

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

FORM 8-K

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

Date of Report (Date of earliest event reported): May 3, 2022

Hillman Solutions Corp.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39609
(Commission File No.)

85-2096734
(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.)

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
Common Stock, par value \$0.0001 per share	HLMN	The Nasdaq Stock Market LLC

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. ☐

Item 2.02 Results of Operations and Financial Condition.

On May 3, 2022, Hillman Solutions Corp. (the “Company”) issued a press release, furnished as Exhibit 99.1 and incorporated herein by reference, announcing the Company's selected summary financial results for its thirteen weeks ended March 26, 2022.

The information provided pursuant to Item 2.02, including the exhibit attached hereto, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

[99.1](#) Press Release, dated May 3, 2022, announcing the financial results of Hillman Solutions Corp. for its thirteen weeks ended March 26, 2022.

[99.2](#) Supplemental slides provided in connection with the first quarter 2022 earnings call of Hillman Solutions Corp.

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.

Date: May 3, 2022

Hillman Solutions Corp.

By: /s/ Robert O. Kraft

Name: Robert O. Kraft

Title: Chief Financial Officer



Exhibit 99.1

Hillman Reports First Quarter 2022 Results

CINCINNATI, May 3, 2022 -- Hillman Solutions Corp. (Nasdaq: HLMN) (the "Company" or "Hillman"), a leading provider of hardware products and merchandising solutions, reported financial results for the thirteen weeks ended March 26, 2022.

First Quarter 2022 Highlights

- Net sales for the first quarter of 2022 increased to \$363.0 million compared to \$341.3 million in the prior year quarter.
- Net loss for the first quarter of 2022 totaled \$(1.9) million, or \$(0.01) per diluted share, compared to \$(9.0) million, or \$(0.10) per diluted share, in the prior year quarter.
- Adjusted diluted EPS¹ for the first quarter of 2022 were \$0.09 per diluted share compared to \$0.16 per diluted share in the prior year quarter.
- Adjusted EBITDA¹ for the first quarter of 2022 totaled \$44.0 million compared to \$47.8 million in the prior year quarter.

"Our industry leading fill rates during the first quarter of 2022 were the result of our best-in-class field sales and service team, coupled with our investment into inventory made last year," commented Doug Cahill, chairman, president and chief executive officer of Hillman. "Successfully navigating the ongoing challenges in the supply chain has resulted in unmatched performance at the shelves of our customers, which include America's leading big box and home improvement retailers, as well as your hometown hardware store. Our strong execution has led to recent customer wins in the fasteners and builders hardware categories."

"Looking forward, we believe our business, which is focused on home repair, remodel and maintenance, will benefit from several long-term tailwinds as housing stock in North America continues to age. Our differentiated strategy led by our field sales and service team of 1,100 strong and our store-direct delivery model has allowed us to partner together with our top five customers for, on average, over 20 years."

Full Year 2022 Guidance

Management reiterated guidance for its 2022 fiscal year originally provided on March 2, 2022 with Hillman's fourth quarter 2021 results.

- Net sales are anticipated to be in the range of \$1.5 billion to \$1.6 billion
- Adjusted EBITDA¹ is expected to be in the range of \$207 million to \$227 million
- Free Cash Flow is projected to be in a range of \$120 million to \$130 million

First Quarter 2022 Results Presentation

Hillman plans to host a conference call and webcast presentation today, May 3, 2022, at 8:30 a.m. Eastern Time to discuss its results. Chairman, President, and Chief Executive Officer Doug Cahill and Chief Financial Officer Rocky Kraft will host the results presentation.

Date/Time: May 3, 2022 at 8:30 a.m. Eastern Time

Listen-only Webcast: <https://edge.media-server.com/mmc/p/znivjan2>

Toll-Free: (866) 673-2033

1) Adjusted EBITDA and Adjusted Diluted EPS are non-GAAP financial measures. Refer to the "Reconciliation of Adjusted EBITDA" and "Reconciliation of Adjusted Earnings per Share" section of this press release for additional information as well as reconciliations between the company's GAAP and non-GAAP financial results.

International: (409) 217-8313

Conference ID: 3008416

A webcast replay will be available approximately one hour after the conclusion of the call using the link above.

Hillman's earnings release, quarterly presentation, and Form 10-Q were filed with the SEC and are accessible on its Investor Relations website, <https://ir.hillmangroup.com>.

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 www.hillmangroup.com.

