UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended March 29, 2025
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ______ to ______
Commission file number 001-39609

HILLMAN®

Hillman Solutions Corp.

(Exact name of registrant as specified in its charter)

Delaware	85-2096734
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
1280 Kemper Meadow Drive	
Cincinnati , Ohio	45240
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (513) 851-4900
Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

On April 25, 2025, 197,508,573 shares of common stock, par value $0.0001 per share, were outstanding.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

PART II. OTHER INFORMATION

HILLMAN SOLUTIONS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

(dollars in thousands)

	As of March 29, 2025	As of December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 36,309	$ 44,510
Accounts receivable, net of allowances of $1,732 ($2,827 - 2024)	134,244	109,788
Inventories, net	396,891	403,673
Other current assets	16,876	15,213
Total current assets	584,320	573,184
Property and equipment, net of accumulated depreciation of $388,776 ($376,150 - 2024)	232,911	224,174
Goodwill	828,727	828,553
Other intangibles, net of accumulated amortization of $545,911 ($530,398 - 2024)	590,635	605,859
Operating lease right of use assets	77,764	81,708
Other assets	16,560	17,025
Total assets	$ 2,330,917	$ 2,330,503
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 150,648	$ 139,057
Current portion of debt and finance lease liabilities	13,661	12,975
Current portion of operating lease liabilities	17,210	16,850
Accrued expenses:		
Salaries and wages	14,199	34,977
Pricing allowances	5,556	7,651
Income and other taxes	8,577	10,377
Other accrued expenses	27,515	31,843
Total current liabilities	237,366	253,730
Long-term debt	713,450	691,726
Deferred tax liabilities	124,280	124,611
Operating lease liabilities	66,977	71,474
Other non-current liabilities	6,791	6,591
Total liabilities	$ 1,148,864	$ 1,148,132
Commitments and contingencies (Note 6)		
Stockholders' equity:		
Common stock: $0.0001 par value, 500,000,000 shares authorized, 197,380,504 and 196,705,710 shares issued and outstanding in 2025 and 2024, respectively	20	20
Additional paid-in capital	1,444,265	1,442,958
Accumulated deficit	(219,268)	(218,951)
Accumulated other comprehensive loss	(42,964)	(41,656)
Total stockholders' equity	1,182,053	1,182,371
Total liabilities and stockholders' equity	$ 2,330,917	$ 2,330,503

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

HILLMAN SOLUTIONS CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS (Unaudited)

(dollars in thousands, except for per share amounts)

	Thirteen Weeks Ended March 29, 2025	Thirteen Weeks Ended March 30, 2024
Net sales	$ 359,343	$ 350,305
Cost of sales (exclusive of depreciation and amortization shown separately below)	190,740	183,434
Selling, warehouse, general and administrative expenses	119,052	118,565
Depreciation	19,395	16,338
Amortization	15,415	15,254
Other (income) expense, net	(274)	410
Income from operations	15,015	16,304
Interest expense, net	14,460	15,271
Refinancing costs	906	3,008
Loss before income taxes	(351)	(1,975)
Income tax benefit	(34)	(483)
Net loss	$ (317)	$ (1,492)
Basic and diluted loss per share	$ (0.00)	$ (0.01)
Weighted average basic and diluted shares outstanding	197,284	195,365
Net loss from above	$ (317)	$ (1,492)
Other comprehensive loss:		
Foreign currency translation adjustments	682	1,487
Hedging activity	(1,990)	(1,817)
Total other comprehensive loss	(1,308)	(330)
Comprehensive loss	$ (1,625)	$ (1,822)

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

HILLMAN SOLUTIONS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(dollars in thousands)

	Thirteen Weeks Ended March 29, 2025	Thirteen Weeks Ended March 30, 2024
Cash flows from operating activities:		
Net loss	$ (317)	$ (1,492)
Adjustments to reconcile net loss to net cash (used for) provided by operating activities:		
Depreciation and amortization	34,810	31,592
Deferred income taxes	(974)	(386)
Deferred financing and original issue discount amortization	1,257	1,330
Stock-based compensation expense	3,278	2,829
Loss on debt restructuring	906	3,008
Cash paid to third parties in connection with debt restructuring	(906)	(1,554)
(Gain) loss on disposal of property and equipment	(139)	56
Change in fair value of contingent consideration	(326)	332
Changes in operating items:		
Accounts receivable, net	(24,617)	(25,095)
Inventories, net	7,319	(2,341)
Other assets	(2,152)	(4,014)
Accounts payable	11,340	14,632
Accrued salaries and wages	(20,769)	(6,315)
Other accrued expenses	(9,365)	(906)
Net cash (used for) provided by operating activities	(655)	11,676
Cash flows from investing activities:		
Acquisition of business, net of cash received	—	(23,956)
Capital expenditures	(20,658)	(17,759)
Other investing activities	(67)	(67)
Net cash used for investing activities	(20,725)	(41,782)
Cash flows from financing activities:		
Repayments of senior term loans	(2,128)	(2,128)
Financing fees	—	(33)
Borrowings on revolving credit loans	62,000	45,000
Repayments of revolving credit loans	(44,000)	(27,000)
Principal payments under finance lease obligations	(1,270)	(875)
Proceeds from exercise of stock options	306	5,899
Payments of contingent consideration	(75)	(72)
Other financing activities	(440)	(380)
Net cash provided by financing activities	14,393	20,411
Effect of exchange rate changes on cash	(1,214)	1,814
Net decrease in cash and cash equivalents	(8,201)	(7,881)
Cash and cash equivalents at beginning of period	44,510	38,553
Cash and cash equivalents at end of period	$ 36,309	$ 30,672
Supplemental disclosure of cash flow information:		
Interest paid	$ 13,893	$ 11,213
Income taxes paid	2,016	871
Capital expenditures in accounts payable	1,614	3,093

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

HILLMAN SOLUTIONS CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)

(dollars in thousands)

	Common Stock					
	Shares	Amount	Additional Paid-in-Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total Stockholders' Equity
Thirteen weeks ended March 29, 2025						
Balance at December 28, 2024	196,706	$ 20	$ 1,442,958	$ (218,951)	$ (41,656)	$ 1,182,371
Net loss	—	—	—	(317)	—	(317)
Stock option activity, stock awards and employee stock purchase plan	675	—	1,307	—	—	1,307
Hedging activity	—	—	—	—	(1,990)	(1,990)
Change in cumulative foreign currency translation adjustment	—	—	—	—	682	682
Balance at March 29, 2025	197,381	$ 20	$ 1,444,265	$ (219,268)	$ (42,964)	$ 1,182,053
Thirteen weeks ended March 30, 2024						
Balance at December 30, 2023	194,913	$ 20	$ 1,418,535	$ (236,206)	$ (27,820)	$ 1,154,529
Net loss	—	—	—	(1,492)	—	(1,492)
Stock option activity, stock awards and employee stock purchase plan	1,029	—	8,585	—	—	8,585
Hedging activity	—	—	—	—	(1,817)	(1,817)
Change in cumulative foreign currency translation adjustment	—	—	—	—	1,487	1,487
Balance at March 30, 2024	195,942	$ 20	$ 1,427,120	$ (237,698)	$ (28,150)	$ 1,161,292

The accompanying Notes are an integral part of these Condensed Consolidated Financial Statements.

1. BASIS OF PRESENTATION

The accompanying condensed financial statements include the consolidated accounts ofHillman Solutions Corp. and its wholly-owned subsidiaries (collectively “Hillman” or the “Company”). The accompanying unaudited financial statements include the condensed consolidated accounts of the Company for the thirteen weeks ended March 29, 2025. Unless the context requires otherwise, references to "Hillman," "we," "us," "our," or "our Company" refer to Hillman Solutions Corp. and its wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated.

The accompanying unaudited Condensed Consolidated Financial Statements present information in accordance with accounting principles generally accepted in the United States for interim financial information and the instructions to Form 10-Q and applicable rules of Regulation S-X. Accordingly, they do not include all information or footnotes required by U.S. generally accepted accounting principles for complete financial statements. Operating results for the thirteen weeks ended March 29, 2025 do not necessarily indicate the results that may be expected for the full year. For further information, refer to the Consolidated Financial Statements for the year ended December 28, 2024 and notes thereto included in the Form 10-K filed on February 20, 2025 with the Securities and Exchange Commission (“SEC”).

“Hillman Solutions Corp.," "HMAN Group Holdings Inc.," and "The Hillman Companies, Inc." are holding companies with no other operations, cash flows, material assets or liabilities other than the equity interests in "The Hillman Group, Inc.,", which is the borrower under the credit facility.

Nature of Operations:

The Company is comprised of three separate operating business segments: (1) Hardware and Protective Solutions, (2) Robotics and Digital Solutions, and (3) Canada.

Hillman provides and, on a limited basis, produces products such as fasteners and related hardware items; threaded rod and metal shapes; keys, key duplication systems, and accessories; personal protective equipment such as gloves, eye-wear and cleaning rags; rope and chain; builder's hardware; and identification items, such as tags and letters, numbers, and signs, to retail outlets, primarily hardware stores, home centers and mass merchants, pet supply stores, grocery stores, and drug stores. The Canada segment also produces fasteners, stampings, fittings, and processes threaded parts for automotive suppliers, industrial Original Equipment Manufacturers (“OEMs”), and industrial distributors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies should be read in conjunction with the significant accounting policies included in the Form 10-K filed onFebruary 20, 2025 with the SEC.

Use of Estimates in the Preparation of Financial Statements:

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses for the reporting periods. Actual results may differ from these estimates.

Revenue Recognition:

Revenue is recognized when control of goods or services is transferred to our customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods or services. Sales and other taxes the Company collects concurrent with revenue-producing activities are excluded from revenue.

The Company offers a variety of sales incentives to its customers primarily in the form of discounts and rebates. Discounts are recognized in the Condensed Consolidated Financial Statements at the date of the related sale. Rebates are based on the revenue to date and the contractual rebate percentage to be paid. A portion of the cost of the rebate is allocated to each underlying sales transaction. Discounts and rebates are included in the determination of net sales.

The Company also establishes reserves for customer returns and allowances. The reserve is established based on historical rates of returns and allowances. The reserve is adjusted quarterly based on actual experience. Returns and allowances are included in the determination of net sales.

The following tables display our disaggregated revenue by product category.

Thirteen weeks ended March 29, 2025	Hardware and Protective Solutions	Robotics and Digital Solutions	Canada	Total Revenue
Fastening and Hardware	$ 205,947	$ —	$ 25,050	$ 230,997
Personal Protective	68,460	—	1,231	69,691
Keys and Key Accessories	—	46,582	2,136	48,718
Engraving and Resharp	—	9,930	7	9,937
Total Revenue	$ 274,407	$ 56,512	$ 28,424	$ 359,343

Thirteen weeks ended March 30, 2024	Hardware and Protective Solutions	Robotics and Digital Solutions	Canada	Total Revenue
Fastening and Hardware	$ 214,390	$ —	$ 31,589	$ 245,979
Personal Protective	45,484	—	1,408	46,892
Keys and Key Accessories	—	43,637	1,952	45,589
Engraving and Resharp	—	11,835	10	11,845
Total Revenue	$ 259,874	$ 55,472	$ 34,959	$ 350,305

The following tables disaggregate our revenue by geographic location.

