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): August 3, 2022

Hillman Solutions Corp.
(Exact name of registrant as specified in its charter)

Delaware	**001-39609**	**85-2096734**
(State or other jurisdiction of incorporation)	(Commission File No.)	(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 August 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 and twenty-six weeks ended June 25, 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 August 3, 2022, announcing the financial results of Hillman Solutions Corp. for its thirteen weeks ended June 25, 2022.
99.2 Supplemental slides provided in connection with the second 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: August 3, 2022

Hillman Solutions Corp.

By:	/s/ Robert O. Kraft
Name:	Robert O. Kraft
Title:	Chief Financial Officer

Exhibit 99.1

Hillman Reports Second Quarter 2022 Results

CINCINNATI, August 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 and twenty-six weeks ended June 25, 2022.

Second Quarter 2022 Highlights (Thirteen Weeks Ended June 25, 2022)

- Net sales increased 4.9% to $394.1 million compared to $375.7 million in the prior year quarter
- Net income totaled $8.8 million, or $0.04 per diluted share, compared to a loss of $(3.4) million, or $(0.04) per diluted share, in the prior year quarter
- Adjusted diluted EPS[1] was $0.14 per diluted share compared to $0.24 per diluted share in the prior year quarter
- Adjusted EBITDA[1] totaled $62.3 million compared to $64.5 million in the prior year quarter

Second Quarter YTD 2022 Highlights (Twenty-Six Weeks Ended June 25, 2022)

- Net sales increased 5.6% to $757.1 million as compared to $717.0 million in the prior year
- Net income was $6.9 million, or $0.04 per diluted share, compared to a loss of $(12.4) million, or $(0.14) per diluted share, in the prior year
- Adjusted diluted EPS[1] was $0.24 per diluted share compared to $0.39 per diluted share in the prior year
- Adjusted EBITDA[1] totaled $106.3 million compared to $112.3 million in the prior year

"Our second quarter results reflect the success of our multiple pricing initiatives over the past 15 months and the relentless efforts of our 1,100 associates to keep the shelves stocked at our customers' 42,000 locations," commented Doug Cahill, chairman, president and chief executive officer of Hillman. "While volumes were light compared to the surge in activity during the prior year quarter coming out of COVID, we continued to execute averaging fill rates of nearly 97% for the quarter, up from 90% a year ago."

"Currently, there are many factors influencing the economy, including labor shortages, supply chain constraints, and elevated retail inventories amid overall lighter foot traffic at stores. The Hillman moat helps solve these issues for our customers making us especially resilient through all economic cycles. Our service model ships direct to stores, reducing shipping delays, costs, and inventories for customers; our field sales and service team manages the aisle for our customers, which helps alleviate their concerns around labor; and we own 90% of our brands allowing us to tailor our products quickly to meet the changing needs of our retailers and end consumers.

"While we have tempered our full year expectations to account for softness in sales volume, our business remains on solid footing. We estimated that over 90% of our sales are driven by repair, remodel and maintenance activity, which remains robust and not highly sensitive to mortgage rates or dependent on new housing construction. Lead times have come down considerably since the beginning of the year and we expect our price increases to offset increased costs for the full year 2022 on a dollar-for-dollar basis. These factors combined with our competitive moat situate us for further success with customers throughout the remainder of the year and into the future."

Balance Sheet and Liquidity at Quarter-End

- Total long-term debt was $929 million, up from $907 million at the end of 2021. Net debt[1] outstanding was $949 million, up from $931 million at the end of 2021
- Liquidity available totaled approximately $118 million, consisting of $100 million of available borrowing under the revolving credit facility and $18 million of cash and equivalents
- Net debt[1] to trailing twelve month Adjusted EBITDA was 4.7 times, up from 4.5 times at the end of 2021
- Subsequent to the quarter-end, increased capacity on the revolving credit facility by $125 million to $375 million

Full Year 2022 Guidance - Update

Based on year-to-date performance and improved visibility on the remainder of the year, management is providing additional information on its full year 2022 guidance originally provided on March 2, 2022 with Hillman's fourth quarter 2021 results.

- Net sales are now anticipated to be toward the low end of the original range of $1.5 billion to $1.6 billion
- Adjusted EBITDA[1] is now expected to be at the low end of the original range of $207 million to $227 million
- Free Cash Flow[1] guidance is unchanged; projected to be in the range of $120 million to $130 million

Second Quarter 2022 Results Presentation

Hillman plans to host a conference call and webcast presentation today, August 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: August 3, 2022

Time: 8:30 am Eastern Time

Listen-only Webcast: https://edge.media-server.com/mmc/p/3awwmvtv

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.

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

About Hillman Solutions Corp.

Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman Solutions Corp. ("Hillman") and its subsidiaries are leading North American providers of complete hardware solutions, delivered with outstanding 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 its leading 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
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513-826-5495
IR@hillmangroup.com