Forward-Looking Statements

This communication contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. All forward-looking statements are made in good faith by the company and are intended to qualify for the safe harbor from liability established by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995. 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," "target," "goal," "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 expectations with respect to future performance. 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 control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) unfavorable economic conditions that may affect operations, financial condition and cash flows including spending on home renovation or construction projects, inflation, recessions, instability in the financial markets or credit markets; (2) increased supply chain costs, including raw materials, sourcing, transportation and energy; (3) the highly competitive nature of the markets that we serve (4) ability to continue to innovate with new products and services; (5) seasonality; (6) large customer concentration; (7) ability to recruit and retain qualified employees; (8) the outcome of any legal proceedings that may be instituted against the Company (9) adverse changes in currency exchange rates; (10) the impact of COVID-19 on the Company's business; or (11) regulatory changes and potential legislation that could adversely impact financial results. The foregoing list of factors is not exclusive, and readers should also refer to those risks that are included in the Company's filings with the Securities and Exchange Commission ("SEC"), including the Annual Report on Form 10-K filed on March 16, 2022. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward looking statements.

Except as required by applicable law, the Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements in this communication to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Contact:

Michael Koehler
Vice President of Investor Relations & Treasury
513-826-5495
IR@hillmangroup.com

HILLMAN SOLUTIONS CORP.
Condensed Consolidated Statement of Net Income, GAAP Basis
(dollars in thousands)
Unaudited

	Thirteen Weeks Ended March 26, 2022	Thirteen Weeks Ended March 27, 2021
Net sales	\$ 363,013	\$ 341,281
Cost of sales (exclusive of depreciation and amortization shown separately below)	213,273	201,298
Selling, general and administrative expenses	114,538	103,179
Depreciation	13,254	16,341
Amortization	15,521	14,909
Management fees to related party	—	126
Other (income) expense, net	(2,422)	(352)
Income (loss) from operations	8,849	5,780
Interest expense, net	11,628	19,019
Interest expense on junior subordinated debentures	—	3,152
(Gain) loss on mark-to-market adjustments	—	(673)
Investment income on trust common securities	—	(95)
Income (loss) before income taxes	(2,779)	(15,623)
Income tax provision (benefit)	(892)	(6,653)
Net income (loss)	<u>\$ (1,887)</u>	<u>\$ (8,970)</u>
Basic and diluted income (loss) per share	\$ (0.01)	\$ (0.10)
Weighted average basic and diluted shares outstanding	194,007	91,179

HILLMAN SOLUTIONS CORP.
Condensed Consolidated Balance Sheets
(dollars in thousands)
Unaudited

	March 26, 2022	December 25, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 19,375	\$ 14,605
Accounts receivable, net of allowances of \$2,813 (\$2,891 - 2021)	130,513	107,212
Inventories, net	565,716	533,530
Other current assets	17,396	12,962
Total current assets	733,000	668,309
Property and equipment, net of accumulated depreciation of \$296,866 (\$284,069 - 2021)	173,429	174,312
Goodwill	826,055	825,371
Other intangibles, net of accumulated amortization of \$368,562 (\$352,695 - 2021)	782,295	794,700
Operating lease right of use assets	79,481	82,269
Deferred tax assets	1,460	1,323
Other assets	24,280	16,638
Total assets	<u>\$ 2,620,000</u>	<u>\$ 2,562,922</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 196,913	\$ 186,126
Current portion of debt and financing lease liabilities	11,750	11,404
Current portion of operating lease liabilities	12,848	13,088
Accrued expenses:		
Salaries and wages	15,516	8,606
Pricing allowances	9,823	10,672
Income and other taxes	5,181	4,829
Interest	1,751	1,519
Other accrued liabilities	41,265	41,052
Total current liabilities	295,047	277,296
Long-term debt	932,615	906,531
Deferred tax liabilities	139,886	137,764
Operating lease liabilities	71,691	74,476
Other non-current liabilities	14,387	16,760
Total liabilities	<u>\$ 1,453,626</u>	<u>\$ 1,412,827</u>
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.0001 par, 500,000,000 shares authorized, 194,136,319 issued and 194,048,014 outstanding at March 26, 2022 and 194,083,625 issued and 193,995,320 outstanding at December 25, 2021	20	20
Additional paid-in capital	1,393,428	1,387,410
Accumulated deficit	(212,068)	(210,181)
Accumulated other comprehensive income (loss)	(15,006)	(27,154)
Total stockholders' equity	<u>1,166,374</u>	<u>1,150,095</u>
Total liabilities and stockholders' equity	<u>\$ 2,620,000</u>	<u>\$ 2,562,922</u>

