power of the Hillman platform been more evident than it was in 2020. Our retailers' stores were deemed essential and stayed open even in the worst of COVID crisis. Our sourcing and logistics network delivered at over 95% fill rate, which we estimate was 15 points to 20 points higher than our peers.

In the second quarter alone, our service teams made an estimated 98,000 store visits with a 96% attendance level. At many times, our people were the only ones in the stores helping shoppers because it was hard for retailers to mobilize their own labor. Our performance during this crisis positions us for further share gains with our customers that has already started to show up in our financial results. As you can see, I am really proud of what our folks were able to accomplish this past year.

On Slide 10, we are the number one market leader in each of our core categories, which include hardware solutions, protective solutions, and robotics and digital solutions. Think about hardware solutions as nuts and bolts, fasteners and screws of all kind, and builders hardware. Protective solutions is work gear, it's gloves, it's PPE and safety products. And then you have our robotics and digital solutions where our installed machines and robots duplicate keys and fobs, personalize pet tags, sharpen knives and perform other in-demand services.

Please turn to Slide 11. In hardware solutions, we do over \$700 million of sales a year in that category. Since 2017, we have grown it at an 8% organic CAGR. Our competitive moat is our powerful sourcing and logistics network where we ultimately ship 61,000 SKUs to 23,000 retail stores, with 82% of those shipments going directly to the store and managed by our army of 1100 employees in stores every day. Some of our national retailers don't have any fastenings in their distribution center because we ship straight to the retail stores, just like we do at the traditional hardware stores. Shipping directly to the retailer stores with our own sales and service people in the stores is the Hillman differentiator.

Looking at Slide 12. We got into the PPE business with the acquisition of Big Time Products in 2018. We actually liked masks and gloves before everybody was wearing them. We have a very experienced team here with a strong design-driven culture. With 15% organic CAGR over the last three years, this was a great acquisition and we're very proud of this business.

Moving to our robotics and digital solutions on Slide 13. We have designed, built, and deployed 32,500 of our robotic key cutting and engraving machines in retail stores today that we own, service, and manage.

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We have a full-service key cutting machine as well as self-serve machines such as our minuteKEY key cutting kiosks. We duplicate 116 million keys a year, compared to the next largest duplicating competitor less than 10 million a year.

We also have our smart auto key fob business, which allows for the replacement of smart key fobs for half the typical price that a typical car dealership charges. RDS is our most profitable segment at 29% EBITDA margin and we have invested heavily to expand our moat and fuel even more profitable growth in this segment with \$120 million in capital spent since 2016. We're excited about what we think we can do with our leadership position and new innovations in our robotics and digital solution business going forward.

On Slide 14. Over the past several decades, we have earned our customers' trust to expand our moat throughout the store with more products. We have done this both organically as well as through M&A. Our products are customer favorites because they drive foot traffic, provide recurring revenue, and are always in the top margin quartile for our retailers. Our products are also really hard to manage and our retailers trust us to do that for them. When we think about the future, we are bullish because there are many adjacent categories to cover, more aisles to manage, and more robotic kiosks to install.

Turning to Slide 15. The positive testimony we have received from our customers underpins the various awards we continue to win with them. In February of 2020, we won *Ace Vendor of the Year* for the first time in 56 years. In 2020, we won *Do it Best Vendor of the Year* and *Tractor Supply Vendor of the Year* for the second year in a row. Hillman won vendor of the year at both Lowe's and Home Depot in 2020. I am sure there has been a company who has won both in the same year but I don't know of one.

Please turn to Slide 16. Our business is truly cycle-tested. We have grown organically in 55 of the past 56 years, which to me is an amazing feat. While the only year we did not grow top line organically was the deep recession year of 2009, we were still able to grow EBITDA 10% and expand our margins that year. More importantly, this is where you can really see the resilience of our repair and remodel focus. If we were tied to new housing starts, we would likely have been down closer to 50% versus 5% decline that we saw in 2009.

We have lots of ways to grow our business going forward as highlighted on Slide 18. According to a third-party industry report, the market we operate in is expected to grow at a 4% CAGR from 2020 through 2024, so we have strong industry tailwinds. We also have lots of whitespace to grow with our existing customers. We can do this by growing in underpenetrated product categories and expanding our ecommerce capabilities to better serve the evolving models of our customers, including Amazon. We will also leverage innovation where we have a robust pipeline of products coming to markets as we speak here today. M&A is another growth vector where we have a large pipeline of opportunities and now the balance sheet to pursue them.

I'll spend a minute on some of these growth levers starting on Slide 19. As far as our industry, we see a \$45 billion total addressable market, which breaks down into three buckets.

First, existing products and channels, which accounts for \$6 billion of this opportunity.

Second, category expansions like the \$15 billion safety market. It's really attractive to us because our customers have encouraged us to further penetrate this market and over the past year we expanded our business in multiple categories in that segment.

Third, we see adjacent categories like plumbing, electrical, and paint supplies collectively representing another \$20 billion of opportunity. These are all highly profitable growth areas with our existing customer base.

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We're really excited about recent home trends, which are providing a favorable backdrop for all these product categories. When you think about suburban migration trends and millennials buying homes, we see solid tailwinds. Our customers agree with us that it's not just a 2020 trend. We've always been focused on the repair and remodel markets and believe it is a multi-year tailwind for our industry. The DIYer and Pro have always been Hillman's focus.

On Slide 20, let's talk about our Innovation Engine, starting with Power Pro. It's a premium brand we own. Think about it as deck screws, drywall screws and concrete screws. We introduced it in 2001, but in 2014 we put serious marketing and engineering muscle behind improving the product. Our CAGR is over 20% since 2014, and we think sales could more than double by 2025. It's a great brand story and we're really excited about the opportunity.

Moving to gloves on Slide 21, our Firm Grip brand is the fastest growing brand of gloves in America. Three years ago, Firm Grip brand wasn't in the top 10 for unaided awareness and today it's number one. We've doubled the sales of Firm Grip over the past three years, and now we've extended the brand into safety and work gear. I've managed number one global brands on four occasions in my career so I can tell you this brand has a great future.

On Slide 22, Resharp is an automated robotic knife sharpening technology we recently acquired and there has never been a robotic machine like it. When we bought the business in 2019, the founder had an amazing idea but he didn't know how to manufacture it, sell it or service it. Hillman had the world class manufacturing, customer relationships and in-store reps to quickly commercialize this product. When we showed this product to Ace senior management, they asked us how fast we could get 3,000 machines in their stores. So now, they are going to be our launch partner. The reason Ace is so excited about this machine is because they have knife sharpening service today but it's in a van out in the parking lot done manually by a third party. The consumer experience with this machine is amazing. The knives come out looking like they're factory new and the first machines produced at our Tempe, Arizona plant are being shipped to ACE this month.

Turning to Slides 23 and 24. M&A is and will continue to be a key tool for our expansion. We have an established brand that other businesses want to be part of. When we think about acquisitions, we first make sure they bring something to our customers that others can't, and we then make sure they have business models that we can make financially accretive to ours. After picking strong candidates, we then build our moat around them. Our Big Time and minuteKEY acquisitions in 2018 are prime examples of our M&A success, in which we roughly doubled the acquired EBITDA of each business in only two years.

We are extremely proud of these accomplishments and all of the acquisitions we've completed. Going forward, we will continue to do acquisitions that fit our strategy and are financially accretive. We will use a combination of cash on hand, debt, synergies, earn-outs and equity to execute M&A while not hurting our future financial flexibility or our credit ratios.

Moving to Slide 25. I am truly grateful for my leadership team. I have been personally involved in hiring each of these experienced operators. Rocky Kraft ran Omnicare, Jon Michael ran Crown Bolt, and Randy Fagundo has run kiosk businesses for 30 years. Scott Ride has run two Canadian divisions for Husqvarna and Electrolux. The other piece I admire about this team is that Kim Corbitt, who runs our human resources, and Steve Brunner, our CIO, both started their careers in sales. It was so important to me in the interview because at Hillman, remember, nothing happens until you sell something. We are focused on the customer, and that is what I love about this team and this company.

I will now turn the call over to Rocky Kraft, our CFO, who will provide further details on our financials and the business.

**Rocky Kraft**, *Chief Financial Officer, The Hillman Group*

Thanks, Doug.

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As a little bit of my background and as Doug mentioned, I ran Omnicare. I started my career with PWC and was there for 18 years, with the last six as an Audit Partner. In 2010, I went to work for Omnicare as their CFO until we sold the company to CVS for \$13 billion, where I stayed on for a couple of years. In 2017, I came to Hillman. The excitement to me about Hillman was coming back to the center of a company where we could make decisions, do accretive M&A, and really move the needle in the business, which is what we have done over the last several years.

Please turn to Slides 27 and 28 as we take a deeper look at the financials. Doug hit on this previously, but I would like to reiterate that our business is very resilient. We perform with consistency and are well positioned to drive growth in the future. Over the past 20 years we have delivered a long-term top line organic CAGR of 6%. Our recent growth over the past three years of 17.7% top line and 22.2% Adjusted EBITDA gives us a ton of confidence that we can hit our target organic CAGRS of 6% for revenue and 10% for EBITDA through 2025 and when adding M&A, 10% top line and 15% Adjusted EBITDA.

Our conviction is reinforced by our strong finish to 2020, with preliminary fourth quarter results exceeding our expectations and demonstrating strong momentum into year end. Preliminary 2020 full year Adjusted EBITDA of \$221 million increased 24%, which was double the rate of sales growth. Free cash flow grew by an even more impressive 46% to \$176 million, partly reflecting a wind down of strategic Capex investments, which I'll discuss in a moment.

Looking ahead through 2022, we're projecting CAGRs of roughly 5% for sales and 9% for EBITDA, which does not include future acquisitions. We have taken a cautious view in our projections, particularly as it relates to the market growth in the business, because we are coming off a really strong 2020. We believe that the combination of market growth and share gains from our unique model will propel this business to 6% long term organic sales growth. This sales growth, along with a mix shift to more profitable service-related offerings and some leveraging of SG&A, will allow us to grow EBITDA 10%, excluding M&A.

Moving to Slide 29. This business has a very attractive forward cash flow profile. As I mentioned earlier, the trajectory of our cash flow is strong following the completion of several significant investments. Over the last five years, we have deployed about \$300 million in high-return Capex projects to position the Company for future growth, particularly in our higher margin businesses.

First, we invested in the robotics space around our key cutting machines. These machines all provide recurring revenue and have very few capital requirements for many years.

Second on the list is data analytics. We continue to stay ahead of our competition with best-in-class data in areas like retail analytical tools that are used by our sales and our service teams to efficiently manage inventory at customer locations.

Third, we have invested in our distribution network to more efficiently ship our products. As we look to the future, any capital around our distribution centers will be targeted investments to support the growth of the business.

Fourth, we finished the implementation of our company-wide ERP in 2019.

In addition, cash costs associated with restructuring, as well as planned investments to modernize, reduce costs and streamline operations are largely behind us. With all these investments now largely complete, and dramatic interest savings from the reduction in our debt levels, we expect our future free cash flow generation will be dramatically better.