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

	Thirteen Weeks Ended June 25, 2022	Thirteen Weeks Ended June 26, 2021	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Net sales	$ 394,114	$ 375,715	$ 757,127	$ 716,996
Cost of sales (exclusive of depreciation and amortization shown separately below)	220,146	215,967	433,419	417,265
Selling, general and administrative expenses	118,229	111,662	232,767	214,841
Depreciation	14,172	15,270	27,426	31,611
Amortization	15,566	15,414	31,087	30,323
Management fees to related party	—	88	—	214
Other (income) expense, net	(1,772)	(2,195)	(4,194)	(2,547)
Income (loss) from operations	27,773	19,509	36,622	25,289
Interest expense, net	12,533	19,159	24,161	38,178
Interest expense on junior subordinated debentures	—	3,152	—	6,304
(Gain) loss on mark-to-market adjustments	—	(751)	—	(1,424)
Investment income on trust common securities	—	(94)	—	(189)
Income (loss) before income taxes	15,240	(1,957)	12,461	(17,580)
Income tax provision (benefit)	6,424	1,428	5,532	(5,225)
Net income (loss)	$ 8,816	$ (3,385)	$ 6,929	$ (12,355)
Basic income (loss) per share	$ 0.05	$ (0.04)	$ 0.04	$ (0.14)
Weighted average basic shares outstanding	194,135	91,217	194,071	91,266
Diluted income (loss) per share	$ 0.04	$ (0.04)	$ 0.04	$ (0.14)
Weighted average diluted shares outstanding	196,686	91,217	195,932	91,266

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

	June 25, 2022	December 25, 2021
ASSETS		
Current assets:		
Cash and cash equivalents	$ 17,723	$ 14,605
Accounts receivable, net of allowances of $2,579 ($2,891 - 2021)	132,846	107,212
Inventories, net	574,848	533,530
Other current assets	18,761	12,962
Total current assets	744,178	668,309
Property and equipment, net of accumulated depreciation of $309,464 ($284,069 - 2021)	176,824	174,312
Goodwill	825,070	825,371
Other intangibles, net of accumulated amortization of $383,715 ($352,695 - 2021)	765,888	794,700
Operating lease right of use assets	77,925	82,269
Deferred tax assets	—	1,323
Other assets	26,414	16,638
Total assets	$ 2,616,299	$ 2,562,922
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 187,527	$ 186,126
Current portion of debt and finance lease liabilities	11,860	11,404
Current portion of operating lease liabilities	12,777	13,088
Accrued expenses:		
Salaries and wages	11,076	8,606
Pricing allowances	8,815	10,672
Income and other taxes	4,782	4,829
Interest	1,562	1,519
Other accrued liabilities	44,335	41,052
Total current liabilities	282,734	277,296
Long-term debt	929,246	906,531
Deferred tax liabilities	145,394	137,764
Operating lease liabilities	70,741	74,476
Other non-current liabilities	11,096	16,760
Total liabilities	$ 1,439,211	$ 1,412,827
Commitments and contingencies		
Stockholders' equity:		
Common stock, $0.0001 par, 500,000,000 shares authorized, 194,359,084 issued and 194,270,779 outstanding at June 25, 2022 and 194,083,625 issued and 193,995,320 outstanding at December 25, 2021	20	20
Additional paid-in capital	1,396,863	1,387,410
Accumulated deficit	(203,252)	(210,181)
Accumulated other comprehensive income (loss)	(16,543)	(27,154)
Total stockholders' equity	1,177,088	1,150,095
Total liabilities and stockholders' equity	$ 2,616,299	$ 2,562,922

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

	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Cash flows from operating activities:		
Net income (loss)	$ 6,929	$ (12,355)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	58,513	61,934
Deferred income taxes	8,230	(4,709)
Deferred financing and original issue discount amortization	2,598	1,800
Stock-based compensation expense	8,304	3,537
Change in fair value of contingent consideration	(3,646)	(1,212)
Other non-cash interest and change in fair value of interest rate swap	—	(1,424)
Changes in operating items:		
Accounts receivable, net	(25,163)	(23,547)
Inventories, net	(42,973)	(73,049)
Other assets	(4,125)	(15,786)
Accounts payable	1,502	22,443
Other accrued liabilities	4,501	(17,471)
Net cash provided by (used for) operating activities	14,670	(59,839)
Cash flows from investing activities:		
Acquisition of business, net of cash received	(2,500)	(39,102)
Capital expenditures	(28,921)	(22,684)
Net cash used for investing activities	(31,421)	(61,786)
Cash flows from financing activities:		
Repayments of senior term loans	(4,256)	(5,304)
Borrowings on senior term loans	—	35,000
Financing fees	—	(1,027)
Borrowings on revolving credit loans	121,000	128,000
Repayments of revolving credit loans	(97,000)	(42,000)
Principal payments under finance lease obligations	(556)	(460)
Proceeds from exercise of stock options	1,149	1,761
Cash payments related to hedging activities	(944)	—
Net cash provided by financing activities	19,393	115,970
Effect of exchange rate changes on cash	476	390
Net increase (decrease) in cash and cash equivalents	3,118	(5,265)
Cash and cash equivalents at beginning of period	14,605	21,520
Cash and cash equivalents at end of period	$ 17,723	$ 16,255

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 June 25, 2022	Thirteen Weeks Ended June 26, 2021	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Net income (loss)	$ 8,816	$ (3,385)	$ 6,929	$ (12,355)
Income tax provision (benefit)	6,424	1,428	5,532	(5,225)
Interest expense, net	12,533	19,159	24,161	38,178
Interest expense on junior subordinated debentures	—	3,152	—	6,304
Investment income on trust common securities	—	(94)	—	(189)
Depreciation	14,172	15,270	27,426	31,611
Amortization	15,566	15,414	31,087	30,323
Mark-to-market adjustment of interest rate swap	—	(751)	—	(1,424)
EBITDA	$ 57,511	$ 50,193	$ 95,135	$ 87,223
Stock compensation expense	2,286	1,796	8,304	3,537
Management fees	—	88	—	214
Restructuring (1)	513	—	565	109
Litigation expense (2)	2,703	6,322	3,713	10,282
Acquisition and integration expense (3)	1,438	3,299	2,215	8,139
Change in fair value of contingent consideration	(2,175)	(1,212)	(3,645)	(1,212)
Buy-back expense (4)	—	1,350	—	1,350
Anti-dumping duties (5)	—	2,636	—	2,636
Total adjusting items	$ 4,765	$ 14,279	$ 11,152	$ 25,055
Adjusted EBITDA	$ 62,276	$ 64,472	$ 106,287	$ 112,278