HILLMAN SOLUTIONS CORP.
Condensed Consolidated Statement of Cash Flows
(dollars in thousands)
Unaudited

	Thirteen Weeks Ended March 26, 2022	Thirteen Weeks Ended March 27, 2021
Cash flows from operating activities:		
Net income (loss)	\$ (1,887)	\$ (8,970)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	28,775	31,250
Deferred income taxes	1,293	(5,955)
Deferred financing and original issue discount amortization	1,299	904
Stock-based compensation expense	6,018	1,741
Change in fair value of contingent consideration	(1,470)	—
Other non-cash interest and change in fair value of interest rate swap	—	(673)
Changes in operating items:		
Accounts receivable, net	(22,304)	(15,155)
Inventories, net	(29,529)	(55,407)
Other assets	(3,854)	(5,405)
Accounts payable	9,910	18,485
Other accrued liabilities	8,169	(6,204)
Net cash used for operating activities	(3,580)	(45,389)
Cash flows from investing activities:		
Acquisition of business, net of cash received	(2,500)	—
Capital expenditures	(12,541)	(9,077)
Net cash used for investing activities	(15,041)	(9,077)
Cash flows from financing activities:		
Repayments of senior term loans	(2,128)	(2,652)
Borrowings on revolving credit loans	70,000	62,000
Repayments of revolving credit loans	(43,000)	(14,000)
Principal payments under finance lease obligations	(259)	(227)
Proceeds from exercise of stock options	328	1,643
Cash payments related to hedging activities	(467)	—
Net cash provided by financing activities	24,474	46,764
Effect of exchange rate changes on cash	(1,083)	94
Net increase (decrease) in cash and cash equivalents	4,770	(7,608)
Cash and cash equivalents at beginning of period	14,605	21,520
Cash and cash equivalents at end of period	<u>\$ 19,375</u>	<u>\$ 13,912</u>

HILLMAN SOLUTIONS CORP.**Reconciliations of Non-GAAP Financial Measures to the Most Directly Comparable GAAP Financial Measures**

The Company uses non-GAAP financial measures to analyze underlying business performance and trends. The Company believes that providing these non-GAAP financial measures enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance. These non-GAAP financial measures are provided as supplemental information to the financial measures presented in this press release that are calculated and presented in accordance with GAAP. Non-GAAP financial measures should not be considered a substitute for, or superior to, financial measures determined or calculated in accordance with GAAP. The Company's definitions of its non-GAAP financial measures may not be comparable to similarly titled measures reported by other companies. Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, reconciliations to GAAP financial measures are not provided for forward-looking non-GAAP measures. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could be material to future results.

Non-GAAP financial measures such as consolidated adjusted EBITDA and Adjusted Diluted Earnings per Share (EPS) exclude from the relevant GAAP metrics items that neither relate to the ordinary course of the Company's business, nor reflect the Company's underlying business performance.

Reconciliation of Adjusted EBITDA (Unaudited)
(dollars in thousands)

Adjusted EBITDA is a non-GAAP financial measure and is the primary basis used to measure the operational strength and performance of our businesses as well as to assist in the evaluation of underlying trends in our businesses. This measure eliminates the significant level of noncash depreciation and amortization expense that results from the capital-intensive nature of our businesses and from intangible assets recognized in business combinations. It is also unaffected by our capital and tax structures, as our management excludes these results when evaluating our operating performance. Our management and Board of Directors use this financial measure to evaluate our consolidated operating performance and the operating performance of our operating segments and to allocate resources and capital to our operating segments. Additionally, we believe that Adjusted EBITDA is useful to investors because it is one of the bases for comparing our operating performance with that of other companies in our industries, although our measure of Adjusted EBITDA may not be directly comparable to similar measures used by other companies.

	Thirteen Weeks Ended March 26, 2022	Thirteen Weeks Ended March 27, 2021
Net income (loss)	\$ (1,887)	\$ (8,970)
Income tax provision (benefit)	(892)	(6,653)
Interest expense, net	11,628	19,019
Interest expense on junior subordinated debentures	—	3,152
Investment income on trust common securities	—	(95)
Depreciation	13,254	16,341
Amortization	15,521	14,909
Mark-to-market adjustment of interest rate swap	—	(673)
EBITDA	\$ 37,624	\$ 37,030
Stock compensation expense	6,018	1,741
Other ⁽¹⁾	369	9,035
Adjusted EBITDA	\$ 44,011	\$ 47,806

- (1) Other includes certain litigation charges, acquisition and integration expense, gain or loss on revaluation of contingent consideration, restructuring expense, and pre-merger management fees. The thirteen weeks ended March 27, 2021 include \$4.8 million of acquisition and integration expenses related to historical acquisitions, including the merger with Landcadia Holdings III, Inc. and \$4.0 million in legal fees associated with our litigation with KeyMe, Inc.