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Looking forward, we anticipate maintenance Capex of under \$20 million annually at about 1% of sales. We will allocate cash generated by our business on M&A and select high-return projects while preserving our balance sheet strength. We plan to invest about \$40 million per year in higher ROI growth Capex, which is primarily focused on the installment of high-margin robotic machines at customer locations, with short payback periods. As an example, our robotic kiosks target a payback period of two years or less, and many of the machines we are building today are returning even quicker paybacks.

Turning to Slide 30. At Hillman, we have managed effectively in the 7 times plus leverage space for a long time. We are very excited as a team about the expected 50% reduction in our net debt to 3.3 times 2020 Adjusted EBITDA and estimated interest expense savings of \$50 million annually, resulting in a healthier balance sheet and better optionality upon the consummation of this transaction. It will not only allow us to run the business better, but it will allow us flexibility to use our balance sheet for accretive M&A. Having said this, we are committed to not increasing our leverage levels from where they will be at closing.

I'll wrap up the financial discussion on Slide 31. Our analysis anticipates 4% market growth over the next several years. This model assumes modest market growth, which we view as highly achievable following our 20-year CAGR of 6%. Then we assume we grow our share with annual wins with our existing customers in excess of \$20 million each year. We see the rollout of new products as sales drivers flowing through to EBITDA, and we expect that the mix of our business, along with some modest operating leverage, should expand margins over the forecasted period.

Our history provides significant confidence in our organic targets of 6% net sales and 10% Adjusted EBITDA CAGRs through 2025, and we plan to continue with strategic M&A to drive those targets to 10% sales and 15% Adjusted EBITDA CAGRs over the forecasted period.

With that, I'm going to turn it back over to Doug.

**Doug Cahill**, *Chairman, CEO & President, The Hillman Group*

Thanks, Rocky.

In summary on Slide 32, we are deeply embedded as a strategic partner to our retailers and we have a moat around our business that is hard to replicate. One of our key advantages is our 1,100 employees who directly operate in our customers' stores. These folks are warriors and amaze our customers every single day. Our strength is a testament to the hard work of our team. We are fortunate to excel in the categories and the 112,000 SKUs that we manage and service with and for our customers. The bottom line is that we create a seamless, value added experience for our customers.

As we look ahead, we're experiencing strong trends in our core markets that we believe are here for the long term. Beyond market growth, we have a ton of growth to capture in expanding our existing products as well as with new products and new adjacent markets, organically and with M&A. Our newly invested infrastructure and capital structure should support our strategy as we look forward to continuing our long and proven track record of success as a public company.

Thank you for taking time to listen to our story and we look forward to speaking with you in the near future.

**Operator**

Thank you. This does conclude today's conference call. You may disconnect your lines as this time and thank you for your participation.



**THE HILLMAN GROUP, A LEADING VALUE-ADDED SPECIALTY DISTRIBUTOR OF HARDWARE AND HOME IMPROVEMENT PRODUCTS, TO BECOME PUBLIC COMPANY**

*Hillman and Landcadia III (Nasdaq: LCY) to Merge*

*CCMP Capital to Remain Largest Shareholder*

*Institutional Investors Led By Wells Capital Management, Columbia Threadneedle Investments' Small Cap Growth Strategy Commit to Invest \$375 Million at Closing*

*Transaction Values Hillman at Enterprise Value of Approximately \$2.64 Billion*

*Hillman Chairman and CEO Doug Cahill to Continue Leading Company*

*Investor Call Scheduled for Today at 9:00 AM EST*

**CINCINNATI & HOUSTON** – January 25, 2021 – HMAN Group Holdings Inc., the parent company of The Hillman Group, Inc. (“Hillman” or the “Company”), a leader in the hardware and home improvement industry and Landcadia Holdings III, Inc. (Nasdaq: LCY) (“Landcadia III”), a publicly-traded special purpose acquisition company, announced today that they have entered into a definitive merger agreement that will result in Hillman becoming a publicly listed company. Upon the closing of the transaction, the combined company will be named Hillman Solutions Corp. and remain listed on Nasdaq under the new ticker symbol “HLMN.”

Landcadia III’s management team is led by Tilman J. Fertitta, Chief Executive Officer and Co-Chairman of Landcadia III’s Board of Directors, and Rich Handler, President and Co-Chairman. Hillman is controlled by private equity firm CCMP Capital Advisors, LP (“CCMP”), which has a long history of creating value for private and public shareholders. CCMP and its affiliates acquired a majority interest in Hillman in 2014 and will remain the Company’s largest shareholder upon closing. Hillman’s Chairman, Chief Executive Officer and President Doug Cahill will continue to lead the combined company in these roles along with the current management team, and will be a significant equity participant in the Company.

Founded in 1964, Hillman is a leading distributor of hardware and home improvement products, personal protective equipment and robotic kiosk technologies. Today the Company provides a comprehensive solution to its retail customers for managing SKU-intensive, complex home improvement categories, distributing over 110,000 SKUs in categories including fasteners and hardware; work gear, gloves and other PPE; and robotics and digital solutions such as key and fob duplication. Hillman distributes to over 40,000 locations in the U.S., Canada and Mexico, and serves home improvement centers, mass merchants, national and regional hardware stores and other retailers. Leading customers include winning omni-channel retailers such as Ace Hardware, Home Depot, Lowe’s, Tractor Supply, True Value and Walmart, among others. Hillman’s sales have grown in 55 of its 56 year history and are estimated to reach \$1.4 billion for the fiscal year ended on December 26, 2020.

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“Today’s announcement marks the beginning of the next chapter of Hillman’s partnership with our winning retail customers in the large, non-cyclical and growing retail hardware market,” said Mr. Cahill. “We are excited to team up with Landcadia III and continue partnering with CCMP. With our new capital structure, we expect to accelerate our growth across both existing products and channels, as well as pursue attractive opportunities in adjacent categories, both organically and through M&A.”

“Doug and his team have established Hillman as an essential product and services provider in the hardware and home improvement industry, and, given changes benefitting the residential housing markets, they have the wind at their back,” said Mr. Handler and Mr. Fertitta. “What makes this business combination unique is that Hillman operates in a market that is large, predictable, growing and non-cyclical. Consumers love their homes, but now they are living *and* working, entertaining, vacationing, educating and retiring in them, and home improvement spending is expected to remain strong. We look forward to working with Doug and the entire Hillman team to help drive Hillman’s next phase of growth.”

Joe Scharfenberger, Managing Director of CCMP, commented: “Today’s announcement is the culmination of over six years of working closely with the Hillman management team where we together defined and executed a strategic and operational plan that enabled Hillman to grow sales by 10% per year and nearly double adjusted EBITDA, both organically and through transformational acquisitions. We believe Hillman’s exceptional growth is poised to continue as the Company expands into adjacent, untapped hardware categories, and we look forward to continuing our relationship with management and building on our new partnership with Landcadia III.”

#### **Hillman Investment Highlights**

- Best-in-class specialty distributor and partner
  - Long standing, deeply embedded strategic partner to omni-channel retailers
  - Manage 110,000+ SKU’s at over 40,000 locations, including 32,500 kiosks
  - Non-replicable field sales and service team, 1,100 strong
- Market and innovation leader across compelling categories
  - #1 market positions in fastener, hardware, key duplication, engraving and PPE product categories
- Serving large, high growth and resilient markets
  - Total addressable market of ~\$45 billion
  - Enduring home improvement trends: millennials buying homes, suburban migration, and boomers aging in place
- Multiple growth drivers and recession resistance
  - Sales have grown every year but one in past 56 years
  - Home improvement and other trends support mid-single digit core organic growth
  - Proven M&A record: \$550 million in acquisitions since 2018 to drive future growth

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- Strong financial profile
    - At end of 2020: 3-year compound annual growth of 18% top line and 22% Adj. EBITDA
    - Strength proven during COVID: FY2020E sales up 12% and Adj. EBITDA up 24%
    - Well-invested platform generating substantial cash flow

#### **Transaction Overview**

The transaction implies an enterprise valuation for Hillman of \$2.642 billion, or 11.0x projected 2021 pro forma Adjusted EBITDA of \$240 million. Estimated cash proceeds from the transaction are expected to consist of Landcadia III's \$500 million of cash in trust. In addition, investors led by Wells Capital Management and Columbia Threadneedle Investments' Small Cap Growth Strategy have committed to invest \$375 million in the form of a PIPE at a price of \$10.00 per share of common stock of Landcadia III immediately prior to the closing of the transaction.

The company expects to use the proceeds from the transaction to accelerate Hillman's growth initiatives, substantially reduce existing debt, support marketing efforts, and provide additional working capital. It is anticipated that the combined company will have approximately \$741 million of debt net of \$96 million of cash and cash equivalents on its consolidated balance sheet.

The Landcadia III sponsors and members of its board of directors and management team have agreed to a lock-up period of up to one year following the closing, subject to termination as early as approximately 180 days after closing if certain trading price targets are met. Upon the closing of the transaction, and assuming none of Landcadia III's public stockholders elect to redeem their shares, existing Hillman shareholders are expected to own 49% of the combined company, the Landcadia III sponsors are expected to own 5% of the combined company, PIPE participants are expected to own 20% of the combined company, and public stockholders are expected to own 26% of the combined company.

The boards of directors of each of Landcadia III and Hillman have unanimously approved the transaction. The transaction will require the approval of the stockholders of Landcadia III and of Hillman, and is subject to other customary closing conditions, including the receipt of certain regulatory approvals. The transaction is expected to close in the second quarter of 2021.

#### **Advisors**

Barclays and Jefferies are acting as financial advisors to Hillman and Ropes & Gray LLP is acting as legal advisor to Hillman. Jefferies is acting as capital markets advisor to Landcadia III, and White & Case LLP is acting as legal advisor to Landcadia III. Jefferies and Barclays are acting as placement agents for the PIPE.

#### **Conference Call and Webcast Information**

Investors may listen to a pre-recorded call discussing the proposed business combination later today at 9:00 am EST. The call may be accessed by dialing 1-877-407-4018 for domestic callers or 1-201-689-8471 for international callers. Once connected with the operator, please ask to join the "Landcadia Holdings III and Hillman Group Business Combination Announcement Conference Call."

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A replay of the call will also be available today from 11:00 am EST to 11:59 pm EST on April 19, 2021. To access the replay, the domestic toll-free access number is 1-844-512-2921 and participants should provide the conference ID of “13715493.”

Please visit the Investor Info section of Hillman’s website <https://www.hillmangroup.com/us/en/investor/info> to access the webcast.

**About Hillman**

Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman is a leading North American provider of complete hardware solutions, delivered with industry best customer service to over 40,000 locations. Hillman designs innovative product and merchandising solutions for complex categories that deliver an outstanding customer experience to home improvement centers, mass merchants, national and regional hardware stores, pet supply stores, and OEM & Industrial customers. Leveraging a world-class distribution and sales network, Hillman delivers a “small business” experience with “big business” efficiency. For more information on Hillman, visit <https://www.hillmangroup.com/us/en>.