(1) Restructuring includes severance, consulting, and other costs associated with streamlining our operations.
(2) Litigation expense includes legal fees associated with our litigation with KeyMe, Inc. and Hy-Ko Products Company LLC.
(3) Acquisition and integration expense includes professional fees, non-recurring bonuses, and other costs related to the merger with Landcadia III and the secondary offering of shares in the second quarter of 2022.
(4) Infrequent buy backs associated with new business wins.
(5) Anti-dumping duties assessed related to the nail business for prior year purchases.

Reconciliation of Adjusted Diluted EPS (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 June 25, 2022	Thirteen Weeks Ended June 26, 2021	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Reconciliation to Adjusted Net Income				
Net Income	$ 8,816	$ (3,385)	$ 6,929	$ (12,355)
Remove adjusting items [(1)]	4,765	14,279	11,152	25,055
Mark-to-Market adjustment on interest rate swaps [(2)]	—	(751)	—	(1,424)
Remove amortization expense	15,566	15,414	31,087	30,323
Remove tax benefit on adjusting items and amortization expense [(2)]	(1,529)	(3,773)	(2,602)	(5,661)
Adjusted Net Income	$ 27,618	$ 21,784	$ 46,566	$ 35,938
Reconciliation to Adjusted Diluted Earnings per Share				
Diluted Earnings per Share	$ 0.04	$ (0.04)	$ 0.04	$ (0.14)
Remove adjusting items [(1)]	0.02	0.15	0.06	0.27
Mark-to-Market adjustment on interest rate swaps [(2)]	—	(0.01)	—	(0.02)
Remove amortization expense	0.08	0.17	0.16	0.33
Remove tax benefit on adjusting items and amortization expense [(2)]	(0.01)	(0.04)	(0.01)	(0.06)
Adjusted Diluted Earnings per Share	$ 0.14	$ 0.24	$ 0.24	$ 0.39
Reconciliation to Adjusted Diluted Shares Outstanding				
Diluted Shares, as reported [(3)]	196,686	91,217	195,932	91,266
Non-GAAP dilution adjustments				
Dilutive effect of stock options and awards	—	1,025	—	927
Dilutive effect of warrants	—	—	—	—
Adjusted Diluted Shares	196,686	92,242	195,932	92,193

Note: Adjusted EPS may not add due to rounding.

(1) Please refer to "Reconciliation of Adjusted EBTIDA" table above for additional information on adjusting items. See "Per share impact of Adjusting Items" table below for the per share impact of each adjustment.

Per Share Impact of Adjusting Items

	Thirteen Weeks Ended June 25, 2022	Thirteen Weeks Ended June 26, 2021	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Stock compensation expense	$0.01	$0.02	$0.04	$0.04
Management fees	—	—	—	—
Restructuring	—	—	—	—
Litigation expense	0.01	0.07	0.02	0.11
Acquisition and integration expense	0.01	0.04	0.01	0.09
Change in fair value of contingent consideration	(0.01)	(0.01)	(0.02)	(0.01)
Buy-back expense	—	0.01	—	0.01
Anti-dumping duties	—	0.03	—	0.03
Total adjusting items	$0.02	$0.15	$0.06	$0.27

Note: Adjusting items may not add due to rounding.

(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%.

(3) Diluted shares on a GAAP basis for the thirteen and twenty-six weeks ended June 25, 2022 include the dilutive impact of 2,551 and 1,861 options and awards, respectively.

Reconciliation of Net Debt (Unaudited)

We define Net Debt as reported gross debt less cash on hand. Net debt is not defined under U.S. GAAP and may not be computed the same as similarly titled measures used by other companies. The Company believes that Net Debt provides further insight and comparability into liquidity and capital structure. The following is a the calculation of Net Debt:

	June 25, 2022	December 25, 2021
Revolving loans	$ 117,000	$ 93,000
Senior term loan, due 2028	846,745	851,000
Finance leases	3,064	1,782
Gross debt	$ 966,809	$ 945,782
Less cash	17,723	14,605
Net debt	$ 949,086	$ 931,177

Reconciliation of Free Cash Flow (Unaudited)

We calculate free cash flow as cash flows from operating activities less capital expenditures. Free cash flow is not defined under U.S. GAAP and may not be computed the same as similarly titled measures used by other companies. We believe free cash flow is an important indicator of how much cash is generated by our business operations and is a measure of incremental cash available to invest in our business and meet our debt obligations.

	Twenty-six Weeks Ended June 25, 2022	Twenty-six Weeks Ended June 26, 2021
Net cash provided by (used for) operating activities	$ 14,670	$ (59,839)
Capital expenditures	(28,921)	(22,684)
Free cash flow	$ (14,251)	$ (82,523)

Source: Hillman Solutions Corp.