Reconciliation of Adjusted Diluted Earnings per Share (Unaudited)
(in thousands, except per share data)

We define Adjusted Diluted EPS as reported diluted EPS excluding the effect of one-time, non-recurring activity and volatility associated with our income tax expense. The Company believes that Adjusted Diluted EPS provides further insight and comparability in operating performance as it eliminates the effects of certain items that are not comparable from one period to the next. The following is a reconciliation of reported diluted EPS from continuing operations to Adjusted Diluted EPS from continuing operations:

	Thirteen Weeks Ended March 26, 2022	Thirteen Weeks Ended March 27, 2021
Diluted EPS, as reported	\$(0.01)	\$(0.10)
Adjustments:		
Stock compensation expense	0.03	0.02
Other ⁽¹⁾	—	0.10
Amortization expense	0.08	0.16
Income tax adjustment ⁽²⁾	(0.01)	(0.02)
Total Adjustments	\$0.10	\$0.26
Adjusted Diluted EPS	\$0.09	\$0.16
Diluted Shares, as reported	194,007	91,179
Non-GAAP dilution adjustments		
Dilutive effect of stock options and awards	1,171	829
Adjusted Diluted Shares	195,178	92,008

Note: Adjusted EPS may not add due to rounding.

- (1) Other includes certain litigation charges, acquisition and integration expense, gain or loss on revaluation of contingent consideration, restructuring expense, and pre-merger management fees. The thirteen weeks ended March 27, 2021 include \$4.8 million of acquisition and integration expenses related to historical acquisitions, including the merger with Landcadia Holdings III, Inc. and \$4.0 million in legal fees associated with our litigation with KeyMe, Inc.
- (2) We have calculated the income tax effect of the non-GAAP adjustments shown above at the applicable statutory rate of 25.2% for the U.S. and 26.5% for Canada except for the following items:
 - a. The tax impact of stock compensation expense was calculated using the statutory rate of 25.2%, excluding certain awards that are non-deductible.
 - b. The tax impact of acquisition and integration expense included in "Other" was calculated using the statutory rate of 25.2%, excluding certain charges that were non-deductible.
 - c. Amortization expense for financial accounting purposes was offset by the tax benefit of deductible amortization expense using the statutory rate of 25.2%.

Source: Hillman Solutions Corp.

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Quarterly Earnings Presentation Q1 2022

Forward Looking Statements

This presentation contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. All forward-looking statements are made in good faith by the company and are intended to qualify for the safe harbor from liability established by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995. 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," "target," "goal," "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 expectations with respect to future performance. 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 control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) unfavorable economic conditions that may affect operations, financial condition and cash flows including spending on home renovation or construction projects, inflation, recessions, instability in the financial markets or credit markets; (2) increased supply chain costs, including raw materials, sourcing, transportation and energy; (3) the highly competitive nature of the markets that we serve (4) ability to continue to innovate with new products and services; (5) seasonality; (6) large customer concentration; (7) ability to recruit and retain qualified employees; (8) the outcome of any legal proceedings that may be instituted against the Company (9) adverse changes in currency exchange rates; (10) the impact of COVID-19 on the Company's business; or (11) regulatory changes and potential legislation that could adversely impact financial results. The foregoing list of factors is not exclusive, and readers should also refer to those risks that are included in the Company's filings with the Securities and Exchange Commission ("SEC"), including the Annual Report on Form 10-K filed on March 16, 2022. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward looking statements.

Except as required by applicable law, the Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements in this communication to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Presentation of Non-GAAP Financial Measures

In addition to the results provided in accordance with U.S. generally accepted accounting principles ("GAAP") throughout this presentation the company has provided non-GAAP financial measures, which present results on a basis adjusted for certain items. The company uses these non-GAAP financial measures for business planning purposes and in measuring its performance relative to that of its competitors. The company believes that these non-GAAP financial measures are useful financial metrics to assess its operating performance from period-to-period by excluding certain items that the company believes are not representative of its core business. These non-GAAP financial measures are not intended to replace, and should not be considered superior to, the presentation of the company's financial results in accordance with GAAP. The use of the non-GAAP financial measures terms may differ from similar measures reported by other companies and may not be comparable to other similarly titled measures. These non-GAAP financial measures are reconciled from the respective measures under GAAP in the appendix below.

