

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended January 3, 2026
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: 001-32383



BlueLinX Holdings Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

77-0627356
(I.R.S. Employer
Identification No.)

1950 Spectrum Circle, Suite 300
Marietta GA
(Address of principal executive offices)

30067
(Zip Code)

Registrant's telephone number, including area code: 770-953-7000
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 \$0.01 per share	BXC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

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 pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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.

Large accelerated filer Accelerated filer Non-accelerated filer 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §232.10D-1(b).

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

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant as of June 28, 2025, was \$615,213,431, based on the closing price on the New York Stock Exchange of \$74.26 per share on June 27, 2025.

As of February 20, 2026, the registrant had 7,866,824 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Specifically identified portions of Part III of this Annual Report on Form 10-K incorporate by reference to the registrant's definitive Proxy Statement for the 2026 annual meeting of shareholders, to be filed with the Securities and Exchange Commission within 120 days of the close of the fiscal year ended January 3, 2026.

BLUELIX HOLDINGS INC.
ANNUAL REPORT ON FORM 10-K
For the fiscal year ended January 3, 2026

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As used herein, unless the context otherwise requires, “BlueLinx,” the “Company,” “we,” “us,” and “our” refer to BlueLinx Holdings Inc. and its wholly-owned subsidiaries. Reference to “fiscal 2025” refers to the 53-week period ending January 3, 2026. Reference to “fiscal 2024” refers to the 52-week period ended December 28, 2024. Reference to “fiscal 2023” refers to the 52-week period ended December 30, 2023.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K (“Annual Report” or “Form 10-K”) contains forward-looking statements. Forward-looking statements include, without limitation, any statements that predict, forecast, indicate or imply future results, performance, liquidity levels or achievements, and may contain the words “believe,” “anticipate,” “could,” “expect,” “estimate,” “intend,” “may,” “project,” “plan,” “should,” “will,” “will be,” “will likely continue,” “will likely result,” “would,” or words or phrases of similar meaning. Forward-looking statements are based on estimates and assumptions made by our management that, although believed by us to be reasonable, are inherently uncertain. Forward-looking statements involve risks and uncertainties that may cause our business, strategy, or actual results to differ materially from the forward-looking statements. These risks and uncertainties include those discussed under the heading “Risk Factors” in Part I, Item 1A, those discussed under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations in Part II, Item 7, and those discussed elsewhere in this report and in future reports that we file with the Securities and Exchange Commission. We operate in a changing environment in which new risks can emerge from time to time. It is not possible for management to predict all of these risks, nor can it assess the extent to which any factor, or a combination of factors, may cause our business, strategy, or actual results to differ materially from those contained in forward-looking statements. Given these risks and uncertainties, we caution you not to place undue reliance on forward-looking statements. All forward-looking statements are made only as of the date hereof, and we expressly disclaim any obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by law.

PART I

ITEM 1. BUSINESS

General

BlueLinx is a leading wholesale distributor of residential and commercial building products in the United States. We are a “two-step” distributor. Two-step distributors purchase products from manufacturers and distribute those products to dealers and other suppliers in local markets, who then sell those products to end users. We carry a broad portfolio of both branded and private-label stock keeping units (“SKUs”) across two principal product categories: specialty products and structural products. Specialty products include items such as engineered wood products (“EWP”), siding, millwork, outdoor living products, specialty lumber and panels, and industrial products. Structural products include items such as lumber, plywood, oriented strand board, rebar, and remesh. We also provide a wide range of value-added services and solutions aimed at relieving distribution and logistics challenges for our customers and suppliers, while enhancing their marketing and inventory management capabilities.

We have a strong market position and a broad geographic coverage footprint servicing all 50 U.S. states. We operate branches in 57 cities across the U.S., and some have multiple warehouse and storage facilities which enhance our distribution and storage capacity. This network allows us to serve many of the largest and highest growth metropolitan areas as it relates to forecasted housing starts and repair and remodel spend. Our corporate headquarters facility located near Atlanta in Marietta, Georgia helps support our customers, suppliers, employees, and corporate functions. With the strength of a locally focused sales force, we distribute a comprehensive range of products from suppliers that include some of the leading manufacturers in the industry such as Allura, Arauco, Fiberon, Georgia-Pacific, Huber Engineered Woods, Louisiana-Pacific, Oldcastle APG, Ply Gem, Roseburg, and Westlake Royal. We supply products to a broad base of customers including national home centers, pro dealers, cooperatives, specialty distributors, regional and local dealers and industrial manufacturers. Many of our customers serve residential and commercial builders, contractors and remodelers in their respective geographic areas and local markets.

During the fourth quarter of fiscal 2025, we acquired Disdero Lumber Co. LLC (“Disdero”), a value-added distributor focusing on premium specialty building materials, including decking, trim, flooring, paneling, posts, timbers, siding, and stepping. Disdero’s products are used primarily in the construction of high-end, custom homes and decks, as well as upscale multi-family residential and commercial projects. The acquisition of Disdero was funded with cash on hand. Disdero is based near Portland, Oregon and began operations in 1953. We expect the acquisition of Disdero to strengthen and expand our offerings for premium specialty products, which typically have higher profit margins, and increase our market penetration in the Pacific Northwest. We plan to operate Disdero under its established brand name for the foreseeable future.

As a value-added partner in a complex and demanding building products supply chain, we play a critical role in enabling our customers to offer a broad range of products and brands, as most of our customers do not have the capability to purchase warehouse products directly from manufacturers for such a large set of SKUs or do not have enough space to store large bulky building materials that we sell. The depth of our geographic footprint supports meaningful customer proximity across all the markets in which we operate, enabling faster and more efficient service. Similarly, we provide value to our supplier partners by enabling access to the large and fragmented network of lumber yards and dealers these suppliers could not adequately serve directly. Our position in this distribution model for building products provides easy access to the marketplace for our suppliers and a value proposition of rapid delivery on an as-needed basis to our customers from our network of warehouse facilities.

Our Strategy

We remain committed to driving profitable sales growth within new and existing product lines and geographies, while positioning our Company for long-term value creation. The following strategic initiatives represent key areas of our management team's focus:

1. **Grow our higher-margin specialty product categories.** We continue to pursue a revenue mix weighted towards higher-margin, specialty product categories such as engineered wood products, siding, millwork, outdoor living products, specialty lumber and panels, and industrial products. Additionally, we are expanding our value-added service offerings designed to simplify complex customer sourcing requirements. Our acquisition of Disdero in the fourth quarter of fiscal 2025 enhanced our revenue mix by adding a significant number of new lines of premium specialty building materials, including decking, trim, flooring, paneling, posts, timbers, siding, and stepping to our product offerings.
2. **Increase share gain in local and national markets.** We continue to pursue multi-family project growth, expand our product lines with key national accounts, expand branded product lines into new geographic markets, and launch new product lines. With our expanded product categories, and our strategic vendor relationships, we seek to be a better extension of our customers' business in a scalable way.
3. **Foster a performance-driven culture committed to business excellence and profitable growth to be the provider of choice for both suppliers and customers.** We seek to improve the customer experience through enhanced tools, value-added services, and technology enablement, accelerating organic growth within specific product and solutions offerings where we are uniquely advantaged; increase our performance by leveraging our scale and national footprint together with pricing, operational and procurement capabilities, and deploy capital to drive sustained margin expansion, grow cash flow and maintain continued profitable growth.
4. **Maintain a disciplined capital structure and pursue strategic investments that increase the value of our Company.** We continue to strategically target acquisition opportunities that grow our higher-margin specialty products business, expand our geographic reach, or complement our existing capabilities. We also continue to evaluate and identify additional markets that are potential opportunities for new market development. We further seek to maintain a disciplined capital structure while at the same time investing in our business to modernize our distribution facilities, as well as our tractor and trailer fleet, and to improve operational performance. During the 2025 fiscal year, we allocated \$159.9 million of capital towards the following transactions, all of which were funded with the Company's cash and cash equivalents:
 - We invested \$26.9 million in capital for our business to improve operational performance and productivity. This is in addition to property and equipment added under finance leases totaling \$44.6 million.
 - We repurchased 503,556 shares of our common stock for \$37.8 million under our share repurchase program at an average price of \$74.97 per share, including broker commissions but excluding federal excise tax.
 - We acquired Disdero for \$95.2 million, net of cash acquired.

We distribute products in two principal categories: specialty products and structural products. Specialty products, which represented approximately 69 percent, 69 percent, and 70 percent of our fiscal 2025, fiscal 2024, and fiscal 2023 net sales, respectively, include primarily engineered wood products, siding, millwork, outdoor living products, specialty lumber and panels, and industrial products. In some cases, these products are marketed under our own propriety brands. Structural products, which represented approximately 31 percent, 31 percent, and 30 percent of our fiscal 2025, fiscal 2024, and fiscal 2023 net sales, respectively, include lumber, plywood, oriented strand board, rebar, and remesh and other wood products primarily used for structural support in construction projects. Our structural products are commodity products.

We also provide a wide range of value-added services and solutions to our customers and suppliers including:

- providing “less-than-truckload” delivery services;
- job site delivery services;
- pre-negotiated program pricing plans;
- inventory stocking;
- automated order processing through an electronic data interchange, or “EDI,” that provides a direct link between us and our customers;
- intermodal distribution services, including railcar unloading and cargo reloading onto customers’ trucks;
- milling and fabrication services;
- take-off services that provide material counts (e.g., linear feet, square footage) to enable accurate procurement;
- EWP design services; and
- backhaul services, when otherwise empty trucks are returning from customer deliveries.

Distribution Channels

We sell products through three main distribution channels, consisting of warehouse sales, reload sales, and direct sales. Warehouse sales generate the majority of our sales, and are delivered from our warehouses to our customers. Reload sales are similar to warehouse sales but are shipped from non-warehouse locations, most of which are operated by third parties, where we store owned products to enhance operating efficiencies. This channel is employed primarily to service strategic customers that would be less economical to service from our warehouses, and to distribute large volumes of imported products from port facilities. Together, warehouse and reload sales, net of discounts, accounted for approximately 81 percent, 80 percent, and 83 percent of our fiscal 2025, fiscal 2024 and fiscal 2023 Net sales, respectively.

Direct sales are shipped from the manufacturer to the customer without our taking physical possession of the inventory and, as a result, typically generate lower margins than our warehouse and reload distribution channels. This distribution channel, however, requires the lowest amount of committed capital and fixed costs. Direct sales accounted for approximately 19 percent, 20 percent, and 17 percent of our fiscal 2025, fiscal 2024, and fiscal 2023 Net sales, respectively.

Human Capital

Our Associates

Our associates are the foundation of our business and are critical to the execution of our strategy. BlueLinX has a high-performance culture where associates are expected to live every day by our core values of collaboration, respect, integrity, grit, and being customer centric .

As of January 3, 2026, we employed approximately 2,160 associates and less than one percent of our associates are employed on a part-time basis. Approximately 21% of our associates are represented by various local labor unions with terms and conditions of employment governed by Collective Bargaining Agreements (“CBAs”). Five CBAs covering approximately four percent of our associates are up for renewal in fiscal year 2026, of which one is currently in the renegotiation process. We expect to renegotiate the remainder before their expiration dates.

We are committed to ensuring that our associates feel like they matter to BlueLinX, and we manage the business in a manner that fosters this commitment. We strongly believe that our corporate culture depends on our associates’ engagement and understanding of their contribution to the fulfillment of our purpose and the achievement of our strategic imperatives, vision, and mission. Our CEO, along with other executives, conducts periodic leadership town halls where associates are invited to engage with senior leadership. Additionally, our leaders engage directly with associates through facility visits.

We use our compensation review process, our compensation framework, and third-party compensation data in an effort to compensate associates in the same job, level and location fairly. In addition, we support several employee resource groups that facilitate social, development, and community interaction in our workforce.

Safety

We are committed to providing a safe and healthy working environment for our associates. We have established uniform safety and compliance procedures for our operations and implemented measures designed to prevent workplace injuries. Our proactive safety programs focus on job hazard identification and prevention, coupled with extensive on-going job-specific training. For example, material handlers and Department of Transportation (“DOT”) registered drivers follow a monthly individualized training curriculum, including knowledge testing, for injury and accident prevention. In addition, depending on the nature and requirements of their role, new hires and contract employees undergo safety training along with specific hands-on training

during their initial onboarding. We also administer post injury/accident corrective action supplemental training as needed and dictated by our root cause investigations. Accidents and injuries are investigated with corrective actions implemented locally and communicated to key operations personnel across the enterprise to help prevent future occurrences. In order to enhance the safety of our material handling fleet, in recent years we have made significant investments in refreshing our forklifts across our network. These enhancements allow more efficient operations and include enhanced safety features such as clean electric technology, automated collision detection systems, blue spotlights and multi-facing cameras. Our newest tractors are equipped with collision avoidance systems, dashboard cameras, speed monitoring, blind spot detection and lane departure warning technology. Our newest tractors and trailers are both equipped with disc-type brakes to improve stopping distance and driver control. We plan to continue to make investments as needed in upgrading our over-the-road and material handling fleet into fiscal 2026 and beyond.

Seasonality

We are exposed to fluctuations in quarterly sales volumes and expenses due to seasonal factors common in the building products distribution industry, such as weather conditions and other seasonal factors. The first and fourth quarters are typically our lower volume quarters due to the impact of unfavorable weather on residential repair and remodel activity and the residential new home construction market. Our second and third quarters are typically our higher volume quarters, reflecting an increase in repair and remodel activity and residential new home construction due to more favorable weather conditions.

Sustainability

In addition to participating in the Forestry Stewardship Council, an organization promoting environmentally appropriate, socially beneficial, and economically viable management of the world's forests, we invested in electric forklifts in recent years in certain locations. We continue to make progress on utilizing more fuel-efficient tractors in our fleet. We are also replacing our warehouse lighting systems with more environmentally friendly lighting solutions and reducing our landfill waste by prioritizing recycling options, where available.

Competition

The U.S. building products distribution market is a highly fragmented market, served by national and multi-regional distributors, regionally focused distributors, and independent local distributors. Local and regional distributors tend to be closely held and often specialize in a limited number of product segments, in which they may offer a broader selection of products. Some of our national and multi-regional competitors are part of larger companies and, therefore, may have access to greater financial and other resources than those to which we have access. We compete on the basis of breadth of product offering, consistent availability of product, product price and quality, reputation, service, and distribution facility location. Three of our largest competitors are Boise Cascade Company, Weyerhaeuser Company, and Specialty Building Products. Most major markets in which we operate are served by the distribution arm of at least one of these companies.

Governmental Regulations

The Company is subject to various federal, state, provincial, and local laws, rules, and regulations. We are subject to the requirements of the U.S. Department of Labor Occupational Safety and Health Administration ("OSHA"). In order to maintain compliance with applicable OSHA requirements, we have established uniform safety and compliance procedures for our operations, and implemented measures designed to prevent workplace injuries. Our safety programs focus on job hazard identification and prevention, coupled with extensive on-going job-specific training. For example, material handlers and DOT-registered drivers follow a monthly individualized training curriculum, with knowledge testing, for injury and accident prevention. In addition, new hires and contract employees undergo safety training during their initial onboarding. We also administer post injury/accident corrective action supplemental training as needed and dictated by our investigations. Accidents and injuries are investigated with corrective actions implemented locally and communicated to key operations personnel across the enterprise to help prevent future occurrences. As discussed above, in order to enhance the safety and capabilities of our fleet, we made investments in upgrading our fleet in fiscal 2025 and 2024.

The U.S. Department of Transportation ("DOT") regulates our operations in domestic interstate commerce. We are subject to safety requirements governing interstate operations prescribed by DOT. We are also subject to the oversight of the Federal Motor Carrier Safety Administration ("FMCSA"). Additionally, vehicle dimensions and driver hours of service, among other things, are subject to both federal and state regulation. Through a partnership with their local DOT enforcement agencies, our branches continue to host DOT troopers to conduct training walk-around inspections of our equipment to supplement our internal driver training efforts. The DOT troopers cover all dimensions of DOT compliance with specific focus on vehicle maintenance and load securement safety requirements.

We also are subject to environmental laws, rules, and regulations that limit discharges into the environment, establish standards for the handling, generation, emission, release, discharge, treatment, storage, and disposal of hazardous materials, substances, and wastes, and require cleanup of contaminated soil and groundwater. These laws, ordinances, and regulations are complex, can change frequently, and have become more stringent over time. Many of them provide for substantial fines and penalties, orders (including orders to cease operations), and criminal sanctions for violations. They may also impose liability for property damage and personal injury stemming from the presence of, or exposure to, hazardous substances. In addition, certain of our operations require us to obtain, maintain compliance with, and periodically renew, environmental permits. We also continue to proactively replace our diesel underground storage tanks based on their age to reduce the chance of fuel releases to the environment.

Certain of these environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), may require the investigation and cleanup of an entity’s or its predecessor’s current or former properties, even if the associated contamination was caused by the operations of a third party. These laws also may require the investigation and cleanup of third-party sites at which an entity or its predecessor sent hazardous waste for disposal, notwithstanding that the original disposal activity accorded with applicable requirements. Liability under such laws may be imposed jointly and severally, and regardless of fault.

We have incurred and will continue to incur costs to comply with the requirements of health and safety, transportation, and environmental laws, ordinances, and regulations. These requirements could become more stringent in the future, and compliance costs may become material.

Climate Change

Climate change presents potential risks and uncertainties for us. Weather-related events, such as hurricanes, tornadoes, fires or extreme temperature changes, can impact our operations and result in lost production, supply chain disruptions and increased material costs. Some of our distribution centers are located in areas at greater risk of tornadoes, hurricanes, and floods. In addition, the availability and price of the products we buy and sell may fluctuate during prolonged periods of heavy rain or drought, fires or other unpredictable weather events. While unpredictable weather and other changes in climate can have a negative impact on our business, changes in climate also could result in more accommodating weather patterns for longer periods of time in certain areas. Extended periods of favorable weather can result in an increase in construction, and a corresponding increase in the demand for our products. In addition, our operations could in the future be subject to regulations related to climate change. To the extent that climate-related risks materialize, and if we are unprepared for them, we may incur unexpected costs, which could have a material effect on our financial position, results of operations and cash flows. See Item 1A, *Risk Factors* for further discussion of the risks posed by climate change.

Securities Exchange Act Reports

The Company maintains a website at www.BlueLinxCo.com. The information on the Company’s website is not incorporated by reference in this Annual Report on Form 10-K. We make available on or through our website certain reports, and amendments to those reports, that we file with or furnish to the U.S. Securities and Exchange Commission (the “SEC”) in accordance with the Securities Exchange Act of 1934, as amended. These include our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and proxy statements. Additionally, our Code of Conduct, the board committee charter for each of our Audit Committee, Human Capital and Compensation Committee, and Nominating and Governance Committee, and our Corporate Governance Guidelines are available on our website. If we amend our Code of Conduct, or grant any waiver, including any implicit waiver, for any board member, our Chief Executive Officer, our Chief Financial Officer, or any other executive officer, we will disclose such amendment or waiver on our website.

We make information available on our website free of charge as soon as reasonably practicable after we electronically file the information with, or furnish it to, the SEC. In addition, copies of this information will be made available, free of charge, on written request, by writing to BlueLinx Holdings Inc., Attention: Corporate Secretary, 1950 Spectrum Circle, Suite 300, Marietta, Georgia, 30067.

ITEM 1A. RISK FACTORS

In addition to the other information contained in this Form 10-K, including the information set forth in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes, the following risk factors should be considered carefully in evaluating our business. Our business, financial condition, or results of operations could be materially adversely affected by any of these risks. Additional risks not presently known to us or that we currently deem immaterial may also impair our business and operations.

Industry Risks

Adverse housing market conditions may negatively impact our business, liquidity, and results of operations, and increase the credit risk from our customers.

Our business depends on residential repair and remodel activity levels. Historically, residential repair and remodeling activity has decreased in slow economic periods. General economic weakness, inflation, elevated unemployment levels, economic and financial market impacts from government shutdowns, high consumer debt levels, mortgage delinquency and foreclosure rates, mortgage interest rate levels, limitations in the availability of mortgage and home improvement financing, home equity value declines and lower housing turnover all limit consumers’ spending, particularly on discretionary items, and affect their confidence level leading to reduced spending on home improvement projects. Depressed activity levels in consumer spending for home improvement construction would adversely affect our business, liquidity, results of operations, and financial position. Furthermore, economic weakness causes unanticipated shifts in consumer preferences and purchasing practices and in the business models and strategies of our customers. Such shifts may alter the nature and prices of products demanded by the end consumer, and, in turn, our customers and could adversely affect our operating performance.