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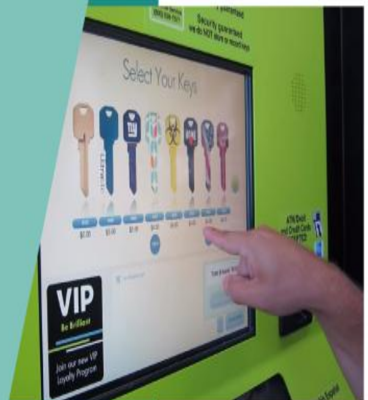

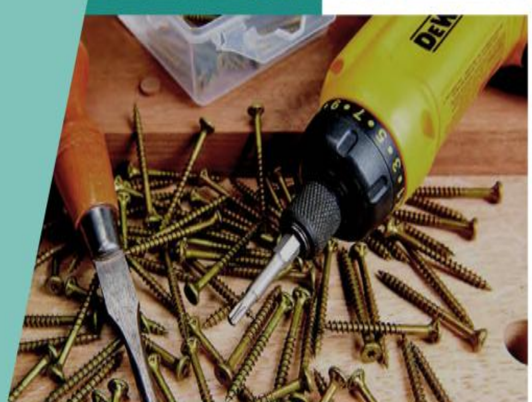

HILLMAN™

Quarterly Earnings Presentation
Q2 2022

Forward Looking Statements

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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.

Q2 2022 Highlights

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Financial Highlights for the 13 Weeks Ended June 25, 2022

- Net sales increased 4.9% to $394.1 million versus Q2 2021
    - Hardware Solutions +12.0%
    - Robotics and Digital Solutions ("RDS") (2.4)%
    - Canada +7.1%
    - Protective Solutions (12.0)%
- GAAP net income improved to $8.8 million, or $0.04 per diluted share, compared to a net loss of $(3.4) million, or $(0.04) per diluted share, in Q2 2021
- Adjusted EBITDA totaled $62.3 million
- Adjusted EBITDA (ttm) / Net Debt: 4.7x at quarter end
- Compared to Pre-COVID (Q2 2022 vs Q2 2019):
    - Net sales increased +21.5%
    - Adjusted EBITDA +14.8%

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

Q2 2022 Highlights

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Operational Highlights for the 13 Weeks Ended June 25, 2022

- Successfully finalized details of price increase (*fourth* increase in past 15 months)
- Maintained average fill rates of nearly 97% during the quarter
- Completed fastener launch for the first time at a major retail partner
    - Executed on time with 99.7% fill rates
    - Already seeing replenishment orders
- Positioned for continued new business momentum
- Expects to see inventory come down and cash flows increase in the second half of 2022

YTD 2022 Highlights

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Financial Highlights for the 26 Weeks Ended June 25, 2022

- Net sales increased 5.6% to $757.1 million versus the 26 weeks ended June 26, 2021
  - Hardware Solutions +12.7%
  - Robotics and Digital Solutions ("RDS") +3.6%
  - Canada +4.4%
  - Protective Solutions down less than 1% (excl. COVID-related PPE sales)
- GAAP net income improved to $6.9 million, or $0.04 per diluted share, compared to a net loss of $(12.4) million, or $(0.14) per diluted share, versus the 26 weeks ended June 26, 2021
- Adjusted EBITDA totaled $106.3 million versus $112.3 million for the 26 weeks ended June 26, 2021

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

Quarterly Financial Performance

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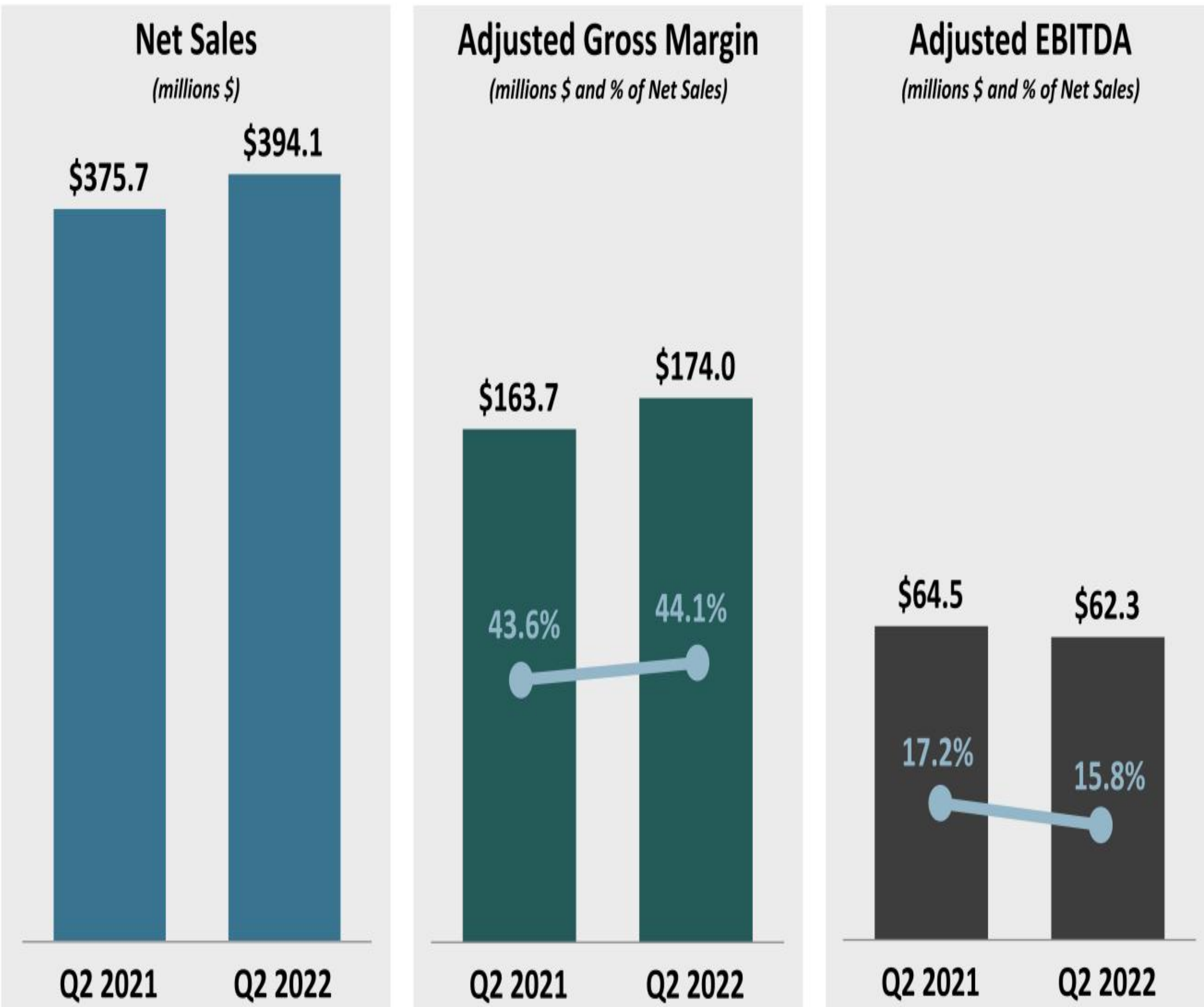
Top & Bottom Line Performance