The company is not able to provide a reconciliation of the company's non-GAAP financial guidance to the corresponding GAAP measures without unreasonable effort because of the inherent difficulty in forecasting and quantifying certain amounts necessary for such a reconciliation such as certain non-cash, nonrecurring or other items that are included in net income and EBITDA as well as the related tax impacts of these items and asset dispositions / acquisitions and changes in foreign currency exchange rates that are included in cash flow, due to the uncertainty and variability of the nature and amount of these future charges and costs.

Financial Highlights:

- Reiterated guidance
- Net sales increased 6.4% to \$363.0 million versus Q1 2021
 - Hardware Solutions + 14%
 - Robotics and Digital Solutions ("RDS") + 11%
 - Canada + 1%
 - Protective Solutions + 10% (excl. COVID sales)
- GAAP net loss improved to \$(1.9) million, or \$(0.01) per diluted share, compared to \$(9.0) million, or \$(0.10) per diluted share, in Q1 2021
- Adjusted EBITDA totaled \$44.0 million
- Adjusted EBITDA (ttm) / Net Debt: 4.7x at quarter end

Operational Highlights:

- Successfully implemented price increase (third increase in past 12 months)
- Maintained industry leading average fill rates of +94% during the quarter
- Secured new regional fastener customer in the Farm and Ranch channel
- Subsequent to quarter-end, launched fasteners for the first time at one of our major retail partners
- Positioned for continued new business momentum

Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation.

Quarterly Financial Performance

HILLMAN
HLMN | Nasdaq Listed

Top & Bottom Line Performance

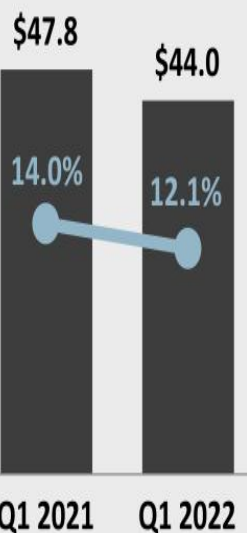
Net Sales

(millions \$)



Adjusted EBITDA

(millions \$ and % of Net Sales)



Performance by Product Category

• Q1 2022 vs Q1 2021

- Net sales increased +6.4%
 - Hardware (HS): +13.6%
 - Protective (PS): (8.6)%
 - Robotics and Digital (RDS) +10.6%
 - Canada 0.9%
- Adj. EBITDA decreased (7.9)%
- Adj. EBITDA as percentage of Net Sales contracted (190) basis points
 - Margin pressure resulting from dollar-for-dollar cost increases
 - Higher sales volume and margins of PPE sales in comparable period

• Q1 2022 vs Q1 2019 (Pre-COVID)

- Net sales increased +26.2%
- Adjusted EBITDA +14.4%

Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation.

Performance by Product Category

Hardware & Protective	Q1 2021	Q1 2022	Δ	
<i>For Quarter Ended</i>	<i>3/27/2021</i>	<i>3/26/2022</i>		<i>Comments</i>
Revenues	\$250,929	\$266,415	6.2%	Price increases + flat demand (HS) and lower PPE sales (PS)
Adjusted EBITDA	\$29,032	\$20,584	(29.1)%	Timing of price increase; lower PPE sales; inflation
Margin	11.6%	7.7%	(390) bps	

Robotics & Digital	Q1 2021	Q1 2022	Δ	
<i>For Quarter Ended</i>	<i>3/27/2021</i>	<i>3/26/2022</i>		<i>Comments</i>
Revenues	\$55,879	\$61,808	10.6%	Installed base + COVID comps
Adjusted EBITDA	\$17,417	\$18,873	8.4%	Sales growth + investments
Margin	31.2%	30.5%	(70) bps	

Canada	Q1 2021	Q1 2022	Δ	
<i>For Quarter Ended</i>	<i>3/27/2021</i>	<i>3/26/2022</i>		<i>Comments</i>
Revenues	\$34,473	\$34,790	0.9%	Price increases + soft demand
Adjusted EBITDA	\$1,357	\$4,554	235.6%	Stronger CAD + product mix
Margin	3.9%	13.1%	920 bps	

Consolidated	Q1 2021	Q1 2022	Δ	
<i>For Quarter Ended</i>	<i>3/27/2021</i>	<i>3/26/2022</i>		
Revenues	\$341,281	\$363,013	6.4%	
Adjusted EBITDA	\$47,806	\$44,011	(7.9)%	
Margin (Rev/Adj. EBITDA)	14.0%	12.1%	(190) bps	

Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation. Figures in Thousands of USD unless otherwise noted..