Our business is also dependent on the new residential construction market and, in particular, single family home construction. Factors impacting the level of activity in the residential new construction markets include increases in and the relative level of mortgage interest rates, inflation and unemployment rates, decreases in and the relative level of job and wage growth, levels of housing inventory, availability of affordable housing, high foreclosure rates and unsold/foreclosure inventory, availability of financing and mortgages, labor costs and availability, vacancy rates, local, state and federal government regulation (including mortgage interest deductibility and other tax laws), weakening in the U.S. economy or of any regional or local economy in which we operate, availability of supplies, consumer confidence, demand and preferences, tightened availability or affordability of homeowner insurance coverage, lowering population growth, lower levels of immigration to the U.S., household formation or other unfavorable demographic changes, lack of available land in certain markets, and shifts in populations away from the markets that we serve, all of which are beyond our control. Weakness in new residential construction due to any or all of these factors would have a material adverse effect on our business, financial condition, and operating results, and these factors may also result in fluctuations in our operating results. As a result, our results for any historical period may not be indicative of results for any future period.

In addition, we extend credit to numerous customers who are generally susceptible to the same economic business risks that we are susceptible to. Unfavorable housing market conditions could result in financial failures of one or more of our significant customers. Furthermore, we may not be aware of deterioration in our customers’ financial position. If our larger customers’ financial positions were to become impaired, our ability to fully collect receivables from such customers could be impaired and negatively affect our operating results, cash flows, and liquidity.

Consolidation among competitors, suppliers, and customers could negatively impact our business.

Our competitors continue to consolidate. Among other things, this consolidation is being driven in part by customer needs and supplier capabilities, which could cause markets to become more competitive as greater economies of scale are achieved by distributors. Customers are increasingly aware of the total costs of fulfillment and of the need to have consistent sources of supply at multiple locations. We believe these customer needs could result in fewer distributors as the remaining distributors become larger and capable of being consistent sources of supply. There can be no assurance that we will be able to take advantage effectively of this trend toward consolidation. The trend in our industry toward consolidation could make it more difficult for us to gain or retain market share or maintain operating margins.

Our customers and suppliers also continue to consolidate, and this consolidation could result in the loss of existing customers and suppliers to our competitors. Furthermore, continued consolidation among our suppliers may make it more difficult for us to negotiate favorable pricing, consignment arrangements, and discount programs with our suppliers, thereby resulting in reduced margins and profits.

We are subject to disintermediation risk.

As customers continue to consolidate or otherwise increase their purchasing power, they are better able, and may choose, to purchase products directly from the same suppliers that use us for distribution. In addition, our suppliers may choose to distribute some or all of their products directly to end-customers in one or more markets. This process of disintermediation can put us at risk of losing business from a customer, or of losing entire product lines or categories, or distribution territories, from suppliers. Disintermediation may also adversely impact our ability to obtain favorable pricing from suppliers and optimize margins and revenue with respect to our customers. As a result, continued disintermediation could have a negative impact on our financial condition and operating results.

Our dependence on international suppliers and manufacturers for certain products exposes us to risks of tariffs, including new or increased tariffs, changes in trade policies of the United States and other countries, and other risks that could affect our financial condition and expose us to certain additional risks.

Many of our suppliers and manufacturers are located outside of the United States. Thus, compliance with federal laws and regulations regarding the importation of products, import taxes or costs, including new or increased tariffs, anti-dumping duties, countervailing duties, or similar import duties, some of which could be applied retroactively, and modification to or withdrawal from free trade agreements or trade relationships, could increase the cost of the products that we distribute. For example, certain imported materials and products that we distribute and use in our business have become subject to new and increased tariffs imposed by the United States government and may in the future become subject to additional tariffs. These new and increased tariffs, as well as countervailing measures instituted by other governments in response to, or in anticipation of, such tariffs or policies have introduced, and may continue to introduce, significant uncertainty into the market and to affect the prices of and supply of the products available to us. In addition, quotas, embargoes, sanctions, safeguards, and customs restrictions, as well as foreign labor strikes, work stoppages, or boycotts, could reduce the supply of the products available to us. Geopolitical events, including war, civil and political unrest and terrorism, could also cause a reduction in the supply or increase the costs of the products available to us. If we become subject to a reduction in available supply of imported products and we are unable to mitigate that reduction through alternative sources, or if the costs of our imported products increase and we are not able to pass along those increased costs to our customers, then our business, financial condition, and results of operations could be adversely affected.

We may experience pricing and product cost variability.

Prices for our products are driven and influenced by many factors, including general economic conditions, demand for our products and competitive and other conditions in the industries within which we compete. Prices that we pay and charge for our products can be unpredictable and volatile. The factors that influence prices and costs also include, among others:

- National and international economic conditions, including inflationary conditions;
- Government regulations, trade policies, and market speculation;
- Consolidation among customers, particularly dealers, and their customers (i.e., home builders), and resulting changes in purchasing policies and payment practices;
- The use of auction markets, which are based on participants' perceptions of short-term supply and demand, to determine prices and volumes for many commodities building products;
- The use of published indices (including those published by Random Lengths), which may not accurately reflect changes in market conditions, to set selling prices for products;
- Labor and freight costs, curtailments, periodic delays in the delivery of products and inventory levels in various distribution channels; and
- The ability of large customers to influence prices of outside building materials suppliers and distributors in a highly fragmented industry.

If supply exceeds demand, prices for our products could decline, and our results of operations, cash flows, and financial condition could be adversely affected. These factors can cause short-term fluctuations in the price of our products, or costs related to our products. We may be limited in our ability to pass on any increases to our customers.

In addition, economic conditions and market factors may make it difficult for us to raise our prices enough to keep up with the rate of inflation, which could reduce our profit margins or reduce the number of customers who can purchase our products and adversely impact our results of operations and cash flows.

A decline in the prices of the products we distribute could also adversely impact our operating results. When the prices of the products we distribute decline, customer demand for lower prices could result in lower sales prices and, to the extent that our inventory at the time was purchased at higher costs, lower margins. Alternatively, in a rising price environment, our suppliers may increase prices or reduce discounts on the products we distribute, and we may be unable to pass on any cost increase to our customers, thereby resulting in reduced margins and profits.

Our earnings are highly dependent on sales volumes.

Our earnings are highly dependent on sales volumes, which are dependent on both the housing cycle, as well as our execution. In addition, selling commoditized products that are subject to fluctuating prices makes it difficult to predict our financial results with any degree of certainty. Commodity and specialty product price inflation or deflation can increase or decrease our gross margins on relatively consistent year-over-year structural sales volumes, depending on the degree of commodity price change. Any failure to maintain, or increase sales volumes, alone or combined with margin fluctuations due to price inflation or deflation, which would impact the purchase and/or selling price of our products, could adversely affect our results of operations, cash flows, and financial condition.

Our industry is highly fragmented and competitive. If we are unable to compete effectively, our net sales and operating results may be reduced.

The building products distribution industry is highly fragmented and competitive, and the barriers to entry for local competitors are relatively low. Competitive factors in our industry include pricing, availability of products, service, delivery capabilities, customer relationships, geographic coverage, and breadth of product offerings. Also, financial stability is important to suppliers and customers in choosing distributors for their products, and it affects the favorability of the terms on which we are able to obtain our products from our suppliers and sell our products to our customers.

Some of our competitors may have less financial leverage or are part of larger companies, and may therefore have access to greater financial and other resources than those to which we have access. Finally, we may not be able to maintain our costs at a level sufficiently low enough for us to compete effectively. If we are unable to compete effectively, our net sales and net income may be reduced.

Our industry is highly cyclical, and prolonged periods of weak demand or excess supply may reduce our net sales and/or margins, which may cause us to incur losses or reduce our net income.

The building products distribution industry is subject to cyclical market pressures and market prices of building products historically have been volatile and cyclical. Prices of building products are determined by overall supply and demand in the market, and we have limited ability to control the timing and amount of pricing changes. Demand for building products is driven mainly by factors outside of our control, such as general economic and political conditions, interest rates, availability of mortgage financing, inflation, the construction, repair and remodeling markets, industrial markets, housing supply, weather, and population growth. The supply of building products fluctuates based on available manufacturing capacity, and excess capacity in the industry can result in significant declines in market prices for those products. To the extent that prices and volumes experience a sustained or sharp decline, our net sales and margins likely would decline as well. Because we have meaningful fixed costs, a decrease in sales and margin generally may have a significant adverse impact on our financial condition, operating results, and cash flows.

Loss of key products or key suppliers and manufacturers could affect our financial health.

Our ability to offer a wide variety of products to our customers, including our private label products, is dependent upon our ability to obtain adequate product supply from manufacturers and other suppliers. Generally, our products are obtainable from various sources and in sufficient quantities subject to then current market conditions. However, the loss of, or a substantial decrease in the availability of, key products from our suppliers, or the loss of key supplier arrangements, could adversely impact our financial condition, operating results, and cash flows. Although in many instances we have agreements with our suppliers, these agreements are generally terminable by either party on limited notice. Failure by our suppliers to continue to supply us with products on commercially reasonable terms, or at all, could have a material adverse effect on our financial condition, operating results, and cash flows.

Operating Risks

We are subject to information technology security risks and business interruption risks and may incur increasing costs in an effort to minimize and/or respond to those risks.

Our business employs information technology systems to secure confidential information, such as employee personal data, but with the rapidly evolving sophistication of cyberattacks, we may not be able to anticipate, prevent or mitigate our cybersecurity risks. Any compromise of our security could result in a loss or misuse of our confidential information or confidential information of our customers or suppliers, violation of applicable privacy and other laws, significant legal and financial exposure, theft, damage to our reputation, interruption of our business operations, and a loss of confidence in our security measures, any of which could harm our business. We may also be susceptible to phishing attacks, malware, ransomware, denial of service, and other attacks that could adversely affect our information technology systems. Although we utilize various procedures and controls to monitor and mitigate these threats, there can be no assurance that these procedures and controls will be sufficient to prevent security threats from materializing. As cyberattacks become more sophisticated, we may incur significant costs to strengthen our systems from outside intrusions, and/or obtain insurance coverage related to the threat of such attacks.

Additionally, our business is reliant upon information technology systems to, among other things, manage and route our sales calls, manage inventories and accounts receivable, make purchasing decisions, monitor our results of operations, place orders with our vendors, process orders from our customers, and manage, receive and route deliveries to our customers. In addition, we are in the early stages of integrating artificial intelligence (“AI”) into our business to support our business operations. Our development and adoption of AI and other new technologies may present new technological threats, vulnerabilities and uncertainties, which may expose us to legal, reputational and financial harm. Our information technology systems may be vulnerable to natural disasters, telecommunications or equipment failures, power outages and similar events, employee errors or to intentional acts of misconduct, such as security breaches or cyberattacks. The occurrence of any of these events or acts, or any other unanticipated problems, could result in damage to or the unavailability of these systems. Such damage or unavailability could, despite any existing disaster recovery and business continuity arrangements, interrupt the availability of one or more of our information technology systems. We have experienced from time to time such disruptions, and while such disruptions did not materially affect our business, they may occur in the future. Future disruptions in these systems could materially impact our ability to buy and sell our products, as well as generally operate our business, which could reduce our revenue.

We may be unable to effectively manage our inventory relative to our sales volume or as the prices of the products we distribute fluctuate, which could affect our business, financial condition, and operating results.

We purchase most of our products directly from manufacturers, which are then sold and distributed to customers. We must maintain and have adequate working capital to purchase sufficient inventory to meet customer demand. Due to the lead times required by our suppliers, we order products in advance of expected sales. As a result, we are required to forecast our sales and purchases accordingly. In periods characterized by significant changes in the overall economy and activity in the residential and commercial building and home repair and remodel industries, it can be especially difficult to forecast our sales accurately. We must also manage our working capital to fund our inventory purchases. Such issues and risks can be magnified by the diversity of product mix our distribution centers carry across multiple major product categories. Excessive increases in the market prices of certain building products can put negative pressure on our operating cash flows by requiring us to invest more in inventory. In the future, if we are unable to effectively manage our inventory, our cash flows may be negatively affected, which could have a material adverse effect on our business, financial condition, and operating results.

Our success depends on our ability to attract, train, and retain highly qualified associates and other key personnel while controlling related labor costs.

In order to be successful, we must attract, train, and retain a large number of highly qualified associates while controlling related labor costs. Our ability to control labor costs is subject to numerous external factors, including labor availability, prevailing wage rates and health and other insurance costs.

In many of our markets, highly qualified associates are in high demand and we compete with other businesses for these associates and invest resources in training and incentivizing them. In particular, there continues to be significant competition for qualified drivers in the transportation industry and increasingly more stringent regulatory requirements relating to drivers. There can be no assurance that we will be able to attract or retain highly qualified associates in the future, including those employed by companies we may acquire.

As a result of labor shortages, particularly among our drivers and material handlers, we could be required to utilize temporary or contract labor. Using temporary or contract labor typically requires higher cost, and temporary or contract labor may be less productive than full-time associates. In addition, a shortage of qualified drivers could require us to increase driver compensation, let trucks sit idle, utilize third-party freight more so than normal, utilize less experienced drivers, or face difficulty meeting customer demands, all of which could adversely affect our growth and profitability.

Furthermore, our success is highly dependent on the continued services of our management team. The loss of services of one or more key members of our senior management team could have a material adverse effect on us.

Our strategy includes pursuing acquisitions. We may be unsuccessful in making and integrating mergers, acquisitions and investments.

As part of our overall strategy, we have made acquisitions, and we may make acquisitions or investments in the future. Acquisitions and investments involve significant risks and uncertainties, including uncertainties as to the future financial performance of the acquired business, the achievement of expected synergies, or exposure to unforeseen liabilities of acquired companies.

In addition, the integration of acquisitions can involve significant anticipated and unanticipated operational challenges, including integrating different computer, enterprise resource planning, and accounting systems, integrating physical facilities and inventories, and integrating businesses and corporate cultures into our business. Addressing the risks and challenges associated with acquisitions and investments requires the attention of management and the diversion of resources from existing operations. Our failure to manage these risks and challenges effectively and at anticipated costs, or to manage other consequences of an acquisition or investment, could result in a failure to achieve anticipated benefits and synergies from an acquisition or investment, could cause disruptions in overall operating performance and deficiencies in customer service of the combined business, and could adversely affect our financial condition, operating results and cash flows. Disruptions and deficiencies associated with integrating an acquired business could also lead to increased costs, order and delivery errors, inventory and billing errors, the loss of employees, or the loss of customers, suppliers, or products either overall or in certain markets, which could adversely affect our financial condition, operating results, and cash flows.

In addition, if in the future the performance of an acquired business varies from our projections or assumptions or estimates about future profitability of an acquired business change, the estimated fair value of an acquired business could change materially and could result in an impairment of goodwill or other intangible assets. Any such impairment could adversely affect our financial condition and operating results in any given period.

We may incur business disruptions resulting from a variety of possible causes.

While we maintain insurance covering our facilities and equipment, including business interruption insurance, the operations at our distribution facilities may be interrupted or impaired by various operating risks, including, but not limited to, risks associated with catastrophic events, such as war, fires, floods, earthquakes, explosions, natural disasters, severe weather, including hurricanes, tornados and droughts, whether a result of climate change or otherwise, pandemics, or other public health crises, or other similar occurrences, interruptions in the delivery of products via railroad or other inbound transportation means, adverse government regulations, civil or political unrest, terrorist acts, condemnation, equipment breakdowns or failures, prolonged power failures, unscheduled maintenance outages, information system disruptions or failures due to any number of causes, violations of our permit requirements or revocation of permits, releases of pollutants and hazardous substances to air, soil, surface water or ground water; disruptions in transportation infrastructure, including roads, bridges, railroad tracks and tunnels, shortages of equipment or spare parts, and labor disputes and shortages. For example, one of our owned warehouse facilities located in Erwin, Tennessee was damaged by Hurricane Helene in late September 2024. We could incur uninsured losses and liabilities arising from such events, including damage to our reputation, and/or suffer material losses in operational capacity, which could have a material adverse impact on our business, financial condition, and results of operations. In addition, war, terrorism, civil or political unrest, geopolitical uncertainties, and public health issues could cause damage or disruption to the economy, and thus could have a material adverse effect on our financial condition, operating results and cash flows, our suppliers and our customers.

We are exposed to product liability and other claims and legal proceedings related to our business and the products we distribute, which may exceed the coverage of our insurance.

The building products industry has been subject to personal injury and property damage claims arising from alleged exposure to raw materials contained in building products as well as claims for incidents of catastrophic loss, such as building fires. As a distributor of building materials, we face an inherent risk of exposure to product liability claims in the event that the use of the

products we have distributed in the past or may in the future distribute is alleged to have resulted in economic loss, personal injury or property damage, or violated environmental, health or safety, or other laws. Such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability, or a breach of warranties. We rely on manufacturers and other suppliers, including manufacturers and suppliers located outside of the United States, to provide us with the products we sell or distribute. Since we do not have direct control over the quality of products that are manufactured or supplied to us by third parties, we are particularly vulnerable to risks relating to the quality of such products.

We are also subject from time to time to casualty, contract, tort, and other claims relating to our business, the products we have distributed in the past or may in the future distribute, and the services we have provided in the past or may in the future provide, either directly or through third parties. In addition, operating hazards, such as delivering and unloading products, operating large machinery and driving hazards, which are inherent in our business and some of which may be outside of our control, can cause personal injury and loss of life, damage to or destruction of property and equipment and environmental damage.

We cannot predict or, in some cases, control the costs to defend or resolve such claims. We cannot assure our ability to maintain suitable and adequate insurance on acceptable terms or that such insurance will provide adequate protection against potential liabilities, and the cost of any product liability or other proceeding, even if resolved in our favor, could be substantial. Additionally, we do not carry insurance for all categories of risk that our business may encounter. Any significant uninsured liability may require us to pay substantial amounts. There can be no assurance that any current or future claims will not adversely affect our financial position, cash flow, or results of operations.

Our business operations and financial results could suffer from the impacts of climate change.

Climate change, and its effects on weather patterns, the frequency and severity of weather-related events, and temperatures, could adversely impact our business. Extreme weather events and temperatures could affect the availability of raw materials for the products that we distribute, the ability of our suppliers to deliver products to our distribution facilities and our ability to deliver those products to our customers. They could also result in lost production, supply chain disruption, increased transportation costs, and damage to or destruction of our distribution or warehouse facilities and inventory. Severe weather events and climate change could also delay home construction and negatively impact the demand for new homes in affected areas. Unpredictable weather and climate changes could also cause the price of the products we buy and sell to fluctuate significantly, including during and as a result of prolonged periods of heavy rain or drought, fires or other unpredictable weather events. Any or all of these effects could materially and adversely impact our business or results of operations.

Our operating results depend on the successful implementation of our strategy. We may not be able to implement our strategic initiatives successfully, on a timely basis, or at all.

We regularly evaluate the performance of our business and, as a result of such evaluations, we have in the past undertaken and may in the future undertake strategic initiatives within our businesses, including initiatives to migrate our sales mix toward higher-margin specialty product categories, foster a performance-driven culture committed to business excellence and profitable growth, and maintain a disciplined capital structure and pursue investments that increase the value of the Company. Strategic initiatives that we may implement now or in the future may not result in improvements in future financial performance and could result in additional unanticipated costs. If we are unable to realize the benefits of our strategic initiatives, our business, financial condition, cash flows, or results of operations could be adversely affected.

A significant percentage of our employees are unionized. Wage increases or work stoppages by our unionized employees may reduce our results of operations.

As of January 3, 2026, we employed approximately 2,160 associates and less than one percent of our associates are employed on a part-time basis. Approximately 21 percent of our associates are represented by various local labor unions with terms and conditions of employment governed by Collective Bargaining Agreements (“CBAs”). Five CBAs covering approximately four percent of our associates are up for renewal in fiscal year 2026, of which one is currently in the renegotiation process. We expect to renegotiate the remainder before their renewal dates.

Although we have generally had good relations with our unionized employees and expect to renew collective bargaining agreements as they expire, no assurances can be provided that we will be able to reach a timely agreement as to the renewal of the agreements, and their expiration or continued work under an expired agreement, as applicable, could result in a work stoppage. In addition, we may become subject to material wage increases, or additional work rules imposed by agreements with labor unions. The foregoing could increase our operating expenses in absolute terms and/or as a percentage of net sales. In addition, work stoppages or other labor disturbances may occur in the future, which could adversely impact our net sales and/or selling, general, and administrative expenses. Wage increases could also be significant in an inflationary environment even in our non-unionized locations. All or some of these factors could negatively impact our operating results and cash flows.

Federal, state, local, and other regulations could impose substantial costs and restrictions on our operations that would reduce our net income.

We are subject to various federal, state, local, and other laws and regulations, including, among other things, transportation regulations promulgated by the Department of Transportation (“DOT”) and Federal Motor Carrier Safety Administration (“FMCSA”), work safety regulations promulgated by Occupational Safety and Health Administration, employment regulations promulgated by the U.S. Equal Employment Opportunity Commission, regulations of the U.S. Department of Labor and Federal Trade Commission, regulations issued by the SEC, accounting standards issued by the Financial Accounting Standards Board (“FASB”) or similar entities, and state and local zoning restrictions, building codes and contractors’ licensing regulations. More burdensome regulatory requirements in these or other areas may increase our general and administrative costs and adversely affect our financial condition, operating results, and cash flows. Moreover, failure to comply with the regulatory requirements applicable to our business could expose us to litigation and substantial fines and penalties that could adversely affect our financial condition, operating results, and cash flow.