**Landcadia Holdings III, Inc.**

Landcadia III is a blank check company whose business purpose is to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. Landcadia III’s sponsors are TJF, LLC, which is wholly-owned by Mr. Fertitta, and Jefferies Financial Group Inc. Landcadia III’s management team is led by Mr. Fertitta, its Chief Executive Officer and Co-Chairman of its Board of Directors and the sole shareholder, Chairman and Chief Executive Officer of Fertitta Entertainment, Inc., and Mr. Handler, Landcadia III’s President other Co-Chairman of its Board of Directors and the Chief Executive Officer of Jefferies Financial Group Inc. Landcadia III raised \$500,000,000 in its initial public offering in October 2020 and is listed on Nasdaq under the ticker symbol “LCY.”

**About CCMP Capital**

CCMP Capital Advisors, LP (“CCMP”) specializes in middle market buyouts and growth equity investments of \$100 million to \$500 million in North America and Europe. CCMP focuses on generating alpha through the operational transformation and growth of its portfolio companies. With offices in New York and Houston, CCMP invests in three primary industries: Consumer, Industrial and Healthcare. Selected investments under management include: BGIS, Eating Recovery Center, Founder Sport Group, Hayward, The Hillman Group, PQ Corporation, Shoes For Crews and Truck Hero.

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## Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. The Company’s and Landcadia III’s actual results may differ from their expectations, estimates and projections and consequently, you should not rely on these forward looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, the Company’s and Landcadia III’s expectations with respect to future performance and anticipated financial impacts of the proposed business combination, the satisfaction of the closing conditions to the proposed transaction and the timing of the completion of the proposed transaction. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside the Company’s and Landcadia III’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the risk that the proposed business combination disrupts the Company’s current plans and operations; (2) the ability to recognize the anticipated benefits of the proposed business combination, which may be affected by, among other things, competition, the ability of the Company to grow and manage growth profitably and retain its key employees; (3) costs related to the proposed business combination; (4) changes in applicable laws or regulations; (5) the possibility that Landcadia III or the Company may be adversely affected by other economic, business, and/or competitive factors; (6) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; (7) the outcome of any legal proceedings that may be instituted against Landcadia III or the Company following the announcement of the merger agreement; (8) the inability to complete the proposed business combination, including due to failure to obtain approval of the stockholders of Landcadia III or Hillman, certain regulatory approvals or satisfy other conditions to closing in the merger agreement; (9) the impact of COVID-19 on the Company’s business and/or the ability of the parties to complete the proposed business combination; (10) the inability to obtain or maintain the listing of the combined company’s shares of common stock on Nasdaq following the proposed transaction; or (11) other risks and uncertainties indicated from time to time in the registration statement containing the proxy statement/prospectus relating to the proposed business combination, including those under “Risk Factors” therein, and in Landcadia III’s or the Company’s other filings with the SEC. The foregoing list of factors is not exclusive, and readers should also refer to those risks that will be included under the header “Risk Factors” in the registration statement on Form S-4 to be filed by Landcadia III with the SEC and those included under the header “Risk Factors” in the final prospectus of Landcadia III related to its initial public offering. Readers are cautioned not to place undue reliance upon any forward-looking statements in this press release, which speak only as of the date made. Landcadia III and the Company do not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements in this press release to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

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**No Offer or Solicitation**

This press release shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed transaction. This press release shall also not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any states or jurisdictions in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

**Additional Information**

In connection with the proposed business combination, Landcadia III intends to file a registration statement on FormS-4 with the Securities and Exchange Commission (the "SEC"), which will include a proxy statement/prospectus, that will be both the proxy statement to be distributed to holders of Landcadia III's common stock in connection with its solicitation of proxies for the vote by Landcadia III's stockholders with respect to the proposed business combination and other matters as may be described in the registration statement, as well as the prospectus relating to the offer and sale of the securities to be issued in the business combination. After the registration statement is declared effective, Landcadia III will mail a definitive proxy statement/prospectus and other relevant documents to its stockholders. This document does not contain all the information that should be considered concerning the proposed business combination and is not intended to form the basis of any investment decision or any other decision in respect of the business combination. Landcadia III's stockholders, the Company's stockholders and other interested persons are advised to read, when available, the preliminary proxy statement/prospectus included in the registration statement and the amendments thereto and the definitive proxy statement/prospectus and other documents filed in connection with the proposed business combination, as these materials will contain important information about the Company, Landcadia III and the business combination. When available, the definitive proxy statement/prospectus and other relevant materials for the proposed business combination will be mailed to stockholders of Landcadia III as of a record date to be established for voting on the proposed business combination. Landcadia III's stockholders and the Company's stockholders will also be able to obtain copies of the preliminary proxy statement, the definitive proxy statement and other documents filed with the SEC, without charge, once available, at the SEC's website at [www.sec.gov](http://www.sec.gov), or by directing a request to: Landcadia Holdings III, Inc., 1510 West Loop South, Houston, Texas 77027, Attention: General Counsel, (713) 850-1010.

**Participants in the Solicitation**

Landcadia III and Hillman and their respective directors and officers may be deemed participants in the solicitation of proxies of Landcadia III's stockholders in connection with the proposed business combination. A list of the names of Landcadia III's directors and executive officers and a description of their interests in Landcadia III is contained in Landcadia III's final prospectus dated October 13, 2020 relating to its initial public offering, which was filed with the SEC and is available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov). Information about the Company's directors and executive officers is available in Hillman's Form 10-K for the year ended December 28, 2019 and certain of its Current Reports on Form8-K.

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Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Landcadia III stockholders in connection with the proposed business combination will be set forth in the registration statement containing the proxy statement / prospectus for the business combination when available. Additional information regarding the interests of participants in the solicitation of proxies in connection with the proposed business combination will be included in the proxy statement that Landcadia III intends to file with the SEC, including Jefferies Financial Group Inc.'s and/or its affiliate's various roles in the transaction. You should keep in mind that the interest of participants in such solicitation of proxies may have financial interests that are different from the interests of the other participants. These documents can be obtained free of charge from the sources indicated above.

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# Investor Presentation

January 2021



# Disclaimer



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**No Representation or Warranty.** No representation or warranty, express or implied, is or will be given by Landcadia or Hillman or any of their respective affiliates, directors, officers, employees or advisers or any other person as to the accuracy or completeness of the information in this presentation or any other written, oral or other communications transmitted or otherwise made available to any party in the course of its evaluation of the Business Combination, and no responsibility or liability whatsoever is accepted for the accuracy or sufficiency thereof or for any errors, omissions or misstatements, negligent or otherwise, relating thereto. This presentation does not purport to contain all of the information that may be required to evaluate a possible investment decision with respect to Landcadia or Hillman, and does not constitute investment, tax or legal advice. The recipient also acknowledges and agrees that the information contained in this presentation is preliminary in nature and is subject to change, and any such changes may be material. Landcadia and Hillman disclaim any duty to update the information contained in this presentation. Any and all trademarks and trade names referred to in this presentation are the property of their respective owners. The only obligations of any such person shall be those of Landcadia and Hillman set forth in a definitive agreement executed by Landcadia and Hillman regarding a possible negotiated transaction with Landcadia and Hillman. The proposed Business Combination is subject to, among other things, the negotiation and execution of a definitive agreement providing for the Business Combination, the approval by Landcadia's stockholders, satisfaction of the conditions set forth in the definitive agreement. Accordingly, there can be no assurance that a definitive agreement will be entered into or that the proposed Business Combination will be consummated.

**Forward looking statements.** This presentation contains "forward looking statements" within the meaning of The Private Securities Litigation Reform Act of 1995. Forward looking statements include, without limitation, statements regarding the estimated future financial performance, financial position and financial impacts of the Business Combination as well as of Landcadia, Hillman and the combined company following the Business Combination, the satisfaction of closing conditions to the Business Combination, the level of redemption by Landcadia's public stockholders and purchase price adjustments in connection with the Business Combination, the timing of the completion of the Business Combination, the anticipated pro forma enterprise value and projected revenue of the combined company following the Business Combination, anticipated ownership percentages of the combined company's stockholders following the potential transaction, and the business strategy, plans and objectives of management for future operations, including as they relate to the potential Business Combination. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this presentation, words such as "pro forma," "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "strive," "will," "would" and similar expressions may identify forward looking statements, but the absence of these words does not mean that a statement is not forward looking. When Landcadia discusses its strategies or plans, including as they relate to the Business Combination, it is making projections, forecasts and forward looking statements. Such statements are based on the beliefs of, as well as assumptions made by and information currently available to, Landcadia's management.

These forward looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside of Landcadia's and Hillman's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) Landcadia's ability to complete the Business Combination or, if Landcadia does not complete the Business Combination, any other initial business combination; (2) satisfaction or waiver (if applicable) of the conditions to the Business Combination, including with respect to the approval of the stockholders of Landcadia; (3) the ability to maintain the listing of the combined company's securities on Nasdaq or another exchange; (4) the risk that the Business Combination disrupts current plans and operations of Landcadia or Hillman as a result of the announcement and consummation of the transaction described herein; (5) the impact of COVID-19 on Hillman's business and operations and/or the ability of the parties to complete the Business Combination; (6) the ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; (7) costs related to the Business Combination; (8) changes in applicable laws or regulations and delays in obtaining, adverse conditions contained in, or the inability to obtain necessary regulatory approvals required to complete the Business Combination; (9) the possibility that Hillman and Landcadia may be adversely affected by other economic, business, and/or competitive factors; (10) the out come of any legal proceedings that may be instituted against Landcadia, Hillman or any of their respective directors or officers following the announcement of the Business Combination; (11) the failure to realize anticipated pro forma results and underlying assumptions, including with respect to estimated stockholder redemptions and purchase price and other adjustments; and (12) other risks and uncertainties indicated from time to time in the preliminary proxy statement of Landcadia related to the Business Combination, including those under "Risk Factors" therein, and other documents filed or to be filed with the Securities and Exchange Commission ("SEC") by Landcadia or Hillman.

You are cautioned not to place undue reliance upon any forward looking statements. Forward looking statements included in this presentation speak only as of the date of this presentation. Neither Landcadia nor Hillman undertakes any obligation to update its forward looking statements to reflect events or circumstances after the date hereof. Additional risks and uncertainties are identified and discussed in Landcadia's and Hillman's reports filed with the SEC.

**No Offer or Solicitation.** This presentation shall not constitute a solicitation of a proxy, consent or authorization with respect to any securities or in respect of the Business Combination. This presentation does not constitute, or form a part of, an offer to sell or the solicitation of an offer to sell or an offer to buy or the solicitation of an offer to buy any securities, and there shall be no sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

**Use of Projections.** This presentation contains financial forecasts. Neither Landcadia's nor Hillman's independent auditors have studied, reviewed, compiled or performed any procedures with respect to the projections for the purpose of their inclusion in this presentation, and accordingly, neither of them has expressed an opinion or provided any other form of assurance with respect thereto for the purpose of this presentation. These projections are for illustrative purposes only and should not be relied upon as being necessarily indicative of future results. In this presentation, certain of the above mentioned projected information has been provided for purposes of providing comparisons with historical data. The assumptions and estimates underlying the prospective financial information are inherently uncertain and are subject to a wide variety of significant business, economic and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the prospective financial information. Projections are inherently uncertain due to a number of factors outside of Landcadia's or Hillman's control. Accordingly, there can be no assurance that the prospective results are indicative of future performance of Landcadia, Hillman or the combined company after the Business Combination or that actual results will not differ materially from those presented in the prospective financial information. Inclusion of the prospective financial information in this presentation should not be regarded as a representation by any person that the results contained in the prospective financial information will be achieved.