Thirteen weeks ended March 29, 2025	Hardware and Protective Solutions	Robotics and Digital Solutions	Canada	Total Revenue
United States	$ 270,465	$ 56,512	$ —	$ 326,977
Canada	—	—	28,424	28,424
Mexico	3,942	—	—	3,942
Consolidated	$ 274,407	$ 56,512	$ 28,424	$ 359,343

Thirteen weeks ended March 30, 2024	Hardware and Protective Solutions	Robotics and Digital Solutions	Canada	Total Revenue
United States	$ 255,492	$ 55,472	$ —	$ 310,964
Canada	—	—	34,959	34,959
Mexico	4,382	—	—	4,382
Consolidated	$ 259,874	$ 55,472	$ 34,959	$ 350,305

The Company's revenue by geography is allocated based on the location of its sales operations.

Hardware and Protective Solutions' revenues consist primarily of the delivery of fasteners, anchors, specialty fastening products, rope and chain, and personal protective equipment such as gloves and eyewear, as well as in-store merchandising services for the related product category.

Robotics and Digital Solutions revenues consist primarily of sales of keys and identification tags through self-service key duplication and engraving kiosks. It also includes our associate-assisted key duplication systems and key accessories.

Canada revenues consist primarily of the delivery to Canadian customers of fasteners and related hardware items, threaded rod, keys, key duplicating systems, accessories, personal protective equipment, and identification items as well as in-store merchandising services for the related product category.

The Company’s performance obligations under its arrangements with customers are providing products, in-store merchandising services, and access to key duplicating and engraving equipment. Generally, the price of the merchandising services and the access to the key duplicating and engraving equipment is included in the price of the related products. Control of products is transferred at the point in time when the customer accepts the goods, which occurs upon delivery of the products. Judgment is required in determining the time at which to recognize revenue for the in-store services and the access to key duplicating and engraving equipment. Revenue is recognized for in-store service and access to key duplicating and engraving equipment as the related products are delivered, which approximates a time-based recognition pattern. Therefore, the entire amount of consideration related to the sale of products, in-store merchandising services, and access to key duplicating and engraving equipment is recognized upon the delivery of the products.

The costs to obtain a contract are insignificant, and generally contract terms do not extend beyond one year. Therefore, these costs are expensed as incurred. Freight and shipping costs and the cost of our in-store merchandising services teams are recognized in selling, warehouse, general, and administrative expense when control over products is transferred to the customer.

The Company used the practical expedient regarding the existence of a significant financing component as payments are due in less than one year after delivery of the products.

3. RECENT ACCOUNTING PRONOUNCEMENTS

On December 14, 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09, Improvements to Income Tax Disclosures. The amendments in this update require that public business entities on an annual basis (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold. The standard requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The standard is intended to benefit investors by providing more detailed income tax disclosures that would be useful in making capital allocation decisions. The amendments on Income Tax Disclosures are effective for fiscal years beginning after December 15, 2024, and should be applied retrospectively to all prior periods presented. The Company is currently evaluating the impact provided by the new standard.

On January 6, 2025, the FASB issued ASU 2025-01, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures: Disaggregation of Income Statement Expenses, as an amendment to ASU 2024-03. This ASU mandates that public business entities provide detailed disclosures in the notes to their financial statements, breaking down certain expense categories presented on the income statement into specified natural expense components. This enhanced disclosure aims to provide investors with more detailed information about the types of expenses included in commonly presented expense captions, such as cost of sales, selling, general, and administrative expenses (SG&A), and research and development. The amendments introduced by ASU 2025-01 are effective for public business entities for fiscal years beginning after December 15, 2026 and for interim periods beginning after December 15, 2027 with early adoption permitted. The Company is currently evaluating the impact provided by the new standard.

4. ACQUISITIONS

Intex DIY, Inc.

On August 23, 2024, the Company completed the acquisition of Intex DIY, Inc. ("Intex"), a leading supplier of wiping cloths, consumable rags, and cleaning textiles for a total purchase price of $34,064. This acquisition expands

Hillman’s offerings in the cleaning products category. Intex has business operations throughout North America and its financial results will reside in the Company's Hardware and Protective Solutions reportable segment.

The following table reconciles the preliminary fair value of the acquired assets and assumed liabilities to the total purchase price of Intex.

Accounts receivable	$	11,981
Inventory		14,795
Other current assets		26
Property and equipment		949
Goodwill		3,520
Customer relationships		9,400
Trade names		104
Total assets acquired	$	40,775
Less:		
Liabilities assumed		(6,711)
Total purchase price	$	34,064

Net sales and operating income from Intex included in the Company's Condensed Consolidated Statement of Comprehensive Loss for the thirteen weeks ended March 29, 2025 were as follows:

	Thirteen weeks ended March 29, 2025	
Net sales	$	16,085
Operating income		1,779

Pro forma financial information has not been presented for Intex as the financial results of Intex were insignificant to the financial results of the Company on a standalone basis.

5. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill amounts by reportable segment are summarized as follows:

	Goodwill at December 28, 2024		Acquisitions		Dispositions		Other (1)		Goodwill at March 29, 2025
Hardware and Protective Solutions	$	581,187		$	—	$	(27)	$	581,160
Robotics and Digital Solutions		220,936	—		—		—		220,936
Canada		26,430	—		—		201		26,631
Total	$	828,553	$ —	$	—	$	174	$	828,727

(1) The "Other" change to goodwill relates to adjustments resulting from fluctuations in foreign currency exchange rates for the Canada, Hardware Solutions, and Protective Solutions reporting units.

Other intangibles, net, as of March 29, 2025 and December 28, 2024 consist of the following:

	Estimated Useful Life (Years)				March 29, 2025		December 28, 2024
Customer relationships	13	-	20	$	955,066	$	954,888
Trademarks - indefinite	Indefinite				84,922		84,883
Trademarks - other	2	-	15		29,549		29,549
Technology and patents	5	-	12		67,009		66,937
Intangible assets, gross					1,136,546		1,136,257
Less: Accumulated amortization					545,911		530,398
Other intangibles, net				$	590,635	$	605,859

The amortization expense for intangible assets, including the adjustments resulting from fluctuations in foreign currency exchange rates for the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024 was $15,415 and $15,254, respectively.

The Company tests goodwill and indefinite-lived intangible assets for impairment annually in the fourth quarter. Impairment is also tested when events or changes in circumstances indicate that the carrying values of the assets may be greater than their fair values. During the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024, the Company did not identify any triggering events that would result in an impairment analysis outside of the annual assessment.

6. COMMITMENTS AND CONTINGENCIES

Insurance Coverage

The Company self-insures its general liability including product liability, automotive and workers' compensation losses up to $500 per occurrence. Catastrophic coverage has been purchased from third party insurers for occurrences up to $60,000. The two risk areas involving the most significant accounting estimates are workers' compensation and automotive liability. Actuarial valuations performed by the Company's outside risk insurance expert were used by the Company's management to form the basis for workers' compensation and automotive liability loss reserves. The actuary contemplated the Company's specific loss history, actual claims reported, and industry trends among statistical and other factors to estimate the range of reserves required. Risk insurance reserves are comprised of specific reserves for individual claims and additional amounts expected for development of these claims, as well as for incurred but not yet reported claims. The Company believes that the liability of approximately $2,255 recorded for such risks is adequate as of March 29, 2025.

As of March 29, 2025, the Company has provided certain vendors and insurers letters of credit aggregating to $42,168 related to our product purchases and insurance coverage for product liability, workers' compensation, and general liability.

The Company self-insures group health claims up to an annual stop loss limit of $300 per participant. Historical group insurance loss experience forms the basis for the recognition of group health insurance reserves. Provisions for losses expected under these programs are recorded based on an analysis of historical insurance claim data and certain actuarial assumptions. The Company believes that the liability of approximately $3,691 recorded for such risks is adequate as of March 29, 2025.

Import Duties

The Company imports large quantities of fastener products which are subject to customs requirements and to tariffs and quotas set by governments through mutual agreements and bilateral actions. The Company could be subject to the assessment of additional duties and interest if it or its suppliers fail to comply with customs regulations or similar laws. The U.S. Department of Commerce (the "Department") has received requests from petitioners to conduct administrative reviews of compliance with anti-dumping duty and countervailing duty laws for certain nail products sourced from Asian countries. The Company sourced products under review from vendors in China and Taiwan during the periods selected for review. The Company accrues for the duty expense once it is determined to be probable and the amount can be reasonably estimated.

Litigation

We are involved in litigation arising in the normal course of business. In management's opinion, any such litigation is not expected to have a material adverse effect on our consolidated financial condition, results of operations, or cash flows.

7. RELATED PARTY TRANSACTIONS

Sales to related parties, which are included in net sales, consist of the sale of excess inventory to Ollie's Bargain Outlet Holdings, Inc. ("Ollie's"). John Swygert, Executive Chairman of Ollie's since 2025, and before that President and Chief Executive Officer of Ollie's, is a member of our Board of Directors. Sales to related parties were $3 in the thirteen weeks ended March 29, 2025. Sales to related parties were $18 in the thirteen weeks ended March 30, 2024.

In late 2024, the Company signed a contract with Ollie's to place Minute Key and Quick-Tag machines in select Ollie's locations. The Company will pay royalties shares to Ollie's as a result of this agreement. The payments to related parties were $2 in the thirteen weeks ended March 29, 2025.

8. INCOME TAXES

ASC 740 requires companies to apply their estimated annual effective tax rate on a year-to-date basis in each interim period. These rates are derived, in part, from expected annual pre-tax income or loss. In the thirteen weeks ended March 29, 2025, and for the thirteen weeks ended March 30, 2024, the Company applied an estimated annual effective tax rate based on expected annual pre-tax income to the interim period pre-tax loss to calculate the income tax benefit.

For the thirteen weeks ended March 29, 2025, the effective income tax rate was9.7%. The Company recorded an income tax benefit for the thirteen weeks ended March 29, 2025 of $34. The effective tax rate for the thirteen weeks ended March 29, 2025 was the result of certain non-deductible expenses and state and foreign income taxes.

For the thirteen weeks ended March 30, 2024, the effective income tax rate was24.5%. The Company recorded an income tax benefit for the thirteen weeks ended March 30, 2024 of $483. The effective tax rate for the thirteen weeks ended March 30, 2024 was the result of certain non-deductible expenses and state and foreign income taxes.

9. LONG-TERM DEBT

The following table summarizes the Company's debt:

	March 29, 2025	December 28, 2024
Revolving loans	$ 80,000	$ 62,000
Senior Term Loan, due 2028	643,343	645,470
Finance lease & other obligations	16,629	11,085
	739,972	718,555
Unamortized discount on Senior Term Loan	(2,726)	(2,940)
Current portion of long-term debt and finance leases	(13,661)	(12,975)
Deferred financing fees	(10,135)	(10,914)
Total long-term debt, net	$ 713,450	$ 691,726

As of March 29, 2025, the Asset-Backed Loan ("ABL") Revolver had an outstanding balance of $80,000, and had outstanding letters of credit of $42,168. The Company has $164,599 of available borrowings under the revolving credit facility as a source of liquidity as of March 29, 2025 based on the customary ABL borrowing base and availability provisions.