Please see reconciliation of Adjusted EBITDA to Net Income in the Appendix of this presentation. Not to scale.

Performance by Product Category (Q2)

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Hardware & Protective	Q2 2021	Q2 2022	Δ	
Thirteen weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$263,129	$279,842	6.4%	Price increases + lighter volume (HS & PS)
Adjusted EBITDA	$36,114	$31,292	(13.4)%	Margin pressure from dollar-for-dollar price increases
Margin (Rev/Adj. EBITDA)	13.7%	11.2%	*(250) bps*	

Robotics & Digital	Q2 2021	Q2 2022	Δ	
Thirteen weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$66,351	$64,776	(2.4)%	Lighter volumes + difficult comps in Q2-21
Adjusted EBITDA	$23,696	$22,334	(5.7)%	Lighter volumes + difficult comps in Q2-21
Margin (Rev/Adj. EBITDA)	*35.7%*	*34.5%*	*(120) bps*	

Canada	Q2 2021	Q2 2022	Δ	
Thirteen weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$46,235	$49,496	7.1%	Price increases + soft demand
Adjusted EBITDA	$4,662	$8,650	85.5%	Improved operations + price increases
Margin (Rev/Adj. EBITDA)	*10.1%*	*17.5%*	*740 bps*	

Consolidated	Q2 2021	Q2 2022	Δ
Thirteen weeks ended	*6/26/2021*	*6/25/2022*	
Revenues	$375,715	$394,114	4.9%
Adjusted EBITDA	$64,472	$62,276	(3.4)%
Margin (Rev/Adj. EBITDA)	*17.2%*	*15.8%*	*(140) bps*

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

Performance by Product Category (YTD)

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Hardware & Protective	YTD 2021	YTD 2022	Δ	
Twenty-six weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$514,058	$546,257	6.3%	Price increases + flat demand (HS) and lower PPE sales (PS)
Adjusted EBITDA	$65,146	$51,875	(20.4)%	Timing of price increase; lower PPE sales; inflation
Margin (Rev/Adj. EBITDA)	12.7%	9.5%	*(320) bps*	

Robotics & Digital	YTD 2021	YTD 2022	Δ	
Twenty-six weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$122,230	$126,584	3.6%	Installed base + COVID comps
Adjusted EBITDA	$41,113	$41,208	0.2%	Sales growth offset by inflation
Margin (Rev/Adj. EBITDA)	*33.6%*	*32.6%*	*(100) bps*	

Canada	YTD 2021	YTD 2022	Δ	
Twenty-six weeks ended	*6/26/2021*	*6/25/2022*		*Comments*
Revenues	$80,708	$84,286	4.4%	Price increases + soft demand
Adjusted EBITDA	$6,019	$13,204	119.4%	Stronger CAD + product mix
Margin (Rev/Adj. EBITDA)	*7.5%*	*15.7%*	*820 bps*	

Consolidated	YTD 2021	YTD 2022	Δ
Twenty-six weeks ended	*6/26/2021*	*6/25/2022*	
Revenues	$716,996	$757,127	5.6%
Adjusted EBITDA	$112,278	$106,287	(5.3)%
Margin (Rev/Adj. EBITDA)	*15.7%*	*14.0%*	*(170) 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 (Q2)

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	Hardware & Protective	Robotics & Digital	Canada	Revenue
Thirteen weeks ended June 25, 2022				
Fastening and Hardware	$225,377	$—	$48,473	$273,850
Personal protective	54,465	—	220	54,685
Keys and key accessories	—	49,837	792	50,629
Engraving and Resharp	—	14,939	11	14,950
Consolidated	**$279,842**	**$64,776**	**$49,496**	**$394,114**

	Hardware & Protective	Robotics & Digital	Canada	Revenue
Thirteen weeks ended June 26, 2021				
Fastening and Hardware	$201,208	$—	$45,826	$247,034
Personal protective	61,921	—	178	62,099
Keys and key accessories	—	50,289	206	50,495
Engraving and Resharp	—	16,062	25	16,087
Consolidated	**$263,129**	**$66,351**	**$46,235**	**$375,715**

Figures in Thousands of USD unless otherwise noted..