Our transportation operations, upon which we depend to distribute products from our distribution centers, are subject to the regulatory jurisdiction of the DOT and the FMCSA, which have broad administrative powers with respect to our transportation operations. More restrictive regulatory limitations, including those on vehicle weight and size, trailer length and configuration, or driver hours of service would increase our costs, which, if we are unable to pass these cost increases on to our customers, may increase our selling, general and administrative expenses and adversely affect our financial condition, operating results, and cash flows. If we fail to comply adequately with such regulations or such regulations become more stringent, we could experience increased inspections, regulatory authorities could take remedial action, including imposing fines or shutting down our operations, or we could be subject to increased audit and compliance costs. If any of these events were to occur, our financial condition, operating results, and cash flows could be adversely affected.

In addition, the residential and commercial construction industries are subject to various local, state and federal statutes, ordinances, codes, rules and regulations concerning zoning, building design and safety, construction, contractor licensing, energy conservation, and similar matters, including regulations that impose restrictive zoning and density requirements on the residential new construction industry or that limit the number of homes or other buildings that can be built within the boundaries of a particular area. Regulatory restrictions may increase our operating expenses and limit the availability of suitable building lots for our customers, any of which could negatively affect our business, financial condition and results of operations.

We are subject to federal, state, and local environmental protection laws and may have to incur significant costs to comply with these laws and regulations in the future.

Environmental liabilities could arise on the land that we have owned, currently own or lease, including as a result of the use of underground fuel storage tanks, and these liabilities could have a material adverse effect on our financial condition and performance. Federal, state, and local laws and regulations relating to the protection of the environment, including those regulating the use and maintenance of underground storage tanks, may require a current or previous owner or operator of real estate to investigate and remediate hazardous materials, substances and waste releases at or from the property. They may also impose liability for property damage and personal injury stemming from the presence of, or exposure to, hazardous substances. In addition, we could incur costs to comply with such environmental laws and regulations, the violation of which could lead to substantial fines and penalties. In addition, although their impact is difficult to predict, it is also possible that legislation and regulations enacted at the federal, state or local level relating to climate change, could result in changes to the way we conduct business or store or deliver products, and could result in significantly increased costs of compliance, including for transportation, environmental monitoring and reporting, capital expenditures, or insurance premiums and deductibles. For example, a 2023 EPA rule imposed reporting and recordkeeping requirements on manufacturers and importers of per- and polyfluoroalkyl substances (PFAS), and the EPA has proposed to designate two widely used PFAS as hazardous substances. These potential changes or increased costs could adversely impact our business and results of operations.

The effect of epidemics, global pandemics or other widespread public health crises and governmental rules and regulations could significantly disrupt our operations or those of our customers or suppliers.

If an epidemic, global pandemic, or other widespread public health crisis disrupts the worldwide economy or if similar widespread disease outbreaks occur in the future, our business, financial condition and results of operations could be negatively affected to the extent such event harms the economy or regions in which we operate. In particular, any governmental imposition of mandatory or voluntary closures in areas where our manufacturing facilities, suppliers or customers are located, in response to any such disease outbreak, epidemic, pandemic or health crisis, could severely disrupt our operations. In addition to this potential direct impact on our facilities and operations, any outbreaks, epidemics or pandemics could negatively impact our industry and end markets as a whole or result in a longer-term economic recession. Any of these factors could negatively affect our business, financial condition, cash flows, profitability, and results of operations.

Financial Risks

Our future operating results may fluctuate significantly, and our current operating results may not be a good indication of our future performance. Fluctuations in our quarterly financial results could affect our stock price in the future.

Our revenues and operating results have historically varied from period-to-period and we expect that they will continue to do so as a result of a number of factors, many of which are outside of our control. If our quarterly financial results or our predictions of future financial results fail to meet the expectations of securities analysts and investors, our stock price could be negatively affected. Any volatility in our quarterly financial results may make it more difficult for us to raise capital in the future or pursue acquisitions that involve issuances of our stock. In addition, because of this variability, our operating results for prior periods may not be effective predictors of future performance.

Factors associated with our industry, the operation of our business, and the markets for our products may cause our quarterly financial results to fluctuate, including:

- general economic conditions, including but not limited to housing starts, construction labor shortages, repair and remodel activity and commercial construction, foreclosure rates, interest rates, unemployment rates and job and wage growth rates, consumer debt levels, tightened availability or affordability of homeowner insurance coverage, and mortgage availability and pricing, as well as other consumer financing mechanisms, that ultimately affect demand for our products;
- supply chain disruptions, including those caused by the spread of contagious illness and other public health crises and geopolitical risks, such as acts of war or terrorism or political or civil unrest;
- the highly competitive nature of our industry;
- the commodity nature of many of our products and their price movements, which are driven largely by capacity utilization rates and industry cycles that affect supply and demand;
- protectionist trade policies and new or increased import tariffs;
- the cessation or reduction of supplier incentive programs, such as supplier rebates and/or deviation programs, and/or our inability to collect supplier incentives due to us;
- disintermediation;
- the impact of actuarial assumptions and regulatory activity on pension costs and pension funding requirements;
- our creditworthiness in addition to the financial condition and creditworthiness of our customers;
- our indebtedness, including the possibility that we may not generate sufficient cash flows from operations or that future borrowings may not be available in amounts sufficient to fulfill our debt obligations and fund other liquidity needs;
- cost of compliance with government regulations;
- adverse customs and tariff rulings including those relating to anti-dumping, countervailing duty, or circumvention investigations;
- labor disruptions, shortages of skilled and technical labor, or increased labor costs;
- the impact of inflation, which may arise from changes in the economic environment;
- increased healthcare costs;
- the need to successfully implement succession plans for our senior managers and other associates;
- our ability to successfully complete potential acquisitions, achieve expected synergies from acquisitions, or efficiently integrate acquired operations;
- security breaches or disruption in our information technology systems and the risks relating to our use of artificial intelligence;
- federal laws and regulations regarding the importation of products may cause us to incur significant costs to comply with such laws and regulations in the future;
- federal, state, local, and other laws and regulations regarding transportation, worker safety, employment regulations and other applicable laws and regulations to which we are subject;
- significant maintenance issues or failures with respect to our tractors, trailers, forklifts, and other major equipment;
- severe weather phenomena such as drought, hurricanes, tornadoes, and fire;
- condemnations of all or part of our real property; and
- fluctuations in the market for our equity.

Any one of the factors above or the cumulative effect of some of the factors referred to above may result in significant fluctuations in our quarterly financial and other operating results, including fluctuations in our key metrics. The variability and unpredictability could result in our failing to meet our internal operating plan or the expectations of securities analysts or investors for any period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our shares could fall substantially and we could face costly lawsuits, including securities class action suits.

We establish insurance-related deductible/retention liabilities based on historical loss development factors, which could lead to adjustments in the future based on actual development experience.

We retain a significant portion of the accident risk under our vehicle liability and workers' compensation insurance programs; and we are self-insured for health insurance, the exposure of which is limited by stop-loss coverage. Our self-insurance accruals are based on actuarial estimated, undiscounted cost of claims, which includes claims incurred but not reported. While we believe our estimation processes are well designed, every estimation process is inherently subject to limitations. Fluctuations in the frequency or amount of claims make it difficult to precisely predict the ultimate cost of claims. The actual cost of claims can be different than the historical selected loss development factors because of safety performance, payment patterns, and settlement patterns.

Our level of indebtedness could limit our financial and operating activities and adversely affect our ability to incur additional debt to fund future needs.

As of January 3, 2026, we had no outstanding debt under our revolving credit facility, and approximately \$300.0 million of debt outstanding under our senior secured notes. Additionally, as of January 3, 2026, outstanding commitments under our finance leases were approximately \$321.3 million. Our level of indebtedness could still have considerable consequences to our financial condition and operating results. For example, our indebtedness could:

- make us more vulnerable to general adverse economic and industry conditions;
- limit our ability to obtain additional financing for working capital, capital expenditures, acquisitions, and other general corporate requirements;
- expose us to interest rate fluctuations because the interest rate on the debt under our revolving credit facility is variable;
- require us to dedicate a substantial portion of our cash flows to payments on our debt, thereby reducing the availability of our cash flows for operations and other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business, and the industry in which we operate; and
- place us at a competitive disadvantage compared to competitors that may have proportionately less debt, and therefore may be in a better position to obtain more favorable credit terms.

If compliance with our debt obligations materially limits our financial or operating activities, or hinders our ability to adapt to changing industry conditions, we may lose market share, our revenue may decline and our operating results may be negatively affected.

The instruments governing our indebtedness contain various covenants limiting the discretion of our management in operating our business, including requiring us to maintain a minimum level of excess liquidity.

Our revolving credit facility and senior secured notes contain various covenants and restrictions, including customary financial covenants that limit management's discretion in operating our business. In particular, these instruments limit our ability to, among other things:

- incur additional debt;
- grant liens on assets;
- make investments;
- repurchase stock;
- pay dividends and make distributions;
- sell or acquire assets, including certain real estate assets, outside the ordinary course of business;
- engage in transactions with affiliates; and
- make fundamental business changes.

These covenants and restrictions could affect our ability to operate our business and may limit our ability to react to market conditions or take advantage of potential business opportunities as they arise. Additionally, our ability to comply with these covenants may be affected by events beyond our control, including general economic and credit conditions and industry downturns.

If we fail to comply with these covenants and restrictions, a default may allow the creditors under the relevant instruments to accelerate the related debts and to exercise their remedies under these agreements, which typically will include the right to declare the principal amount of that debt, together with accrued and unpaid interest, and other related amounts, immediately due and payable, to exercise any remedies the creditors may have to foreclose on assets that are subject to liens securing that debt, and to terminate any commitments they had made to supply further funds. Refer to Note 8, *Debt and Finance Lease Obligations*, in Item 8 of this Annual Report for further details.

Despite our current levels of debt, we may still incur more debt, which would increase the risks described in these risk factors relating to indebtedness.

The agreements relating to our debt significantly limit, but do not prohibit, our ability to incur additional debt. In addition, certain types of liabilities are not considered “Indebtedness” under the agreements relating to our debt. Accordingly, we could incur additional debt or similar liabilities in the future. If new debt or similar liabilities are added to our current debt levels, the related risks that we now face could increase.

We have sold and leased back certain of our distribution centers under long-term non-cancelable leases and may enter into similar transactions in the future. All of these leases are (or will be) finance leases, and our debt and interest expense may increase as a result.

As a result of real estate financing transactions through sale-leaseback arrangements, a substantial number of our distribution centers are leased under non-cancelable leases. These leases typically have initial terms of approximately fifteen years, and most provide options to renew for specified periods of time. We may enter into additional sale and lease-back transactions in the future. The leases resulting from these transactions are generally recognized and accounted for as finance leases, which may be counted as indebtedness, including for purposes of financial covenants in the agreements governing our debt, and may significantly increase the stated interest expense that is recognized in our income statements.

Many of our distribution centers are leased, and if we close a leased distribution center before expiration of the lease, we will still be obligated under the applicable lease. In addition, we may be unable to renew the leases at the end of their terms.

If we close a distribution center that is subject to a non-cancelable lease, we would remain committed to perform our obligations under the applicable lease, which would include, among other things, payment of the base rent, insurance, taxes, and other expenses on the leased property for the balance of the lease term. Management may explore offsets to remaining obligations, such as subleasing opportunities or negotiated lease terminations, but there can be no assurance that we can offset remaining obligations on commercially reasonable terms or at all. Our obligation to continue to perform our obligations with respect to leases for closed distribution centers could have a material adverse effect on our business and results of operations.

In addition, at the end of a lease term and any renewal period for a leased distribution center, or for those locations where we have no renewal options remaining, we may be unable to renew the lease without additional cost, if at all. If we are unable to renew our distribution center leases, we may close or, if possible, relocate the distribution center, which could subject us to additional costs and risks which could have a material adverse effect on our business. Additionally, the revenue and profit generated at a relocated distribution center may not equal the revenue and profit generated at the previous location.

We may not have or be able to raise the funds necessary to finance a required repurchase of our senior secured notes.

Subject to certain exceptions, upon the occurrence of a change in control under the indenture governing our senior secured notes, we are required to offer to repurchase all of the outstanding notes. It is possible that we would not have sufficient funds at the time that we are required to make any such repurchase of our senior secured notes, and we cannot assure the holders of the senior secured notes that we will have sufficient financial resources, or will be able to arrange financing, to pay the repurchase price in cash with respect to any such notes upon a change in control. Our failure to repurchase the senior secured notes when required would result in an event of default with respect to such notes which could, in turn, constitute a default under the terms of our other indebtedness, if any.

Certain important corporate events, such as leveraged recapitalizations that would increase the level of our indebtedness, may not constitute a change in control under the indenture governing our senior secured notes.

A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital.

Any rating assigned to our debt could be lowered or withdrawn entirely by a rating agency if, in that rating agency’s judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Any future lowering of our ratings likely would make it more difficult or more expensive for us to obtain additional debt financing.

A change in our product mix could adversely affect our results of operations.

Our results may be affected by a change in our product mix. Our outlook, budgeting, and strategic planning assume a certain mix of product sales. If actual results vary from this projected mix of product sales, our financial results could be negatively impacted. Additionally, gross margins vary across our product lines. If the mix of products shifts from higher margin product categories to lower margin product categories, our overall gross margins and profitability may be adversely affected.

Consequently, changes in our product mix could have a material adverse impact on our financial condition and operating results.

Relatedly, our product sales to a customer may be dependent on the supplier and the brands we distribute. If we are unable to supply certain brands to our customers, then our ability to sell to existing customers and acquire new customers will be difficult to accomplish. As a result, our revenue, operating performance, cash flows, and net income may be adversely affected.

If the costs of fuel, third-party freight or other energy prices increase or availability of third-party freight providers is reduced, our results of operations could be adversely affected.

Petroleum and energy prices and availability of petroleum products are subject to political, geopolitical, economic, and market factors that are outside our control, including actions by the Organization of the Petroleum Exporting Countries, or OPEC, and other oil and gas producers. Political events in petroleum-producing regions such as war and political and civil unrest as well as regional production patterns, limits on refining capacities, natural disasters, environmental concerns, including the impact of legislation and regulatory efforts to limit greenhouse gas emissions, public health emergencies, and hurricanes and other weather-related events or natural disasters may cause the price of fuel to increase or the availability of fuel to decrease. Within our business units, we deliver products to our customers primarily via our fleet of trucks, which we fuel both onsite and through street fuel programs. We also utilize third-party freight providers to deliver our products and the costs associated with them could affect the expense incurred to deliver products to our customers. Our operating profit may be adversely affected if we are unable to obtain the fuel we require or to fully offset the anticipated impact of higher fuel prices or third-party freight costs through increased prices or fuel surcharges to our customers. Besides trying to pass fuel costs to customers, we have at times entered into forward purchase contracts for fuel used at some of our facilities that protect against fuel price increases. If shortages occur in the supply of necessary petroleum products and we are not able to pass along the full impact of increased petroleum prices to our customers or otherwise protect ourselves by entering into forward purchase contracts, then our results of operations would be adversely affected.

The value of our deferred tax assets could become impaired, which could materially and adversely affect our operating results.

As of January 3, 2026, we had \$50.6 million in net deferred tax assets. These deferred tax assets include temporary differences arising from such items as property and equipment, accrued compensation, and accounting reserves related to inventory and other items in conjunction with net state operating loss carryovers that can be used to offset taxable income in future periods and reduce income taxes payable in those future periods. Each quarter, we determine the probability of the realization of deferred tax assets, using significant judgments and estimates with respect to, among other things, historical operating results, expectations of future earnings, and tax planning strategies. For example, we were required to evaluate and maintain reasonable valuation allowances against our remaining state net operating loss carryforwards included within our U.S. deferred tax assets as of January 3, 2026. These valuation allowances are calculated based on the probability that we will not realize taxable income in the states in which we carry net operating loss carryforwards in a time suitable to take advantage of them. If we determine in the future that there is not sufficient positive evidence to support the remaining valuation of our deferred tax assets, either due to Part 1, Item 1A, *Risk Factors* described herein or other factors which may impact our net operating carryforwards or other components of our deferred tax assets such as our temporary differences which may arise from tax legislation which we cannot foresee, we may be required to further adjust the valuation allowance to reduce our deferred tax assets, in specific areas or in total. Such a reduction could result in material non-cash expenses in the period in which the valuation allowance is adjusted and could have a material adverse effect on our results of operations.

Our expected annual effective income tax rate could be volatile and materially change as a result of changes in the mix of earnings and other factors.

Our overall effective income tax rate is equal to our total income tax expense, also referred to as provision for income taxes, as a percentage of our income or loss before provision for income taxes. However, tax expenses and benefits are determined separately for each tax paying entity or group of entities that is consolidated for tax purposes in each jurisdiction. Losses in certain jurisdictions may provide no current financial statement tax benefit. As a result, changes in the mix of profits and losses between jurisdictions, among other factors, could have a significant impact on our overall effective income tax rate. New and unforeseen changes in tax legislation may impact our effective income tax rate in future periods, both on a federal and state level, which may have an impact on our net income and result in material non-cash expenses in the relevant period.

Costs and liabilities related to our participation in multi-employer pension plans could increase.

We are involved in various multi-employer pension plans in the U.S. based on obligations arising under collective bargaining agreements. Some of these plans are significantly underfunded and may require increased contributions in the future. The amount of any increase or decrease in our required contributions to these multi-employer pension plans will depend upon the

outcome of collective bargaining, actions taken by trustees who manage the plan, governmental regulations, the actual return on assets held in the plan, the continued viability and contributions of other employers which contribute to the plan, and the potential payment of a withdrawal liability, among other factors.

Our cash flows and capital resources may be insufficient to make required payments on our indebtedness or future indebtedness.

Our ability to make scheduled payments under our revolving credit facility and senior secured notes depends on our successful financial and operating performance, cash flows, and capital resources, which in turn depend upon prevailing economic conditions and certain financial, business, and other factors, many of which are beyond our control. These factors include, among others:

- economic and demand factors affecting the building products distribution industry;
- external factors affecting availability of credit;
- pricing pressures;
- increased operating costs;
- competitive conditions; and
- other operating difficulties.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay capital expenditures, sell material assets or operations, obtain additional capital, or restructure our debt. There is no assurance that we could obtain additional capital or refinance our debt on terms acceptable to us, or at all. If we are required to dispose of material assets or operations to meet our debt service and other obligations, the value realized on the disposition of such assets or operations will depend on market conditions and the availability of buyers. Accordingly, any such sale may not, among other things, be for a sufficient dollar amount to repay our indebtedness. If we do not make scheduled payments on our debt, we will be in default and the outstanding principal and interest on our debt could be declared to be due and payable, in which case we could be forced into bankruptcy or liquidation or required to substantially restructure or alter our business operations or debt obligations.

Borrowings under our revolving credit facility bear interest at a variable rate, which subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.

Borrowings under our revolving credit facility bear interest at variable rates of interest and expose us to interest rate risk. If interest rates increase, our debt service obligations on this variable rate indebtedness would increase even though the amount borrowed remained the same. Although we may elect in the future to take certain actions to reduce interest rate volatility in connection with our variable rate borrowings, we cannot provide assurances that we will be able to do so or that those actions will be effective.

If we determine that our goodwill has become impaired, we may incur impairment charges, which would negatively impact our financial condition and operating results.

At January 3, 2026, we had approximately \$67.2 million of goodwill on our consolidated balance sheet. Goodwill represents the excess of cost over the fair value of net assets acquired in business combinations. We assess potential impairment of our goodwill annually (as of the first day of our fiscal fourth quarter), or more frequently if an event or circumstance indicates an impairment loss may have been incurred. Impairment may result from significant changes in the manner or use of the acquired assets, in connection with the sale, spin off or other divestiture of part or parts of our business, a change in reporting units in connection with a reorganization of our reporting structure, negative industry or economic trends and/or significant underperformance relative to historic or projected operating results. Based on the results of our most recent annual assessment, which was quantitative, our goodwill was not impaired. However, the results of this most recent annual assessment indicated that the estimated fair value of the enterprise exceeded its carrying value by approximately 10% as of the assessment date. The estimation of the fair value of the enterprise was based in part on a discounted cash flows model that utilizes key inputs such as forecasted gross profit and our cost of capital. Given that the estimated fair value of the enterprise exceeded its carrying value by only 10% as of the most recent assessment date, our goodwill could be impaired in future reporting periods if any one or more of the inputs into the discounted cash flows model, including the aforementioned key inputs, do not meet forecasted expectations .

Changes in, or interpretation of, accounting principles could result in unfavorable accounting changes.

Our consolidated financial statements are prepared in conformity with U.S. generally accepted accounting principles and accompanying accounting pronouncements, implementation guidelines, and interpretations. These rules are subject to interpretation by the SEC and various bodies formed to interpret and create appropriate accounting principles. Changes in these rules or their interpretation could significantly change our reported results and may even retroactively affect previously reported transactions. Changes resulting from the adoption of new or revised accounting principles may result in materially different financial results and may require that we make changes to our systems, processes, and controls.