2024 Repricing

On March 26, 2024, the Company entered into a Repricing Amendment (2024 Repricing Amendment) on its existing Senior Term Loan due July 14, 2028. The 2024 Repricing Amendment (i) reduces the interest rate per annum applicable to the Term Loan outstanding from SOFR plus a margin varying from 2.50% to 2.75% plus a Credit Spread Adjustment ("CSA") varying between 0.11% to 0.43% to SOFR plus a margin varying from 2.25% to 2.50%, without the CSA and (ii) implements a 1% prepayment premium for the existing Term Loan to apply to Repricing Transactions that occur within six months after the effective date of the 2024 Repricing Amendment. In connection with the closing of the 2024 Repricing Amendment, the Company expensed $3,008 consisting of $1,554 of existing fees written off and $1,454 in new fees expensed. The Company capitalized an additional $33 primarily for the payment of upfront lender fees (original issue discount).

2025 Repricing

On January 14, 2025, the Company entered into a Repricing Amendment (2025 Repricing Amendment) on its existing Senior Term Loan due July 14, 2028. The 2025 Repricing Amendment (i) reduces the interest rate per annum applicable to the Term Loan outstanding from SOFR plus a margin varying from 2.25% to 2.50% to SOFR plus a margin of 2.00%, as well as a 1.00% margin for ABR Loans and (ii) implements a 1% prepayment premium for the existing Term Loan to apply to Repricing Transactions that occur within six months after the effective date of the 2025 Repricing Amendment. In connection with the closing of the 2025 Repricing Amendment, the Company expensed $906 of new fees.

10. LEASES

Lessee

The Company determines if a contract is or contains a lease at inception or modification of a contract. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. Control over the use of the identified asset means the lessee has both 1) the right to obtain substantially all of the economic benefits from the use of the asset and 2) the right to direct the use of the asset. The Company leases certain distribution center locations, vehicles, forklifts, computer equipment, and its corporate headquarters with expiration dates through 2033. Certain lease arrangements include escalating rent payments and options to extend the lease term. Expected lease terms include these options to extend or terminate the lease when it is reasonably certain the Company will exercise the option. The Company's leasing arrangements do not contain material residual value guarantees, nor material restrictive covenants.

The components of operating and finance lease costs for the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024 were as follows:

	Thirteen Weeks Ended March 29, 2025	Thirteen Weeks Ended March 30, 2024
Operating lease costs	$ 5,648	$ 5,214
Short term lease costs	713	1,231
Variable lease costs	602	517
Finance lease costs:		
Amortization of right of use assets	1,271	939
Interest on lease liabilities	223	128

Rent expense is recognized on a straight-line basis over the expected lease term. Rent expense totaled $6,963 in the thirteen weeks ended March 29, 2025 and $6,962 in the thirteen weeks ended March 30, 2024. Rent expense includes operating lease costs as well as expenses for non-lease components such as common area maintenance, real estate taxes, real estate insurance, variable costs related to our leased vehicles, and short-term rental expenses.

The implicit rate is not determinable in most of the Company’s leases, as such management uses the Company’s incremental borrowing rate based on the information available at commencement date in determining the present value of future payments.

The weighted average remaining lease terms and discount rates for all of our operating leases were as follows as of March 29, 2025 and December 28, 2024:

	March 29, 2025		December 28, 2024	
	Operating Leases	Finance Leases	Operating Leases	Finance Leases
Weighted average remaining lease term	5.23	4.04	5.41	3.06
Weighted average discount rate	6.68 %	5.84 %	6.70 %	5.91 %

Supplemental balance sheet information related to the Company's finance leases was as follows as of March 29, 2025 and December 28, 2024:

	March 29, 2025	December 28, 2024
Finance lease assets, net, included in property plant and equipment	$ 15,364	$ 9,415
Current portion of long-term debt	4,723	3,720
Long-term debt, less current portion	10,995	6,028
Total principal payable on finance leases	$ 15,718	$ 9,748

Supplemental cash flow information related to the Company's operating and finance leases was as follows for the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024:

	Thirteen Weeks Ended March 29, 2025	Thirteen Weeks Ended March 30, 2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflow from operating leases	$ 5,468	$ 5,270
Operating cash outflow from finance leases	207	124
Financing cash outflow from finance leases	1,270	875

As of March 29, 2025, our future minimum rental commitments are immaterial for lease agreements beginning after the current reporting periodMaturities of our lease liabilities for all operating and finance leases are as follows as of March 29, 2025:

	Operating Leases	Finance Leases
Remaining 2025	$ 16,425	$ 4,212
2026	21,371	4,634
2027	18,717	3,416
2028	16,151	2,473
2029	11,364	1,846
Thereafter	15,341	1,036
Total future minimum rental commitments	99,369	17,617
Less - amounts representing interest	(15,182)	(1,899)
Present value of lease liabilities	$ 84,187	$ 15,718

Lessor

The Company has certain arrangements for key duplication equipment under which we are the lessor. These leases meet the criteria for operating lease classification. Lease income associated with these leases is not material.

11. EQUITY AND ACCUMULATED OTHER COMPREHENSIVE LOSS

Common Stock

Hillman Solutions Corp. has one class of common stock.

Accumulated Other Comprehensive Income (Loss)

The following is detail of the changes in the Company's accumulated other comprehensive income (loss) from December 30, 2023 to March 29, 2025, including the effect of significant reclassifications out of accumulated other comprehensive income (loss) (net of tax):

		Accumulated Other Comprehensive Income (Loss)
Balance at December 30, 2023	$	(27,820)
Other comprehensive income before reclassifications		(25,516)
Amounts reclassified from other comprehensive income		11,680
Net current period other comprehensive loss [(1)]		(13,836)
Balance at December 28, 2024		(41,656)
Other comprehensive income before reclassifications		(720)
Amounts reclassified from other comprehensive income		(588)
Net current period other comprehensive loss [(2)]		(1,308)
Balance at March 29, 2025	$	(42,964)

1. During the year ended December 28, 2024, the Company deferred a loss of $8,162, reclassified a loss of $11,680 and a tax benefit of $883 into other comprehensive loss due to hedging activities. The amounts reclassified out of other comprehensive loss were recorded as interest expense. See Note 14 - Derivatives and Hedging for additional information on the interest rate swaps.
2. During the thirteen weeks ended March 29, 2025, the Company deferred a loss of $2,065, reclassified a gain of $588 and a tax loss of $663 into other comprehensive loss due to hedging activities. The amounts reclassified out of other comprehensive loss were recorded as interest expense. See Note 14 - Derivatives and Hedging for additional information on the interest rate swaps.

12. STOCK-BASED COMPENSATION

2014 Equity Incentive Plan

The 2014 Equity Incentive Plan may grant options, stock appreciation rights, restricted stock, and other stock-based awards for up to an aggregate of 14,523,510 shares of its common stock.

The 2014 Equity Incentive Plan had stock compensation expense of $73 recognized in the accompanying Condensed Consolidated Statements of Comprehensive Loss for the thirteen weeks ended March 29, 2025, and $407 for the thirteen weeks ended March 30, 2024.

Stock Options

The fair value of stock options is determined at the grant date using the Black-Scholes option pricing model. The time-based stock option awards generally vest evenly over four years from the grant date and performance-based options vest based on Company stock price hurdles.

Restricted Stock Units

The Restricted Stock Units ("RSUs") granted to employees for service generally vest after three years, subject to continued employment.

2021 Equity Incentive Plan

Effective July 14, 2021, the Company established the 2021 Equity Incentive Plan. On June 7, 2024, the 2021 Equity Incentive Plan was amended to increase the share reserve by 2,000,000 shares of common stock (the 2021 Equity Incentive Plan as amended is referred to as the “2021 Plan”). Under the 2021 Plan, the maximum number of shares of common stock that may be delivered in satisfaction of awards under the 2021 Plan as of the Effective Date is (i) 9,150,814 shares, plus (ii) the number of shares of stock underlying awards under the 2014 Equity Incentive Plan that on or after the Effective Date expire or become unexercisable, or are forfeited, cancelled or otherwise terminated, in each case, without delivery of shares or cash therefore, and would have become available again for grant under the Prior Plan in accordance with its terms (in the case of this subclause (ii), not to exceed 16,523,510 shares of common stock in the aggregate).

The 2021 Equity Incentive Plan had stock compensation expense of $3,077 recognized in the accompanying Condensed Consolidated Statements of Comprehensive Loss for the thirteen weeks ended March 29, 2025, and $2,303 was recorded for the thirteen weeks ended March 30, 2024.

Stock Options

The fair value of stock options is determined at the grant date using the Black-Scholes option pricing model. The time-based stock option awards generally vest evenly over four years from the grant date and performance-based options vest based on specified targets such as Company performance and Company stock price hurdles.

Restricted Stock Units

Beginning in the first quarter of 2025, the RSUs granted to employees for service generally vest evenly over three years from the grant date, subject to continued employment. Prior to 2025, the RSUs granted to employees for service generally vest after three years, subject to continued employment. The RSUs granted to non-employee directors generally vest in full on the sooner of the first anniversary of the grant date or the Company's next annual meeting of stockholders.

Performance Stock Units

Beginning in the first quarter of 2025, the Company determined to grant Performance Stock Units ("PSUs"), using return on invested capital as the performance metric, instead of granting stock options. The PSUs granted to employees for service generally vest after three years, subject to continued employment.

2021 Employee Stock Purchase Plan

Our Employee Stock Purchase Plan ("ESPP") became effective on July 14, 2021, in which 1,140,754 shares of common stock were available for issuance under the ESPP. Under the ESPP, eligible employees are granted options to purchase shares of common stock at 85% of the fair market value at the time of exercise. Options to purchase shares are granted four times a year on the first payroll date in January, April, July, and October of each year and ending approximately three months later on the last business day in March, June, September or December. No employee may be granted an option under the Plan if, immediately after the option is granted, the employee would own stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company.

Compensation expense associated with ESPP purchase rights is recognized on a straight-line basis over the vesting period. As of the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024, there was approximately $128, and $119 of compensation expense related to the ESPP, respectfully.

13. EARNINGS PER SHARE

Basic earnings per share is computed based on the weighted-average number of shares of common stock outstanding during the period. Diluted earnings per share include the dilutive effect of stock options and restricted stock awards and units. The following is a reconciliation of the basic and diluted earnings per share ("EPS") computations for both the numerator and denominator (in thousands, except per share data):

	Thirteen Weeks Ended March 29, 2025		
	Earnings (Numerator)	Shares (Denominator)	Per Share Amount
Net loss	$ (317)	197,284	(0.00)
Dilutive effect of stock options and awards	—	—	—
Net loss per diluted common share	$ (317)	197,284	(0.00)

	Thirteen Weeks Ended March 30, 2024		
	Earnings (Numerator)	Shares (Denominator)	Per Share Amount
Net loss	$ (1,492)	195,365	(0.01)
Dilutive effect of stock options and awards	—	—	—
Net loss per diluted common share	$ (1,492)	195,365	(0.01)

Stock options and awards outstanding totaling 3,114 were excluded from the computation for the thirteen weeks ended March 29, 2025, and 2,976 for the thirteen weeks ended March 30, 2024, as they would have had an antidilutive effect under the treasury stock method.