**Industry and Market Data.** In this presentation, we rely on and refer to information and statistics regarding market participants in the sectors in which Hillman competes and other industry data. We obtained this information and statistics from third party sources, including reports by market research firms and company filings. Being a part of the presentation you agree you may be restricted from dealing in (or encouraging others to deal in) price sensitive securities.

**Non-GAAP Financial Matters.** This presentation includes certain non-GAAP financial measures, including EBITDA, Adjusted EBITDA, Adjusted EBITDA Margin and free cash flow. EBITDA is defined as net income plus tax expense, interest expense and depreciation and amortization. Adjusted EBITDA is defined as EBITDA, less non-recurring expenses. Free cash flow is defined as Adjusted EBITDA less capital expenditures. Note that free cash flow does not represent residual cash flows available for discretionary expenditures due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations. These financial measures are not prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and may be different from non-GAAP financial measures used by other companies. Landcadia and Hillman believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-GAAP measures with comparable names should not be considered in isolation from, or as an alternative to, financial measures determined in accordance with GAAP. See the footnotes on the slides where these measures are discussed for a description of these non-GAAP financial measures and reconciliations of such non-GAAP financial measures to the most comparable GAAP amounts can be found. This presentation includes certain forward looking non-GAAP financial measures. To the extent a reconciliation of these forward looking non-GAAP financial measures to the most directly comparable GAAP financial measures is not provided in this presentation, it is because neither Landcadia nor Hillman is able to provide such reconciliation without unreasonable effort.

**Additional Information.** Landcadia intends to file with the SEC a preliminary proxy statement in connection with the Business Combination and, when available, will mail a definitive proxy statement and other relevant documents to its stockholders. The definitive proxy statement will contain important information about the Business Combination and the other matters to be voted upon at a meeting of stockholders to be held to approve the Business Combination and other matters (the "Special Meeting") and is not intended to provide the basis for any investment decision or any other decision in respect of such matters. Landcadia's stockholders and other interested persons are advised to read, when available, the preliminary proxy statement, the amendments thereto, and the definitive proxy statement in connection with Landcadia's solicitation of proxies for the Special Meeting because the proxy statement will contain important information about the Business Combination. When available, the definitive proxy statement will be mailed to Landcadia stockholders as of a record date to be established for voting on the Business Combination and the other matters to be voted upon at the Special Meeting. Landcadia's stockholders will also be able to obtain copies of the proxy statement, without charge once available, at the SEC's website at [www.sec.gov](http://www.sec.gov) or by directing a request to Landcadia's secretary at 1510 West Loop South Houston, Texas 77027.

**Participants in the Solicitation.** Landcadia, Hillman and their respective directors and officers may be deemed participants in the solicitation of proxies of Landcadia stockholders in connection with the Business Combination. Landcadia's stockholders and other interested persons may obtain, without charge, more detailed information regarding the directors and officers of Landcadia in Landcadia's Registration Statement on Form S-1, which was initially filed with the SEC on September 17, 2020 and is available at the SEC's website at [www.sec.gov](http://www.sec.gov) or by directing a request to Landcadia's secretary at the address above. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Landcadia stockholders in connection with the Business Combination and other matters to be voted upon at the Special Meeting will be set forth in the proxy statement for the Business Combination when available. Additional information regarding the interests of participants in the solicitation of proxies in connection with the Business Combination will be included in the proxy statement that Landcadia intends to file with the SEC, including Jefferies Financial Group Inc.'s and/or its affiliate's various roles in the transaction. You should keep in mind that the interest of participants in such solicitation of proxies may have financial interests that are different from the interests of the other participants.

Jefferies

# Transaction Summary



## HILLMAN



**Doug Cahill**  
Chairman, Chief Executive Officer  
and President



**Rocky Kraft**  
Chief Financial Officer

## LANDCADIA HOLDINGS



**Tilman J. Fertitta**  
Co-Chairman and  
Chief Executive Officer



**Richard Handler**  
Co-Chairman and  
President



**Richard Liem**  
Vice President and  
Chief Financial Officer

### Summary of Proposed Transaction

- Hillman is the leading specialty distributor of hardware to winning retailers
- Landcadia III (NasdaqCM:LCY) is a publicly-listed special purpose acquisition company with \$500mm cash held in trust
  - Landcadia III's founders have a track record of successful SPAC acquisitions, most recently Golden Nugget Online Gaming (NasdaqCM:LCA) which closed in December 2020
- Landcadia III is partnering with the CCMP Capital team who most recently brought Ollie's Bargain Outlet (NasdaqGM:OLLI) and Jamieson Wellness (TSX:JWEL) to the public markets
- Hillman and Landcadia III plan to combine to accelerate growth across existing products and channels, and pursue attractive opportunities in adjacent categories
  - CCMP Capital will be the largest shareholder after the transaction

**\$2.6bn**

Pro Forma  
Enterprise  
Value

**11.0x**

2021P  
Adjusted  
EBITDA

**\$375mm**

PIPE  
Offering

**~3.3x**

Pro Forma Net  
Leverage<sup>(1)</sup>

Note: 2020E defined as preliminary year-end results.  
Note: Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.  
1. Assumes no redemptions from cash in trust and \$375 million PIPE offering. Based on 2020E Adjusted EBITDA.

## What We Like About Hillman



**Foundation in place to achieve 6% Sales and 10% Adjusted EBITDA growth before acquisitions**

Source: Third party industry report.

Note: Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.

1: During the Great Recession (08-09), Sales declined by only 5%, while Adjusted EBITDA grew 10% and margins expanded 250bps.

## Indicative Transaction Overview

Estimated Sources & Uses	
<b>Sources:</b>	
Cash Held in Trust <sup>(1)</sup>	\$500
Existing Investor Rollover Equity	911
New Debt	835
PIPE Proceeds <sup>(2)</sup>	375
Cash on Hillman's Balance Sheet	22
<b>Total</b>	<b>\$2,643</b>
<b>Uses:</b>	
Stock Consideration to Existing Investors	\$911
Paydown of Existing Debt	1,544
Transaction Expenses	91
Cash to Hillman's Balance Sheet	96
<b>Total</b>	<b>\$2,643</b>

Illustrative Pro Forma Valuation	
Share Price	<b>\$10.00</b>
Shares Outstanding <sup>(3)</sup>	190
<b>Equity Value</b>	<b>1,901</b>
Less: Cash	(96)
Plus: Debt	837
<b>Implied Enterprise Value</b>	<b>\$2,642</b>
<b>Implied Multiple on 2021P Adj. EBITDA (\$240)</b>	<b>11.0x</b>
<b>PF Net Leverage<sup>(4)</sup> on 2020E Adj. EBITDA (\$221)</b>	<b>3.3x</b>



Note: The sources and uses of funds presented herein are forward-looking statements and reflect the Company's current plans and expectations regarding financing for the business combination. The Company may elect to obtain additional financing, including the sale of additional debt or equity, or alternative financing on different terms in connection with the business combination in which case the information presented herein may change. Pro forma figures include the run-rate contribution of recent acquisitions and public company cost assumptions. Due to rounding, numbers presented may not add up precisely to the totals indicated.

Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.

<sup>1</sup> As of 9/30/2020. Assumes no redemption by Landcadia III's existing shareholders. Actual results in connection with the business combination may differ.

<sup>2</sup> Assumes 37.5 million shares are issued at \$10.00 per share.

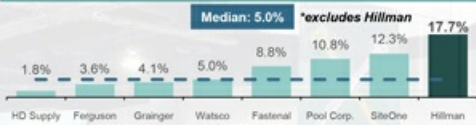
<sup>3</sup> Pro forma share count assumes no redemption by Landcadia III's existing shareholders and includes 50.0 million Landcadia III public shares, 11.5 million Landcadia III founder shares (2.8 million founder shares transferred to existing Hillman shareholders), 37.5 million PIPE investor shares and 91.1 million diluted shares transferred to existing Hillman shareholders. Excludes warrants.

<sup>4</sup> Assumes no redemptions from trust and \$375 million PIPE offering. Chart may not tie to 100% due to rounding. Includes existing shareholders' rolled options and RSUs, assumes treasury stock method.

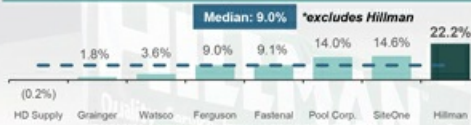
# Top-Tier Financial Profile Relative to Peers

--- Median  
\*excludes Hillman

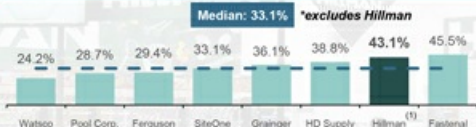
### 2017A – 2020E Revenue CAGR



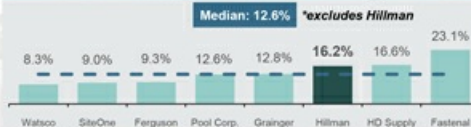
### 2017A – 2020E Adjusted EBITDA CAGR



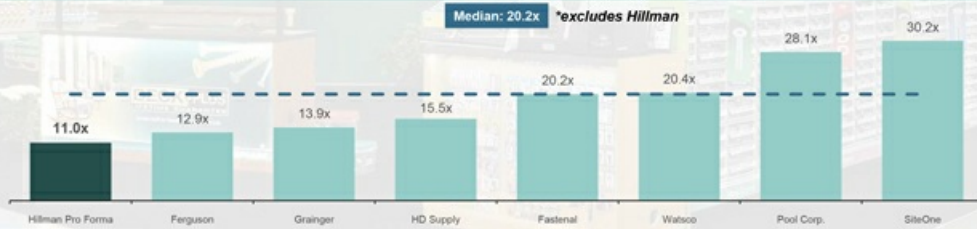
### 2020E Adjusted Gross Margin



### 2020E Adjusted EBITDA Margin



### EV / CY 2021P Adjusted EBITDA



Source: Capital IQ as of 1/22/2021.

Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income and page 37 for a reconciliation of Adj. Gross Margin to Net Sales. All financial results have been calendarized, except for Ferguson, which has been adjusted to a year-end of 1/31 due to a lack of information to properly calendarize. HD Supply has been adjusted to account for the divestiture of its Construction & Industrial segment that was announced on 8/11/2020. HD Supply's EV / EBITDA multiple represents the forward valuation it was acquired for by Home Depot on 12/23/2020.

<sup>1</sup> Adj. Gross Margin defined as (Net Sales less Adj. Cost of Sales (exclusive of depreciation and amortization)) / Net Sales. Adj. Gross margin also includes certain EBITDA adjustments.