Risks Relating to Our Common Stock

Our stock price may fluctuate significantly.

The market price of our stock historically has experienced and may continue to experience significant price fluctuations similar to those experienced by the broader stock market in recent years. In addition, the price of our stock may fluctuate significantly in response to various factors, including:

- actual or anticipated fluctuations in our operating results;
- announcements by our competitors, our suppliers, or our customers of significant acquisitions, dispositions or expansion plans;
- market conditions in our industry;
- changes in market valuation or earnings of our Company or other companies in our industry;
- changes in accounting standards, policies, guidance, interpretations or principles;
- the operating and stock price performance of other comparable companies;
- investor perception of our Company;
- results from material litigation or governmental investigation;
- changes in laws or regulations affecting our Company or significant products we sell; and
- general overall economic, political and market conditions.

Broad market and industry factors may materially harm the market price of our common stock, regardless of our operating performance. In addition, share repurchases pursuant to our share repurchase program could affect our stock price and increase its volatility. The existence of a share repurchase program could also cause our stock price to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity for our stock. There can be no assurance that any share repurchases will enhance stockholder value because the market price of our common stock may decline below the levels at which we repurchased shares of common stock. Although our share repurchase program is intended to enhance long-term stockholder value, short-term stock price fluctuations could reduce the program's effectiveness. Furthermore, the program does not obligate the Company to repurchase any dollar amount or number of shares of common stock, and may be suspended or discontinued at any time and any suspension or discontinuation could cause the market price of our stock to decline.

We could be the subject of securities class action litigation due to stock price volatility, which could divert management's attention and adversely affect our results of operations.

The stock market in general, and market prices for the securities of companies like ours in particular, have from time-to-time experienced volatility that often has been unrelated to the operating performance of the underlying companies. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our operating performance. In certain situations, in which the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the Company that issued the stock. If any of our stockholders were to bring a similar lawsuit against us, the defense and disposition of the lawsuit could be costly and divert the time and attention of our management and harm our operating results.

If securities or industry analysts do not publish research or publish unfavorable research about our business, our stock price and trading volume could decline.

The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about our business or us. If one or more of the analysts who cover us downgrades our stock or publishes unfavorable research about our business or our industry, our stock price would likely decline. If one or more of these analysts ceases coverage of our Company or fails to publish reports on us regularly, demand for our stock could decrease, which could cause our stock price and trading volume to decline.

The activities of activist stockholders could have a negative impact on our business and results of operations.

While we seek to actively engage with stockholders and consider their views on business and strategy, we could be subject to actions or proposals from stockholders or others that do not align with our business strategies or the interests of our other stockholders. Responding to these stockholders could be costly and time-consuming, disrupt our business and operations, and divert the attention of our Board of Directors and senior management. Uncertainties associated with such activities could interfere with our ability to effectively execute our strategic plan, impact long-term growth, and limit our ability to hire and retain personnel. In addition, the actions of these stockholders may cause periods of fluctuation in our stock price based on temporary or speculative market perceptions or other factors that do not necessarily reflect the underlying fundamentals and prospects of our business.

The terms of our revolving credit facility and senior secured notes place restrictions on our ability to pay dividends on our common stock, so any returns to stockholders may be limited to the value of their stock.

We have not declared or paid any cash dividends on our common stock since 2007, and we are subject to certain conditions in order to do so under the terms of our revolving credit facility and senior secured notes. As we have no current intention of paying dividends, unless we decide to do so in the future, any return to stockholders may be limited to the appreciation in their stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management

We recognize the importance of developing, implementing, and maintaining robust cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity, and availability of our data.

Our risk management program includes focused efforts on identifying, assessing and managing cybersecurity risk, including the following:

- A robust information security training program that requires all company employees with access to our networks to participate in regular and mandatory training on how to be aware of, and help defend against, cyber risks, combined with periodic testing to measure the efficacy of our training efforts.
- Alignment of our program with the National Institute of Standards and Technology Cybersecurity Framework 2.0 to identify, protect, detect, respond and recover from cyberattacks.
- Real-time and robust testing of our systems to assess our vulnerability to cyber risk, which includes continuous penetration testing, tabletop incident response exercises, disaster recovery, periodic audits of our systems by outside industry experts and continuous vulnerability scanning.
- Engaging external cybersecurity experts in incident response development and management.
- Business continuity plans and critical recovery backup systems.
- Maturity assessment and roadmap to sustain/improve security posture based on risk profile.

The Company's cyber risk management program is supervised by a dedicated Chief Information Officer (CIO) with over 25 years of experience in the information technology field, and who has served as our CIO since 2021. Our CIO is supported by a team with broad experience in cybersecurity management, with numerous related certifications. The Company's CIO and his team are responsible for leading enterprise-wide information security strategy, policy, standards, architecture, and processes, as well as managing the Company's information security and risk management awareness program. We provide regular awareness training to our employees, including periodic phishing tests, to help identify, avoid and mitigate cybersecurity threats. We also periodically perform simulations and tabletop exercises at a management level and incorporate external resources and advisors as needed.

Cybersecurity Incident Response Process

We maintain and actively update a cybersecurity incident response plan that outlines the steps we take to identify, investigate and take action in response to any potentially material cyber incidents. Our incident response plan ensures that our Chief Information Officer, members of our senior management team and select members of our legal staff, are timely informed of and consulted with respect to any potentially material cyber incidents.

Board Oversight of Cyber Risk

Our Board is engaged in the oversight of cybersecurity threat risk management. As reflected in the Audit Committee's charter, the Board has specifically delegated responsibility for oversight of cybersecurity matters to the Audit Committee, which provides advice and guidance on the adequacy of the Company's initiatives on, among other things, cybersecurity risk management. The Chief Information Officer presents regular updates to the Audit Committee and the full Board of Directors, on, among other things, the Company's cyber risks and threats, and the status of projects in the Company's multi-year roadmap to strengthen the Company's information security systems to address the emerging threat landscape. The Company also engages third parties to periodically evaluate and audit aspects of the Company's information security programs, including by conducting vulnerability assessments and penetration testing, and the results of those findings are reported to the Audit Committee and used to help identify potentially material risks and prioritize certain security initiatives.

We face a number of cybersecurity risks in connection with our business. Based on the information we have as of the date of this Annual Report on Form 10-K, we do not believe that we have experienced any cybersecurity incidents that have materially affected or are reasonably likely to materially affect the Company's business strategy, results of operations or financial position. See Item 1A, Risk Factors, of this Annual Report on Form 10-K for further discussion of cybersecurity risks.

ITEM 2. PROPERTIES

As of January 3, 2026, we operate branch properties in 57 cities across the U.S., and some have multiple warehouse and storage facilities which enhance our distribution and storage capacity. Twelve of these properties are owned and the remainder are leased under multi-year lease arrangements. These properties are used to secure and store our products before being sold and delivered to customers. Additionally, we have a leased corporate headquarters located near Atlanta in Marietta, Georgia which helps support our customers, suppliers, employees, and corporate functions. We believe that, collectively, our properties and facilities have sufficient capacity to meet our needs.

One of our owned properties located in Erwin, Tennessee was damaged by Hurricane Helene in late September 2024. Substantially all of the resulting damage to this property was covered by our insurance policies. We have been able to rent nearby facilities, and utilize some of our other branches, to continue to serve customers and mitigate the impact of the damage while restoration of the Erwin branch is underway. Substantial progress has been made on the cleanup and restoration work, which is expected to be fully complete in 2026.

ITEM 3. LEGAL PROCEEDINGS

We are, and from time to time may be, a party to routine legal proceedings incidental to the operation of our business, including liability claims, premises claims, environmental claims, and employment-related claims, among others. The outcome of any pending or threatened proceedings is not expected to have a material adverse effect on our financial condition, operating results, or cash flows, based on our current understanding of the relevant facts. Legal expenses incurred related to these contingencies generally are expensed as incurred. We record receivables from expected settlements and estimated liabilities for pending or threatened proceedings when the receipts or costs associated with such proceedings become probable and can be reasonably estimated.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER PURCHASES OF EQUITY SECURITIES**Market Information, Holders, and Dividends**

Our issued equity securities consist of one class of common stock, which is traded on the New York Stock Exchange under the symbol "BXC".

As of January 19, 2026, there were 9 share-owner accounts of record, and, as of that date, we estimate that there were approximately 9,300 beneficial owners holding our common stock in nominee or "street" name.

We generally have not paid dividends on our common stock. Any future dividend payments would be subject to the discretion of our Board of Directors and contractual restrictions under our revolving credit facility and the terms of the indenture for our senior secured notes. The BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan does not permit the payment of dividends or dividend equivalents on unvested grants that include underlying shares of our common stock.

Issuer Repurchases of Equity Securities

The following table summarizes the Company's common stock repurchase activity for each fiscal month of the fiscal quarter ended January 3, 2026:

Fiscal monthly period in the fiscal quarter ended January 3, 2026	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽³⁾	Maximum Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽⁴⁾
September 28 - November 1	735	\$ 73.11	—	\$ 58,736,094
November 2 - November 29	468	\$ 56.18	—	\$ 58,736,094
November 30 - January 3, 2026	163	\$ 65.21	—	\$ 58,736,094
Total	1,366		—	

⁽¹⁾ Represents shares withheld by us in connection with tax withholding obligations of our employees upon vesting of employees' restricted stock unit awards. We typically withhold shares of common stock to satisfy tax withholding obligations of employees upon the vesting of employees' restricted stock unit awards. During the fiscal quarter ended January 3, 2026, we did not repurchase any shares of our common stock under our authorized share repurchase plans.

⁽²⁾ For shares withheld by us in connection with tax withholding obligations of our employees upon vesting of employees' restricted stock unit awards, the price paid per share is the market price on vesting date.

⁽³⁾ On October 31, 2023, our Board of Directors announced a share repurchase program with authorization to purchase up to \$100 million of our common stock. As of January 3, 2026, we had a remaining authorization amount of approximately \$8.7 million under this program. With the remaining availability under this program, we may repurchase our common stock at any time or from time to time, without prior notice, subject to prevailing market conditions and other considerations. Our repurchases may be made through a variety of methods, which may include open market purchases, privately negotiated transactions, accelerated share repurchase programs, tender offers or pursuant to a trading plan that may be adopted in accordance with the Securities and Exchange Commission Rule 10b5-1.

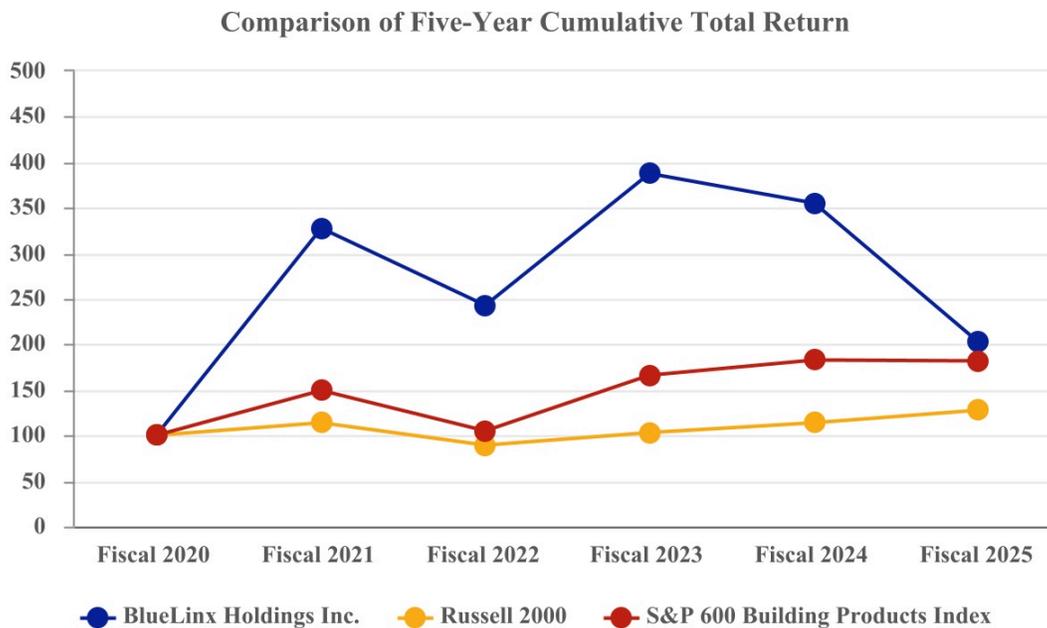
⁽⁴⁾ On July 28, 2025, our Board of Directors authorized a new share repurchase program for \$50 million, in addition to, and that can be used after exhaustion of the 2023 authorization. Repurchases under this program can be made via the same methods, and under the same terms, as those under our 2023 repurchase program.

Securities Authorized for Issuance Under Equity Compensation Plans

Information concerning our equity compensation plans is set forth in Item 12 of Part III of this Form 10-K.

Stock Performance Graph

The graph below compares the cumulative five-year total return of holders of our common stock with the cumulative total returns of the Russell 2000 Index and the S&P 600 Building Products Index. The comparison of the cumulative total returns for each investment assumes that \$100 was invested in our common stock and the respective indices on January 2, 2021, including reinvestment of any dividends, of which BlueLinx paid none, and its relative performance is tracked through January 3, 2026.



	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
BlueLinx Holdings Inc.	\$ 100.00	\$ 327.27	\$ 243.03	\$ 387.25	\$ 354.48	\$ 201.94
Russell 2000	\$ 100.00	\$ 113.70	\$ 89.18	\$ 102.64	\$ 113.66	\$ 127.09
S&P 600 Building Products Index	\$ 100.00	\$ 148.81	\$ 104.70	\$ 166.00	\$ 182.29	\$ 181.83

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our consolidated financial statements and related notes and other financial information appearing elsewhere in this Form 10-K. In addition to historical information, the following discussion and other parts of this Form 10-K contain forward-looking information that involves risks and uncertainties. Our actual results could differ materially from those anticipated by this forward-looking information due to the factors discussed under "Risk Factors," "Cautionary Statement Concerning Forward-Looking Statements," and elsewhere in this Form 10-K.

Factors That Affect Our Operating Results and Trends

Our results of operations and financial performance are influenced by a variety of factors, including: (i) general economic and industry conditions affecting demand in the housing market; (ii) the commoditized nature of many of the products we manufacture and distribute; and (iii) cost and availability of the products we distribute. These factors, and the related trends and uncertainties, have historically produced cyclicalities in our results of operations, and we expect this cyclicalities to continue in future periods.

General Economic Conditions Affecting Demand

Many of the factors that cause our operations to fluctuate are seasonal or cyclical in nature. Historically, our operating results have also been correlated with the level of single-family residential housing starts in the U.S. The demand for new homes is dependent on a variety of factors, including unemployment levels, job and wage growth, changes in population and demographics, the availability and cost of mortgage financing, the supply and affordability of new and existing homes, availability and affordability of homeowners insurance coverage, and consumer confidence and demand. Certain developments have led to a more challenging macro-economic environment, such as broad-based inflation, the rapid rise in mortgage rates, home price appreciation, and low existing home turnover. These developments have impacted the U.S. housing market, including the residential repair and remodel and residential new construction markets, and have contributed to a slowdown in the U.S. housing industry that continued through 2024 and 2025. In addition, looking ahead, we believe that the demand for our products could face pressure from increases in tariffs and other inflationary pressures, the potential for trade disruption through embargoes, sanctions and import and export controls, and labor shortages and workforce disruption in the home building and remodeling industry due to immigration enforcement activities. However, we believe that several factors, including the current high levels of home equity, the fundamental undersupply of housing in the U.S., potential actions of the U.S. government to address housing availability and affordability, repair and remodel activity, and demographic shifts, among others, will support demand for our products. For additional information regarding the risk factors impacting our business, refer to Part I, Item 1A, *Risk Factors*, in this Annual Report.

Industry Conditions Affecting Demand

Residential Repair and Remodel

We estimate that demand from the residential repair and remodel market ("R&R") accounts for approximately 45 percent of our annual sales. Historically, R&R demand conditions have tended to be less cyclical when compared to the residential new construction market, particularly for exterior products that are exposed to the elements and where maintenance is less likely to be deferred for long periods of time. We believe R&R demand is driven by a myriad of factors including, but not limited to: home prices and affordability; macro-economic conditions and expectations around inflationary rate, unemployment rate, interest rate, and economic output; raw materials prices; the pace of new household formations; savings rates; employment conditions; and emerging trends, such as the increased popularity of home-based remote working environments. Residential mortgage rates have risen in recent years and we believe many homeowners who secured mortgages with lower interest rates will be inclined to stay longer in existing homes, which could benefit R&R demand over the near-to-medium term. On the other hand, we are experiencing low existing home turnover, which we believe may still be hindering any significant growth in R&R activity.

According to the Joint Center For Housing Studies' Leading Indicator of Remodeling Activity ("LIRA") Index, spending for R&R is expected to increase in 2026 over 2025 and 2024. The total market size of the U.S. R&R market remains significant, with total U.S. homeowner improvements and repairs spending expected to be approximately \$517 billion in 2026, compared to \$511 billion, \$501 billion, \$510 billion, and \$515 billion in 2025, 2024, 2023, and 2022, respectively, but up significantly from the \$407 billion and \$362 billion in 2021 and 2020, respectively. As the median age of U.S. housing stock continues to increase over time, we anticipate domestic R&R spending will also increase. According to the U.S. Census Bureau and Department of Housing and Urban Development, the median age of an owner-occupied home in the U.S. increased from 23 years in 1985 to

41 years in 2023. Moreover, approximately 73 percent of the current owner-occupied housing stock was built prior to 2000. We believe the increasing average age of the nation's existing homes will drive demand for R&R projects.

Residential New Construction

We estimate that demand from the residential new construction market, including single-family and multi-family units, accounts for approximately 40 percent of our annual sales. We believe our products are currently more likely to be used in single-family construction than in multi-family units, and therefore we are actively pursuing multi-family business as part of our sales growth strategy.

We believe demand for new residential construction is driven by a myriad of factors including, but not limited to: mortgage rates, which have recently declined from multi-year highs; lending standards; home affordability; construction cost; employment conditions; savings rates; the rate of population growth and new household formation; builder activity levels; the level of existing home inventory on the market; consumer sentiment; and actions that may be taken by the U.S. government to increase home construction activity. Based on data from the U.S. Census Bureau and the U.S. Department of Housing and Urban Development, the rate of residential housing starts for single family units and multi-family units have fluctuated in recent years. However, we believe the U.S. is currently facing a record housing shortage, and we note that the shortfall estimates generally range between 3.8 million and 4.7 million homes. When this shortage begins to correct and home building recovers, we believe our scale, national footprint, strategic supplier relationships, key national customer relationships, and breadth of market leading products and brands will position us to serve a higher demand in the single-family and multifamily residential construction markets.

Commodity Nature of Our Products

Many of the building products we distribute including lumber and panels, such as oriented strand board ("OSB") and plywood, are commodities that are widely available from various suppliers with prices and volumes determined frequently in a market that is based on participants' perceptions and expectations of short-term supply and demand factors. The selling price of our commodity products is based on the current market purchase price to replace those products in our inventory, plus adders for our shipping, handling, overhead costs, and our profit margin. At certain times, particularly in a dynamic inflationary commodity market, the selling price for any one or more of the products we distribute, especially those of a commodity nature, may well exceed our purchase price because our prices are based on current replacement cost. At certain other times, the selling price may fall below our purchase price for the same reasons, requiring us to incur short-term losses on specific sales transactions and/or recognize a loss provision for the lower-of-cost-or-net-realizable-value position on certain products in our inventory that are of a commodity nature. Therefore, our profitability depends, in significant part, on the impact of commodity prices along with inventory levels. In addition to prices, our profitability is also dependent on managing our cost structure, particularly shipping and handling costs, which represent significant components of our operating costs. Composite lumber and panel prices have been historically volatile.

The following table represents the percentage price changes on a year-over-year basis of the average monthly composite prices for lumber and average monthly composite prices for panels as reflected in the industry publication, Random Lengths, for the periods indicated below.

	2025 versus 2024	2024 versus 2023	2023 versus 2022
Increase (decrease) in composite lumber prices	5.8%	(2.5)%	(47)%
Increase (decrease) in composite panel prices	(16.5)%	1.2%	(32)%

There is significant uncertainty regarding future trends in lumber and panel index prices. We continue to closely monitor these pricing trends, and work to manage our business, inventory levels, and costs accordingly.

Cost and Availability of the Products We Distribute

Our gross profit is equal to our Net sales less the Cost of products sold. Substantially all of the amount reported in Cost of products sold is composed of cost to purchase inventory for resale to customers, including the cost of inbound freights, volume incentives, and inventory adjustments. During fiscal 2025, 2024 and 2023, no one supplier represented more than 10% of our consolidated Cost of products sold.

The specialty products we distribute are available from select domestic and international suppliers from which we have established and cultivated relationships. The structural products we distribute are available from a variety of suppliers in both the U.S. and Canada.