Revenue by Business Segment

	Hardware & Protective	Robotics & Digital	Canada	Revenue
<i>For Quarter Ended March 26, 2022</i>				
Fastening and Hardware	\$189,307	\$—	\$33,659	\$222,966
Personal protective	77,108	—	442	77,550
Keys and key accessories	—	48,376	674	49,050
Engraving and Resharp	—	13,432	15	13,447
Consolidated	\$266,415	\$61,808	\$34,790	\$363,013

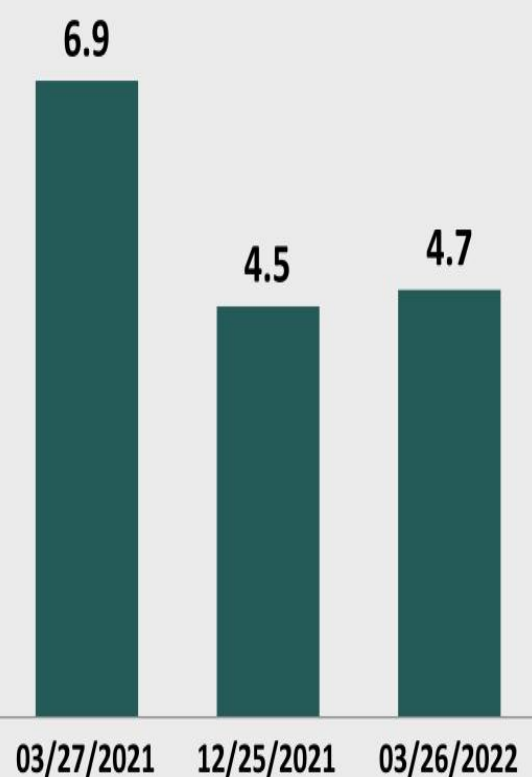
	Hardware & Protective	Robotics & Digital	Canada	Revenue
<i>For Quarter Ended March 27, 2021</i>				
Fastening and Hardware	\$166,602	\$—	\$34,091	\$200,693
Personal protective	84,327	—	13	84,340
Keys and key accessories	—	42,094	361	42,455
Engraving and Resharp	—	13,785	8	13,793
Consolidated	\$250,929	\$55,879	\$34,473	\$341,281

Figures in Thousands of USD unless otherwise noted..

Supports Growth & Enables Industry Leading Fill Rates

	March 26, 2022
ABL Revolver (\$250 million)	\$120.0
Term Note	\$848.9
Finance Leases	\$2.3
Total Debt	\$971.1
Cash	\$19.4
Net Debt	\$951.8
TTM Adjusted EBITDA	\$203.6
Net Debt/ TTM Adjusted EBITDA	4.7 x

Total Net Leverage Net Debt / TTM Adj. EBITDA



Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation.
Figures in Millions of USD unless otherwise noted.

2022 Full Year Guidance - Reiterated

	2021 Actuals	First Half 2022	Second Half 2022	2022 Guidance
Revenues	\$1,426.0	+ High-Single Digits	+ High-Single Digits	\$1,500- \$1,600
Adjusted EBITDA	\$207.4	- Mid-Single Digits	+ Mid-Teens	\$207 to \$227
Free Cash Flow				\$120 to \$130

2022 Assumptions (unchanged from Q4 2021):

- Interest Expense: \$45-\$50 million
- Cash Interest: \$35-\$45 million
- Income Tax: Modest cash taxpayer in 2022; ~25% cash taxpayer in 2023
- Capital expenditures: \$60-\$70 million
- Fully diluted shares outstanding: ~196 million

Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation. Figures in Millions of USD unless otherwise noted..