# The Hillman Group

**HILLMAN**

## Investment Highlights



# Hillman at a Glance

## Business Description

- Founded in 1964; HQ in Cincinnati, OH
- The leading distributor of hardware and home improvement products, personal protective equipment and robotic kiosk technologies to a broad range of winning retailers in the U.S., Canada and Mexico
- The predominance of our sales come from Hillman-owned brands
- Highly attractive ~\$6 billion direct addressable market with strong secular tailwinds
- Long-standing strategic partnerships with winning retailers including Home Depot, Lowes, Walmart, Tractor Supply, ACE and independent hardware stores
- Provide highly complex logistics, inventory, category management and differentiated in-store merchandising services via ~1,100 person field sales and service team
- ~3,600 non-union employees across corporate HQ, 22 N.A. distribution centers, and Taiwan sourcing office

## By the Numbers

<b>~20 billion</b> Fasteners Sold per Year	<b>~575 million</b> Pairs of Gloves Sold per Year	<b>~116 million</b> Keys Duplicated per Year
<b>~112,000</b> SKUs Managed	<b>~42,000</b> Store Direct Locations	<b>~32,500</b> Kiosks in Retail Locations
<b>#1</b> Position Across Core Categories	<b>10%</b> Long-Term Historical Sales CAGR	<b>55 Years</b> Sales Growth in 56-Year History
<b>~\$1.4bn</b> 2020E Sales	<b>22%</b> 2017A-2020E Adj. EBITDA Growth	<b>16%</b> 2020E Adj. EBITDA Margin

Note: Figures may not tie due to rounding and corporate eliminations.  
 Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.  
 Note: Operational metrics based on 2020E management estimates.



# Revenue and Adjusted EBITDA Snapshot

2020E, % of Total  
(\$ in millions)

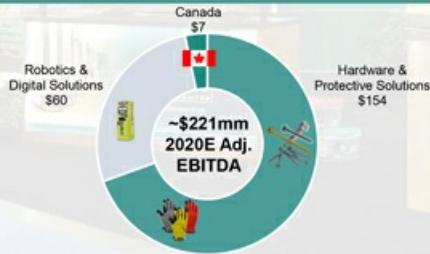
## Sales by Category



## Sales by Channel



## Adj. EBITDA by Category



## Sales by End Segment



Note: Figures may not tie due to rounding and corporate eliminations.  
Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income, and pages 34-36 for a reconciliation of Adj. EBITDA by category to Reported Income from Operations.

# Our Primary Business Segments

## Hardware & Protective Solutions

Segment Position	Hardware Solutions		Protective Solutions		Robotics and Digital Solutions
	#1		#1		#1
Hillman-Owned Brands	Fasteners & Specialty	Construction Fasteners	Work Gear	Gloves	Key and Fob Duplication
					
	Picture Hanging	Builders Hardware & Metal Shapes	Safety / PPE		Personalized Tags
					

### Representative Top Customers



Source: Third party industry report.

# Hardware Solutions Overview

Broad and diversified product portfolio with ~61,000 SKUs

- **Market leader** across the fastening and hardware industry
- Customer-first culture **servicing end user needs**
- Long-standing relationships **with all key customers**
- **Highly sticky and deeply moated** through a winning formula of:
  - Service
  - Quality
  - Category management
  - Value
  - Innovation



<b>#1</b> Market Position	<b>~\$710mm</b> 2020E Sales	<b>~8%</b> 2017A-2020E Organic Sales CAGR	<b>~10%</b> 2017A-2020E Total Sales CAGR
<b>~61,000</b> SKUs Offered	<b>~23,000</b> Store Direct Locations	<b>82%</b> Direct-to-Store Delivery	<b>95%+</b> Fill Rates <sup>(1)</sup>



Source: Third party industry report.  
 Note: Segment financials and all other figures exclude Canada business representing ~10% of sales. Figures may not tie due to rounding and corporate eliminations.  
 Note: 2020E defined as preliminary year-end results. Operational metrics based on 2020E management estimates.  
 1. Fill rates calculated based on 2018A - 2020E data.

# Protective Solutions Overview

Leader in PPE consistently delivering disruptive innovation

- Industry **leading brands**
- Leading supplier** of personal protection equipment
- Design driven culture** focused on product development with **speed to market**
- Serving **all pro and DIYer's needs**
- Experienced sourcing team** with deep vendor partnerships



**#1**  
Market  
Position

**~\$320mm**  
2020E  
Sales

**~15%**  
2017A-2020E Pro Forma  
Organic Sales CAGR<sup>(1)</sup>

**~2,900**  
SKUs  
Offered

**~575mm**  
Pairs of Gloves  
Sold per Year

**64%**  
New Product  
Vitality Rate



Source: Third party industry reports.  
 Note: Segment financials and all other figures exclude Canada business representing ~10% of sales. Figures may not tie due to rounding and corporate eliminations.  
 Note: 2020E defined as preliminary year-end results. Operational metrics based on 2020E management estimates.  
 1: 2017A - 2020E Organic Sales CAGR pro forma for the 2016 acquisition of Big Time Products.

# Robotics & Digital Solutions Overview

Large network of robotic and digital technology delivers convenience, quality and recurring revenue

- Unique provider of **robotic consumer solutions**:
  - Key duplication (full-service and self-service)
  - Fob duplication
  - Pet tags
  - Knife sharpening
- Cutting-edge products** and **proprietary technology platform**
- Expanding **innovation roadmap**
- Highly **attractive margin profile** and a **two year or less return on investment per machine**
- Installed base gives us **unique insights** into our customers and their needs



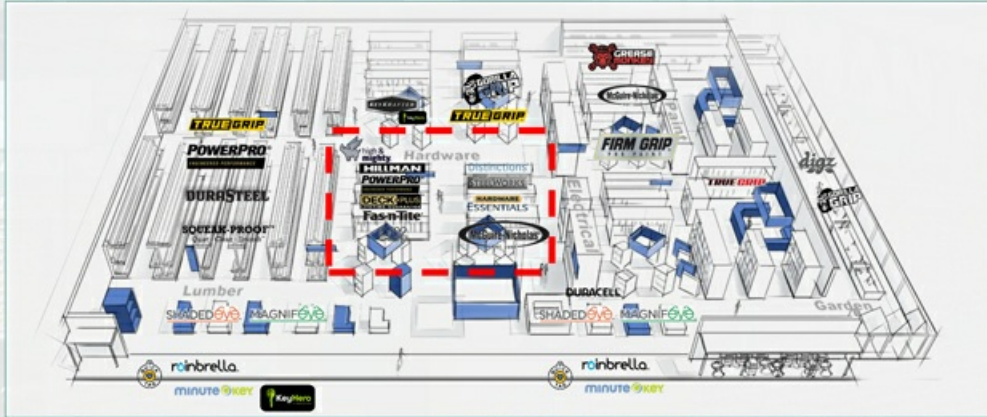
<b>#1</b> Market Position	<b>~\$210mm</b> 2020E Sales	<b>~\$60mm</b> 2020E Adj. EBITDA	<b>~29%</b> 2020E Adj. EBITDA Margin
<b>~116mm</b> Keys Duplicated (2020E)	<b>~\$120mm</b> Capital Invested in Growth (2016A-2020E)	<b>~32,500</b> Machines in Retail Locations	



Source: Third party industry report.  
 Note: Segment financials and all other figures exclude Canada business representing ~10% of sales. Figures may not tie due to rounding and corporate eliminations.  
 Note: 2020E defined as preliminary year-end results. Operational metrics based on 2020E management estimates.  
 Note: Adjusted EBITDA is a non-GAAP measure. Please see page 35 for a reconciliation of Adjusted EBITDA to Reported Income from Operations.

## Indispensable Partner Embedded with Winning Retailers

Trusted partner that provides mission-critical sourcing and in-store and online inventory, category management and in-store services



- ✓ Ship direct to store: 112,000 SKUs to 42,000 locations
- ✓ 1,100 person in-store sales and service team
- ✓ Our products and brands are critical to our customers: consumable, foot traffic driving, basket building and highly profitable
- ✓ Diversification across buying departments and categories
- ✓ Track record of innovative new product introductions

# Customers Love Us, Trust Us and Rely on Us

Consistently recognized by customers and well-positioned to capture additional categories throughout the store

<b>95%+</b> Fill Rates <sup>(1)</sup>	<b>~1,100</b> Field Service Team Members	<b>29</b> Network Facilities	<b>~42,000</b> Store Direct Locations	<b>~112,000</b> SKUs Managed	<b>82%</b> Products Shipped Direct-To-Retail
2020 Vendor of the Year 	2019 Vendor of the Year 	2018 Innovation Partner of the Year 	2018 Vendor of the Year 	2017 Vendor of the Year 	

"This is an unprecedented time as we all navigate the ongoing global economic, social and health impacts of COVID-19... [ We would ] like to take a moment to mention just a few of the suppliers who made an extraordinary effort to keep our stores well stocked this quarter, despite their own challenging operating environments... in our hard lines business, Hillman... went above and beyond in their responsiveness."

"Our 2019 winners, like Hillman, delivered record-breaking growth and provided Ace retailers with product and channel differentiation, unique and dynamic promotions, training and in-store support, and high service levels..."



Note: 2020E defined as preliminary year-end results. Operational metrics based on 2020E management estimates.  
 1. Fill rates calculated based on 2018A - 2020E data.

# Steady, Long-Term, Predictable Growth

Long-term sustainable growth with only one down sales year in the Company's 56-year history

## Track Record of Growth



Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income. CAGRs based on 2000A – 2020E sales.



# Multiple Levers to Drive Growth



**HILLMAN™**

# Multiple Levers to Drive Growth

Unique platform and significant recent investments support accelerating growth



Source: Third party industry reports.  
Note: Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.

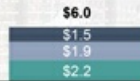
# Attractive Market Dynamics Support Strong Future Growth

~\$45 billion Total Addressable Market

## Existing Products and Channels

(\$ in billions)

\$6bn Opportunity

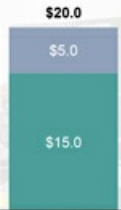


- Hardware Solutions
- Protective Solutions
- Robotics & Digital Solutions

## Product and Channel Expansion

(\$ in billions)

\$20bn Opportunity

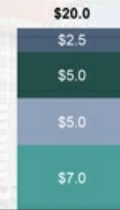


- Safety
- Fasteners, Hardware

## Adjacent Categories

(\$ in billions)

\$20bn Opportunity



- Plumbing Components
- Electrical Components
- Paint Sundries
- Other



Favorable secular trends and underlying Repair & Remodel activity supports 4% market growth

Positive Velocity from Megatrends	Underlying Resiliency within Repair & Remodel	Product Segments Positioned to Outperform Competitors
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Source: Third party industry reports.