The products we import are subject to various tariffs, including those imposed under each of Section 232 of the Trade Expansion Act of 1962, Section 301 of the Trade Act of 1974, the International Emergency Economic Powers Act (IEEPA) (through February 24, 2026), and Section 122 of the Trade Act of 1974, depending on the product's material composition and/or origin. We also purchase imported products from domestic companies who then may pass along tariffs in their cost of goods. The products we import, and imported products we purchase domestically, may be subject to new or additional tariffs in addition to those listed above.

Disease Outbreaks and Public Health Crises

The impact of any future disease outbreaks, such as epidemics or pandemics, and other public health crises can affect our operational and financial performance to varying degrees. In addition, any subsequent economic recovery from such events can also affect our operational and financial performance. The extent of any future disease outbreaks or other public health crises or related containment measures and government responses are highly uncertain and cannot be predicted.

Results of Operations

Fiscal 2025 Compared to Fiscal 2024

The following table sets forth our results of operations for fiscal 2025 and fiscal 2024. Fiscal 2025 consisted of 53 weeks and fiscal 2024 consisted of 52 fiscal weeks.

<i>(\$ amounts in thousands)</i>	Fiscal 2025 <i>(53 weeks)</i>	% of Net Sales	Fiscal 2024 <i>(52 weeks)</i>	% of Net Sales
Net sales	\$ 2,954,007		\$ 2,952,532	
Gross profit	\$ 451,628	15.3%	\$ 489,139	16.6%
Selling, general, and administrative	381,109	12.9%	365,532	12.4%
Depreciation and amortization	39,905	1.4%	38,488	1.3%
Recognition of deferred gains on real estate	(3,934)	(0.1)%	(3,934)	(0.1)%
Gain from sale of property	—	—%	(272)	—%
Other operating expenses	2,065	0.1%	1,755	0.1%
Operating income	32,483	1.1%	87,570	3.0%
Interest expense, net	32,354	1.1%	19,364	0.7%
Settlement of defined benefit pension plan	—	—%	(2,481)	(0.1)%
Income before provision (benefit) for income taxes	129	—%	70,687	2.4%
(Benefit) provision for income taxes	(90)	—%	17,571	0.6%
Net income	\$ 219	—%	\$ 53,116	1.8%

The following table sets forth changes in Net sales by product category for fiscal 2025 and fiscal 2024.

<i>(\$ amounts in thousands)</i>	Fiscal 2025 <i>(53 weeks)</i>	Fiscal 2024 <i>(52 weeks)</i>
<i>Net sales by product category</i>		
Specialty products	\$ 2,052,990	\$ 2,045,910
Structural products	901,017	906,622
Total Net sales	\$ 2,954,007	\$ 2,952,532

The following table sets forth gross margin dollars and percentages by product category for fiscal 2025 and fiscal 2024.

(\$ amounts in thousands)

	Fiscal 2025	Fiscal 2024
	<i>(53 weeks)</i>	<i>(52 weeks)</i>
<i>Gross profit by product category:</i>		
Specialty products	\$ 368,993	\$ 397,625
Structural products	82,635	91,514
Total gross profit	\$ 451,628	\$ 489,139
<i>Gross Margin %</i>	15.3%	16.6%
<i>Gross margin % by product category:</i>		
Specialty products	18.0%	19.4%
Structural products	9.2%	10.1%

For fiscal 2025, we generated Net sales of \$3.0 billion, an increase of \$1.5 million, or 0.05 percent, compared to fiscal 2024.

- The change in the Company's Net sales was driven by specialty products (up \$7.1 million or 0.3 percent), partially offset by a decrease for structural products (down \$5.6 million or 0.6 percent). Compared to fiscal 2024, higher overall volume in fiscal 2025 was offset by overall lower pricing driven by external market factors.

The Company's gross profit for fiscal 2025 decreased \$37.5 million, or 7.7%, from \$489.1 million in fiscal 2024 to \$451.6 million in fiscal 2025.

- This decrease in the Company's gross profit for fiscal 2025 was attributable to both specialty products and structural products, with specialty products down \$28.6 million and structural products down \$8.9 million.
- Gross profit in fiscal 2025 was negatively impacted by lower product pricing, partially offset by volume growth and the Disdero acquisition.
- Approximately 82% and 81% of the Company's gross profit was attributable to specialty products in fiscal 2025 and fiscal 2024, respectively.
- The Company's gross margin percentage decreased from 16.6 percent in fiscal 2024 to 15.3 percent in fiscal 2025. The decline in fiscal 2025 compared to fiscal 2024 was attributable to both specialty products and structural products, with structural products down 90 basis points and specialty products down 140 basis points.
- As previously disclosed, the Company's gross profit and gross margin percentage reported for fiscal 2024 benefited by \$20.7 million related to changes in retroactive rates for certain anti-dumping or countervailing ("AD/CV") import duties, and this reduced the Company's Cost of products sold reported in fiscal 2024. This \$20.7 million credit to Cost of products sold was partially offset by \$8.0 million of estimated expenses related to import duties in prior periods arising from certain classification discrepancies for products imported into the United States as separately entered shipments. These import duty items resulted in a net benefit of \$12.7 million to the Company's Cost of products sold reported for fiscal 2024 and increased the Company's gross margin percentage from 16.1% to 16.6% for fiscal 2024. These import duty-related items benefited the operating results for specialty products. The net impact of import duty-related adjustments was not material for fiscal 2025.

Specialty products - Net sales of specialty products, which includes product types such as engineered wood, siding, millwork, outdoor living products, specialty lumber and panels, and industrial products, increased overall by \$7.1 million, or 0.3 percent, to \$2.1 billion in fiscal 2025.

- The overall increase for specialty products' Net sales benefited from the incremental Net sales from Disdero.
- Excluding Disdero's Net sales, the decline in Net sales for specialty products in fiscal 2025 was driven by lower pricing primarily for engineered wood, millwork, and specialty lumber and panels, and by lower volume for industrial products and siding. These declines were partially offset by higher volume for engineered wood products and specialty lumber and panels.
- Specialty products gross profit decreased by \$28.6 million, or 7.2%, to \$369.0 million in the current year, due primarily to the competitive pricing environment in fiscal 2025 in addition to fiscal 2025 lacking the \$12.7 million net benefit related to import duty items, as discussed below.
- Specialty products gross margin percentage decreased to 18.0 percent for fiscal 2025 compared to 19.4 percent for fiscal 2024, due primarily to the reasons noted above for gross profit.

- Gross profit and gross margin percentage reported in fiscal 2024 for specialty products benefited from the aforementioned \$12.7 million net benefit related to import duty items. Excluding this net benefit, gross margin percentage for specialty products was 18.8% for fiscal 2024.

Structural products - Net sales of structural products, which includes product types such as lumber, plywood, oriented strand board, rebar, and remesh, decreased overall by \$5.6 million, or 0.6 percent, to \$901 million in fiscal 2025.

- This overall decrease in Net sales for structural products was due primarily to pricing decreases for panels, partially offset by increases for lumber pricing and panels volumes.
- Gross profit for structural products decreased in the current year by \$8.9 million, or 9.7 percent, to \$82.6 million from \$91.5 million in the prior year period, due primarily to pricing pressures driven by external market factors.
- Compared to fiscal year 2024, average composite pricing for lumber in the U.S. increased 5.8% and panel prices decreased 16.5% in fiscal 2025.
- Structural products gross margin percentage for fiscal 2025 was 9.2 percent, down from 10.1 percent in the prior fiscal year, which was primarily attributable to the pricing pressures driven by external market forces.

Our selling, general, and administrative (“SG&A”) expenses increased 4.3 percent overall, or by \$15.6 million, compared to fiscal 2024. This overall increase in fiscal 2025 was due to the addition of Disdero, the extra week in fiscal 2025, increased sales and logistics expenses driven by our strategic channel growth, including multi-family, as well as continuing technology initiatives associated with our digital transformation, a multi-year initiative aimed at modernizing and integrating our core technologies by improving data quality, strengthening transportation management and operational systems, and digitizing key processes.

Depreciation and amortization expense increased 3.7 percent compared to fiscal 2024 due primarily to a higher base of amortizable and depreciable assets throughout fiscal 2025 when compared to the prior fiscal year, resulting from our continued focus on capital investment and the acquisition of Disdero.

Other operating expenses, net in fiscal 2025 were primarily acquisition-related and other nonrecurring expenses, partially offset by insurance recoveries received in 2025 related to property damaged at our Erwin, Tennessee facility due to Hurricane Helene in late 2024.

Interest expense, net, which includes gross interest expense less interest income, increased by 67.1 percent, or \$13.0 million, compared to fiscal 2024, primarily due to changes in interest income.

- Gross interest expense was \$49.7 million and \$47.2 million in fiscal 2025 and 2024, respectively. Gross interest expense in fiscal 2025 and fiscal 2024 included \$0.8 million and \$1.2 million, respectively, related to the aforementioned estimate for an accrual initially made and disclosed in the first quarter of 2024 for amounts we believe we may owe for discrepancies in import duties paid in prior years for certain imported goods. Excluding these amounts, gross interest expense in fiscal 2025 and fiscal 2024 would have been \$48.9 million and \$46.0 million, respectively, an increase of \$2.9 million. This \$2.9 million increase in the current fiscal year was due to additional net finance leases added in fiscal 2025.
- Gross interest income was \$17.3 million and \$27.8 million for fiscal 2025 and fiscal 2024, respectively. Interest income in fiscal 2025 and fiscal 2024 included \$0.5 million and \$2.7 million, respectively, received with the aforementioned import duty refunds related to changes in retroactive rates for certain AD/CV import duties. Excluding these amounts, interest income in the current fiscal period and prior year fiscal period would have been \$16.9 million and \$25.1 million, respectively, a decrease of \$8.3 million in the current fiscal period. This \$8.3 million decrease in the current fiscal year was due to lower average balances for interest-bearing deposits of cash/cash equivalents and due to lower interest rates paid on those deposits in the current fiscal year.

Our effective income tax rate was 24.9 percent for fiscal 2024. For fiscal 2025, our pre-tax income and income tax benefit were not material. Our effective income tax rates are impacted by the permanent addback of certain nondeductible expenses, including meals and entertainment and executive compensation, and adjustments to deferred income tax assets related to stock-based compensation. Our effective income tax rate for fiscal 2024 also benefited from the partial release of a state income tax valuation allowance for deferred income tax assets. On July 4, 2025, the law formally titled “An Act to Provide for the Reconciliation Pursuant to Title II of H. Con. Res. 14” (commonly referred to as the “One Big Beautiful Bill” or “OBBB”) was signed into law. The income tax provisions of the OBBB did not have a material impact on our effective income tax rate for fiscal 2025, and at this time we do not expect to have a material impact on future years. However, the bonus depreciation provisions of the OBBB reduced our cash payments for income taxes by approximately \$1.2 million for fiscal 2025, based on additions of qualifying assets in fiscal 2025.

Our net income for fiscal 2025 was \$0.2 million, or \$0.02 per diluted share, versus \$53.1 million, or \$6.19 per diluted share, in the prior fiscal year. Our net income for fiscal 2025 decreased primarily due to the factors discussed above.

Results of Operations

Fiscal 2024 Compared to Fiscal 2023

For a comparison of the Company's results of operations for the fiscal year ended December 28, 2024 to the fiscal year ended December 30, 2023, refer to Item 7 of the Company's Annual Report on Form 10-K for fiscal 2024 filed with the SEC on February 18, 2025.

Liquidity and Capital Resources

We expect our material cash requirements for the foreseeable future, including the next 12 months, will be for our:

- Periodic interest payments associated with our senior secured notes, as discussed in Note 8, *Debt and Finance Lease Obligations*, in Item 8 of this Annual Report;
- Lease agreements which have fixed lease payment obligations, as discussed in Note 13, *Lease Commitments*, in Item 8 of this Annual Report; and
- Periodic estimated income tax payments, as required.

Our purchase orders are based on near-term needs and are typically fulfilled by our vendors within short time horizons. We do not have significant agreements for the purchase of inventory specifying minimum quantities or set prices that exceed our expected requirements or that cannot be canceled by us within 30 to 60 days.

We expect our primary sources of liquidity for the next 12 months to be cash/cash equivalents on hand, cash flows from sales and operating activities in the normal course of our operations, and availability from our revolving credit facility, as needed, and we expect that these sources will be sufficient to fund our ongoing cash requirements for the foreseeable future, including at least the next 12 months. We expect to meet our long-term liquidity needs with cash/cash equivalents on hand, cash flows from our operations, and financing arrangements. As of January 3, 2026, we had \$385.8 million of cash and cash equivalents plus \$340.1 million of availability on our revolving credit facility.

Sources and Uses of Cash

Operating Activities

Net cash provided by operating activities totaled \$59.8 million for fiscal 2025 compared to \$85.2 million for fiscal 2024. The decrease in cash provided by operating activities for fiscal 2025 was due primarily to lower cash impacts of net income, partially offset by positive changes in working capital driven by more effective inventory management.

Net cash provided by operating activities totaled \$85.2 million for fiscal 2024 compared to \$306.3 million for fiscal 2023. The decrease in cash provided by operating activities for fiscal 2024 was primarily the result of changes in working capital, particularly with respect to changes in inventory and other current assets within fiscal 2024 when compared to changes in inventory and other current assets within fiscal 2023. Additionally, net income was lower in fiscal 2024 when the non-cash reclassification from accumulated other comprehensive loss of \$30.4 million in fiscal 2023 is considered in the net income comparison between fiscal 2024 and fiscal 2023.

Net cash provided by operating activities totaled \$306.3 million for fiscal 2023 compared to \$400.3 million for fiscal 2022. The decrease in cash provided by operating activities during fiscal 2023 was primarily the result of a decrease in net income in fiscal 2023 compared to fiscal 2022, partially offset by higher cash generated from changes in working capital in fiscal 2023. For working capital, the change in inventory increased \$120.1 million for fiscal 2023 as a result of lower product cost and our continuing efforts to better manage inventory on hand. The change in accounts payable increased \$37.8 million for fiscal 2023 due to the timing of payments. These increases in cash from working capital changes were partially offset by a decrease in the change for accounts receivable of \$78.1 million for fiscal 2023 due to lower sales in the fourth quarter of fiscal 2023 compared to the fourth quarter of fiscal 2022.

Investing Activities

Net cash used in investing activities was \$119.5 million during fiscal 2025, primarily for our acquisition of Disdero and for capital expenditures. Our investing activities in fiscal 2025 reflected continuing improvements to our distribution facilities, upgrades to our fleet, and digital transformation.

Net cash used in investing activities was \$39.2 million during fiscal 2024, primarily for capital expenditures. Our investing activities in fiscal 2024 reflected continuing improvements to our distribution facilities, upgrades to our fleet, and digital transformation.

Net cash used in investing activities was \$26.9 million during fiscal 2023, primarily for capital expenditures. Our investing activities in fiscal 2023 reflected continuing improvements to our distribution facilities and upgrades to our fleet.

Financing Activities

Net cash used in financing activities was \$60.1 million for fiscal 2025. Of this amount \$38.1 million was used to repurchase our common stock under authorized share repurchase programs and remit excise taxes due on fiscal 2024 share repurchases, \$2.5 million was used to repurchase shares to satisfy employee payroll and tax withholdings for vesting of share-based compensation, and \$16.3 million was used for principal payments on finance lease obligations.

Net cash used in financing activities was \$62.1 million for fiscal 2024. Of this amount \$45.3 million was used to repurchase our common stock under authorized share repurchase programs and remit excise taxes due on fiscal 2023 share repurchases, \$3.4 million was used to repurchase shares to satisfy employee payroll and tax withholdings for vesting of share-based compensation, and \$13.4 million was used for principal payments on finance lease obligations.

Net cash used in financing activities was \$56.6 million for fiscal 2023. Of this amount \$42.1 million was used to repurchase our common stock under authorized share repurchase programs, \$5.3 million was used to repurchase shares to satisfy employee payroll and tax withholdings for vesting of share-based compensation, and \$9.2 million was used for payments on finance lease obligations.

Common Stock Repurchases

During fiscal years 2025, 2024, and 2023 we used cash of \$37.8 million, \$45.0 million, and \$42.1 million, respectively, to repurchase shares of our common stock under repurchase programs authorized by our Board of Directors, excluding excise tax due on the repurchases. The repurchase dollar amounts noted above are based on trade date activity, while the amounts reported on our consolidated statements of cash flows for share repurchases are based on settlement date activity.

As of January 3, 2026, we had \$8.7 million of remaining repurchase authorization under the \$100 million program approved by our Board of Directors on October 31, 2023. On July 28, 2025, our board of directors authorized a new share repurchase program for \$50 million. The 2025 authorization may be used after exhaustion of the 2023 authorization, resulting in a total remaining purchase authorization at the end of fiscal 2025 of \$58.7 million under both of our authorized share repurchase programs.

Under our share repurchase programs, we may repurchase our common stock from time to time, without prior notice, subject to prevailing market conditions and other considerations. Repurchases may be made through a variety of methods, which may include open market purchases, privately negotiated transactions, accelerated share repurchase programs, tender offers or pursuant to a trading plan that may be adopted in accordance with the Securities and Exchange Commission Rule 10b5-1.

Net Working Capital

Net working capital is an important measurement we use to determine the efficiencies of our operations and our ability to readily convert assets into cash. Net working capital is defined as the sum of accounts receivable and inventory, less accounts payable. This metric differs from traditional working capital in that it excludes certain current assets and current liabilities that are reported in our consolidated balance sheet. Our net working capital as of January 3, 2026 and December 28, 2024 is presented in the following table:

<i>(in thousands)</i>	As of	
	January 3, 2026	December 28, 2024
	<i>(53 weeks)</i>	<i>(52 weeks)</i>
Current assets included in net working capital:		
Accounts receivable, net	\$ 218,161	\$ 225,837
Inventories, net	325,998	355,909
	544,159	581,746
Current liabilities included in net working capital:		
Accounts payable	136,388	170,202
Net working capital	\$ 407,771	\$ 411,544

As of January 3, 2026, and December 28, 2024, debt and finance leases consisted of the following:

	As of	
	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Senior secured notes ⁽¹⁾	\$ 300,000	\$ 300,000
Revolving credit facilities ⁽²⁾	—	—
Finance lease obligations ⁽³⁾	321,279	292,543
	621,279	592,543
Unamortized debt issuance costs	(1,349)	(2,437)
Unamortized bond discount costs	(1,991)	(2,502)
	617,939	587,604
Less: current portions of finance leases	22,348	12,541
Total debt and finance leases, net of current portions	\$ 595,591	\$ 575,063

⁽¹⁾ As of January 3, 2026 and December 28, 2024, our long-term debt was comprised of \$300.0 million of senior secured notes issued in October 2021. These notes are presented under the long-term debt caption of our balance sheet at \$296.7 million and \$295.1 million as of January 3, 2026 and December 28, 2024, respectively. This presentation is net of their discount of \$2.0 million and \$2.5 million and the combined carrying value of our debt issuance costs of \$1.3 million and \$2.4 million as of January 3, 2026 and December 28, 2024, respectively. Our senior secured notes are presented in this table at their face value.

⁽²⁾ No borrowings were outstanding during fiscal 2025 or fiscal 2024. Available borrowing capacity under our revolving credit facilities was \$340.1 million and \$346.2 million on January 3, 2026 and December 28, 2024, respectively. Available borrowing capacity is net of undrawn letters of credit commitments. If any borrowings had been outstanding on our revolving credit facility as of January 3, 2026, the borrowings would have incurred interest at the variable rate of 4.77 percent per annum.

⁽³⁾ Refer to Note 13, *Lease Commitments*, in Item 8 of this Annual Report.

Senior Secured Notes

In October 2021, we completed a private offering of \$300.0 million of our six percent senior secured notes due 2029 (the “2029 Notes”). Interest is payable semi-annually. Our 2029 Notes mature on November 15, 2029, and no principal is due until that time as long as we remain in compliance with the related covenants. As of January 3, 2026, we were in compliance with these covenants.

Revolving Credit Facilities

On August 27, 2025, we entered into a new credit agreement with Bank of America, National Association, and certain other financial institutions. The new credit agreement matures August 27, 2030 and initially provides for a senior secured revolving loan and letter of credit facility (collectively, referred to as the “revolving credit facility”) of up to \$350 million and includes a \$35 million swing line subfacility for letters of credit. Subject to certain conditions and consents, we have the option in the future to increase the revolving credit facility by an aggregate additional principal amount of up to \$300 million. If we obtain

the full amount of the additional increases in commitments in the future, the revolving credit facility could allow total borrowings of up to \$650 million.

Our obligations under the new credit agreement are secured by a security interest in substantially all of the Company's and its subsidiaries' assets (other than real property), including inventories, accounts receivable, and proceeds from those items.

Any borrowings under the new credit agreement are subject to availability under the "borrowing base" (as such term is defined in the new credit agreement). The new revolving credit facility may be prepaid in whole or in part from time to time without penalty or premium, but including all breakage costs incurred by any lender thereunder.