14. DERIVATIVES AND HEDGING

FASB ASC 815, Derivatives and Hedging ("ASC 815"), provides the disclosure requirements for derivatives and hedging activities with the intent to provide users of financial statements with an enhanced understanding of: (a) how and why an entity uses derivative instruments, (b) how the entity accounts for derivative instruments and related hedged items, and (c) how derivative instruments and related hedged items affect an entity's financial position, financial performance, and cash flows. Further, qualitative disclosures are required that explain the Company's objectives and strategies for using derivatives, as well as quantitative disclosures about the fair value of and gains and losses on derivative instruments.

The Company uses derivative financial instruments to manage its exposures to (1) interest rate fluctuations on its floating rate senior term loan and (2) fluctuations in foreign currency exchange rates. The Company measures those instruments at fair value and recognizes changes in the fair value of derivatives in earnings in the period of change, unless the derivative qualifies as an effective hedge that offsets certain exposures.

The Company does not enter into derivative transactions for speculative purposes and, therefore, holds no derivative instruments for trading purposes.

Interest Rate Swap Agreements

On December 19, 2023, the Company entered into an interest swap agreement ("2024 Swap 1") for a notional amount of $144,000. The forward start date of the 2024 Swap 1 was July 21, 2024 and the termination date is January 31, 2027. The 2024 Swap 1 has a determined pay fixed interest rate of 3.8%. In accordance with ASC 815, the Company determined the 2024 Swap 1 constituted an effective cash flow hedge and therefore changes in fair value are recorded within other comprehensive loss within the Company's Statement of Comprehensive Loss and the deferred gains or losses are reclassified out of other comprehensive loss into interest expense in the same period during which the hedged transactions affect earnings.

On December 19, 2023, the Company entered into an interest swap agreement ("2024 Swap 2") for a notional amount of $216,000. The forward start date of the 2024 Swap 2 was July 21, 2024 and the termination date is January 31, 2027. The 2024 Swap 2 has a determined pay fixed interest rate of 3.62%. In accordance with ASC 815, the Company determined the 2024 Swap 2 constituted an effective cash flow hedge and therefore changes in fair value are recorded within other comprehensive loss within the Company's Statement of Comprehensive Loss and the deferred gains or losses are reclassified out of other comprehensive loss into interest expense in the same period during which the hedged transactions affect earnings.

The following table summarizes the Company's derivative financial instruments:

	Asset Derivatives			Liability Derivatives		
		As of March 29, 2025	As of December 28, 2024		As of March 29, 2025	As of December 28, 2024
	Balance Sheet Location	Fair Value	Fair Value	Balance Sheet Location	Fair Value	Fair Value
Derivatives designated as hedging instruments:						
2024 Swap 1	Other current/other non-current assets	196	787	Other non-current liabilities	(434)	—
2024 Swap 2	Other current/other non-current assets	645	1,961	Other non-current liabilities	(312)	—
Total hedging instruments:		$ 841	$ 2,748		$ (746)	$ —

Foreign Currency Forward Contracts

As of March 29, 2025 and December 28, 2024 the Company entered into foreign currency forward contracts. The purpose of the Company's foreign currency forward contracts is to manage the Company's exposure to fluctuations in the exchange rate of the Canadian dollar.

The total notional amount of contracts outstanding was C$3,361 and C$4,087 as of March 29, 2025 and December 28, 2024, respectively. The total fair value of the foreign currency forward contracts was $2,350 and $4,325 as of March 29, 2025 and December 28, 2024, respectively and was reported on the accompanying Condensed Consolidated Balance Sheets in other accrued expenses. An increase in other income of $160 was recorded in the Condensed Consolidated Statements of Comprehensive Loss for the change in fair value during the thirteen weeks ended March 29, 2025.

The Company's foreign currency forward contracts did not qualify for hedge accounting treatment because they did not meet the provisions specified in ASC 815. Accordingly, the gain or loss on these derivatives was recognized in other (income) expense in the Condensed Consolidated Statements of Comprehensive Loss.

The Company does not enter into derivative transactions for speculative purposes and, therefore, holds no derivative instruments for trading purposes.

Additional information with respect to the fair value of derivative instruments is included in Note 15 - Fair Value Measurements.

15. FAIR VALUE MEASUREMENTS

The Company uses the accounting guidance that applies to all assets and liabilities that are being measured and reported on a fair value basis. The guidance defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The guidance also establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Assets and liabilities carried at fair value are classified and disclosed in one of the following three categories:

Level 1:	Quoted market prices in active markets for identical assets or liabilities.
Level 2:	Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3:	Unobservable inputs reflecting the reporting entity’s own assumptions.

The accounting guidance establishes a hierarchy which requires an entity to maximize the use of quoted market prices and minimize the use of unobservable inputs. An asset or liability's level is based on the lowest level of input that is significant to the fair value measurement.

The following tables set forth the Company’s financial assets and liabilities that were measured at fair value on a recurring basis during the period, by level, within the fair value hierarchy:

	As of March 29, 2025			
	Level 1	Level 2	Level 3	Total
Trading securities	$ 743	$ —	$ —	$ 743
Interest rate swaps	—	95	—	95
Foreign exchange forward contracts	—	2,350	—	2,350
Contingent consideration payable	—	—	4,462	4,462

	As of December 28, 2024			
	Level 1	Level 2	Level 3	Total
Trading securities	$ 796	$ —	$ —	$ 796
Interest rate swaps	—	2,748	—	2,748
Foreign exchange forward contracts	—	4,325	—	4,325
Contingent consideration payable	—	—	4,863	4,863

Trading securities are valued using quoted prices on an active exchange. Trading securities represent assets held in a Rabbi Trust to fund deferred compensation liabilities and are included as Other assets on the accompanying Condensed Consolidated Balance Sheets.

The Company utilizes interest rate swap contracts to manage our targeted mix of fixed and floating rate debt, and these contracts are valued using observable benchmark rates at commonly quoted intervals for the full term of the swap contracts. As of March 29, 2025 and December 28, 2024, the Company's interest rate swaps were recorded on the accompanying Condensed Consolidated Balance Sheets in accordance with ASC 815.

The Company utilizes foreign exchange forward contracts to manage our exposure to currency fluctuations in the Canadian dollar versus the U.S. dollar. The forward contracts were valued using observable benchmark rates at commonly quoted intervals during the term of the forward contract. As of March 29, 2025 and December 28, 2024, the foreign exchange forward contracts were included in other accrued expenses on the accompanying Condensed Consolidated Balance Sheets.

The contingent consideration represents future potential earn-out payments related to the Resharp acquisition in fiscal 2019 and the Instafob acquisition in the first quarter of 2020. The estimated fair value of the contingent earn-outs was determined using a Monte Carlo analysis examining the frequency and mean value of the resulting earn-out payments. The resulting value captures the risk associated with the form of the payout structure. The risk neutral method is applied, resulting in a value that captures the risk associated with the form of the payout structure and the projection risk. The carrying amount of the liability may fluctuate significantly and actual amounts paid may be materially different from the estimated value of the liability. The current and non-current portions of these obligations are reported separately on the Condensed Consolidated Balance Sheets as other accrued expense and other non-current liabilities, respectively. Subsequent changes in the fair value of the contingent consideration liabilities, as determined by using a simulation model of the Monte Carlo analysis that includes updated projections applicable to the liability, are recorded within other income (expense) in the Condensed Consolidated Statements of Comprehensive Loss.

The table below provides a summary of the changes in fair value of the Company’s contingent consideration (Level 3) for Resharp and Instafob as of March 29, 2025.

	Resharp		Instafob		
	Other accrued expenses	Other non-current liabilities	Other accrued expenses	Other non-current liabilities	Total
Fair value as of December 28, 2024	$ 226	$ 4,574	$ 23	$ 40	$ 4,863
Fair value of cash consideration paid	(72)	—	(3)	—	(75)
Change in fair value of contingent consideration	46	(374)	(7)	9	(326)
Fair value as of March 29, 2025	$ 200	$ 4,200	$ 13	$ 49	$ 4,462

Cash, accounts receivable, short-term borrowings and accounts payable are reflected in the Condensed Consolidated Balance Sheets at book value, which approximates fair value, due to the short-term nature of these instruments. The carrying amounts of the long-term debt under the revolving credit facility and term loan approximate the fair value at March 29, 2025 and December 28, 2024 as the interest rate is variable and approximates current market rates of debt based on observable market transactions with similar terms and comparable credit risk.

Additional information with respect to the derivative instruments is included in Note 14 - Derivatives and Hedging.

16. SEGMENT REPORTING

The Company's segment reporting structure uses the Company's management reporting structure as the foundation for how the Company manages its business. The Company periodically evaluates its segment reporting structure in accordance with ASC 350-20-55 and has concluded that it has three reportable segments as of March 29, 2025.

The segments are as follows:

- Hardware and Protective Solutions
- Robotics and Digital Solutions
- Canada

For a reconciliation of our segment sales by product category and geographic area, please see Note 2 - Summary of Significant Accounting Policies.

The tables below present net sales, significant segment expenses, and segment adjusted EBITDA for the reportable segments for the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024. See Note 2 - Summary of Significant Accounting Policies for a reconciliation of total reportable segments' revenues to consolidated revenues. Certain amounts in the prior year Condensed Consolidated Financial Statements and in the Notes to the Condensed Consolidated Financial Statements were reclassified to conform to the current year's presentation. This had no impact on the prior period's statement of financial position, net income (loss), cash flows, or stockholders' equity.

Hardware and Protective Solutions	Thirteen weeks ended March 29, 2025	Thirteen weeks ended March 30, 2024
Net Sales	$ 274,407	$ 259,874
Significant segment expenses		
Cost of sales (exclusive of depreciation and amortization)	157,673	147,255
Adjusted selling expense[(1)]	28,366	28,376
Adjusted Warehouse expense [(2)]	34,352	35,483
Adjusted General and administrative expense[(3)]	16,798	16,764
Other segment items	(162)	(270)
Segment Adjusted EBITDA	$ 37,380	$ 32,266

1. Adjusted selling expense excludes expense related to corporate restructuring activities.
2. Adjusted warehouse expense excludes restructuring expense associated with our distribution center relocations and corporate restructuring activities.
3. Adjusted general and administrative expense excludes stock-based compensation, acquisition and integration costs, and expense associated with corporate restructuring.