Price Increases and New Business Wins Offset Inflation Headwinds

- Successfully implemented third pricing increase in March 2022
- Currently in negotiations for a fourth price increase to offset an increase in contracted container rates that are effective May 1, 2022
- Potential for meaningful margin expansion when commodities and shipping normalize
- 1,100 member distribution (sales and service) continue to provide unmatched competitive moat
- Continue to gain shelf space with customers
- Repair, Remodel and Maintenance industry has meaningful long-term tailwinds

Long-term Annual Growth Targets (Organic):

Revenue Growth: +6% & Adj. EBITDA Growth: +10%

Long-term Annual Growth Targets (incl. Acquisitions):

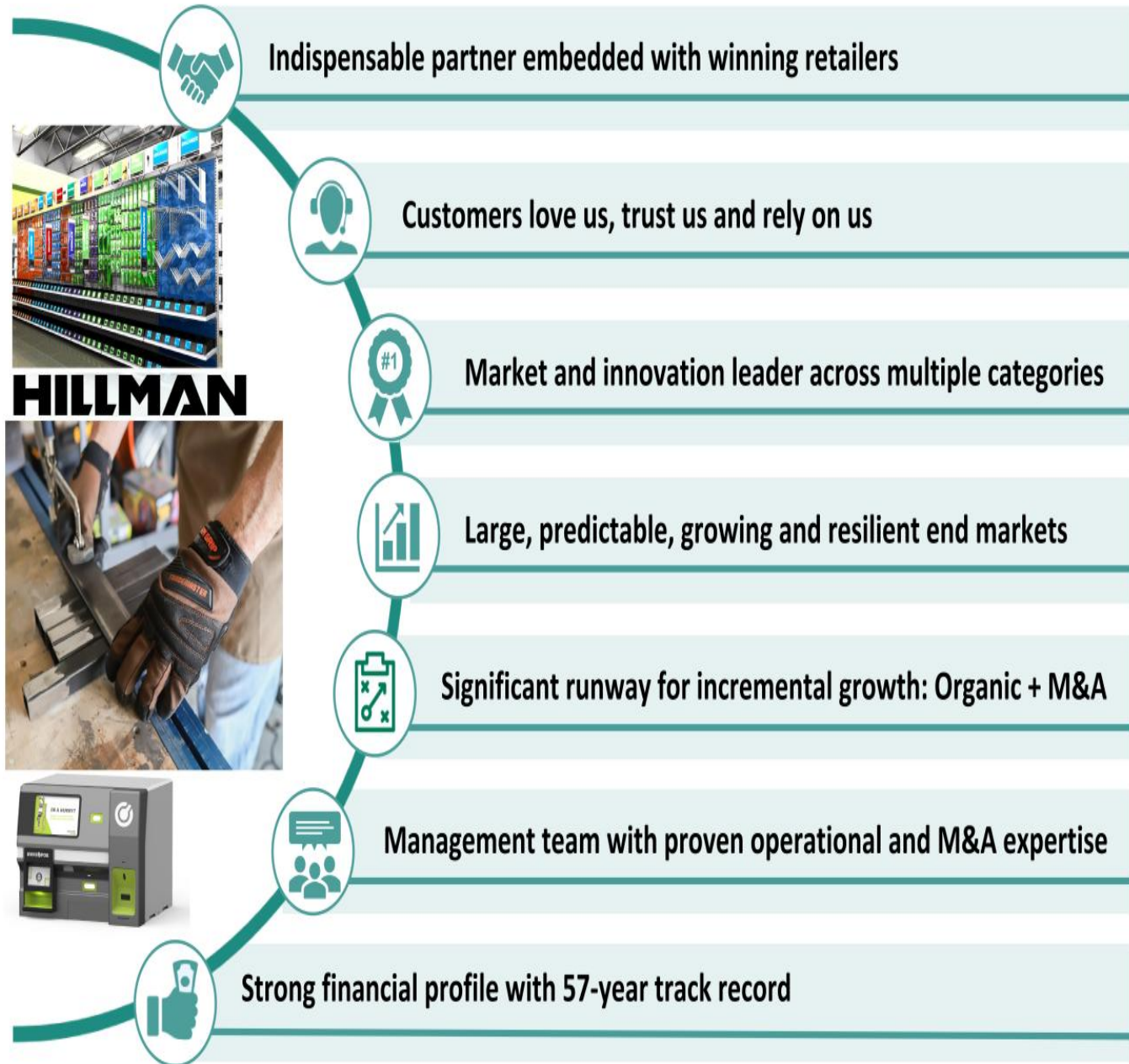
Revenue Growth: +10% & Adj. EBITDA Growth: +15%