Revenue by Business Segment (YTD)

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	Hardware & Protective	Robotics & Digital	Canada	Revenue
Twenty-six weeks ended June 25, 2022				
Fastening and Hardware	$414,684	$—	$82,132	$496,816
Personal protective	131,573	—	662	132,235
Keys and key accessories	—	98,213	1,466	99,679
Engraving and Resharp	—	28,371	26	28,397
Consolidated	**$546,257**	**$126,584**	**$84,286**	**$757,127**

	Hardware & Protective	Robotics & Digital	Canada	Revenue
Twenty-six weeks ended June 26, 2021				
Fastening and Hardware	$367,810	$—	$79,917	$447,727
Personal protective	146,248	—	191	146,439
Keys and key accessories	—	92,383	567	92,950
Engraving and Resharp	—	29,847	33	29,880
Consolidated	**$514,058**	**$122,230**	**$80,708**	**$716,996**

Figures in Thousands of USD unless otherwise noted..

Capital Structure

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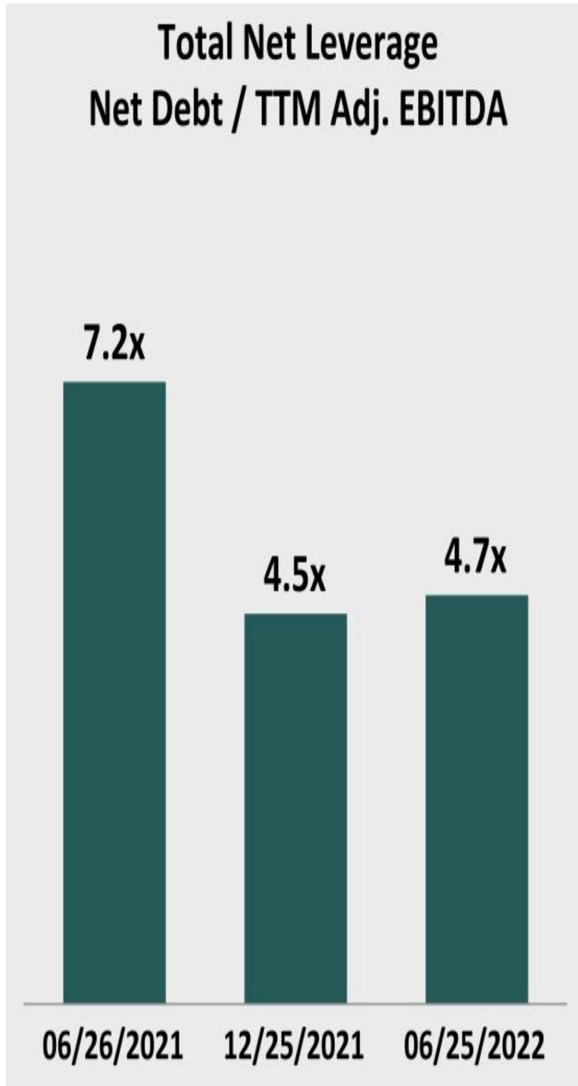
Supports Growth & Enables Healthy Fill Rates

	June 25, 2022
ABL Revolver ($250 million capacity)	$117.0
Term Note	$846.7
Finance Leases	$3.1
Total Debt	**$966.8**
Cash	$17.7
Net Debt	**$949.1**
TTM Adjusted EBITDA	**$201.4**
Net Debt/ TTM Adjusted EBITDA	**4.7 x**



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

2022 Outlook & Guidance

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2022 Full Year Guidance - Update

On August 3, 2022, Hillman provided an update on its full year guidance, originally provided on March 2, 2022 with Hillman's fourth quarter 2021 results.

(in millions USD)	2H 2022 v. 2H 2021 Update (%)	Full Year 2022 Guidance Range	Update
Revenues	+ Mid Single Digits	$1,500- $1,600	Toward the low end of guidance range
Adjusted EBITDA	+ High Single Digits	$207 to $227	At the low end of the guidance range
Free Cash Flow		$120 to $130	No change

2022 Assumptions - Updates

- Interest Expense: $50-$55 million (up from $45-$50 million)
- Cash Interest: $45-$50 million (up from $35-$45 million)
- Income Tax: Modest cash taxpayer in 2022; ~25% cash taxpayer in 2023 (no change)
- Capital expenditures: $60-$65 million (down from $60-$70 million)
- Fully diluted shares outstanding: ~196 million (no change)

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

Key Takeaways

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Price Increases Offset Headwinds; Positioned Well for 2H 2022

- Finalized details of *fourth* pricing increase; designed to offset an increase in contracted container rates (on a dollar-for-dollar basis) that became effective May 1, 2022
- 1,100-member distribution (sales and service) team and direct-to-store fulfillment continue to provide competitive advantages and strengthen competitive moat
- Beginning to see commodity and shipping costs soften and lead times shorten
- Repair, Remodel and Maintenance industry has meaningful long-term tailwinds; business not tied to new housing - record level of U.S. home equity driving investment in the home[1]
- Expects to reduce inventory by approx. $50 million during 2H; end year at ~4.0x Net Debt / TTM EBITDA; and have zero balance on revolving credit facility at year end

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%

1) U.S. Home Equity Hits Highest Level on Record—$27.8 Trillion.