Robotics and Digital Solutions	Thirteen weeks ended March 29, 2025	Thirteen weeks ended March 30, 2024
Net sales	$ 56,512	$ 55,472
Significant segment expenses		
Cost of sales (exclusive of depreciation and amortization)	16,447	15,735
Adjusted selling expense(1)	17,063	14,584
Adjusted Warehouse expense (2)	2,930	2,833
Adjusted General and administrative expense(3)	4,595	5,250
Other segment items(4)	61	57
Segment Adjusted EBITDA	$ 15,416	$ 17,013

1. Adjusted selling expense excludes expense related to corporate restructuring activities.
2. Adjusted warehouse expense excludes restructuring expense associated with our distribution center relocations and corporate restructuring activities.
3. Adjusted general and administrative expense excludes stock compensation expense, acquisition and integration expense, consulting expense and legal charges related to settlements, see Note 6 - Commitments and Contingencies.
4. Other excludes the gain or loss on the revaluation of our contingent consideration liability, see Note 15 - Fair Value Measurements.

Canada	Thirteen weeks ended March 29, 2025	Thirteen weeks ended March 30, 2024
Net sales	$ 28,424	$ 34,959
Significant segment expenses		
Cost of sales (exclusive of depreciation and amortization)	16,620	20,444
Adjusted selling expense(1)	3,198	3,537
Adjusted Warehouse expense (2)	4,966	5,826
Adjusted General and administrative expense(3)	1,759	1,820
Other segment items	151	289
Segment Adjusted EBITDA	$ 1,730	$ 3,043

1. Adjusted selling expense excludes restructuring expense.
2. Adjusted warehouse expense excludes restructuring expense associated with our distribution center relocations and corporate restructuring activities.
3. Adjusted general and administrative expense excludes stock based compensation and expense associated with corporate restructuring activities.

The following table reconciles segment adjusted EBITDA by segment to the Company’s consolidated income (loss) before income taxes.

	Thirteen weeks ended March 29, 2025	Thirteen weeks ended March 30, 2024
Hardware and Protective Solutions	$ 37,380	$ 32,266
Robotics and Digital Solutions	15,416	17,013
Canada	1,730	3,043
Total adjusted EBITDA	54,526	52,322
Interest expense, net	14,460	15,271
Depreciation	19,395	16,338
Amortization	15,415	15,254
Stock compensation expense	3,278	2,829
Restructuring and other costs	1,691	991
Transaction and integration expense	58	274
Change in fair value of contingent consideration	(326)	332
Refinancing costs	906	3,008
Total adjusting items	54,877	54,297
Loss before income taxes	$ (351)	$ (1,975)

ITEM 2 - MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion provides information which the Company’s management believes is relevant to an assessment and understanding of the Company’s operations and financial condition. This discussion should be read in conjunction with the Condensed Consolidated Financial Statements and accompanying notes in addition to the Consolidated Financial Statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 28, 2024.

FORWARD-LOOKING STATEMENTS

This quarterly report contains certain forward-looking statements, including, but not limited to, certain disclosures related to acquisitions, refinancing, capital expenditures, resolution of pending litigation, and realization of deferred tax assets, 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 our and our customers’, suppliers’ and other business partners’ 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 tariffs, raw materials, sourcing, transportation and energy; (3) the highly competitive nature of the markets that we serve; (4) the ability to continue to innovate with new products and services; (5) seasonality; (6) large customer concentration; (7) the 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; or (10) 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 February 20, 2025. 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.

GENERAL

Hillman Solutions Corp. and its wholly-owned subsidiaries (collectively, “Hillman” or “Company”) are one of the largest providers of hardware-related products and related merchandising services to retail markets in North America. Our principal business is operated through our wholly-owned subsidiary, Hillman Solutions Corp. and its wholly-owned subsidiaries (collectively, “Hillman Group”), which had net sales of $359.3 million in the thirteen weeks ended March 29, 2025. Hillman sells its products to hardware stores, home improvement centers, mass merchants, pet supply stores, and other retail outlets principally in the United States, Canada, and Mexico. Product lines include thousands of small hardware parts such as fasteners and related items; threaded rod and metal shapes; keys and accessories; builder's hardware; personal protective equipment, such as gloves and eyewear; rope and chain; and identification items, such as tags and letters, numbers, and signs. We support product sales with services that include design and installation of merchandising systems, maintenance of appropriate in-store inventory levels, and break-fix for our robotics kiosks.

RECENT DEVELOPMENTS

Tariff Environment

In the first quarter of 2025 and during April 2025, the U.S. government announced tariffs on imports from countries from which we import products and components. Subsequent to their announcement, there have been changes to the effective dates and amounts, and as a result, we are unable to fully quantify the impact that tariffs, when ultimately enacted, will have on our results of operations given the dynamic tariff environment.

We estimate we source approximately 33% of our products from China, 33% from suppliers based in North America, and 33% from all other countries. Based on the current facts and tariff environment as of the date of this filing, we expect the tariffs to drive an increase in our net working capital. Our current expectation is to raise our prices to cover the higher tariff impacted inventory cost, though there are no assurances that we will be successful in doing so, and price increases could impact future demand for our products. We continue to analyze the impact of these actions and what, if any, steps, including pricing actions, we may take to mitigate the impact of the tariffs.

2025 Term Loan Repricing

On January 14, 2025, the Company entered into a Repricing Amendment (2025 Repricing Amendment) on its existing Senior Term Loan due July 14, 2028. The 2025 Repricing Amendment (i) reduces the interest rate per annum applicable to the Term Loan outstanding from SOFR plus a margin varying from 2.25% to 2.50% to SOFR plus a margin of 2.00%, as well as a 1.00% margin for ABR Loans and (ii) implements a 1% prepayment premium for the existing Term Loan to apply to Repricing Transactions that occur within six months after the effective date of the 2025 Repricing Amendment. In connection with the closing of the 2025 Repricing Amendment, the Company expensed $0.9 million of new fees.

IMPACT OF GLOBAL ECONOMIC CONDITIONS ON OUR RESULTS OF OPERATIONS

Our business is impacted by general economic conditions in the North American markets, particularly the U.S. and Canadian retail markets, including hardware stores, home improvement centers, mass merchants, and other retailers. Changes in current economic conditions, including inflationary pressures in the cost of inventory, transportation, and employee compensation, foreign currency volatility, housing market trends, tariffs, and concerns of a potential recession, have impacted consumer discretionary income levels and spending. Consumer discretionary income levels and spending impact the purchasing trends of our products by our retail customers. Any adverse trends in discretionary income and consumer spending could have a material adverse effect on our business or operating results.

We are exposed to the risk of unfavorable changes in foreign currency exchange rates for the U.S. dollar versus local currency of our suppliers, particularly those located in China and Taiwan, because we purchase a majority of our products for resale from multiple vendors located in these countries. The purchase price of these products is routinely negotiated in U.S. dollar amounts rather than the local currency of the vendors and our suppliers' profit margins decrease when the U.S. dollar declines in value relative to the local currency. This puts pressure on our suppliers to increase prices to us. The U.S. dollar declined in value relative to the CNY by approximately 0.5% in the thirteen weeks ended March 29, 2025, increased by 2.8% in 2024, and increased by 2.9% in 2023. The U.S. dollar increased in value relative to the Taiwan dollar by approximately 1.0% in the thirteen weeks ended March 29, 2025, increased by 7.1% in 2024, and declined by 0.4% in 2023.

We are also exposed to risk of unfavorable changes in the Canadian dollar exchange rate versus the U.S. dollar. Our sales in Canada are denominated in Canadian dollars, while a majority of the products are sourced in U.S. dollars. A weakening of the Canadian dollar versus the U.S. dollar results in lower sales in terms of U.S. dollars while the cost of sales remains unchanged. We have a practice of hedging some of our Canadian subsidiary's purchases denominated in U.S. dollars. The U.S. dollar declined in value relative to the Canadian dollar by approximately 0.8% in the thirteen weeks ended March 29, 2025, increased by 9.0% in 2024, and declined by 2.4% in 2023.

In addition, the negotiated purchase price of our products may be dependent upon market fluctuations in the cost of raw materials (i.e. steel, zinc, and nickel) used by our vendors in their manufacturing processes. The final purchase cost of our products may also be dependent upon inflation or deflation in the local economies of vendors that could impact the cost of labor and materials used in the manufacturing of our products. We identify the directional impact of changes in our product cost, but the quantification of each of these variable impacts cannot be measured as to the individual impact on our product cost with a sufficient level of precision. We may take pricing action, when warranted, in an attempt to offset a portion of product cost increases. The ability of our operating divisions to implement or maintain price increases and seek price concessions, as appropriate, is dependent on competitive market conditions.

We import products, which are subject to customs requirements and to tariffs and quotas set by governments, through mutual agreements and bilateral actions. The historical U.S. tariffs on steel and aluminum and other imported goods have increased our product costs and required us to increase prices on the affected products. Current uncertainties about increases in tariffs of imported products from countries may have an adverse effect on our results. (see Recent Developments - Tariff Environment of Item 2 - Management's Discussion and Analysis above and Risk Factors of Part II - Other Information for additional information).

Thirteen weeks ended March 29, 2025 vs the Thirteen weeks ended March 30, 2024

FINANCIAL SUMMARY AND OTHER KEY METRICS

- Net sales for the thirteen weeks ended March 29, 2025 were $359.3 million compared to net sales of $350.3 million for the thirteen weeks ended March 30, 2024, an increase of approximately $9.0 million or 2.6%.
- Net loss for the thirteen weeks ended March 29, 2025 was $(0.3) million, or $(0.00) per diluted share, compared to net loss of $(1.5) million, or $(0.01) per diluted share for the thirteen weeks ended March 30, 2024.
- Adjusted EBITDA[1] totaled $54.5 million versus $52.3 million in the thirteen weeks ended March 29, 2025 and in the thirteen weeks ended March 30, 2024, respectively.

RESULTS OF OPERATIONS

The following analysis of results of operations includes a brief discussion of the factors that affected our operating results and a comparative analysis of the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024.

(dollars in thousands)	Thirteen weeks ended March 29, 2025 Amount	% of Net Sales	Thirteen weeks ended March 30, 2024 Amount	% of Net Sales
Net sales	$ 359,343	100.0 %	$ 350,305	100.0 %
Cost of sales (exclusive of depreciation and amortization shown separately below)	190,740	53.1	183,434	52.4
Selling, warehouse, general and administrative expenses	119,052	33.1	118,565	33.8
Depreciation	19,395	5.4	16,338	4.7
Amortization	15,415	4.3	15,254	4.4
Other (income) expense, net	(274)	(0.1)	410	0.1
Income from operations	15,015	4.2	16,304	4.7
Interest expense, net	14,460	4.0	15,271	4.4
Refinancing costs	906	0.3	3,008	0.9
Loss before income taxes	(351)	(0.1)	(1,975)	(0.6)
Income tax benefit	(34)	—	(483)	(0.1)
Net loss	$ (317)	(0.1)%	$ (1,492)	(0.4)%
Adjusted EBITDA(1)	$ 54,526	15.2 %	$ 52,322	14.9 %

(1) Adjusted EBITDA is a non-GAAP financial measure. Refer to the “Non-GAAP Financial Measures” section for additional information, including our definition and our use of Adjusted EBITDA, and for a reconciliation from net loss to Adjusted EBITDA.