If borrowings are outstanding under the credit agreement, interest accrues at a rate per annum equal to (i) the then-current Secured Overnight Financing Rate ("SOFR") plus a margin ranging from 1.25% to 1.75%, with the amount of such margin determined based upon the average of the borrowers' excess availability (as defined) for the immediately preceding fiscal quarter as calculated by the administrative agent, for loans based on SOFR, or (ii) the administrative agent's base rate plus a margin ranging from 0.25% to 0.75%, with the amount of such margin determined based upon the average of the Borrowers' excess availability (as defined) for the immediately preceding fiscal quarter as calculated by the administrative agent, for loans based on the base rate.

The new credit agreement replaced our former \$350 million secured revolving credit facility, dated April 13, 2018. No borrowings were outstanding on the former revolving credit facility on August 27, 2025.

As of January 3, 2026, we had zero outstanding borrowings and excess availability, including cash in qualified accounts, of \$725.9 million under our new revolving credit facility. Available borrowing capacity under our new revolving credit facility was \$340.1 million as of January 3, 2026.

During fiscal 2025, fiscal 2024, and fiscal 2023, the Company incurred no interest expense for its revolving credit facilities since no borrowings were outstanding during those fiscal years. During fiscal 2025, 2024, and 2023, the Company incurred \$0.9 million, \$1.0 million, and \$1.0 million respectively, of fees associated with the revolving credit facilities, primarily unused line fees. These expenses are included in Interest expense, net on the Company's consolidated statement of operations.

Finance Lease Commitments

Our finance lease liabilities consist of leases related to equipment, vehicles, and real estate. Our total finance lease commitments totaled \$321.3 million and \$292.5 million as of January 3, 2026 and December 28, 2024, respectively. Of the \$321.3 million of finance lease commitments as of January 3, 2026, \$240.6 million related to real estate and \$80.6 million related to equipment. Of the \$292.5 million of finance lease commitments as of December 28, 2024, \$242.8 million related to real estate and \$49.8 million related to equipment. As of January 3, 2026, \$22.3 million of our finance leases are classified as current liabilities.

The real estate finance leases noted above include \$124.1 million and \$125.1 million as of January 3, 2026 and December 28, 2024, respectively, for sale-leasebacks of real estate in fiscal 2019 and 2020 that did not qualify for sale treatment for accounting purposes.

Off-Balance Sheet Arrangements

As of January 3, 2026 and December 28, 2024, we did not have any off-balance sheet arrangements other than short-term inventory commitments in the normal course of our business. Our purchase order commitments are based on near-term needs and are typically fulfilled by vendors within short time horizons. We do not have significant agreements for the purchase of inventory specifying minimum quantities or set prices that exceed expected requirements or that we cannot be cancel within 30 to 60 days.

Critical Accounting Estimates

Our significant accounting policies are disclosed in Note 1, *Summary of Significant Accounting Policies* to our consolidated financial statements in Item 8 of this Annual Report. The following discussion addresses our most critical accounting estimates, which are those that are both important for the representation of our financial condition and results of operations, and that require significant judgment or use of significant assumptions or complex estimates.

Our consolidated financial statements are prepared in accordance with accounting principles generally accepted in the U.S., which require management to make estimates, judgments, and assumptions that affect the amounts reported in the consolidated

financial statements and accompanying notes. Accounting estimates and assumptions discussed in this section are those that we consider to be the most critical to an understanding of our financial statements because they involve significant judgments and uncertainties. All of these estimates reflect our best judgment about current, and for some estimates, future economic and market conditions and their potential effects based on information available as of the date of these financial statements. If these conditions change from those expected, it is reasonably possible that the judgments and estimates described below could change, which may result in our recording additional expenses or additional liabilities, among other effects.

Management has discussed the development, selection, and disclosure of critical accounting policies and estimates with the audit committee of the Company's board of directors. While our estimates and assumptions are based on our knowledge of current events and actions we may undertake in the future, actual results ultimately may differ from these estimates and assumptions.

We believe that our most critical accounting policies and estimates relate to: (1) revenue recognition; (2) income taxes; (3) business combinations; and (4) goodwill.

Revenue Recognition

We recognize revenue when the following criteria are met: (1) contract with the customer has been identified; (2) performance obligations in the contract have been identified; (3) transaction price has been determined; (4) the transaction price has been allocated to the performance obligations; and (5) when (or as) performance obligations are satisfied. For us, this generally means that we recognize revenue when title to our products is transferred to our customers. Title usually transfers upon shipment to, or receipt at, our customers' locations, as determined by the specific sales terms of each transaction. Our customers can earn certain incentives including, but not limited to, cash discounts and rebates. These incentives are deducted from revenue recognized. In preparing the financial statements, management must make estimates related to the contractual terms, customer performance, and sales volume to determine the total amounts recorded as deductions from revenue. Management also considers past results in making such estimates. The actual amounts may be different from our estimates, and such differences are recorded once they have been determined.

Income Taxes

Our annual income tax rate is based on our taxable income, statutory tax rates, and tax planning opportunities available to us in the various jurisdictions in which we operate. Judgment is required in determining our annual income tax expense and in evaluating our income tax positions. We establish allowances to remove some or all of the income tax benefit of any of our income tax positions at the time we determine that the positions become uncertain based upon one of the following: (1) the tax position is not "more likely than not" to be sustained; (2) the tax position is "more likely than not" to be sustained, but for a lesser amount; or (3) the tax position is "more likely than not" to be sustained, but not in the financial period in which the income tax position was originally taken. For purposes of evaluating whether or not an income tax position is uncertain, (1) we presume the tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information, (2) the technical merits of a tax position are derived from authorities such as legislation and statutes, legislative intent, regulations, rulings, and case law and their applicability to the facts and circumstances of the income tax position, and (3) each tax position is evaluated without considerations of the possibility of offset or aggregation with other income tax positions taken. We adjust these reserves, including any impact on the related interest and penalties, in light of changing facts and circumstances, such as the progress of an income tax audit. Refer to Note 7, *Income Taxes*, in Item 8 of this Annual Report.

A number of years may elapse before a particular matter for which we have established an allowance is audited and finally resolved. The number of years with open income tax audits varies depending on the tax jurisdiction. The income tax benefit that has been previously subject to an allowance because of a failure to meet the "more likely than not" recognition threshold would be recognized in our income tax expense in the first interim period when the uncertainty disappears under any one of the following conditions: (1) the tax position is "more likely than not" to be sustained; (2) the tax position, amount, and/or timing is ultimately settled through negotiation or litigation; or (3) the statute of limitations for the tax position has expired. Settlement of any particular issue would usually require the use of cash.

Income tax law requires items to be included in the income tax return at different times than when these items are reflected in the consolidated financial statements. As a result, the annual income tax rate reflected in our consolidated financial statements is different from that reported in our income tax return (our cash income tax rate). Some of these differences are permanent, such as expenses that are not deductible in our income tax return, and some differences reverse over time, such as depreciation expense. These timing differences create deferred income tax assets and liabilities. Deferred income tax assets and liabilities are determined based on temporary differences between the financial reporting and income tax bases of assets and liabilities. The income tax rates used to determine deferred income tax assets or liabilities are the enacted income tax rates in effect for the year and manner in which the differences are expected to reverse. Based on the evaluation of available information, we recognize

future income tax benefits, such as net operating loss carryforwards, to the extent that realizing these benefits is considered more likely than not.

We evaluate our ability to realize the income tax benefits associated with deferred income tax assets by analyzing our forecasted taxable income using both historical and projected future operating results, the reversal of existing taxable temporary differences, taxable income in prior carryback years (if permitted), and the availability of income tax planning strategies. A valuation allowance is required to be established unless management determines that it is more likely than not that we will ultimately realize the income tax benefit associated with a deferred income tax asset. As of January 3, 2026, positive evidence continued to outweigh negative evidence, as such no valuation allowance was deemed necessary except to the extent of certain state net operating losses. The valuation allowance related to our net operating losses as of January 3, 2026 was approximately \$3.4 million. See Note 7, *Income Taxes*, in Item 8 of this Annual Report.

The effective income tax rate that is calculated from our consolidated statement of operation can differ from statutory income tax rates due in part to certain expenses that are not deductible, in full or partially, on our income tax returns, such as business meals, entertainment, and executive compensation, and due to adjustments to deferred income tax assets related to stock-based compensation. The impact that such differences can have on our effective income tax rate for financial reporting purposes is more material for reporting periods in which either, or both, our pre-tax income or income tax expense (or benefit) are low. For a reconciliation of the impact that these items had on our effective income tax rate for fiscal 2025, see Note 7, *Income Taxes*, to the consolidated financial statements.

Business Combinations

We account for business combinations using the acquisition method of accounting, which requires that once control is obtained, all the assets acquired and liabilities assumed are recorded at their respective fair values at the date of acquisition. The determination of the acquisition date fair values of identifiable assets acquired and liabilities assumed requires estimates and the use of valuation techniques when fair value is not readily available and requires a significant amount of management judgment. We must make significant estimates and assumptions about intangible assets, obligations assumed and pre-acquisition contingencies, including uncertain tax positions and tax-related valuation allowances and reserves, where applicable. In valuing certain acquired assets and liabilities, fair value estimates use Level 3 inputs, including future expected cash flows and discount rates. Changes in assumptions concerning future financial results or other underlying assumptions could have a significant impact on the determination of the fair values of the customer relationships intangible assets acquired. The excess of the purchase price over fair values of identifiable assets acquired and liabilities assumed is recorded as goodwill.

For the valuation of intangible assets acquired in a business combination, we typically use an income approach to estimate fair value. Critical inputs and assumptions in valuing certain of the intangible assets include, but are not limited to, future expected cash flows from customer relationships and developed technologies, expected customer attrition rates, discount rates, the acquired Company's brand and competitive position, as well as assumptions about the period of time the acquired brand will continue to be used in the combined Company's product portfolio.

When a business combination occurs late in a reporting period, we may utilize a method known as "benchmarking" to provide preliminary estimates for the fair values of intangible assets, goodwill, acquired leases, and inventory for financial reporting purposes in the reporting period in which the business combination occurs. The "benchmarking" method involves utilizing valuation inputs, such as discount rates, royalty rates, etc., from our prior business combinations and/or similar business combination completed by other entities. The preliminary fair value estimates are updated in the subsequent reporting period when additional and more specific information is gathered and analyzed for the acquired business.

After subsequent adjustments are made for any "benchmarking" estimates, and for business combinations where the "benchmarking" method is not utilized, our estimates of fair value assigned to acquired assets and assumed liabilities may be inherently uncertain and subject to refinement. As a result, during the measurement period, which can last up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments arising from new facts and circumstances are recorded to the consolidated statements of operations. The results of operations of acquisitions are reflected in the Company's consolidated financial statements from the date of acquisition.

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Estimates are used in the determination of the fair values of identifiable assets acquired, including intangible assets, and liabilities assumed in a business combination, but the initial

carrying value assigned to goodwill is of a residual nature. Goodwill is not subject to amortization but must be tested for impairment at least annually using either a qualitative method or a quantitative method. Goodwill may also need to be assessed for impairment between the annual assessments if an event occurs or circumstances change that would indicate the carrying value of goodwill may be impaired. Such interim events and circumstances can include significant declines in the industries in which our products are used, significant changes in capital market conditions, and significant changes in our market capitalization.

Goodwill is assessed for impairment at the reporting unit level, and the assessment must determine if the fair value of the reporting unit, including the goodwill, is less than its carrying value. For entities like us that consist of a single reporting unit, goodwill is assessed at the enterprise level. In performing a qualitative assessment, potential impairment indicators must be evaluated to determine if it is “more likely than not that the fair value of the reporting unit is less than its carrying amount.” Such evaluations involve estimates of the significance and materiality of any identified impairment indicators. For a quantitative assessment, we utilize a combination of the present value of expected cash flows and the guideline public companies method to determine the estimated fair value of our enterprise. This present value model requires management to estimate future gross profit, cash flows, the timing of the future cash flows, and a discount rate (based on a weighted-average cost of capital), which represents the time value of money and the inherent risk and uncertainty of the future cash flows. These estimates can have material influences on a goodwill assessment.

We perform our annual goodwill assessment as of the first day of our fiscal fourth quarter. Based on the results of our most recent annual assessment, which was quantitative, our goodwill was not impaired. The results of this most recent annual assessment indicated that the estimated fair value of the enterprise exceeded its carrying value by approximately 10% as of the assessment date. The estimation of the fair value of the enterprise was based in part on a discounted cash flows model that utilizes key inputs such as our forecasted gross profit and our cost of capital. Given that the estimated fair value of the enterprise exceeded its carrying value by only 10% as of the most recent assessment date, our goodwill could be impaired in future reporting periods if any one or more of the inputs into the discounted cash flows model, including the aforementioned key inputs, do not meet forecasted expectations.

As of January 3, 2026, the carrying value of our goodwill was \$67.2 million, which represented 4.3% of our consolidated assets.

Between our annual impairment assessment for fiscal 2025 and 2024, we noted no interim events or circumstances to indicate that the carrying value of our goodwill was impaired. Therefore, we relied on our annual assessments.

Recently Issued Accounting Pronouncements

For a summary of recent accounting pronouncements applicable to our consolidated financial statements, see Note 1, *Summary of Significant Accounting Policies*, in Item 8 of this Annual Report.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to certain market risks as part of our on-going business operations. Our exposure includes commodity price risk and interest rate risk.

Commodity Price Risk

Although we have no material financial instruments as of January 3, 2026 and December 28, 2024 that are directly exposed to commodity price risk, many of the building products that we inventory and distribute, including oriented strand board (“OSB”), plywood, lumber, and rebar, are commodities whose price is determined by the market’s supply and demand for such products. Prices of commodity products can also change as a result of national and international economic conditions, labor and freight costs, competition, market speculation, government regulation, and trade policies, as well as from periodic delays in the delivery of products. Short-term increases in the cost of these materials, some of which are subject to significant fluctuations, are sometimes passed on to our customers, but our pricing quotation periods and pricing pressure from our competitors may limit our ability to pass on such price changes. We may also be limited in our ability to pass on increases in freight costs on our products. We may enter into derivative financial instruments to mitigate the potential impact of commodity price fluctuations on our results of operations or cash flows. As of January 3, 2026 and December 28, 2024, we had no such derivative financial instruments in place. For further discussion of commodity price risk, refer to Item 1A, *Risk Factors*, and to the section under the heading “*Commodity Nature of Our Products*” within “*Factors That Affect Our Operating Results and Trends*” in Item 7 of this Annual Report on Form 10-K.

Interest Rate Risk

We may be exposed to changes in interest rates for our outstanding debt. Changes in market interest rates could affect our interest expense. We are exposed to interest rate risk arising from fluctuations in variable-rate SOFR, or other applicable benchmark rate, when we have amounts outstanding on our revolving credit facility. As of January 3, 2026 and December 28, 2024, we had no outstanding borrowings on our revolving credit facility. If any borrowings had been outstanding on our revolving credit facility as of January 3, 2026, the borrowings would have incurred interest at the variable rate of 4.77 percent per annum. Our senior secured notes bear interest at a fixed rate, therefore, our interest expense related to these notes would not be affected by an increase in market interest rates if we remain in compliance with the related debt covenants, but interest rate changes could impact the terms and pricing of any future refinancings of our term debt. We may enter into derivative financial instruments to mitigate the potential impact of interest rate risk on our results of operations or cash flows. As of January 3, 2026 and December 28, 2024, we had no such derivative financial instruments in place. For further discussion of our indebtedness and related interest rate risk, refer to Note 8, *Debt and Finance Lease Obligations* in Item 8 and to Item 1A, *Risk Factors* of this Annual Report.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of BlueLinx Holdings Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of BlueLinx Holdings Inc. (the Company) as of January 3, 2026 and December 28, 2024, the related consolidated statements of operations and comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended January 3, 2026, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at January 3, 2026 and December 28, 2024, and the results of its operations and its cash flows for each of the three years in the period ended January 3, 2026, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of January 3, 2026, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 24, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of Goodwill

Description of the Matter

At January 3, 2026, the goodwill balance was \$67.2 million. As disclosed in Note 4 to the consolidated financial statements, goodwill is tested for impairment annually at the reporting unit level on the first day of the fiscal fourth quarter or more frequently if events or changes in circumstances indicate that it is more likely than not to be impaired. This requires management to estimate the fair value of the reporting unit based on a combination of the discounted cash flow method and guideline public company method.

We identified the assessment of the Company's quantitative impairment test over goodwill recorded as of the date of the annual quantitative test in 2025 as a critical audit matter. Auditing management's estimate of the fair value of the reporting unit was complex and required significant judgment. In particular, the estimate of the fair value of the reporting unit is sensitive to significant assumptions, such as the weighted average cost of capital and future gross profit, which are affected by expectations about future market or economic conditions.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment review process. For example, we tested controls over the estimation of the fair value of the reporting unit, including the Company's controls over the review of the valuation model, the mathematical accuracy of the valuation model, and the review of significant assumptions, as described above, used to estimate the fair value of the reporting unit. We also tested management's review of the reconciliation of the estimated fair value of the reporting unit to the market capitalization of the Company.

To test the estimated fair value of the Company's reporting unit, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions, as described above, and the underlying data used by the Company in its analysis. We compared the significant assumptions, as described above, used by management to current industry and economic trends and evaluated whether changes to these factors would affect the significant assumptions. We assessed the historical accuracy of management's estimates and performed sensitivity analyses of the significant assumptions described above to evaluate the changes in the fair value of the reporting unit that would result from changes in the assumptions. We involved valuation specialists to assist in our evaluation of the valuation methodology and the significant assumptions, including the weighted average cost of capital used in determining the fair value of the reporting unit.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2021.

Atlanta, Georgia
February 24, 2026

BLUELIX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND
COMPREHENSIVE INCOME

<i>(In thousands, except per share amounts)</i>	Fiscal Year Ended		
	January 3, 2026	December 28, 2024	December 30, 2023
	<i>53 weeks</i>	<i>52 weeks</i>	<i>52 weeks</i>
Net sales	\$ 2,954,007	\$ 2,952,532	\$ 3,136,381
Cost of products sold	2,502,379	2,463,393	2,609,364
Gross profit	<u>451,628</u>	<u>489,139</u>	<u>527,017</u>
Operating expenses (income):			
Selling, general, and administrative	381,109	365,532	355,819
Depreciation and amortization	39,905	38,488	32,043
Recognition of deferred gains on real estate	(3,934)	(3,934)	(3,934)
Gain from sale of property	—	(272)	—
Other operating expenses	2,065	1,755	4,640
Total operating expenses	<u>419,145</u>	<u>401,569</u>	<u>388,568</u>
Operating income	32,483	87,570	138,449
Non-operating expenses (income):			
Interest expense, net	32,354	19,364	23,746
Settlement of defined benefit pension plan	—	(2,481)	30,440
Other expense, net	—	—	2,377
Income before provision (benefit) for income taxes	129	70,687	81,886
(Benefit) provision for income taxes	(90)	17,571	33,350
Net income	<u>\$ 219</u>	<u>\$ 53,116</u>	<u>\$ 48,536</u>
Basic earnings per share	\$ 0.02	\$ 6.22	\$ 5.40
Diluted earnings per share	\$ 0.02	\$ 6.19	\$ 5.39
Comprehensive income:			
Net income	\$ 219	\$ 53,116	\$ 48,536
Other comprehensive income:			
Actuarial loss on defined benefit plan, net of tax \$1,090	—	—	(3,119)
Amortization of unrecognized pension gain, net of tax of \$(325)	—	—	882
Settlement of frozen defined benefit pension plan, including tax of \$4,472	—	—	34,912
Other	—	—	(1,263)
Total other comprehensive income	<u>—</u>	<u>—</u>	<u>31,412</u>
Comprehensive income	<u>\$ 219</u>	<u>\$ 53,116</u>	<u>\$ 79,948</u>

See the accompanying notes to the consolidated financial statements.

**BLUELIX HOLDINGS INC.
CONSOLIDATED BALANCE SHEETS**

<i>(In thousands, except share data)</i>	As of	
	January 3, 2026	December 28, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 385,843	\$ 505,622
Accounts receivable, net	218,161	225,837
Inventories, net	325,998	355,909
Other current assets	54,466	46,620
Total current assets	984,468	1,133,988
Property and equipment, net	286,760	249,556
Operating lease right-of-use assets	54,608	47,221
Goodwill	67,226	55,372
Intangible assets, net	86,700	26,881
Deferred income tax asset, net	50,615	50,578
Other non-current assets	18,902	14,121
Total assets	\$ 1,549,279	\$ 1,577,717
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 136,388	\$ 170,202
Accrued compensation	17,466	16,706
Finance lease liabilities - current	22,348	12,541
Operating lease liabilities - current	8,969	8,478
Real estate deferred gains - current	3,935	3,935
Other current liabilities	22,173	21,862
Total current liabilities	211,279	233,724
Non-current liabilities:		
Long-term debt	296,660	295,061
Finance lease liabilities - less current portion	298,931	280,002
Operating lease liabilities - less current portion	47,075	40,114
Real estate deferred gains - less current portion	59,362	63,296
Other non-current liabilities	18,657	19,079
Total liabilities	931,964	931,276
Commitments and contingencies		
STOCKHOLDERS' EQUITY		
Preferred Stock, \$0.01 par value, 30,000,000 shares authorized, none outstanding	—	—
Common Stock, \$0.01 par value, 20,000,000 shares authorized, 7,866,497 and 8,650,046 outstanding, respectively	79	83
Additional paid-in capital	94,762	124,103
Retained earnings	522,474	522,255
Total stockholders' equity	617,315	646,441
Total liabilities and stockholders' equity	\$ 1,549,279	\$ 1,577,717

See the accompanying notes to the consolidated financial statements.

