

January 11, 2024



Hillman Acquires Koch Industries, Enters Rope and Chain Product Category

CINCINNATI, Jan. 11, 2024 (GLOBE NEWSWIRE) -- [Hillman Solutions Corp. \(Nasdaq: HLMN\)](#) (the "Company" or "Hillman"), a leading provider of hardware products and merchandising solutions, today announced that it has acquired Koch Industries, Inc. ("Koch"), a premier provider and merchandiser of rope and twine, chain and wire rope, and related hardware products. This acquisition marks the entrance into rope and chain, a new product category for Hillman.

With rope and chain products added to its newly expanded product portfolio, Hillman can seamlessly bring these products to existing customers while realizing shipping, sourcing, and service efficiencies along the way. Having recently entered the adjacent category of rope and chain accessories, the addition of rope and chain will further embed Hillman with its blue-chip customers.

"This bolt-on, attractive acquisition allows us to leverage our moat in order to capitalize on growth opportunities in this new product category," commented Doug Cahill, chairman, president, and chief executive officer of Hillman. "Koch has healthy, long-term relationships with its top-ten customers, having done business with them for an average of over 20 years. We look to continue to take care of our customers with our 1,100-member field sales and service team, our direct-to-store shipping approach, and our portfolio of owned-brands that set us apart from the competition. We are proud to welcome the Koch Industries team to the Hillman family."

Randy Koch, co-owner and co-CEO of Koch, commented: "For 45 years, we have built Koch Industries with the goal of delivering quality products with the highest level of service for our customers. Transitioning our business to Hillman was an obvious choice, considering their strong competitive moat and track record of growth and service."

Dave Koch, Koch's other co-owner and co-CEO added, "We believe this is an outstanding fit for our employees, as well as our customers, and are confident that Hillman will continue to serve both exceptionally well."

Koch's 2,300 SKUs are in the complex, high-touch, rope and chain and associated hardware category which is a perfect addition to Hillman's existing 112,000 SKU-portfolio. Koch's customers include local and national retailers in the traditional hardware and farm and fleet channels based in the United States, and during its fiscal year ended May 31, 2023, Koch's revenue totaled approximately \$45 million. Financial terms of the transaction were not disclosed.

Koch Industries was founded by Randy and Dave Koch, entrepreneurs who have successfully built numerous companies.

About Koch Industries Inc.

Koch Industries, Inc., a Minnesota based company established in 1978, is a premier provider

and merchandiser of chain, rope, wire rope, hardware, load binders, cable pullers, 3-point hitch, trailer jacks and garage organization products.

While Koch Industries was first established as a distributor of wire rope to farm stores, it successfully expanded its customer base to home improvement, hardware, and other retail market channels. In 2017, Koch Industries acquired Lehigh Consumer Products, LLC, now fully operating under Koch Industries, Inc. For more information visit www.kochmm.com

About Hillman Solutions Corp.

Founded in 1964 and headquartered in Cincinnati, Ohio, Hillman Solutions Corp. (“Hillman”) and its subsidiaries are leading North American providers of complete hardware solutions, delivered with outstanding customer service to over 40,000 locations. Hillman designs innovative product and merchandising solutions for complex categories that deliver an outstanding customer experience to home improvement centers, mass merchants, national and regional hardware stores, pet supply stores, and OEM & industrial customers. Leveraging its leading distribution and sales network, Hillman delivers a “small business” experience with “big business” efficiency. For more information on Hillman, visit www.hillmangroup.com.

Forward-Looking Statements

This communication contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. All forward-looking statements are made in good faith by the Company and are intended to qualify for the safe harbor from liability established by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995. You should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “target,” “goal,” “may,” “will,” “could,” “should,” “believes,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, the Company’s expectations with respect to future performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside the Company’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) unfavorable economic conditions that may affect operations, financial condition and cash flows including spending on home renovation or construction projects, inflation, recessions, instability in the financial markets or credit markets; (2) increased supply chain costs, including raw materials, sourcing, transportation and energy; (3) the highly competitive nature of the markets that we serve; (4) 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 cybersecurity 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; (11) the impact of COVID-19 on the Company’s business; or (12) 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 our Annual Report on Form 10-K for the year ended December 31, 2022. Given these uncertainties, current or prospective investors are cautioned not to place undue reliance on any such forward looking statements.

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

Contacts:

Investors

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

Source: Hillman Solutions Corp.

HILLMAN™

Source: The Hillman Group