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Appendix

Investment Highlights

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- Indispensable partner embedded with winning retailers
- Customers love us, trust us and rely on us
- Market and innovation leader across multiple categories
- Large, predictable, growing and resilient end markets
- Significant runway for incremental growth: Organic + M&A
- Management team with proven operational and M&A expertise
- Strong financial profile with 57-year track record

Hillman: Overview

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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, ACE Hardware, etc.
- Hillman's 1,100 person field sales and service team provide complex logistics, inventory, category management and differentiated in-store merchandising
- The predominance of sales come from Hillman-owned brands, and are shipped store-direct
- Highly attractive ~$6 billion direct addressable market with strong secular tailwinds
- ~4,000 non-union employees across corporate HQ, 22 North American distribution centers, and Taiwan sourcing office
- Founded in 1964; HQ in Cincinnati, Ohio

2021: By The Numbers

~20 billion Fasteners Sold	**~400 million** Pairs of Gloves Sold	**~125 million** Keys Duplicated
~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

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Hardware Solutions	Protective Solutions	Robotics & Digital Solutions
#1 in Segment	#1 in Segment	#1 in Segment

Hardware Solutions

#1 in Segment

Fasteners & Specialty

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DECK PLUS LIFETIME GUARANTEE

Construction Fasteners

POWERPRO

Picture Hanging

OOK

HILLMAN

Builders Hardware & Metal Shapes

THE STEELWORKS BY HILLMAN

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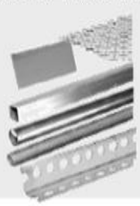

Protective Solutions

#1 in Segment

Work Gear

AWP

McGuire-Nicholas EST. 1932

Gloves

GREASE MONKEY

GORILLA GRIP

FIRM GRIP

TRUEGRIP

Safety / PPE

FIRM GRIP

AWP

PREMIUM DEFENSE

Robotics & Digital Solutions

#1 in Segment

Key and Fob Duplication

HILLMAN

minute KEY

Personalized Tags

TagWorks

i.d. SPOT

Knife Sharpening

resharp

Representative Top Customers

ACE Hardware | THE HOME DEPOT | LOWE'S | TSC TRACTOR SUPPLY CO | Walmart

Source: Third party industry report.

Adjusted EBITDA Reconciliation

Thirteen weeks ended	June 26, 2021	June 25, 2022
Net loss	**$(3,385)**	**$8,816**
Income tax benefit	1,428	6,424
Interest expense, net	19,159	12,533
Interest expense on junior subordinated debentures	3,152	—
Investment income on trust common securities	(94)	—
Depreciation	15,270	14,172
Amortization	15,414	15,566
Mark-to-market adjustment on interest rate swaps	(751)	—
EBITDA	**$50,193**	**$57,511**
Stock compensation expense	1,796	2,286
Management fees	88	—
Restructuring [1]	—	513
Litigation expense [2]	6,322	2,703
Acquisition and integration expense [3]	3,299	1,438
Change in fair value of contingent consideration	(1,212)	(2,175)
Buy-back expense [4]	1,350	—
Anti-dumping duties [5]	2,636	—
Adjusted EBITDA	**$64,472**	**$62,276**

1. Restructuring includes severance, consulting, and other costs associated with streamlining our operations.
2. Litigation expense includes legal fees associated with our litigation with KeyMe, Inc. and Hy-Ko Products Company LLC.
3. Acquisition and integration expense includes professional fees, non-recurring bonuses, and other costs related to the merger with Landcadia III and the secondary offering of shares in the second quarter of 2022.
4. Infrequent buy backs associated with new business wins.
5. Anti-dumping duties assessed related to the nail business for prior year purchases.

Adjusted EBITDA Reconciliation

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Twenty-six weeks ended	June 26, 2021	June 25, 2022
Net loss	**$(12,355)**	**$6,929**
Income tax benefit	(5,225)	5,532
Interest expense, net	38,178	24,161
Interest expense on junior subordinated debentures	6,304	—
Investment income on trust common securities	(189)	—
Depreciation	31,611	27,426
Amortization	30,323	31,087
Mark-to-market adjustment on interest rate swaps	(1,424)	—
EBITDA	**$87,223**	**$95,135**
Stock compensation expense	3,537	8,304
Management fees	214	—
Restructuring (1)	109	565
Litigation expense (2)	10,282	3,713
Acquisition and integration expense (3)	8,139	2,215
Change in fair value of contingent consideration	(1,212)	(3,645)
Buy-back expense (4)	1,350	—
Anti-dumping duties (5)	2,636	—
Adjusted EBITDA	**$112,278**	**$106,287**

1. Restructuring includes severance, consulting, and other costs associated with streamlining our operations.
2. Litigation expense includes legal fees associated with our litigation with KeyMe, Inc. and Hy-Ko Products Company LLC.
3. Acquisition and integration expense includes professional fees, non-recurring bonuses, and other costs related to the merger with Landcadia III and the secondary offering of shares in the second quarter of 2022.
4. Infrequent buy backs associated with new business wins.
5. Anti-dumping duties assessed related to the nail business for prior year purchases.