# Hardware Solutions Innovation: Driving **POWERPRO**® Into the Future

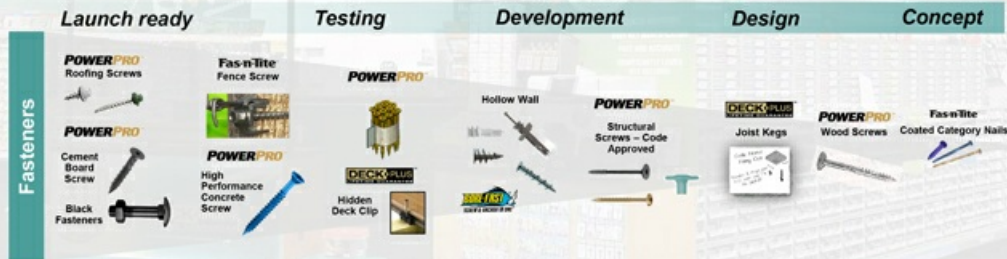
Accelerated recent growth with anticipated opportunity to reach \$150mm in sales and beyond

## Highly Successful Launch...

- Hillman developed premium PowerPro line in 2001
- Established brand with premium position to serve customer needs
  - Innovation:** Redesigned to deliver new performance benefits
  - Category Expansion:** Expanded beyond wood and trim
  - Distribution Expansion:** Across traditional hardware stores, lumber building materials and retail

## ...Poised for Continued Future Growth

- Channel and Market Focus:** Launch new Concrete Screw
- Innovation Pipeline:** New product launches using proven milestone process



Significant Growth Since Launch with Sustained Momentum and Upside Opportunity



# FIRM GRIP Case Study: User-Driven Innovation...

*Through extensive in-field research, Protective Solutions develops patent protected products that resonate with the core consumer*



**...Creates Growth and Opportunity for Hillman**

- ✓ #1 in Unaided Awareness in Category
- ✓ Doubled Sales in 3 Years
- ✓ From Gloves to Work Gear to Safety: Extendable
- ✓ Collaborative Partnership vs. Big Brand Tension

# resharp Case Study: New Product Development



- ✓ Quickly restores knife to factory sharpness
- ✓ Same day on demand accessibility
- ✓ No skill required, just watch
- ✓ Patented system

resharp™

## ReSharp Poised to Open Doors to New Market Opportunities



Source: Management estimates and analysis.  
 Note: ReSharp was acquired in 2019 and is reported under the Robotics and Digital Solutions segment.  
 Note: Adjusted EBITDA is a non-GAAP measure. Please see page 35 for a reconciliation of Adjusted EBITDA to Reported Income from Operations.

# M&A is, and Will Be, a Key Tool For Our Expansion

Hillman has a proven M&A platform with a strong track record of identifying, executing and integrating acquisitions

\$550mm+ spent on strategic acquisitions since 2017



150+

Pipeline of 150+ targets identified

50+

Recent management / ownership discussion with 50+ targets

\$3bn+

Aggregate sales opportunity (targets with recent dialogue)

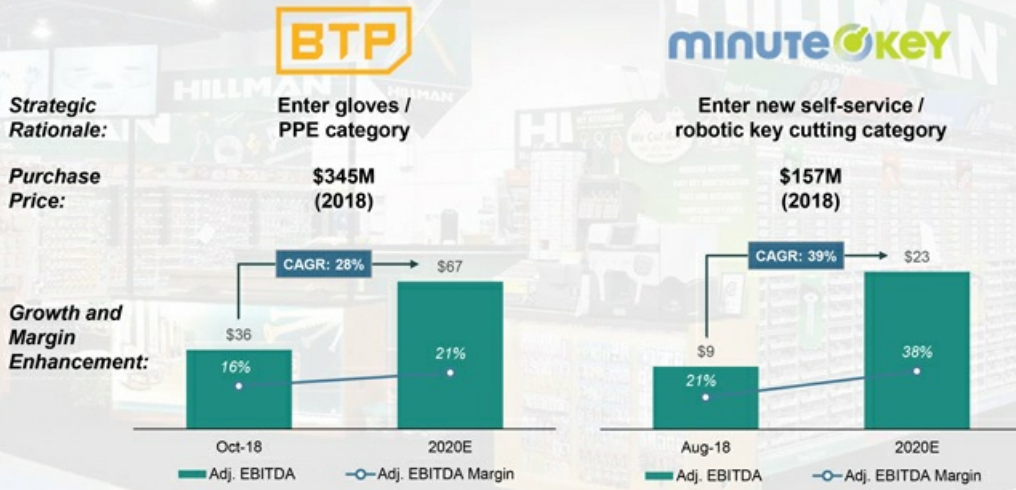
✓ New product categories

✓ Innovative technology

✓ Leverage our retail relationships

# BTP and minuteKEY Case Studies: M&A and Integration

History of building out the business through strategic tuck-ins and transformative acquisitions, growing categories and adding leading, recognized brands



Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. BTP and MinuteKey were acquired in 2018 and are reported under Hardware & Protective Solutions and Robotics & Digital Solutions, respectively. Please see pages 34-35 for a reconciliation of Adjusted EBITDA to Reported Income from Operations.



# Management Team with Proven Operational and M&A Expertise

Management team brings a results-driven approach to innovation and growth



**Doug Cahill**  
Chairman, CEO, and President

- Appointed to current position in September 2019; Chairman since 2015
- Over 25 years of experience growing consumer-focused and industrial companies
- Previously served as a Managing Director at CCMP




**Rocky Kraft**  
Chief Financial Officer

- Joined Hillman in 2017




**Jon Michael Adinolfi**  
U.S. Divisional President

- Joined Hillman in 2019




**Kim Corbitt**  
Chief Human Resources Officer

- Joined Hillman in 2017




**Steven Brunker**  
Chief Information Officer

- Joined Hillman in 2020




**Randy Fagundo**  
Divisional President, Robotics & Digital Solutions

- Joined Hillman through MinuteKey acquisition in 2018




**Scott Ride**  
Chief Operating Officer, Canada

- Joined Hillman in 2015



# Financial Overview

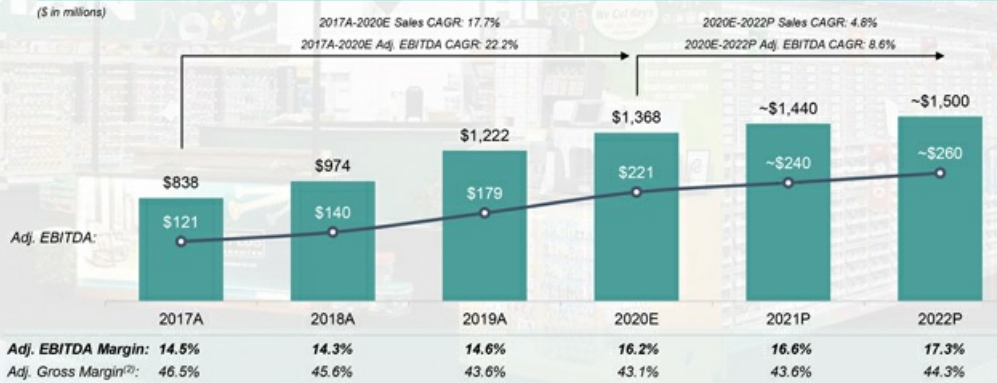


**HILLMAN™**

# Strong Financial Profile with 56-year Track Record



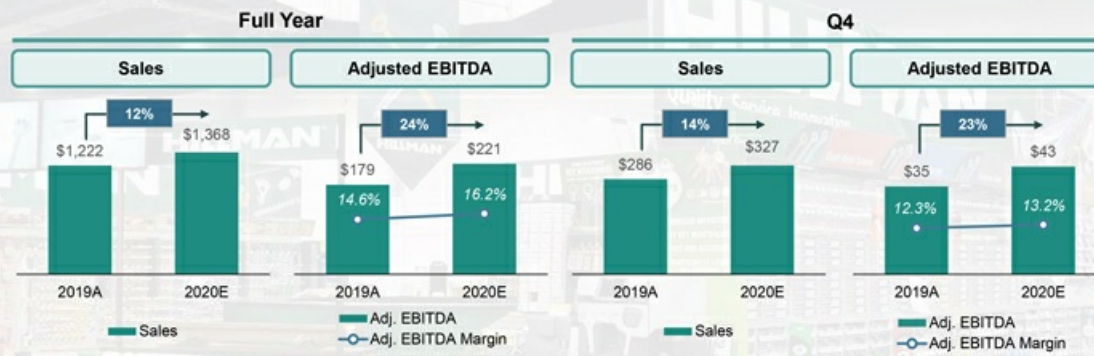
## Proven Track Record of Delivering Results<sup>(1)</sup>



Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.  
 1. Excludes potential acquisitions.  
 2. Adj. Gross Margin defined as (Net Sales less Adj. Cost of Sales (exclusive of depreciation and amortization)) / Net Sales. Adj. Gross Margin also includes certain EBITDA adjustments. Please see page 37 for a reconciliation of Adj. Gross Margin to Net Sales. Adj. Gross Margin decline from 2017A to 2020E entirely attributable to inclusion of Big Time acquisition, which has lower Adj. Gross Margin profile but higher than fleet average Adj. EBITDA Margin.

# Recent Developments – Strong Finish to 2020

(\$ in millions)



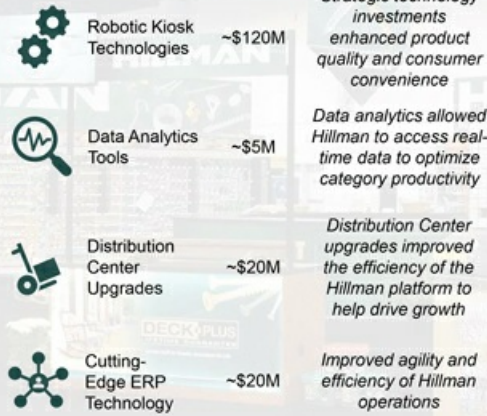
- Cash flow finished the year strong with Net Debt decreasing to \$1,525 million, down \$53 million from \$1,578 in 2019A
- Free Cash Flow for 2020 increased to \$176 million, up \$55 million or 46% from \$121 million in 2019A
  - Growth Capex in 2020 decreased to \$31 million, down \$8 million from \$39 million in 2019A
  - Maintenance Capex in 2020 decreased to \$15 million, down \$4 million from \$19 million in 2019A

Note: 2020E defined as preliminary year-end results.  
Note: FY2020 EBITDA of \$221.2M includes \$28.4M of adjustments detailed beginning on page 33.

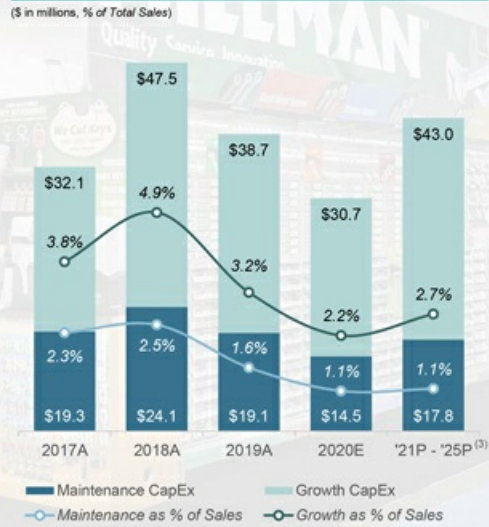
# Infrastructure in Place to Drive Future Growth

Strategic capital investments position Hillman for long-term, sustainable growth

## Capability-Enhancing, High-Return Growth CapEx Examples



## Low Maintenance CapEx with Investment in High ROI Initiatives <sup>(1)(2)</sup>



**~\$300mm invested in capital expenditures over the last 5 years**

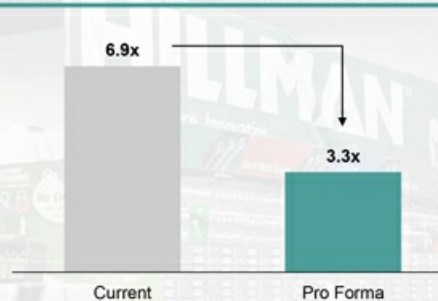
Note: 2020E defined as preliminary year-end results.  
 1. 2020E - 2025P sales used to calculate % of sales do not include projected acquisitions.  
 2. Does not include pro forma adjustments for pre-acquisition periods for acquired companies.  
 3. Represents average values for the 2021P - 2025P period.