HILLMAN

Appendix

Investment Highlights

HILLMAN
HLMN | Nasdaq Listed



Hillman: Overview

HILLMAN

HLMN | Nasdaq Listed

Who We Are

- The leading distributor of hardware and home improvement products, personal protective equipment and robotic kiosk technologies
- Long-standing strategic partnerships with winning retailers across North America: Home Depot, Lowes, Walmart, Tractor Supply, and ACE Hardware
- The predominance of sales come from Hillman-owned brands
- Highly attractive ~\$6 billion direct addressable market with strong secular tailwinds
- Hillman's 1,100 person field sales and service team provide highly complex logistics, inventory, category management and differentiated in-store merchandising
- ~4,200 non-union employees across corporate HQ, 22 North American distribution centers, and Taiwan sourcing office
- Founded in 1964; HQ in Cincinnati, Ohio

By The Numbers

~20 billion Fasteners Sold per Year	~400 million Pairs of Gloves Sold per Year	~125 million Keys Duplicated per Year
~112,000 SKUs Managed	~42,000 Store Direct Locations	~35,000 Kiosks in Retail Locations
#1 Position Across Core Categories	10% Long-Term Historical Sales CAGR	56 Years Sales Growth in 57-Year History
\$1.4 billion 2021 Sales	14.4% CAGR 2017-2021 Adj. EBITDA Growth	14.5% 2021 Adj. EBITDA Margin

Notes:

Figures may not tie due to rounding and corporate eliminations.

Adjusted EBITDA is a non-GAAP measure. Please see page 17 for a reconciliation of Adjusted EBITDA to Net Income.

Operational metrics based on 2020 management estimates.

Primary Product Categories

HILLMAN

HLMN | Nasdaq Listed

Hardware Solutions

#1 in Segment

Fasteners
& Specialty

HILLMAN

DECK PLUS
LIFETIME GUARANTEE



Picture
Hanging

OOK

HILLMAN



Construction
Fasteners

POWERPRO
ENGINEERED PERFORMANCE



Builders Hardware
& Metal Shapes

THE STEELWORKS
BY HILLMAN

HILLMAN



Protective Solutions

#1 in Segment

Work Gear

AWP

McGuire-Nichols
EST. 1987



Gloves

GREASE MONKEYS

GORILLA GRIP

FIRM GRIP

TRUE GRIP



Safety / PPE

FIRM GRIP

AWP



PREMIUM DEFENSE

Robotics & Digital Solutions

#1 in Segment

Key and Fob Duplication

HILLMAN

minutekey



Personalized
Tags



TagWorks

TagWorks



Knife
Sharpening

resharp



Representative
Top Customers

ACE Hardware



TSC TRACTOR SUPPLY CO.

Walmart

Source: Third party industry report.

Adjusted EBITDA Reconciliation

For Period Ending	March 27, 2021	March 26, 2022
Net loss	\$(8,970)	\$(1,887)
Income tax benefit	(6,653)	(892)
Interest expense, net	19,019	11,628
Interest expense on junior subordinated debentures	3,152	—
Investment income on trust common securities	(95)	—
Depreciation	16,341	13,254
Amortization	14,909	15,521
Mark-to-market adjustment on interest rate swaps	(673)	—
EBITDA	\$37,030	\$37,624
Stock compensation expense	1,741	6,018
Other ⁽¹⁾	9,035	369
Adjusted EBITDA	\$47,806	\$44,011

1. Other includes certain litigation charges, acquisition and integration expense, gain or loss on revaluation of contingent consideration, restructuring expense, and pre-merger management fees. The thirteen weeks ended March 27, 2021 include \$4.8 million of acquisition and integration expenses related to historical acquisitions, including the merger with Landcadia Holdings III, Inc. and \$4.0 million in legal fees associated with our litigation with KeyMe, Inc.

Segment Adjusted EBITDA Reconciliations



<i>Thirteen Weeks Ended March 27, 2021</i>	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	\$6,050	\$154	\$(424)	\$5,780
Depreciation & Amortization	17,123	12,381	1,746	31,250
Stock Compensation Expense	1,504	237	—	1,741
Other	4,355	4,645	35	9,035
Adjusted EBITDA	\$29,032	\$17,417	\$1,357	\$47,806

<i>Thirteen Weeks Ended March 26, 2022</i>	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	\$(2,396)	\$7,855	\$3,390	\$8,849
Depreciation & Amortization	17,057	10,554	1,164	28,775
Stock Compensation Expense	5,188	830	—	6,018
Other	735	(366)	—	369
Adjusted EBITDA	\$20,584	\$18,873	\$4,554	\$44,011