Adjusted Gross Profit Margin Reconciliation

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Thirteen weeks ended	June 26, 2021	June 25, 2022
Net Sales	**$375,715**	**$394,114**
Cost of sales (exclusive of depreciation and amortization)	215,967	220,146
Gross margin exclusive of depreciation and amortization	**$159,748**	**$173,968**
Gross margin exclusive of depreciation and amortization %	**42.5 %**	**44.1 %**
Adjusting Items [(1)]:		
Buy-back expense	1,350	–
Anti-dumping duties	2,636	–
Adjusted Gross Profit	**$163,734**	**$173,968**
Adjusted Gross Margin %	**43.6 %**	**44.1 %**

Twenty-six weeks ended	June 26, 2021	June 25, 2022
Net Sales	**$716,996**	**$757,127**
Cost of sales (exclusive of depreciation and amortization)	417,265	433,419
Gross margin exclusive of depreciation and amortization	**$299,731**	**$323,708**
Gross margin exclusive of depreciation and amortization %	**41.8 %**	**42.8 %**
Adjusting Items [(1)]:		
Buy-back expense	1,350	–
Anti-dumping duties	2,636	–
Adjusted Gross Profit	**$303,717**	**$323,708**
Adjusted Gross Margin %	**42.4 %**	**42.8 %**

1. See adjusted EBITDA Reconciliation for details of adjusting items

Adjusted S&A Expense Reconciliation

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Thirteen weeks ended	June 26, 2021	June 25, 2022
Selling, general and administrative expenses	**$111,662**	**$118,229**
Adjusting Items [1]:		
Stock compensation expense	1,796	2,286
Restructuring	—	513
Litigation expense	6,322	2,703
Acquisition and integration expense	3,299	1,438
Adjusted SG&A	**$100,245**	**$111,289**
Adjusted SG&A as a % of Net Sales	**26.7 %**	**28.2 %**

Twenty-six weeks ended	June 26, 2021	June 25, 2022
Selling, general and administrative expenses	**$214,841**	**$232,767**
Adjusting Items [1]:		
Stock compensation expense	3,537	8,304
Restructuring	109	565
Litigation expense	10,282	3,713
Acquisition and integration expense	8,139	2,215
Adjusted SG&A	**$192,774**	**$217,970**
Adjusted SG&A as a % of Net Sales	**26.9 %**	**28.8 %**

1. See adjusted EBITDA Reconciliation for details of adjusting items

Net Debt & Free Cash Flow Reconciliations

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Reconciliation of Net Debt

For Period Ending	June 26, 2021	December 25, 2021	June 25, 2022
Revolving loans	$158,000	$93,000	$117,000
Senior term loan	1,066,740	851,000	846,745
6.375% Senior Notes, due 2022	330,000	—	—
11.6% Junior Subordinated Debentures - Preferred	105,443	—	—
Junior Subordinated Debentures - Common	3,261	—	—
Finance leases	1,773	1,782	3,064
Gross debt	**$1,665,217**	**$945,782**	**$966,809**
Less cash	16,255	14,605	17,723
Net debt	**$1,648,962**	**$931,177**	**$949,086**

Reconciliation of Free Cash Flow

For Period Ending	June 26, 2021	June 25, 2022
Net cash provided by (used for) operating activities	$(59,839)	$14,670
Capital expenditures	(22,684)	(28,921)
Free cash flow	**$(82,523)**	**$(14,251)**

Segment Adjusted EBITDA Reconciliations

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Thirteen Weeks Ended June 26, 2021	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	$9,995	$6,546	$2,968	$19,509
Depreciation & Amortization	17,397	11,593	1,694	30,684
Stock Compensation Expense	1,552	244	—	1,796
Management fees	76	12	—	88
Litigation expense	—	6,322	—	6,322
Acquisition and integration expense	3,108	191	—	3,299
Change in fair value of contingent consideration	—	(1,212)	—	(1,212)
Buy-back expense	1,350	—	—	1,350
Anti-dumping duties	2,636	—	—	2,636
Adjusted EBITDA	**$36,114**	**$23,696**	**$4,662**	**$64,472**

Thirteen Weeks Ended June 25, 2022	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	$10,538	$10,437	$6,798	$27,773
Depreciation & Amortization	17,662	10,916	1,160	29,738
Stock compensation expense	1,374	220	692	2,286
Restructuring	478	35	—	513
Litigation expense	—	2,703	—	2,703
Acquisition and integration expense	1,240	198	—	1,438
Change in fair value of contingent consideration	—	(2,175)	—	(2,175)
Adjusted EBITDA	**$31,292**	**$22,334**	**$8,650**	**$62,276**

Segment Adjusted EBITDA Reconciliations

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Twenty-six weeks ended June 26, 2021	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	$16,045	$6,700	$2,544	$25,289
Depreciation & Amortization	34,520	23,974	3,440	61,934
Stock Compensation Expense	3,056	481	—	3,537
Management fees	185	29	—	214
Restructuring	64	10	35	109
Litigation expense	—	10,282	—	10,282
Acquisition and integration expense	7,290	849	—	8,139
Change in fair value of contingent consideration	—	(1,212)	—	(1,212)
Buy-back expense	1,350	—	—	1,350
Anti-dumping duties	2,636	—	—	2,636
Adjusted EBITDA	**$65,146**	**$41,113**	**$6,019**	**$112,278**

Twenty-six weeks ended June 25, 2022	HPS	RDS	Canada	Consolidated
Operating Income (Loss)	$8,142	$18,292	$10,188	$36,622
Depreciation & Amortization	34,719	21,470	2,324	58,513
Stock Compensation Expense	6,562	1,050	692	8,304
Restructuring	525	40	—	565
Litigation expense	—	3,713	—	3,713
Acquisition and integration expense	1,927	288	—	2,215
Change in fair value of contingent consideration	—	(3,645)	—	(3,645)
Adjusted EBITDA	**$51,875**	**$41,208**	**$13,204**	**$106,287**