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Hillman Successfully Reprices Senior Term Loan Lowering Interest Expense

CINCINNATI, Jan. 15, 2025 (GLOBE NEWSWIRE) -- [Hillman Solutions Corp. \(Nasdaq: HLMN\)](#) (the "Company" or "Hillman"), a leading provider of hardware products and merchandising solutions, successfully repriced its existing \$643 million Term Loan due July 14, 2028.

The repricing reduces Hillman's interest rate margin by 25 basis points to SOFR + 200 basis points, based on current leverage and elections.

The expected annualized interest savings are approximately \$1.6 million, before one-time fees of approximately \$1.0 million.

"Hillman's financial strength continues to improve, giving us the opportunity to narrow the spread on our term note and lower our cost of borrowing by another 25 basis points," commented Rocky Kraft, Hillman's chief financial officer.

Since March of 2024, the spread between Hillman's term note borrowing cost and SOFR has been reduced by a total of 86 basis points, of which 61 basis points were due to repricing and 25 basis points were due to qualifying for a lower spread in the leverage-based pricing applicable to the term note.

Kraft continued: "As anticipated, we expect to end 2024 with a Net Debt to Adjusted EBITDA leverage ratio of 2.7 times. We will continue to allocate capital toward repaying debt, investing in long-term profitable growth opportunities, and executing accretive tuck-in acquisitions."

The Company will provide more information on its 2025 outlook and expectations during its fourth quarter 2024 earnings call which is expected to take place in February 2025.

About Hillman Solutions Corp.

Hillman Solutions Corp. ("Hillman") is a leading provider of hardware-related products and solutions to home improvement, hardware, and farm and fleet retailers across North America. Renowned for its commitment to customer service, Hillman has differentiated itself with its competitive moat built on direct-to-store shipping, a dedicated in-store sales and service team of over 1,100 professionals, and over 60 years of product and industry experience. Hillman's extensive portfolio includes hardware solutions (fasteners, screws, nuts and bolts), protective solutions (work gloves, jobsite storage and protective gear), and robotic and digital solutions (key duplication and tag engraving). Leveraging its world-class distribution network, Hillman regularly earns vendor of the year recognition from top customers. For more information on Hillman, visit www.hillman.com.

Forward Looking Statements

Statements made in this press release may be considered forward-looking statements and

should not be relied upon as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "target", "goal", "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, the Company's expectations with respect to future performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside the Company's control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) unfavorable economic conditions that may affect operations, financial condition and cash flows including spending on home renovation or construction projects, inflation, recessions, instability in the financial markets or credit markets; (2) increased supply chain costs, including raw materials, sourcing, transportation and energy; (3) the highly competitive nature of the markets that we serve; (4) the ability to continue to innovate with new products and services; (5) direct and indirect costs associated with the May 2023 ransomware attack, and our receipt of expected insurance receivables associated with that cyber security incident; (6) seasonality; (7) large customer concentration; (8) the ability to recruit and retain qualified employees; (9) the outcome of any legal proceedings that may be instituted against the Company; (10) adverse changes in currency exchange rates; or (11) regulatory changes and potential legislation that could adversely impact financial results.. The foregoing list of factors is not exclusive, and readers should also refer to those risks that are included in the Company's filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K for the fiscal year ended December 30, 2023. 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.

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