BLUELIX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
	Shares	Amount				
	<i>(In thousands)</i>					
Balance as of the beginning of fiscal 2023	9,049	\$ 90	\$ 200,748	\$ (31,412)	\$ 420,603	\$ 590,029
Net income	—	—	—	—	48,536	48,536
Other comprehensive loss	—	—	—	31,412	—	31,412
Vesting of restricted stock units	170	2	(2)	—	—	—
Compensation related to share-based grants	—	—	12,055	—	—	12,055
Repurchase of shares to satisfy employee tax withholdings	(63)	—	(5,279)	—	—	(5,279)
Common stock repurchases and retirements	(506)	(5)	(42,462)	—	—	(42,467)
Balance as of end of fiscal 2023	8,650	87	165,060	—	469,139	634,286
Net income	—	—	—	—	53,116	53,116
Other comprehensive income	—	—	—	—	—	—
Vesting of restricted stock units	105	1	(1)	—	—	—
Compensation related to share-based grants	—	—	7,749	—	—	7,749
Repurchase of shares to satisfy employee tax withholdings	(32)	(a)	(3,365)	—	—	(3,365)
Common stock repurchases and retirements	(428)	(5)	(45,340)	—	—	(45,345)
Balance as of end of fiscal 2024	8,295	83	124,103	—	522,255	646,441
Net income	—	—	—	—	219	219
Vesting of restricted stock units	110	1	(1)	—	—	—
Compensation related to share-based grants	—	—	11,252	—	—	11,252
Repurchase of shares to satisfy employee tax withholdings	(35)	(a)	(2,519)	—	—	(2,519)
Common stock repurchases and retirements	(504)	(5)	(38,073)	—	—	(38,078)
Balance as of end of fiscal 2025	7,866	\$ 79	\$ 94,762	\$ —	\$ 522,474	\$ 617,315

(a) Activity rounds to less than one thousand dollars

There has been no activity for Preferred Stock.

See the accompanying notes to the consolidated financial statements.

BLUELIX HOLDINGS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Fiscal Year Ended January 3, 2026	Fiscal Year Ended December 28, 2024	Fiscal Year Ended December 30, 2023
	53 weeks	52 weeks	52 weeks
Cash flows from operating activities:			
Net income	\$ 219	\$ 53,116	\$ 48,536
Adjustments to reconcile net income to cash provided by operations:			
Depreciation and amortization	39,905	38,488	32,043
Settlement of frozen defined benefit pension plan	—	—	30,440
Amortization of debt discount and issuance costs	1,510	1,318	1,319
Insurance recoveries in excess of carrying values of property & equipment	(2,443)	—	—
Gains from sale of property	—	(272)	—
(Benefit) provision for deferred income taxes	(36)	2,678	7,756
Share-based compensation	11,252	7,749	12,055
Recognition of deferred gains from real estate	(3,934)	(3,934)	(3,934)
Other income statement items	—	—	(909)
Changes in operating assets and liabilities, net of business combination:			
Accounts receivable	14,053	2,573	23,145
Inventories	45,959	(12,271)	140,875
Accounts payable	(36,009)	13,002	5,973
Employer contributions due to the single-employer defined benefit pension plan	—	—	(6,900)
Other current assets	(3,710)	(20,012)	15,513
Other assets and liabilities	(6,982)	2,743	373
Net cash provided by operating activities	<u>59,784</u>	<u>85,178</u>	<u>306,285</u>
Cash flows from investing activities:			
Acquisition of business, net of cash acquired	(95,210)	—	300
Proceeds from sales of property and insurance recoveries	2,656	899	357
Property and equipment investments	(26,933)	(40,109)	(27,520)
Net cash used in investing activities	<u>(119,487)</u>	<u>(39,210)</u>	<u>(26,863)</u>
Cash flows from financing activities:			
Common stock repurchases	(38,126)	(45,297)	(42,135)
Debt financing costs	(3,095)	—	—
Repurchase of shares to satisfy employee tax withholdings	(2,538)	(3,365)	(5,279)
Principal payments on finance lease liabilities	(16,317)	(13,427)	(9,208)
Net cash used in financing activities	<u>(60,076)</u>	<u>(62,089)</u>	<u>(56,622)</u>
Net change in cash and cash equivalents	(119,779)	(16,121)	222,800
Cash and cash equivalents at beginning fiscal year	505,622	521,743	298,943
Cash and cash equivalents at end of fiscal year	<u>\$ 385,843</u>	<u>\$ 505,622</u>	<u>\$ 521,743</u>
Supplemental cash flow information:			
Income tax payments, net of refunds	\$ 3,985	\$ 30,408	\$ 19,239
Interest paid, including interest for finance leases	\$ 47,093	\$ 44,988	\$ 43,438
Noncash transactions:			
Additions of fleet assets under finance leases	\$ 44,564	\$ 19,373	\$ 19,861

See the accompanying notes to the consolidated financial statements.

BLUELIX HOLDINGS INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Basis of Presentation

BlueLinx Holdings Inc., including consolidated subsidiaries (collectively, the “Company”), is a leading wholesale distributor of residential and commercial building products in the United States. The Company is a two-step distributor and purchases products from manufacturers and distributes those products to dealers and other suppliers in local markets, who then sell those products to end users. The Company carries a broad portfolio of both branded and private-label stock keeping units (“SKUs”) across two principal product categories: specialty products and structural products. Specialty products include items such as engineered wood, siding, moulding and millwork, outdoor living, specialty lumber and panels, and industrial products. Structural products include items such as lumber, plywood, oriented strand board, rebar, and remesh. The Company also provides a wide range of value-added services and solutions aimed at relieving distribution and logistics challenges for its customers and suppliers, while enhancing their marketing and inventory management capabilities.

These financial statements have been prepared in accordance with generally accepted accounting principles in the United States (“U.S. GAAP” or “GAAP”). The Company’s consolidated financial statements include the accounts of BlueLinx Holdings Inc. and its wholly owned subsidiaries. The Company is composed of a single reportable segment for financial reporting purposes. All significant intercompany accounts and transactions have been eliminated. After close of business on October 31, 2025, the Company’s wholly-owned subsidiary, BlueLinx Corporation, acquired all issued and outstanding membership interests of Disdero Lumber Co., LLC (“Disdero”). The acquisition of Disdero is accounted for by the Company under the provisions of Accounting Standards Codification (“ASC”) No. 805, *Business Combinations* (“ASC 805”), as a business combination under the acquisition method. The results of operations and cash flows for Disdero are included in the Company’s consolidated financial statements beginning November 1, 2025. See Note 2, *Business Combination*, to the consolidated financial statements.

The Company operates on a 5-4-4 fiscal calendar. Its fiscal year ends on the Saturday closest to December 31 of each year and may comprise 53 weeks in certain years. The Company’s 2025 fiscal year contained 53 weeks and ended on January 3, 2026 (“fiscal 2025”). Fiscal 2024 contained 52 weeks and ended on December 28, 2024 (“fiscal 2024”). Fiscal 2023 contained 52 weeks and ended on December 30, 2023 (“fiscal 2023”). In a fiscal year with 53 weeks, Net sales, Cost of products sold, and employee compensation costs reflect 53 weeks of activity. However, certain other items, such as non-cash depreciation and amortization expenses that are based on the estimated useful lives of the underlying assets and costs that are incurred on a calendar month basis such as rent, are not adjusted in a 53-week fiscal year when compared to a 52-week fiscal year.

Use of Estimates

The Company’s financial statements are prepared in conformity with U.S. GAAP, which requires management to make estimates based on assumptions about current, and for some estimates, future economic and market conditions, which affect reported amounts and related disclosures in its financial statements. Although these current estimates contemplate current and expected future conditions, as applicable, it is reasonably possible that actual conditions could differ from expectations, which could materially affect the Company’s financial position, results of operations and cash flows. The Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities, the disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses in preparing these financial statements in conformity with GAAP.

The impacts of national and global events may also affect the Company’s accounting estimates, which may materially change from period to period due to such events. The Company’s management regularly evaluates these significant factors and makes adjustments where facts and circumstances dictate.

Revenue Recognition and Cost of Products Sold

The Company recognizes revenue when the following criteria are met: (1) contract with the customer has been identified; (2) performance obligations in the contract have been identified; (3) transaction price has been determined; (4) the transaction price has been allocated to the performance obligations; and (5) when (or as) performance obligations are satisfied.

More specifically, revenue is recognized when control of the promised goods or services is transferred to the Company’s customers in an amount that reflects the consideration the Company is entitled to receive in exchange for those goods or services. The timing of revenue recognition largely is dependent on shipping terms. Revenue is recorded at the time of shipment for terms designated free on board (“FOB”) shipping point, which is a point in time. For sales transactions designated FOB destination, revenue is recorded when the product is delivered to the customer’s delivery site.

All revenues recognized are net of trade allowances, cash discounts, and sales returns. Cash discounts and sales returns are

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estimated using historical experience. Trade allowances are based on the estimated obligations and historical experience. Adjustments to earnings resulting from revisions to estimates on discounts and returns have not been material in any of the reported periods. Certain customers may receive cash-based incentives or credits, which are accounted for as variable consideration. The Company estimates these amounts based on the expected amount to be provided to customers and then reduces the amount of revenue recognized. The Company believes that there will not be significant changes to its estimates of variable consideration. Sales and usage-based taxes are excluded from revenues.

Contracts with customers are generally in the form of standard terms and conditions of sale. From time to time, the Company may enter into specific contracts, which may affect delivery terms. Performance obligations in contracts with customers generally consist solely of delivery of goods. For all sales channel types, consisting of warehouse, direct, and reload sales, the Company typically satisfies its performance obligations upon shipment.

Customer payment terms are typical for the Company's industry and may vary by the type and location of customers and by the products or services offered. The time period between invoicing and when payment is due is not deemed to be significant. For certain sales channels and/or products, standard payment terms may be as early as ten days and in limited situations we may require a customer to pay at time of delivery.

Costs to obtain customer contracts are generally expensed as incurred. The Company generally expenses sales commissions when incurred because the amortization period would typically be one year or less. These costs are recorded within selling, general, and administrative ("SG&A") expense.

The Company has made an accounting policy election to treat outbound shipping and handling activities as an SG&A expense. Shipping and handling costs include amounts related to the administration of the Company's logistical infrastructure, handling of material in its warehouses, and amounts pertaining to the delivery of products to customers, such as fuel and maintenance costs for its mobile fleet, wages for its drivers, and third-party freight charges.

Substantially all of the amount reported in Cost of products sold on the Company's consolidated statement of operations is composed of cost to purchase inventory for resale to customers, including the cost of inbound freight, volume incentives, and inventory adjustments. During fiscal 2025, 2024 and 2023, no one supplier represented more than 10% of the Company's consolidated Cost of products sold.

Cash and Cash Equivalents

As of January 3, 2026 and December 28, 2024, the majority of the Company's cash and cash equivalents were comprised of short-term funds. These funds invest in instruments that have a weighted-average maturity of three months or less, including cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Government or its agencies, and repurchase agreements secured by such obligations or cash. The Company's policy is to classify such short-term highly liquid investments as cash equivalents. Also, the Company has cash deposits with financial institutions that are typically in excess of federally insured limits. Though the Company has not experienced any losses on its cash deposits to date and does not currently anticipate incurring any such losses, there can be no assurance that the Company will not experience losses in the future.

Based on the legal form and nature of any restrictions that may be placed by third parties on certain amounts of cash transferred by the Company to external entities, the Company's accounting policy is to classify such unexpended amounts as either restricted cash, other current assets, or other non-current assets in its consolidated balance sheets. As of January 3, 2026 and December 28, 2024, the Company had \$11.6 million and \$11.5 million, respectively, reported within Other non-current assets on its consolidated balance sheets for amounts transferred to a third party related to certain of the Company's self-insured risks for events that have occurred but have not been settled by, or are not yet known to, the Company. See the subsequent section of this note under the heading, Self Insurance. The Company had no amounts reported as restricted cash on its consolidated balance sheets as of January 3, 2026 and December 28, 2024.

Accounts Receivable and Allowance

Accounts receivable are stated at net realizable value, do not bear interest, and consist of amounts owed for orders shipped to customers. The Company has established an overall credit policy for sales to customers.

Under the provisions of ASC No. 323, *Financial Instruments-Credit Losses*, that apply to the Company's trade accounts receivable, a current expected credit loss ("CECL") model is required. The Company believes that its accounts receivable are homogenous and concluded that they can be grouped into one pool when applying the CECL model. The CECL impairment

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model requires an estimate of expected credit losses, measured over the contractual life of a trade receivable, that considers forecasts of future economic conditions in addition to information about past events and current conditions, including specific customer account reviews, historical loss experience, and the creditworthiness of significant customers based on ongoing credit evaluations. The Company prospectively adopted Accounting Standards Update (“ASU”) No. 2025-05, *Financial Instruments—Credit Losses (Topic 326); Measurement Losses for Accounts Receivable and Contract Assets* (“ASU 2025-05”), as of the beginning of its fiscal fourth quarter 2025. The Company elected the practical expedient in ASU 2025-05 that allows an entity to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast for estimating any expected credit losses. As of January 3, 2026 and December 28, 2024, the Company’s allowance for Accounts receivable was \$5.0 million and \$4.3 million, respectively, and net changes in the allowance were not material for any reporting period presented.

Inventory

The Company’s inventories consist mostly of finished goods inventory, with a very limited amount of work-in-process inventory. The cost of all inventories is determined by the moving average cost method. The Company includes all material charges directly incurred in bringing inventory to its existing condition and location, including the cost of inbound freight, volume incentives, inventory adjustments, tariffs, import duties and other import fees. The Company evaluates its inventory value at the end of each quarter to ensure that inventory, when viewed by category, is carried at the lower-of-cost-or-net-realizable-value (“LCNRV”), which also considers items that may be considered damaged, excess, and obsolete inventory. As of January 3, 2026 and December 28, 2024, the carrying values of the Company’s inventory reported on its consolidated balance sheets did not reflect any adjustments for LCNRV matters.

Most all of the amount reported in Cost of products sold on the Company’s consolidated statement of operations is composed of costs incurred to purchase inventory that is subsequently resold to customers, including costs related to import duties and tariffs. Import duties and tariffs are not typically passed through to customers as separately billed charges. Certain import duties are classified by the U.S. Department of Commerce (the “Commerce Department”) as “antidumping or countervailing duties,” and these import duties may be subject to periodic review and adjustments by the Commerce Department through a process known as a trade remedy administrative review, which can result in both retroactive and prospective adjustments to import duty rates. At the time of importation, the Company tenders antidumping duty and countervailing duty cash deposits (as use of that term has been defined by the Commerce Department) to the U.S. Customs and Border Protection (“U.S. Customs”) and accounts for duties and tariffs based on the then-current rates in effect, and records any retroactive adjustments in the period in which U.S. Customs determines final duty rates at the time entries subject to antidumping and countervailing duties liquidate (as use of that term has been defined by the Commerce Department), typically through the resolution of a trade remedy administrative review proceeding.

During fiscal 2024, the Company recognized refunds of \$20.7 million plus interest earnings of \$2.7 million related to retroactive adjustments associated with certain antidumping duties for imported wood moulding and millwork products. The antidumping duty cash deposits were originally paid and accounted for by the Company in prior reporting periods at the then-current rates. Impacted inventories have since been sold. These adjustment amounts are reflected in Cost of products sold and Interest expense, net, respectively, on the Company’s consolidated statement of operations for the fiscal year ended December 28, 2024. The net amount for antidumping duties reflected in Cost of products sold on the Company’s consolidated statement of operations was not material for the fiscal year ended January 3, 2026. See Note 14, *Commitments and Contingencies*, to the consolidated financial statements for disclosure concerning other matters related to import duties.

Consideration Received from Vendors and Paid to Customers

Each fiscal year, the Company enters into agreements with certain vendors to provide inventory purchase rebates, generally based on achievement of specified volume purchasing levels. The Company also receives rebates related to price protection and various marketing allowances that are common industry practice. The Company accrues for the receipt of vendor rebates based on purchases, and also reduces the carrying value of the related inventory to reflect the net acquisition cost (purchase price less expected purchase rebates).

In addition, the Company enters into agreements with many of its customers to offer customer rebates, generally based on achievement of specified sales levels and various marketing allowances that are common industry practice. The Company accrues for the payment of customer rebates based on sales to the customer, and also reduces its sales to report Net sales (sales price less expected customer rebates). Since these arrangements are typically on a calendar or fiscal year basis, adjustments to earnings resulting from revisions to rebate estimates have historically not been material.

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Property and Equipment

Property and equipment are recorded at cost. Lease obligations for which the Company assumes or retains substantially all the property rights and risks of ownership are capitalized. Amortization of assets recorded under finance leases is included in Depreciation and amortization in the Company's consolidated statement of operations. Replacements of major units of property are capitalized and the replaced properties are retired. Replacements of minor components of property and repair and maintenance costs are charged to expense as incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from seven years to 15 years for land improvements, 15 years to 33 years for buildings, three years to seven years for machinery and equipment, including software. Leasehold improvements are depreciated over the lesser of 15 years or the remaining life of the expected lease term. Upon retirement or disposition of assets, cost and accumulated depreciation are removed from the related accounts and any gain or loss is included in earnings.

The Company assesses long-lived assets other than goodwill for impairment whenever facts and circumstances indicate that the carrying amount may not be fully recoverable. If it is determined that the carrying amount of an asset is not recoverable, the Company compares the carrying amount of the asset to its fair value as estimated using discounted expected future cash flows, market values or replacement values for similar assets. The amount by which the carrying amount exceeds the fair value of the asset, if any, is recognized as an impairment loss.

Goodwill and Other Intangible Assets

Goodwill

Under the acquisition method of accounting for a business combination, goodwill is the excess of the consideration paid to acquire the business over the fair value of the assets acquired and liabilities assumed. Goodwill is not subject to amortization but must be assessed for impairment at least annually and more frequently if indicators of impairment exist. Goodwill must be assessed at the reporting unit level and since the Company operates within one single reporting unit, all of the Company's goodwill is assessed at the enterprise level. The Company performs its annual goodwill assessment as of the first day of its fiscal fourth quarter. Testing goodwill for impairment requires the Company to compare the fair value of a reporting unit with its carrying amount, including goodwill. The Company typically utilizes the services of a third-party expert for assistance in assessing goodwill.

There are two methods for assessing goodwill: the qualitative method and the quantitative method. The qualitative assessment may give the Company the option to evaluate, based on the weight of evidence, the significance of identified events and circumstances in the context of determining whether it is "more likely than not" (a likelihood of greater than 50%) that the fair value of a reporting unit is less than its carrying amount. ASC 350 provides a list of events and circumstances for the Company to consider when assessing goodwill under the qualitative method. If the Company can conclude based on the qualitative assessment that it is not "more likely than not" that the fair value of a reporting unit is less than its carrying amount, the Company is deemed to have completed its goodwill impairment test and does not need to perform the quantitative impairment test. If the Company concludes based on the qualitative assessment that it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount, the Company is required to perform the quantitative impairment test. The Company may also elect to not perform the qualitative method and instead perform the quantitative test only. An assessment under the quantitative method requires the Company to estimate the enterprise's fair value through valuation methods that utilize inputs such as projections of discounted cash flows, weighted-average cost of capital, comparisons to similar entities, future market and economic conditions, and market capitalization.

In addition, the Company will evaluate the carrying value of goodwill for impairment between annual impairment assessments if an event occurs or circumstances change that would indicate the carrying amount may be impaired. Such events and indicators may include significant declines in the industries in which our products are used, significant changes in capital market conditions, or significant changes in our market capitalization.

Other Intangible Assets Originating from Business Combinations

The Company's intangible assets that are deemed to have definitive lives are subject to amortization. These assets are subject to impairment testing if events or circumstances occur that indicate the carrying amounts may be impaired.

Indefinite-lived intangible assets are not amortized, but, like goodwill, must be assessed for impairment at least annually and between annual impairment tests if an event occurs or circumstances change that would indicate that the carrying amount of

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finite-lived intangible asset may be impaired. For the Company's Disdero business combination (see Note 2, *Business Combination*), the Company has made a preliminary determination that the acquired Disdero trade name intangible asset has an indefinite life since the Company, at this time, plans to use the Disdero trade name indefinitely in the operations of the acquired Disdero business.

Self-Insurance

The Company is self-insured for its non-union and certain unionized employee health benefits. The Company purchases stop-loss insurance in order to establish certain limits to its exposure on a per claim basis, both individually and in the aggregate. Health benefits for some unionized employees for fiscal 2025, 2024 and 2023 were paid directly to a union trust, depending upon the union-negotiated benefit arrangement.