Net Sales by Segment

	Thirteen weeks ended March 29, 2025	% of Net Sales	Thirteen weeks ended March 30, 2024	% of Net Sales	$ Change	% Change
Hardware and Protective Solutions	$ 274,407	76.4 %	$ 259,874	74.2 %	$ 14,533	5.6 %
Robotics and Digital Solutions	56,512	15.7	55,472	15.8	1,040	1.9
Canada	28,424	7.9	34,959	10.0	(6,535)	(18.7)
Consolidated	$ 359,343		$ 350,305		$ 9,038	2.6 %

The increase in total net sales during the first quarter of 2025 was driven primarily driven by the factors described below:

Hardware and Protective Solutions' net sales increased by $14.5 million in the thirteen weeks ended March 29, 2025 due to the following:

- Hardware net sales decreased by $8.4 million primarily due to decreased volume of $6.8 million driven by market softness and the remaining was driven by reduced price.
- Protective equipment net sales increased by $23.0 million primarily due to $16.1 million in sales related to the Intex acquisition and increased volume of $7.2 million.

Robotics and Digital Solutions' net sales in the thirteen weeks ended March 29, 2025 increased by $1.0 million primarily due to increased prices.

Canada net sales decreased by $6.5 million primarily due to reduced volume of $4.5 million driven by market softness and an unfavorable impact of the exchange rate from Canadian dollars to U.S. dollars.

Cost of Sales (excluding depreciation and amortization)

The following table summarizes cost of sales by segment:

	Thirteen weeks ended March 29, 2025	% of Segment Net Sales	Thirteen weeks ended March 30, 2024	% of Segment Net Sales	$ Change	% Change
Hardware and Protective Solutions	$ 157,673	57.5 %	$ 147,255	56.7 %	$ 10,418	7.1 %
Robotics and Digital Solutions	16,447	29.1	15,735	28.4	712	4.5
Canada	16,620	58.5	20,444	58.5	(3,824)	(18.7)
Consolidated	$ 190,740	53.1 %	$ 183,434	52.4 %	$ 7,306	4.0 %

Hardware and Protective Solutions' cost of sales as a percentage of net sales increased primarily due a higher mix of Protective Solutions sales which generally have higher costs than Hardware Solutions.

Robotics and Digital Solutions' cost of sales as a percentage of net sales increased due to increased product and shipping costs.

Canada cost of sales as a percentage of net sales was comparable to prior year.

Selling, Warehouse, and General and Administrative Expenses

The following table summarizes selling, warehouse, and general and administrative expense ("SG&A") by segment:

	Thirteen weeks ended March 29, 2025	% of Segment Net Sales	Thirteen weeks ended March 30, 2024	% of Segment Net Sales	$ Change	% Change
Hardware and Protective Solutions	$ 84,110	30.7 %	$ 83,770	32.2 %	$ 340	0.4 %
Robotics and Digital Solutions	24,961	44.2	23,214	41.8	1,747	7.5
Canada	9,981	35.1	11,581	33.1	(1,600)	(13.8)
Consolidated	$ 119,052	33.1 %	$ 118,565	33.8 %	$ 487	0.4 %

Hardware and Protective Solutions' SG&A increased due to the following:

- General and administrative (“G&A”) increased $1.6 million. The increase was primarily due an increased investment into information technology along with $1.4 million in corporate restructuring expense partially offset by decreased variable compensation expense.
- Warehouse expense decreased $1.1 million primarily due to lower sales volumes along with improved operational efficiencies.
- Selling expense was comparable to prior year.

Robotics and Digital Solutions' SG&A increased due to the following:

- Selling expense increased $2.5 million primarily due to increased variable selling expenses due to the shift from full-service keys to self-service keys, which have a higher variable selling cost.
- G&A expense decreased by $0.9 million primarily due to reduced variable compensation.
- Warehouse expense was comparable to prior year.

Canada SG&A increased due to the following:

- Selling expense decreased by $0.5 million primarily due to reduced variable compensation expenses.
- Warehouse expense decreased by $0.9 million primarily due primarily due to lower sales volumes along with improved operational efficiencies.
- G&A decreased by $0.3 million primarily due to reduced variable compensation.

Other Operating Expenses

Depreciation expense increased $3.1 million due to capital spend on merchandising racks.

Amortization expense in the thirteen weeks ended March 29, 2025 increased by $0.2 million primarily due to increased intangible assets related to the Intex acquisition (see Note 4 - Acquisitions for additional information).

In the thirteen weeks ended March 29, 2025, other income (expense) consisted primarily of a $0.3 million gain on the revaluation of the contingent consideration associated with the acquisition of Resharp and Instafob (see Note 15 - Fair Value Measurements of the Notes to Condensed Consolidated Financial Statements for additional information). In addition, we recorded income related to certain rebates received of $0.2 million along with exchange rate losses of $0.1 million in the thirteen weeks ended March 29, 2025.

In the thirteen weeks ended March 30, 2024, other income (expense) consisted primarily of a $0.3 million loss on the revaluation of the contingent consideration associated with the acquisition of Resharp and Instafob. We also recorded exchange rate gains of $0.2 million in the thirteen weeks ended March 30, 2024.

Income from Operations

	Thirteen weeks ended March 29, 2025	Thirteen weeks ended March 30, 2024	$ Change	% Change
Hardware and Protective Solutions	$ 11,031	$ 9,248	$ 1,783	19.3 %
Robotics and Digital Solutions	3,495	5,757	(2,262)	(39.3)
Canada	489	1,299	(810)	(62.4)
Total segment income from operations	$ 15,015	$ 16,304	$ (1,289)	(7.9)%

Income from operations in our Hardware and Protective Solutions segment increased $1.8 million due to the changes in net sales, cost of sales, and SG&A expenses described above in addition to an increase in depreciation expense of $1.7 million due to capital spend on merchandising racks.

Income from operations in our Robotics and Digital Solutions segment decreased $2.3 million. The $2.3 million decrease is primarily due to the changes in net sales, cost of sales, and SG&A expenses described above, in addition to an increase in depreciation expense of $1.5 million due to capital spend on key duplication kiosks and machines and an increase of $0.7 million in other income driven by the changes in revaluation of the contingent consideration described above.

Canada's income from operations decreased by $0.8 million primarily due to the changes in net sales, cost of sales and SG&A expenses described above. In the thirteen weeks ended March 29, 2025, Canada recorded exchange rate losses of $0.2 million and in the thirteen weeks ended March 30, 2024, Canada recorded exchange rate gains of $0.1 million.

Interest expense, net, decreased $0.8 million in the thirteen weeks ended March 29, 2025, primarily due to a reduction in outstanding debt and a reduction in interest rate spreads driven by the debt repricing in the first quarter of 2025 (see Note 9 - Long-term Debt of the Notes to Condensed Consolidated Financial Statements for additional information).

Income Taxes

For the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024, the effective income tax rate was 9.7% and 24.5%, respectively. The Company recorded an income tax benefit for the thirteen weeks ended March 29, 2025 of $34 thousand based on a pre-tax loss of $351 thousand, and an income tax benefit for the thirteen weeks ended March 30, 2024 of $0.5 million based on a pre-tax loss of $2.0 million.

In 2025, the effective tax rate differed from the U.S. federal statutory tax rate due to state and foreign income taxes and certain non-deductible expenses. See Note 8 - Income Taxes of the Notes to Condensed Consolidated Financial Statements for additional information.

In 2024, the effective tax rate differed from the U.S. federal statutory tax rate due to state and foreign income taxes and certain non-deductible expenses.

NON-GAAP FINANCIAL MEASURES

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 uses this financial measure to evaluate our consolidated operating performance and the operating performance of our operating segments as well as 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.

The following table presents a reconciliation of net income, the most directly comparable financial measure under GAAP, to Adjusted EBITDA for the periods presented:

(dollars in thousands)	Thirteen Weeks Ended March 29, 2025	Thirteen Weeks Ended March 30, 2024
Net loss	$ (317)	$ (1,492)
Income tax benefit	(34)	(483)
Interest expense, net	14,460	15,271
Depreciation	19,395	16,338
Amortization	15,415	15,254
EBITDA	$ 48,919	$ 44,888
Stock compensation expense	3,278	2,829
Restructuring and other[1]	1,691	991
Transaction and integration expense [2]	58	274
Change in fair value of contingent consideration	(326)	332
Refinancing costs [3]	906	3,008
Adjusted EBITDA	$ 54,526	$ 52,322

(1) Includes consulting and other costs associated with severance related to our distribution center relocations and corporate restructuring activities.

(2) Transaction and integration expense includes professional fees and other costs related to the Koch Industries, Inc. and Intex DIY, Inc acquisitions.

(3) In the first quarters of 2025 and 2024, we entered into a Repricing Amendment (2025 Repricing Amendment and 2024 Repricing Amendment) on our existing Senior Term Loan due July 14, 2028 (see Note 9 - Long-term Debt of the Notes to Condensed Consolidated Financial Statements for additional information).

The following tables presents a reconciliation of segment operating income, the most directly comparable financial measure under GAAP, to segment Adjusted EBITDA for the periods presented.

Thirteen weeks ended March 29, 2025		Hardware and Protective Solutions		Robotics and Digital Solutions		Canada
Operating income	$	11,031	$	3,495	$	489
Depreciation and amortization		21,755		11,874		1,181
Stock compensation expense		2,736		343		199
Restructuring and other		1,803		27		(139)
Transaction and integration expense		55		3		—
Change in fair value of contingent consideration		—		(326)		—
Adjusted EBITDA	$	37,380	$	15,416	$	1,730

Thirteen weeks ended March 30, 2024		Hardware and Protective Solutions		Robotics and Digital Solutions		Canada
Operating income	$	9,248	$	5,757	$	1,299
Depreciation and amortization		19,869		10,376		1,347
Stock compensation expense		2,337		280		212
Restructuring and other		549		257		185
Transaction and integration expense		263		11		—
Change in fair value of contingent consideration		—		332		—
Adjusted EBITDA	$	32,266	$	17,013	$	3,043

LIQUIDITY AND CAPITAL RESOURCES

Our working capital position, which we define as current assets minus current liabilities, of $347.0 million as of March 29, 2025 represents an increase of $27.5 million from the December 28, 2024 level of $319.5 million driven by seasonality of the business. We expect to generate sufficient operating cash flows to meet our short-term liquidity needs, and we expect to maintain access to the capital markets, although there can be no assurance of our ability to do so. However, disruption and volatility in the global capital markets and economic uncertainties driven by increases in tariffs could impact our capital resources and liquidity in the future. We do expect the current tariff environment to increase our costs of products we import, which will increase our working capital position and unfavorably impact our future cash flows (see Recent Developments - Tariff Environment of Item 2 - Management's Discussion and Analysis and Risk Factors of Part II - Other Information for additional information).

The following table presents the key categories of our condensed consolidated statements of cash flows:

		Thirteen weeks ended March 29, 2025		Thirteen weeks ended March 30, 2024		$ Change
Net cash (used for) provided by operating activities	$	(655)	$	11,676	$	(12,331)
Net cash used for investing activities		(20,725)		(41,782)		21,057
Net cash provided by financing activities		14,393		20,411		(6,018)
Net decrease in cash and cash equivalents		(8,201)		(7,881)		(320)

Operating Cash Flows:

Net cash used for operating activities for the thirteen weeks ended March 29, 2025 was unfavorably impacted by increases in accounts receivable due to the seasonality of our business in addition to a decrease in accrued incentive compensation related to the payout of 2024 incentive compensation.