## Strong Capital Structure and Free Cash Flow Support Growth

### Total Leverage Based on 2020E Adj. EBITDA

(\$ millions)	Current <sup>(1)</sup>	Pro Forma <sup>(2)</sup>
Cash	\$ 22	\$ 96
ABL Revolver (\$250.0 million)	\$ 72	
First Lien Term Loan	1,037	
Capital Leases	2	2
6.375% Senior Unsecured Notes	330	
Trust Preferred	105	
<b>New First Lien Term Loan</b>		<b>835</b>
<b>Total Debt</b>	<b>\$ 1,547</b>	<b>\$ 837</b>
2020E Adj. EBITDA	\$ 221	\$ 221
Gross Debt / 2020E Adj. EBITDA	7.0x	3.8x
<b>PF Total Net Debt / 2020E Adj. EBITDA</b>	<b>6.9x</b>	<b>3.3x</b>
<b>PF Total Net Debt / 2021P Adj. EBITDA</b>	<b>6.3x</b>	<b>3.1x</b>

### Total Net Leverage Based on 2020E Adj. EBITDA



### Free Cash Flow<sup>(3)</sup>

(\$ millions)	Historical FYE			Estimated 2020
	2017	2018	2019	
Adjusted EBITDA	\$ 121	\$ 140	\$ 179	\$ 221
Maintenance CapEx	19	24	19	15
<b>Free Cash Flow (ex. Growth CapEx)</b>	<b>\$ 102</b>	<b>\$ 116</b>	<b>\$ 160</b>	<b>\$ 207</b>
% Conversion	84.0%	82.7%	89.3%	93.4%
Growth CapEx	32	47	39	31
<b>Free Cash Flow</b>	<b>\$ 70</b>	<b>\$ 68</b>	<b>\$ 121</b>	<b>\$ 176</b>
% Conversion	57.6%	48.8%	67.7%	79.5%

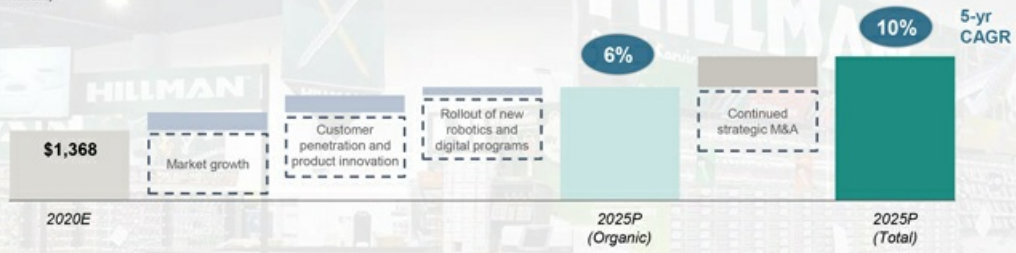
Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.  
<sup>1</sup> Represents FYE 2020E. <sup>2</sup> Assumes no redemption. <sup>3</sup> Free Cash Flow is a non-GAAP measure. Free Cash Flow is defined as Adjusted EBITDA less CapEx. Free Cash Flow Conversion is calculated as Free Cash Flow / Adjusted EBITDA. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.

# A Clear Roadmap for Future Growth

Long-range (5-year) growth targets: 10% Sales and 15% Adjusted EBITDA CAGR

## Sales Growth

(\$ in millions)



## Adj. EBITDA Growth

(\$ in millions)



Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.

# When It Comes To Distributing Fasteners, Hardware, Keys, Tags & PPE to Winning Retailers, Hillman Is In a League of Its Own

## *Best In Class Specialty Distributor and Partner*

- ✓ Long standing, deeply embedded strategic partner to winning omni-channel retailers
- ✓ Unmatched ability to source, deliver, manage and service 110,000+ SKU's in 40,000+ locations including 32,500 kiosks
- ✓ Non-replicable field sales and service team, 1,100 strong, trusted with in store merchandising and category management

## *Clear Market Leader In Attractive Product Categories*

- ✓ #1 market positions in large and growing fastener, hardware, key, engraving and PPE product categories

## *Serving Large, High Growth and Resilient Markets*

- ✓ Total addressable market of ~\$45 billion
- ✓ Products serve highly resilient repair & remodel and PPE markets
- ✓ Enduring home improvement trends: home use has gone from eat, sleep and watch TV to work, school, recreation, fitness and entertainment with millennials buying homes, suburban migration, and boomers aging in place

## *Multiple Growth Drivers and Recession Resistance*

- ✓ Sales have grown every year but one in past 56 years
- ✓ Organic sales growth has been 6% p.a. over the past 20 years (2000-2020) with 10% total sales growth over the period
- ✓ Invested ~\$300 million in capex since 2015 and over \$550 million in acquisitions since 2018 to drive future growth
- ✓ Home improvement and other trends support mid single digit core organic growth
- ✓ Core organic growth amplified by new business wins, product innovation, rollout of kiosks and expansion of PPE
- ✓ Total organic growth amplified by large M&A pipeline and proven M&A track record

## *Winning Financial Profile*

- ✓ At end of 2020: 3-year compound annual growth of 18% top line and 22% Adj. EBITDA
- ✓ Strength proven during COVID: FY 2020E sales up 12% and Adj. EBITDA up 24%
- ✓ Leadership in highly attractive product categories drives top tier 17% 2021P Adj. EBITDA margin with clear path to 20%+
- ✓ Well-invested platform generating substantial cash flow

Note: 2020E defined as preliminary year-end results. Adjusted EBITDA is a non-GAAP measure. Please see page 33 for a reconciliation of Adjusted EBITDA to Net Income.



## Adjusted EBITDA Reconciliation

(\$ millions)	Historical & Preliminary											
			2019						2020			
	2017A	2018A	Q1A	Q2A	Q3A	Q4A	2019A	Q1A	Q2A	Q3A	Q4E	2020E
Net Income	\$58.6	(\$69.6)	(\$35.3)	(\$19.5)	(\$14.5)	(\$34.1)	(\$103.4)	(\$9.8)	(\$4.2)	\$10.7	(\$14.0)	(\$17.4)
Interest	63.2	82.8	29.6	29.1	27.9	27.2	113.8	26.2	27.0	23.8	22.1	99.1
Taxes	(84.9)	2.1	4.8	(2.9)	(3.8)	(3.5)	(5.4)	(9.3)	(1.7)	1.4	(7.0)	(16.6)
Depreciation & Amortization	72.1	90.6	30.6	31.3	30.9	31.7	124.6	32.4	32.1	30.8	31.6	126.9
Gains / Losses on Interest Rate Swaps	(1.5)	0.6	1.1	1.8	0.3	(0.6)	2.6	2.3	(0.3)	(0.8)	(0.6)	0.6
<b>Reported EBITDA</b>	<b>\$107.6</b>	<b>\$106.4</b>	<b>\$30.8</b>	<b>\$39.9</b>	<b>\$40.9</b>	<b>\$20.6</b>	<b>\$132.3</b>	<b>\$41.8</b>	<b>\$52.8</b>	<b>\$65.9</b>	<b>\$32.1</b>	<b>\$192.7</b>
1 Stock Compensation	2.5	1.6	0.4	0.3	1.2	1.1	3.0	1.1	1.5	1.1	1.3	5.1
2 CCMP Management Fee	0.5	0.5	0.1	0.1	0.1	0.2	0.6	0.1	0.2	0.1	0.1	0.6
3 Facility Exits <sup>(1)</sup>	0.1	1.3	-	-	-	-	-	-	0.4	3.0	0.4	3.9
4 Restructuring <sup>(2)</sup>	2.6	9.7	(0.1)	1.4	3.2	9.2	13.7	1.7	1.0	0.7	1.5	4.9
5 Litigation Expense	-	-	-	0.3	0.5	0.7	1.5	0.8	1.9	3.0	2.1	7.7
Acquisition and Integration Expense	1.6	12.4	3.1	3.4	4.7	1.3	12.6	(4.1)	3.8	1.1	5.6	6.3
6 Buy-back Expense	-	-	4.1	2.0	-	1.1	7.2	-	-	-	-	-
7 FastKey	-	-	-	6.8	0.1	1.0	7.9	-	-	-	-	-
8 Refinancing Costs	-	11.6	-	-	-	-	-	-	-	-	-	-
9 Anti-dumping Duties	6.3	(3.8)	-	-	-	-	-	-	-	-	-	-
<b>Total Adjustments</b>	<b>13.5</b>	<b>33.3</b>	<b>7.6</b>	<b>14.3</b>	<b>9.9</b>	<b>14.5</b>	<b>46.4</b>	<b>(0.3)</b>	<b>8.8</b>	<b>9.1</b>	<b>11.0</b>	<b>28.5</b>
<b>Adjusted EBITDA</b>	<b>\$121.2</b>	<b>\$139.8</b>	<b>\$38.5</b>	<b>\$54.2</b>	<b>\$50.8</b>	<b>\$35.1</b>	<b>\$178.7</b>	<b>\$41.5</b>	<b>\$61.6</b>	<b>\$75.0</b>	<b>\$43.1</b>	<b>\$221.2</b>

1 Stock compensation

2 CCMP management fees

3 Costs associated with the closure of facilities

4 Inventory write-offs, severance, rent, labor costs, etc. related to restructuring initiatives

5 Professional fees related to non-recurring litigation

6 Professional fees, non-recurring bonuses, severance and other costs related to historical acquisitions

7 Remove non-recurring buy-back expense for LOW and TSC

8 Impairment losses for the disposal of FastKey self-service key duplicating kiosks

9 Financing fees related to term loan

10 Anti-dumping duties related to nail business

Note: 2020E defined as preliminary year-end results.