Net cash provided by operating activities for the thirteen weeks ended March 30, 2024 was unfavorably impacted by an increase in accounts receivable due to higher sales.

Investing Cash Flows:

Capital Expenditures:

Cash of $20.7 million and $17.8 million was used in the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024, respectively, to invest in new key duplicating and engraving kiosks and merchandising racks.

Financing Cash Flows:

Term Loan:

The Company used $2.1 million of cash for principal payments on the senior term loan. As of March 29, 2025, we have outstanding borrowings of $643.3 million on the term loan. See Note 9 - Long-term Debt of the Notes to Condensed Consolidated Financial Statements for additional information.

ABL Revolver:

Our revolver payments, net of draws, provided cash of $18.0 million in the thirteen weeks ended March 29, 2025 to fund capital expenditures to support the seasonality of business.

In the thirteen weeks ended March 30, 2024, revolver repayments, net of draws, provided $18.0 million primarily to fund the acquisition of Koch Industries, Inc, referenced above.

Stock Option Exercises:

In the thirteen weeks ended March 29, 2025 and thirteen weeks ended March 30, 2024 the Company received $0.3 million and $5.9 million from the exercise of stock options, respectively.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of Regulation S-K under the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Significant accounting policies and estimates are summarized in the Notes to the Condensed Consolidated Financial Statements. Some accounting policies require management to exercise significant judgment in selecting the appropriate assumptions for calculating financial estimates. Such judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, known trends in our industry, terms of existing contracts, and other information from outside sources, as appropriate. Management believes that these estimates and assumptions are reasonable based on the facts and circumstances as of March 29, 2025, however, actual results may differ from these estimates under different assumptions and circumstances.

There have been no material changes to our critical accounting policies and estimates which are discussed in the “Critical Accounting Policies and Estimates” section of “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of the Annual Report on Form 10-K for the year ended December 28, 2024, as filed with the Securities and Exchange Commission on February 20, 2025.

Recent Accounting Pronouncements

See “Note 3 - Recent Accounting Pronouncements” of the Notes to Condensed Consolidated Financial Statements.

ITEM 3 - QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

INTEREST RATE EXPOSURE

We are exposed to the impact of interest rate changes as borrowings under the Senior Facilities bear interest at variable interest rates. It is our policy to enter into interest rate swaps only to the extent considered necessary to meet our objectives.

Based on our exposure to variable rate borrowings at March 29, 2025, after consideration of our SOFR floor rate and interest rate swap agreements, a one percent (1%) change in the weighted average interest rate for a period of one year would change the annual interest expense by approximately $3.6 million.

FOREIGN CURRENCY EXCHANGE

We are exposed to foreign exchange rate changes of the Canadian and Mexican currencies as they impact the $136.0 million tangible and intangible net asset value of our Canadian and Mexican subsidiaries as of March 29, 2025. The foreign subsidiaries' net tangible assets were $84.7 million and the net intangible assets were $51.3 million as of March 29, 2025.

We utilize foreign exchange forward contracts to manage the exposure to currency fluctuations in the Canadian dollar versus the U.S. Dollar. See Note 14 - Derivatives and Hedging of the Condensed Notes to the accompanying Condensed Consolidated Financial Statements.

COMMODITY PRICE RISK

Our transportation costs are exposed to fluctuations in the price of fuel and some of our products contain commodity-priced materials. The Company regularly monitors commodity trends and works to mitigate any material exposure to commodity price risk by having alternative sourcing plans in place, limiting supplier concentrations, passing commodity-related inflation to customers, and continuing to scale its distribution networks.

ITEM 4 - CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

We carried out an evaluation, under the supervision and with the participation of management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective, as of March 29, 2025, in ensuring that material information required to be disclosed in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the thirteen weeks ended March 29, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

On August 23, 2024, the Company completed its acquisition of Intex DIY, Inc. ("Intex"). SEC guidance permits management to omit an assessment of an acquired business' internal control over financial reporting from management's assessment of internal control over financial reporting for a period not to exceed one year from the date of the acquisition. Accordingly, management has not assessed Intex's internal control over financial reporting as of March 29, 2025.

PART II - OTHER INFORMATION

ITEM 1. – LEGAL PROCEEDINGS

The Information required by this Item is set forth in Note 6 - Commitments and Contingencies, to the accompanying Condensed Consolidated Financial Statements included in this Form 10-Q and is incorporated into this Item by reference.

ITEM 1A – RISK FACTORS

You should carefully consider the following risk, as well as the information contained in this report and in our 2024 Annual Report on Form 10-K, including the information under “Risk Factors” in Item 1A of Part I thereof, and the Consolidated Financial Statements and the related Notes to Consolidated Financial Statements and schedules thereto. However, the risks set forth below are not the only risks that we face, and we face other risks which have not yet been identified or which are not yet otherwise predictable. If any of the following risks or the risks contained in our 2024 Annual Report on Form 10-K, including the information under “Risk Factors” in Item 1A of Part I, occur or are otherwise realized, our business, financial condition, and results of operations could be materially adversely affected. Except as set forth below, there have been no material changes to the risks from those disclosed in our Form 10-K filed on February 20, 2025 with the Securities and Exchange Commission (“SEC”).

Tariffs and other import measures imposed by the United States, or by other countries in response to such actions or threatened actions by the United States, may adversely affect our business, operations, and financial results.

We currently import a majority of our products and rely on foreign sources to meet our supply demands at prices that support our current operating margins. Substantially all of our import operations are subject to customs requirements, tariffs, and quotas set by governments through mutual agreements or unilateral actions.

In the first quarter of 2025 and during April 2025, the U.S. government announced tariffs on imports from countries from which we import products and components. Subsequent to their announcement, there have been changes to the effective dates and amounts, and as a result, we are unable to fully quantify the impact that tariffs, when ultimately enacted, will have on our results of operations given the dynamic tariff environment.

We estimate we source approximately 33% of our products from China, 33% from suppliers based in North America, and 33% from all other countries. Based on the current facts and tariff environment as of the date of this filing, we expect the tariffs to drive an increase in our net working capital. Our current expectation is to raise our prices to cover the higher tariff impacted inventory cost, though there are no assurances that we will be successful in doing so, and price increases could impact future demand for our products. We continue to analyze the impact of these actions and what, if any, steps, including pricing actions, we may take to mitigate the impact of the tariffs.

ITEM 2. – UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

Not applicable.

ITEM 3. – DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. – MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. – OTHER INFORMATION

Insider Adoption or Termination of Trading Arrangements

During the fiscal quarter ended March 29, 2025, none of our directors or officers adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as those terms are defined in Regulation S-K, Item 408.

ITEM 6. – EXHIBITS

a) Exhibits, including those incorporated by reference.

10.1*	Form of Performance Stock Unit Agreement under the Hillman Solutions Corp. 2021 Equity Incentive Plan (filed herewith).
10.2*	Form of Restricted Stock Unit Agreement under the Hillman Solutions Corp. 2021 Equity Incentive Plan (filed herewith).
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Exchange Act (filed herewith).
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) under the Exchange Act (filed herewith).
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (filed herewith).
101	The following financial information from the Company's Quarterly Report on Form 10-Q for the quarter ended March 29, 2025 filed with the Securities and Exchange Commission on April 29, 2025, formatted in eXtensible Business Reporting Language: (i) Condensed Consolidated Balance Sheets as of March 29, 2025 and December 28, 2024, (ii) Condensed Consolidated Statements of Comprehensive Loss for the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024, (iii) Condensed Consolidated Statements of Cash Flows for the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024, (iv) Condensed Consolidated Statements of Stockholders' Equity for the thirteen weeks ended March 29, 2025 and the thirteen weeks ended March 30, 2024, and (v) Notes to Condensed Consolidated Financial Statements.

* Indicates management contract or any compensatory plan, contract or arrangement.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

HILLMAN SOLUTIONS CORP.

/s/ Robert O. Kraft	/s/ Anne S. McCalla
Robert O. Kraft	Anne S. McCalla
Chief Financial Officer	Controller
(Principal Financial Officer}	(Chief Accounting Officer)

DATE: April 29, 2025

Name:	
Number of Performance Stock Units at Target:	
Date of Grant:	
Vesting Date(s):	The [●] anniversary of the Date of Grant

HILLMAN SOLUTIONS CORP.
2021 EQUITY INCENTIVE PLAN

PERFORMANCE STOCK UNIT AGREEMENT

This agreement (this "**Agreement**") evidences a grant (the "**Award**") of Performance Stock Units ("**PSUs**") by Hillman Solutions Corp. (the "**Company**") to the individual named above (the "**Participant**"), pursuant to and subject to the terms of the Hillman Solutions Corp. 2021 Equity Incentive Plan (as from time to time amended and in effect, the "**Plan**"). Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1 . Grant of PSUs. On the date set forth above (the "**Date of Grant**"), the Company granted to the Participant the number of Performance Stock Units ("**PSUs**") set forth above. The number of PSUs, if any, that the Participant is eligible to earn will depend on the extent to which the Company achieves a performance goal set forth on Appendix A hereto (" **Appendix A**") for the performance cycle set forth therein (the "**Performance Cycle**"). The Award grants the Participant the conditional right to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, one share of Stock (a "**Share**") for each PSU that is earned based on achievement of the performance goal for the Performance Cycle as set forth in Appendix A, subject to adjustment pursuant to Section 7 of the Plan in respect of certain transactions occurring after the Date of Grant. The number of PSUs set forth above is based upon achievement of the "Target" level of performance with respect to the performance goal specified in Appendix A. The Participant will not earn any PSUs under the Award if the Company's performance during the Performance Cycle is below the "Threshold" performance level specified in Appendix A. If actual performance with respect to the performance goal for the Performance Cycle equals or exceeds the "Threshold" level specified in Appendix A for the performance goal, the number of PSUs earned will be based on the payout curve as specified in Appendix A.

The PSUs are granted to the Participant in connection with the Participant's Employment with the Company. For greater certainty, for PSUs granted to Participants subject to Canadian tax, the first year of service that gives rise to the PSU grant is the first calendar year in which the first fiscal year of the Performance Cycle.

2 . Determination of Achievement of Performance Levels. Following the end of the Performance Cycle (but no later than the first 90 days thereafter), the Compensation Committee of the Company's Board of Directors, in its sole and absolute discretion, shall determine whether, and the extent to which, the Company has achieved the performance goal set forth on Appendix A and the number of PSUs that have been earned by the Participant for the Performance Cycle. Notwithstanding anything contained on Appendix A to the contrary, the Compensation Committee may in its sole discretion increase or decrease the number of PSUs determined to be earned for the Performance Cycle (or the related levels of achievement of the performance goal) to equitably account for any events or developments affecting achievement of the performance goal occurring during the Performance Cycle that were not anticipated at the Date of Grant. In the event of a Covered Transaction, including a Change in Control (as defined in the Hillman Solutions Corp. Executive Severance Plan as in effect on the date of grant), the Compensation

Committee may, in its sole and absolute discretion, and without the consent of the Participant, take such actions with respect to the Award as are permitted under Section 7(a) of the Plan, including accelerating the Award and determining the appropriate levels of achievement of the performance goal.

3. Cessation of Employment.

a. Except as expressly provided for in this Section 3 or in a written agreement between the Participant and the Company or one of its affiliates that is in effect at the time of such cessation of Employment, if the Participant's Employment ceases for any reason at any time prior to the vesting date set forth above (such date being referred to as the "**Vesting Date**"), the Award will be immediately forfeited for no consideration.

b. Notwithstanding the foregoing, if the Participant's Employment is terminated prior to the Vesting Date (i) due to the Participant's death or Disability at any time prior to the Vesting Date, or (ii) other than for Cause during the two-year period commencing on the date of a Change in Control, then in each case the Participant shall be deemed to have earned the target number of PSUs subject to this Award, without pro-ration.

4 . Delivery of Shares. The Company shall, as soon as practicable after the Vesting Date or, in the event of an event specified in Section 3(b) above prior to the Vesting Date as soon as practicable after the Participant's termination of Employment (but, in each such case, not later than thirty (30) days thereafter, or in the event of the Participant's death, where additional time is needed for administrative reasons, at such later time as is permitted under Section 409A of the Code), effect delivery of the Shares with respect to such earned PSUs to the Participant (or, in the event of the PSUs have passed to the estate or beneficiary of the Participant upon the Participant's death or a permitted transferee, to such estate or beneficiary or permitted transferee) and, following such delivery of Shares, the Award shall cease to be outstanding. For greater certainty, for Participants subject to taxation in Canada, the Administrator retains the discretionary authority to settle the vested PSUs in either Shares or a cash equivalent no later than December 31st of the third year of service following the first year of service in respect of the PSU. For greater certainty, the Administrator intends to settle the vested PSUs in Shares, however, it retains ultimate discretionary authority to elect the form of settlement.

5. Restrictions on Transfer. The PSUs may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

6 . Forfeiture; Recovery of Compensation. By accepting, or being deemed to have accepted, the PSUs, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the PSUs, including the right to any Shares acquired in respect of the PSUs and any amounts received in respect thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any applicable clawback or recoupment policy and any stock ownership guidelines of, or established by, the Company. Nothing in the preceding sentence will be construed as limiting the general application of Section 8 of this Agreement.

7 . Taxes. The Participant expressly acknowledges and agrees that the Participant's rights hereunder, including the right to be issued Shares upon settlement of the Award, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) all taxes and other amounts required to be withheld. No Shares will be

issued in respect of the Award unless and until the Participant has remitted to the Company an amount in cash sufficient to satisfy any withholding requirements or has made other arrangements satisfactory to the Company with respect to such amounts. Unless otherwise determined by the Company, the Company shall automatically satisfy any tax withholding obligations by withholding from the Shares that would otherwise be delivered in connection with a vesting date a number of Shares having a value equal to the minimum statutory amount (or, in the Company's discretion, such other amount permitted under Section 6(a)(6) of the Plan) required to be withheld to satisfy such tax withholding obligations and/or by causing such number of Shares to be sold in accordance with a sell-to-cover arrangement. The Participant authorizes the Company and its subsidiaries to withhold any amounts due in respect of any required withholdings by withholding from the Shares otherwise deliverable in connection with the PSUs, by causing such Shares to be sold in accordance with a sell-to-cover arrangement and/or by withholding from any amounts otherwise owed to the Participant. Nothing in this Section 7, however, shall be construed as relieving the Participant of any liability for satisfying his or her tax obligations relating to the Award. If a sell-to-cover arrangement is selected as contemplated hereunder the Participant shall bear all costs associated with the sale of Shares under such arrangement.

8 . Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, the Award, the Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

9 . Acknowledgements. The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

(Signatures are on the following page)

The Company, by its duly authorized officer, and the Participant have executed this Agreement.

HILLMAN SOLUTIONS CORP.

By: ______________________________

Name: ____________________________

Title: _____________________________

Agreed and Accepted:

By: ______________________________
[Participant's Name]

Exhibit 10.2

Name:	
Number of Restricted Stock Units:	
Date of Grant:	
Vesting Dates:	The first three anniversaries of the Date of Grant.

HILLMAN SOLUTIONS CORP.
2021 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

This agreement (this "**Agreement**") evidences a grant (the "**Award**") of Restricted Stock Units ("**RSUs**") by Hillman Solutions Corp. (the "**Company**") to the individual named above (the "**Participant**"), pursuant to and subject to the terms of the Hillman Solutions Corp. 2021 Equity Incentive Plan (as from time to time amended and in effect, the "**Plan**"). Except as otherwise defined herein, all capitalized terms used herein have the same meaning as in the Plan.

1. Grant of RSUs. On the date set forth above (the "**Date of Grant**"), the Company granted to the Participant the number of Restricted Stock Units ("**RSUs**") set forth above, giving the Participant the conditional right to receive, subject to Section 4 of the Agreement,, without payment and pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, one share of Stock (a "**Share**") with respect to each RSU subject to this Award, subject to adjustment pursuant to Section 7 of the Plan in respect of transactions occurring after the date hereof.

The RSUs are granted to the Participant in connection with the Participant's Employment with the Company. For greater certainty, for RSUs granted to Participant subject to Canadian tax, the first year of service that gave rise to the RSU grant is the year of grant.

2. Vesting. Unless earlier terminated, forfeited, relinquished or expired, one-third of the RSUs shall become vested on each of the first three anniversaries of the Date of Grant (subject to rounding conventions adopted by the Company from time-to-time), provided that the Participant remains in continuous Employment from the Date of Grant through the applicable vesting date.

3. Cessation of Employment.

a. If the Participant's Employment ceases for any reason, except as expressly provided for in a written agreement between the Participant and the Company or one of its affiliates that is in effect at the time of such cessation of Employment, the RSUs, to the extent not then vested, will be immediately forfeited for no consideration.

b. Notwithstanding anything contained in Section 2 and 3(a) above to the contrary, in the event (i) the Participant's Employment terminates due to death or Disability at any time prior to a vesting date, or (ii) the Company terminates the Participant's Employment other than for Cause during the two-year period commencing on the date of a Change in Control (as defined in the Hillman Solutions Corp. Executive Severance Plan as in effect on the date of grant), then in each case the RSUs, to the extent not then vested, shall immediately and automatically become vested in full upon such termination of Employment.

4. Delivery of Shares. The Company shall, as soon as practicable upon the vesting of any RSUs (but in no event later than thirty (30) days following the date on which such RSUs vest, or in the event of the Participant's death, where additional time is needed for administrative reasons, at such later time as is permitted under Section 409A of the Code), effect delivery of the Shares with respect to such vested RSUs to the Participant (or, in the event of the RSUs have passed to the estate or beneficiary of the Participant or a permitted transferee, to such estate or beneficiary or permitted transferee). For greater certainty, for Participants subject to taxation in Canada, the Administrator retains the discretionary authority to settle the vested RSUs in either Shares or a cash equivalent no later than December 31st of the third year of service following the first year of service in respect of the RSU. For greater certainty, the Administrator intends to settle the vested RSUs in Shares, however, it retains ultimate discretionary authority to elect the form of settlement.

5. Restrictions on Transfer. The RSUs may not be transferred except as expressly permitted under Section 6(a)(3) of the Plan.

6. Forfeiture; Recovery of Compensation. By accepting, or being deemed to have accepted, the RSUs, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee, with respect to the RSUs, including the right to any Shares acquired in respect of the RSUs and any amounts received in respect thereof, are subject to Section 6(a)(5) of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any applicable clawback or recoupment policy and any stock ownership guidelines of, or established by, the Company. Nothing in the preceding sentence will be construed as limiting the general application of Section 8 of this Agreement.

7. Taxes. The Participant expressly acknowledges and agrees that the Participant's rights hereunder, including the right to be issued Shares upon settlement of the Award, are subject to the Participant promptly paying to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) all taxes and other amounts required to be withheld. No Shares will be issued in respect of the Award unless and until the Participant has remitted to the Company an amount in cash sufficient to satisfy any withholding requirements or has made other arrangements satisfactory to the Company with respect to such amounts. Unless otherwise determined by the Company, the Company shall automatically satisfy any tax withholding obligations by withholding from the Shares that would otherwise be delivered in connection with a vesting date a number of Shares having a value equal to the minimum statutory amount (or, in the Company's discretion, such other amount permitted under Section 6(a)(6) of the Plan) required to be withheld to satisfy such tax withholding obligations and/or by causing such number of Shares to be sold in accordance with a sell-to-cover arrangement. The Participant authorizes the Company and its subsidiaries to withhold any amounts due in respect of any required withholdings by withholding from the Shares otherwise deliverable in connection with the RSUs, by causing such Shares to be sold in accordance with a sell-to-cover arrangement and/or by withholding from any amounts otherwise owed to the Participant. Nothing in this Section 7, however, shall be construed as relieving the Participant of any liability for satisfying his or her tax obligations relating to the Award. If a sell-to-cover arrangement is selected as contemplated hereunder the Participant shall bear all costs associated with the sale of Shares under such arrangement.

8. Provisions of the Plan. This Agreement is subject in its entirety to the provisions of the Plan, which are incorporated herein by reference. A copy of the Plan as in effect on the Date of Grant has been made available to the Participant. By accepting, or being deemed to have accepted, the Award, the

Participant agrees to be bound by the terms of the Plan and this Agreement. In the event of any conflict between the terms of this Agreement and the Plan, the terms of the Plan will control.

9 . Acknowledgements. The Participant acknowledges and agrees that (i) this Agreement may be executed in two or more counterparts, each of which will be an original and all of which together will constitute one and the same instrument, (ii) this Agreement may be executed and exchanged using facsimile, portable document format (PDF) or electronic signature, which, in each case, will constitute an original signature for all purposes hereunder, and (iii) such signature by the Company will be binding against the Company and will create a legally binding agreement when this Agreement is countersigned by the Participant.

(Signatures are on the following page)

The Company, by its duly authorized officer, and the Participant have executed this Agreement.

HILLMAN SOLUTIONS CORP.

By: ______________________________

Name: ____________________________

Title: _____________________________

Agreed and Accepted:

By: ______________________________
[Participant’s Name]

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Jon Michael Adinolfi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hillman Solutions Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

/s/ Jon Michael Adinolfi

Jon Michael Adinolfi
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Robert O. Kraft, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hillman Solutions Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2025

/s/ Robert O. Kraft
Robert O. Kraft
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the thirteen weeks ended March 29, 2025 (the "Report") of Hillman Solutions Corp. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof; I, Jon Michael Adinolfi, the President and Chief Executive Officer of the Registrant, certify, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Jon Michael Adinolfi

Name: Jon Michael Adinolfi
Date: April 29, 2025

Exhibit 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C. 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the thirteen weeks ended March 29, 2025 (the "Report") of Hillman Solutions Corp. (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof; I, Robert O. Kraft, the Chief Financial Officer of the Registrant, certify, to the best of my knowledge, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Robert O. Kraft

Name: Robert O. Kraft
Date: April 29, 2025