1 Includes exits of the San Antonio, Parma and Dallas Warehouse facilities.

2 Includes the restructuring of Canadian operations and executive severance.

## Adjusted EBITDA Reconciliation: Hardware and Protective Solutions

(\$ millions)	Historical & Preliminary											
			2019				2020					
	2017A	2018A	Q1A	Q2A	Q3A	Q4A	2019A	Q1A	Q2A	Q3A	Q4E	2020E
Reported Income from Operations	\$7.8	\$18.6	(\$2.6)	\$10.9	\$8.0	(\$2.2)	\$14.2	\$8.9	\$24.4	\$30.1	\$3.9	\$67.3
Depreciation & Amortization	42.6	50.2	16.0	16.2	16.2	16.9	65.4	16.9	17.6	17.1	17.6	69.2
<b>Reported EBITDA</b>	<b>\$50.4</b>	<b>\$68.7</b>	<b>\$13.5</b>	<b>\$27.1</b>	<b>\$24.2</b>	<b>\$14.7</b>	<b>\$79.6</b>	<b>\$25.7</b>	<b>\$42.0</b>	<b>\$47.3</b>	<b>\$21.5</b>	<b>\$136.5</b>
1 Stock Compensation	2.1	1.3	0.3	0.2	1.0	0.9	2.4	1.0	1.3	1.0	1.2	4.5
2 CCMP Management Fee	0.5	0.5	0.1	0.1	0.1	0.2	0.6	0.1	0.2	0.1	0.1	0.5
3 Facility Exits <sup>(1)</sup>	0.1	1.3	-	-	-	-	-	-	0.4	3.0	0.4	3.9
4 Restructuring	(0.6)	-	-	-	1.1	2.0	3.2	-	-	0.1	0.0	0.1
5 Acquisition and Integration Expense	1.6	7.1	2.2	2.1	3.7	0.9	8.8	0.1	0.5	0.9	6.8	8.3
6 Buy-back Expense	-	-	4.1	2.0	-	1.1	7.2	-	-	-	-	-
7 Corporate and Intersegment Adjustments	1.0	1.8	-	-	-	(0.4)	(0.4)	-	-	-	0.1	0.1
8 Anti-dumping Duties	6.3	(3.8)	-	-	-	-	-	-	-	-	-	-
<b>Total Adjustments</b>	<b>10.9</b>	<b>8.2</b>	<b>6.7</b>	<b>4.5</b>	<b>5.9</b>	<b>4.6</b>	<b>21.7</b>	<b>1.2</b>	<b>2.4</b>	<b>5.1</b>	<b>8.6</b>	<b>17.3</b>
<b>Adjusted EBITDA</b>	<b>\$61.3</b>	<b>\$76.9</b>	<b>\$20.2</b>	<b>\$31.7</b>	<b>\$30.1</b>	<b>\$19.4</b>	<b>\$101.3</b>	<b>\$26.9</b>	<b>\$44.5</b>	<b>\$52.4</b>	<b>\$30.1</b>	<b>\$153.8</b>

1 Stock compensation

2 CCMP management fees

3 Costs associated with the closure of facilities

4 Inventory write-offs, severance, rent, labor costs, etc. related to restructuring initiatives

5 Professional fees, non-recurring bonuses, severance and other costs related to historical acquisitions

6 Remove non-recurring buy-back expense for LOW and TSC

7 Allocations of corporate and segment expenses

8 Anti-dumping duties related to nail business

Note: 2020E defined as preliminary year-end results.

1 Includes exits of the San Antonio, Parma and Dallas Warehouse facilities.

## Adjusted EBITDA Reconciliation: Robotics & Digital Solutions

(\$ millions)	Historical & Preliminary											
			2019				2020					
	2017A	2018A	Q1A	Q2A	Q3A	Q4A	2019A	Q1A	Q2A	Q3A	Q4E	2020E
Reported Income from Operations	\$24.8	\$17.7	\$3.0	(\$3.4)	\$4.2	(\$0.5)	\$3.4	\$5.9	(\$4.5)	\$3.0	(\$1.3)	\$3.2
Depreciation & Amortization	25.7	35.9	13.3	13.4	13.2	13.0	52.9	13.6	12.7	11.9	12.4	50.7
<b>Reported EBITDA</b>	<b>\$50.5</b>	<b>\$53.6</b>	<b>\$16.3</b>	<b>\$10.0</b>	<b>\$17.4</b>	<b>\$12.6</b>	<b>\$56.3</b>	<b>\$19.5</b>	<b>\$8.2</b>	<b>\$14.9</b>	<b>\$11.1</b>	<b>\$53.8</b>
1 Stock Compensation	0.4	0.3	0.1	0.1	0.2	0.2	0.5	0.2	0.2	0.1	0.1	0.7
2 CCMP Management Fee	-	-	-	-	-	-	-	0.0	0.0	0.0	0.0	0.1
3 Restructuring	1.6	-	-	0.0	0.2	0.5	0.7	-	-	-	-	-
4 Litigation Expense	-	-	-	0.3	0.5	0.7	1.5	0.8	1.9	3.0	2.1	7.7
5 Acquisition and Integration Expense	-	5.2	1.0	1.3	1.1	0.4	3.7	(4.2)	3.3	0.2	(1.2)	(2.0)
6 FastKey	-	-	-	6.7	0.1	1.0	7.8	-	-	-	-	-
7 Corporate and Intersegment Adjustments	(1.0)	(1.8)	-	-	-	0.4	0.4	-	-	-	(0.1)	(0.1)
<b>Total Adjustments</b>	<b>1.0</b>	<b>3.8</b>	<b>1.0</b>	<b>8.3</b>	<b>2.1</b>	<b>3.2</b>	<b>14.7</b>	<b>(3.2)</b>	<b>5.4</b>	<b>3.3</b>	<b>0.9</b>	<b>6.4</b>
<b>Adjusted EBITDA</b>	<b>\$51.5</b>	<b>\$57.4</b>	<b>\$17.3</b>	<b>\$18.3</b>	<b>\$19.6</b>	<b>\$15.7</b>	<b>\$71.0</b>	<b>\$16.3</b>	<b>\$13.6</b>	<b>\$18.3</b>	<b>\$12.1</b>	<b>\$60.3</b>

1 Stock compensation

2 CCMP management fees

3 Inventory write-offs, severance, rent, labor costs, etc. related to restructuring initiatives

4 Professional fees related to non-recurring litigation

5 Professional fees, non-recurring bonuses, severance and other costs related to historical acquisitions

6 Impairment losses for the disposal of FastKey self-service key duplicating kiosks

7 Allocations of corporate and segment expenses

Note: 2020E defined as preliminary year-end results.

## Adjusted EBITDA Reconciliation: Canada

(\$ millions)	Historical & Preliminary											
			2019				2020					
	2017A	2018A	Q1A	Q2A	Q3A	Q4A	2019A	Q1A	Q2A	Q3A	Q4E	2020E
Reported Income from Operations	\$2.9	(\$8.8)	(\$0.2)	\$1.0	(\$2.3)	(\$8.4)	(\$9.9)	(\$5.3)	\$0.8	\$1.9	(\$2.2)	(\$4.7)
Depreciation & Amorization	3.8	4.6	1.3	1.7	1.5	1.8	6.3	1.9	1.7	1.8	1.7	7.1
Reported EBITDA	\$6.8	(\$4.2)	\$1.0	\$2.7	(\$0.8)	(\$6.6)	(\$3.6)	(\$3.4)	\$2.6	\$3.7	(\$0.5)	\$2.4
1 Restructuring <sup>(1)</sup>	1.6	9.7	(0.1)	1.5	1.9	6.7	10.0	1.7	1.0	0.7	1.5	4.8
2 Corporate and Intersegment Adjustments	(0.1)	-	-	-	-	-	-	-	-	-	-	-
<b>Total Adjustments</b>	<b>\$1.6</b>	<b>\$9.7</b>	<b>(\$0.1)</b>	<b>\$1.5</b>	<b>\$1.9</b>	<b>\$6.7</b>	<b>\$10.0</b>	<b>\$1.7</b>	<b>\$1.0</b>	<b>\$0.7</b>	<b>\$1.5</b>	<b>\$4.8</b>
<b>Adjusted EBITDA</b>	<b>\$8.3</b>	<b>\$5.5</b>	<b>\$1.0</b>	<b>\$4.2</b>	<b>\$1.1</b>	<b>\$0.1</b>	<b>\$6.4</b>	<b>(\$1.7)</b>	<b>\$3.5</b>	<b>\$4.4</b>	<b>\$1.0</b>	<b>\$7.2</b>

1 Inventory write-offs, severance, rent, labor costs, etc. related to restructuring initiatives

2 Allocations of corporate and segment expenses

Note: 2020E defined as preliminary year-end results.

1 Includes the restructuring of Canadian operations and executive severance.

## Adjusted Net Sales Reconciliation by Segment

(\$ millions)	Historical & Preliminary									
	2019A					2020E				
	Q1A	Q2A	Q3A	Q4A	2019A	Q1A	Q2A	Q3A	Q4E	2020E
<b>Hardware &amp; Protective Solutions</b>										
Net Sales (Reported)	\$201.6	\$226.4	\$222.9	\$202.1	\$853.0	\$213.2	\$269.5	\$300.3	\$241.4	\$1,024.4
Buy-back Expense	4.1	2.0	-	1.1	7.2	-	-	-	-	-
Net Sales (Adjusted)	\$205.7	\$228.4	\$222.9	\$203.2	\$860.2	\$213.2	\$269.5	\$300.3	\$241.4	\$1,024.4
<b>Robotics and Digital Solutions</b>										
Net Sales (Reported)	\$57.4	\$60.2	\$61.8	\$56.7	\$236.1	\$56.3	\$42.2	\$59.2	\$51.6	\$209.3
<b>Canada</b>										
Net Sales (Reported)	\$28.7	\$38.0	\$32.5	\$26.0	\$125.3	\$26.4	\$35.0	\$39.2	\$34.1	\$134.6
<b>Consolidated</b>										
Net Sales (Reported)	\$287.7	\$324.6	\$317.3	\$284.8	\$1,214.4	\$295.8	\$346.7	\$398.7	\$327.1	\$1,368.3
Buy-back Expense	4.1	2.0	-	1.1	7.2	-	-	-	-	-
Net Sales (Adjusted)	\$291.7	\$326.6	\$317.3	\$285.9	\$1,221.6	\$295.8	\$346.7	\$398.7	\$327.1	\$1,368.3

Note: 2020E defined as preliminary year-end results.

## Adjusted Gross Margin Reconciliation

(\$ millions)	Historical & Preliminary				Forecast	
	2017A	2018A	2019A	2020E	2021P	2022P
Net Sales (Reported)	\$838.4	\$974.2	\$1,214.4	\$1,368.3	\$1,443.6	\$1,503.5
Buy-back Expense	-	-	7.2	-	-	-
Net Sales (Adjusted)	\$838.4	\$974.2	\$1,221.6	\$1,368.3	\$1,443.6	\$1,503.5
Cost of Sales (Reported) <sup>(1)</sup>	\$455.7	\$537.9	\$693.9	\$781.8	\$814.6	\$838.1
Restructuring Related Charges	1.0	11.8	5.2	3.6	-	-
Anti-dumping Duties	6.3	(3.8)	-	-	-	-
Cost of Sales (Adjusted) <sup>(1)</sup>	\$448.4	\$529.9	\$688.7	\$778.2	\$814.6	\$838.1
Gross Profit (Reported) <sup>(1)</sup>	\$382.7	\$436.3	\$520.5	\$586.5	\$628.9	\$665.5
Gross Margin (Reported) <sup>(1)</sup>	45.6%	44.8%	42.9%	42.9%	43.6%	44.3%
Gross Profit (Adjusted) <sup>(1)</sup>	\$389.9	\$444.2	\$532.9	\$590.1	\$628.9	\$665.5
Gross Margin (Adjusted) <sup>(1)</sup>	46.5%	45.6%	43.6%	43.1%	43.6%	44.3%

Note: 2020E defined as preliminary year-end results.  
 1. Exclusive of depreciation and amortization.