The Company is also self-insured, up to certain limits, for workers' compensation losses, general liability, and automotive liability losses, all subject to varying "per occurrence" retentions or deductible limits. It is the Company's policy to self-insure, up to certain limits, traditional risks including workers' compensation, comprehensive general liability, and auto liability. The Company's self-insured deductible for each claim involving workers' compensation, comprehensive general liability (including product liability claims), and auto liability is limited to \$0.8 million, \$0.8 million, and \$2.0 million, respectively. The Company is also self-insured up to certain limits for the majority of its medical benefit plans (\$0.3 million per covered person, per year). A provision for claims under this self-insured program, based on our estimate of the aggregate liability for claims incurred, is revised and recorded at least annually. The estimate is derived from both internal and external sources including but not limited to actuarial estimates. The actuarial estimates are subject to uncertainty from various sources, including, among others, changes in claim reporting patterns, claim settlement patterns, judicial decisions, legislation, and economic conditions. Although the Company believes that the actuarial estimates are reasonable, significant differences related to the items noted above could materially affect the Company's self-insurance obligations, future expense and cash flow. As of January 3, 2026 and December 28, 2024, the self-insurance liabilities totaled \$12.0 million and \$11.8 million, respectively.

The Company provides for estimated costs to settle both known claims and claims incurred but not yet reported by making periodic prepayments, considering our retention and stop loss limits. Liabilities of the Company associated with these claims are estimated, in part, by considering the frequency and severity of historical claims, both specific to the Company, as well as industry-wide loss experience and other actuarial assumptions. The Company determines its insurance obligations with the assistance of actuarial firms. Since there are many estimates and assumptions involved in recording insurance liabilities, and in the case of workers' compensation, a significant period of time elapses before the ultimate resolution of claims, differences between actual future events, and prior estimates and assumptions could result in adjustments to these liabilities. The Company has deposits on hand with certain third-party insurance administrators and insurance carriers to cover its obligation for future payment of claims. These deposits are recorded in non-current assets in the Company's consolidated balance sheets.

Leases

The Company is the lessee in a lease contract when it obtains the right to control an asset associated with a particular lease. For operating leases, the Company records a right-of-use ("ROU") asset that represents its right to use an underlying asset for the lease term, and a corresponding lease liability that represents the Company's obligation to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. Financing ROU assets associated with finance leases are included in property and equipment. Leases with a lease term of 12 months or less at inception are not recorded on the Company's consolidated balance sheet and are expensed on a straight-line basis over the lease term in the consolidated statement of operations and comprehensive income. The Company determines the lease term by assuming the exercise of renewal options that are reasonably certain to occur. The Company uses the implicit rate in a lease agreement, and if that rate is not readily determinable, the Company's incremental borrowing rate is used in determining the present value of future lease payments. When contracts contain lease and non-lease components, both components are accounted for as a single lease component. See Note 13, *Lease Commitments*, to the consolidated financial statements for additional information.

Income Taxes

The Company accounts for deferred income taxes using the liability method. Accordingly, deferred income tax assets and liabilities are recognized based on the income tax effects of temporary differences between the financial statement and income tax bases of assets and liabilities, as measured by current enacted income tax rates. All deferred income tax assets and liabilities are classified as noncurrent in the Company's consolidated balance sheet. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not (likelihood of more than 50%) that some portion or all the deferred

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income tax asset will not be realized. For additional information, see Note 7, *Income Taxes*, to the consolidated financial statements.

Pension Plans

Prior to December 5, 2023, the Company sponsored a noncontributory defined benefit pension plan (the “DB Pension Plan”). Most of the participants in the DB Pension Plan were inactive, with all remaining active participants no longer accruing benefits. The DB Pension Plan was closed to new entrants. The funding policy for the DB Pension Plan was based on actuarial calculations and the applicable requirements of federal law. Benefits under the plan primarily were related to years of service. The Company’s accounting policy election was to measure plan assets and benefit obligations as of December 31, which is the month-end that is closest to the Company’s fiscal year-end. As further disclosed in Note 10, *Employee Retirement Plans*, the Company, as sponsor, settled the frozen DB Pension Plan in December 2023.

The Company is involved in various multiemployer pension plans (“MEPPs”) that provide retirement benefits to certain union employees in accordance with certain collective bargaining agreements (“CBAs”). As one of many participating employers in these MEPPs, the Company is generally responsible with the other participating employers for any plan underfunding. The Company’s contributions to a particular MEPP are established by the applicable CBAs; however, the Company’s required contributions may increase based on the funded status of an MEPP and legal requirements such as those of the Pension Act, which requires substantially underfunded MEPPs to implement a funding improvement plan (“FIP”) or a rehabilitation plan (“RP”) to improve their funded status. The settlement of the DB Pension Plan did not result in any changes to the multi-employer pension plans in which some of the Company’s union employees participate.

Fair Value

Fair value is defined 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. Authoritative guidance for fair value measurements establishes a three-level hierarchy that prioritizes the inputs to valuation models based upon the degree to which they are observable. The three levels of the fair value measurement hierarchy are as follows:

- Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date
- Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 - Inputs are unobservable inputs for which little or no market data exists, therefore requiring an entity to develop its own assumptions

Assets acquired and liabilities assumed by the Company through a business combination are initially recorded at their acquisition-date fair values.

The Company has no assets or liabilities for which their carrying values are remeasured to fair value at the end of each reporting period. However, the Company is required to disclose the fair values for certain assets and liabilities. See Note 9, *Fair Value*, for additional information.

Business Combinations

The Company accounts for business combinations by recognizing the assets acquired and liabilities assumed at the acquisition-date fair value. In valuing certain acquired assets and liabilities, fair value estimates use Level 3 inputs, including future expected cash flows and discount rates. Goodwill is measured as the excess of consideration transferred over the fair values of the assets acquired and the liabilities assumed.

When a business combination occurs late in a reporting period, the Company may utilize a method known as benchmarking to provide preliminary estimates for the fair values of certain assets acquired and liabilities assumed, including intangible assets, inventory, acquired leases, and the residual goodwill. The benchmarking method involves utilizing valuation inputs, such as discount rates, royalty rates, etc., from the Company’s prior business combinations and/or similar business combinations completed by other entities. The preliminary fair value benchmarking estimates are updated in the subsequent reporting period when additional and more specific information is gathered and analyzed for the acquired business.

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After subsequent fair value adjustments are made for any benchmarking estimates, and for business combinations where the benchmarking method is not utilized, the Company's estimates of fair value assigned to acquired assets and assumed liabilities may be inherently uncertain and subject to refinement. As a result, during the measurement period, which can last up to one year from the acquisition date, the Company may record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period, any subsequent adjustments arising from new facts and circumstances are recorded to the consolidated statements of operations. The results of operations of acquisitions are reflected in the Company's consolidated financial statements from the date of acquisition.

Share-Based Compensation Expense

For share-based compensation, the Company recognizes compensation expense equal to the grant-date fair value, which is generally based on the fair market value of the Company's common stock on the date of grant.

For service-based awards, compensation expense is recognized if the grant recipient provides the requisite service to the Company. Compensation expense is recorded on a straight-line basis over the requisite service period of the entire award. Forfeitures are accounted for as they actually occur, and compensation expense is adjusted accordingly so that it reflects cumulative expense only for the number of grants that actually vested prior to the forfeiture event.

For performance-based awards, prior to vesting compensation expense is recognized for grants that are deemed probable of vesting based on actual or forecasted achievement of the performance metrics as long as the grant recipient continues to provide the requisite service to the Company. At the end of each reporting period, the Company is required to reassess the expected achievement of the performance metrics and adjust cumulative compensation expense accordingly based on the number of grants that have vested or are expected to vest based on achievement of the performance metrics. When a grant recipient stops providing the requisite service to the Company, forfeitures are accounted for as they actually occur and compensation expense is adjusted accordingly so that it reflects cumulative expense only for the number of grants that actually vested prior to the forfeiture event.

For market-based awards, compensation expense is recognized for the grant-date fair value of the award on a straight-line basis as the grant recipient provides the requisite service to the Company, regardless of whether the grant vests or is expected to vest based on achievement of the market-based metrics. When a grant recipient stops providing the requisite service to the Company, forfeitures are accounted for as they actually occur and compensation expense is adjusted accordingly so that it reflects cumulative expense only for the number of grants that actually vested prior to the forfeiture event.

Compensation expense related to share-based payment awards is generally recorded in SG&A expense in the consolidated statements of operations.

Repurchases of Common Stock

On October 31, 2023, the Company's board of directors authorized a share repurchase program for \$100 million, of which \$8.7 million remains available for repurchases as of January 3, 2026. On July 28, 2025, the Company's board of directors authorized a new share repurchase program for \$50 million that can be used after exhaustion of the October 31, 2023 authorization. Under the share purchase programs, the Company may make authorized repurchases of its common stock from time to time, without prior notice, subject to prevailing market conditions and other considerations. Repurchases may be made through a variety of methods, which may include open market purchases, privately negotiated transactions, accelerated share repurchase programs, tender offers, or pursuant to a trading plan that may be adopted in accordance with the Securities and Exchange Commission Rule 10b5-1. Repurchased shares of the Company's common stock are retired by the Company and are not reported as treasury stock. The portion of the cost to repurchase common stock that is in excess of par value is charged to additional paid-in capital within stockholders' equity.

Direct costs incurred by the Company to repurchase its common stock, such as broker commissions and excise taxes, are considered part of the cost to repurchase the common stock. Effective January 1, 2023, if the cost of net share repurchases made by publicly traded U.S. company exceeds \$1 million annually, the cost of the repurchased shares is subject to a 1% excise tax as a result of the Inflation Reduction Act of 2022. For any reporting period, the costs of repurchased shares reported on the Company's consolidated statement of stockholders' equity may differ from the amount reported on the Company's consolidated statement of cash flows due to the timing of remittances for excise taxes which are made in accordance with applicable law.

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Advertising Cost

Advertising costs are expensed as incurred and totaled \$1.7 million, \$1.8 million, and \$2.1 million for the fiscal years 2025, 2024 and 2023, respectively.

Recent Accounting Standards - Adopted

Adopted in Fiscal 2025

Income Tax Disclosure Improvement. ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (“ASU 2023-09”), establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. Under the new guidance, entities must consistently categorize and provide greater disaggregation of information in the income tax rate reconciliation and must disaggregate income taxes paid. The ASU’s disclosure requirements apply to all entities subject to Accounting Standards Codification Topic 740. The overall objective of these disclosure requirements is for an entity, particularly an entity operating in multiple jurisdictions, to disclose sufficient information to enable users of financial statements to understand the nature and magnitude of factors contributing to the difference between the effective income tax rate and the statutory income tax rate. The Company adopted ASU 2023-09 prospectively for the fiscal year ended January 3, 2026. See Note 7, *Income Taxes*, to the consolidated financial statements. Since this new ASU addresses only disclosures, its adoption did not have any effect on the Company’s financial position, results of operations, or cash flows.

Measurement Losses for Accounts Receivable and Contract Assets. The Company early adopted ASU No. 2025-05, *Financial Instruments-Credit Losses (Topic 326): Measurement Losses for Accounts Receivable and Contract Assets* (“ASU 2025-05”), as of the beginning of its fiscal fourth quarter 2025. See the disclosures under the heading “Accounts Receivable and Allowance” presented earlier in this Note 1.

Adopted in Fiscal 2024

Segment Reporting Improvements. On November 27, 2023, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* (“ASU 2023-07”). The FASB issued this new guidance primarily to provide financial statement users with more disaggregated expense information about a public business entity’s (“PBE”) reportable segment(s). This ASU requires PBEs to provide incremental disclosures related to the entity’s reportable segment(s), including disclosures for expenses that are both 1) significant to each reportable segment and are provided regularly to the chief operating decision maker (“CODM”) or easily computed from information regularly provided to the CODM and 2) included in the reported measure of segment profit or loss used by the CODM to assess performance and allocate resources. Under the provisions of this ASU, all of the disclosures required in the segment guidance, including disclosing a measure of segment profit or loss used by the CODM and reporting significant segment expenses, applies to all PBEs, including those with a single operating or reportable segment. However, this ASU did not change the definition of a segment, the method for determining segments, or any criteria for aggregating operating segments into reportable segments. The Company adopted ASU 2023-07 at the beginning of fiscal 2024, however it became effective for the Company’s fiscal 2024 annual reporting period and for interim financial reporting periods at the beginning of fiscal 2025. As required, the Company’s annual disclosures for ASU 2023-07 are retrospectively presented for all annual comparative periods beginning in the notes to these annual consolidated financial statements. See Note 5, *Segment Reporting*, to the consolidated financial statements. Since this ASU addresses only disclosures, the adoption did not have any effects on the Company’s financial condition, results of operations or cash flows.

Recent Accounting Standards - Adoption Pending

Costs and Expenses Disclosures. On November 4, 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses* (“ASU 2024-03”), which establishes new disaggregation disclosure requirements for certain costs and expenses in the notes to the consolidated financial statements. Under the new guidance, entities must provide details of the components of its expense captions from continuing operations presented on the face of the statement of operations as well as a qualitative description of the amounts remaining that are not separately disaggregated quantitatively. Relevant disclosure categories include purchases of inventory, employee compensation, depreciation and intangible asset amortization. An entity must also disclose the total amount of selling expenses, and in annual reports, its definition thereof. The disclosure of these costs and expenses will be required in addition to and irrespective of their inclusion in other disclosures. An entity is not precluded from providing additional voluntary disclosures that may provide investors with additional decision-useful information. ASU 2024-03 will be effective for the Company for the fiscal 2027 annual reporting period and for interim periods beginning in fiscal 2028, as clarified by ASU 2025-01. Since this new ASU addresses only disclosures, the Company does not expect its

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adoption to have any material effects on its financial condition, results of operations or cash flows. The Company is currently evaluating the new disclosures that will be required upon adoption of ASU 2024-03.

Accounting for and Disclosure of Software Costs. On September 18, 2025, the FASB issued ASU No. 2025-06, Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Accounting for and Disclosure of Software Costs (“ASU 2025-06”) to clarify and modernize the accounting for costs related to internal-use software to better address both linear and non-linear development manners. The new guidance removes all references to project stages that are currently in ASC 350-40 and will instead use threshold requirements that entities must apply to decide when to start capitalizing software costs. Specifically, the guidance will require entities to begin capitalizing software costs, including website development costs, when both of the following occur: 1) management authorizes and commits to funding a software project and 2) it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the “probable-to-complete” recognition threshold). ASU 2025-06 is effective for the Company beginning in interim and annual reporting periods in fiscal 2028, and early adoption is permitted which the Company is evaluating. Entities may apply the guidance using a prospective, retrospective, or modified transition approach. However, under the prospective approach, entities would still be required to apply the new guidance to all new costs incurred for all software projects, including in-process projects, as of the date of adoption. ASU 2025-06 also specifies that the disclosures under ASC 360-10 (Property, Plant, and Equipment) apply overall to capitalized software costs accounted for under ASC 350-40, regardless of how those costs are presented in the financial statements. The Company is currently evaluating the impacts that ASU 2025-06 may have on its financial position and results of operations, and such impacts may depend in part on the status and type of any in-process software projects at the time of adoption.

Interim Reporting. On December 8, 2025, the FASB issued ASU No. 2025-11, *Interim Reporting (Topic 270): Narrow Scope Improvements (“ASU 2025-11”)* to clarify the current interim disclosure requirements and the applicability of ASC 270, *Interim Reporting*. The ASU creates a comprehensive list of interim disclosures in ASC 270 that are required in interim financial statements and the accompanying notes under GAAP. It also incorporates a disclosure principle requiring entities to disclose in interim periods events and changes that occur after the end of the most recent annual reporting period that have a material impact on the entity. ASU 2025-11 also clarifies that SEC registrants are required to refer to existing SEC guidance, such as Rule 10-01 of Regulation S-X, since those rules provide form and content requirements for condensed financial statements (condensed statements). ASU 2025-11 will be effective for interim and annual reporting periods beginning after 2027, which will be first quarter of fiscal 2028 for the Company. Early adoption is permitted, and the guidance can be applied prospectively or retrospectively. Since ASU 2025-11 is disclosure-related only, its adoption is not expected to have an effect on the Company’s financial position, results of operations, or cash flows. The Company is currently evaluating the disclosure guidance in ASU 2025-11 to determine if any new or amended disclosures will be required upon adoption.

2. Business Combination

On October 31, 2025, BlueLinx Corporation, a wholly owned subsidiary of BlueLinx Holdings Inc., entered into an equity purchase agreement (the “Purchase Agreement”) to purchase 100% of the equity interest of Disdero Lumber Co., LLC (“Disdero”). Disdero is engaged in the business of wholesale distribution of premium specialty building materials that include a complete line of clear lumber and distinctive wood architectural elements that are sold into nearly all 50 states. Disdero’s products are used primarily in the construction of high-end, custom homes and decks, as well as upscale multi-family residential and commercial properties. The acquisition of Disdero is expected to serve as a catalyst for the Company’s growth by using the Company’s existing distribution network to offer Disdero’s premium specialty products to many of the Company’s existing customers not currently served by Disdero. Additionally, the Disdero acquisition is expected to enhance the Company’s specialty products focus as well as its geographic expansion and channel diversification strategies.

The purchase price on October 31, 2025 was approximately \$95.4 million (\$95.2 million net after considering cash acquired), which the Company paid from cash on hand. The purchase price is subject to customary adjustments, such as adjustments for working capital balances.

The acquisition of Disdero was accounted for as a business combination using the acquisition method under ASC 805, *Business Combination*. The assets acquired and liabilities assumed in the Disdero acquisition are reflected on the Company’s consolidated balance sheet as of the close of business on October 31, 2025. Disdero’s results of operations and cash flows are included in the Company’s consolidated financial results beginning at the start of business on November 1, 2025.

The acquisition of Disdero includes preliminary fair value estimates of \$11.9 million for goodwill and \$64.3 million for intangible assets (customer relationships, trade name, and non-compete agreements) as of the October 31, 2025 acquisition date.

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In determining these preliminary fair value amounts, the Company utilized a benchmarking approach based on the Company's prior acquisitions and the prior acquisitions of similar acquirers or acquirees. Upon subsequent completion of the purchase price allocation, any revised fair value amounts assigned to the intangible assets and resulting goodwill may differ materially from the preliminary estimates under the benchmarking process.

After revisions are made to the preliminary fair value amounts estimated under benchmarking as described above, the fair value estimates for inventory, lease obligations, property & equipment, accounts receivable, accounts payable, other assets, and other liabilities are also subject to subsequent changes during the measurement period, as defined and permitted by ASC 805. Any changes to the fair values amounts during the measurement period will be recorded to the applicable assets and liabilities with the residual amount allocated to goodwill. The measurement period cannot extend beyond one year from the acquisition date.

The following table summarizes the components of the consideration for Disdero:

	Preliminary Allocation as of Acquisition Date
	<i>(In thousands)</i>
Estimated fair value of identifiable assets acquired and liabilities assumed:	
Cash	\$ 179
Accounts receivable	6,377
Inventory	16,024
Prepaid expenses and other assets	220
Total current assets acquired	22,800
Property & equipment	1,319
Right-of-use lease assets	3,074
Intangible assets:	
Customer relationships	47,300
Trade names	12,300
Non-compete agreements	4,700
Total assets acquired	91,493
Accounts payable	1,943
Accrued compensation	1,544
Operating lease obligations	756
Other current liabilities	331
Finance lease obligations	181
Total current liabilities assumed	4,755
Operating lease obligations	2,616
Finance lease obligations	587
Total liabilities assumed	7,958
Net assets acquired	83,535
Goodwill	11,854
	95,389
Less cash acquired	(179)
Preliminary purchase price	\$ 95,210

The excess of total purchase price, which includes the aggregate cash consideration paid in excess of the fair value of the tangible and intangible assets acquired less liabilities assumed, was recorded as goodwill. The goodwill recognized is attributable to the expected operating synergies and growth potential that we expect to realize from the acquisition. Goodwill

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also includes certain other intangible assets that do not qualify for separate recognition, such as an assembled workforce. The goodwill resulting from the Disdero acquisition is expected to be tax deductible.

The estimated useful life for the customer relationships and non-compete agreements is 12 years and 5 years, respectively, based on the benchmarking process described above, and these useful life estimates may subsequently change. At this time, the Company plans to operate the acquired Disdero business under the Disdero trade name indefinitely, and therefore the trade name has been assigned an indefinite life and is not being amortized at this time.

The Company incurred expensed acquisition-related costs for the Disdero acquisition of approximately \$1.2 million in fiscal 2025. This amount is reported within Other operating expenses on the Company's consolidated statement of operations.

3. Revenue Recognition

The following table presents the Company's revenues disaggregated by revenue source. Sales and usage-based taxes are excluded from revenues. No single customer of the Company generated 10% or more of the Company's total Net sales during fiscal years 2025, 2024 or 2023.

<i>(in thousands)</i>	Fiscal Year Ended		
	January 3, 2026	December 28, 2024	December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Specialty products	\$ 2,052,990	\$ 2,045,910	\$ 2,184,240
Structural products	901,017	906,622	952,141
Total Net sales	<u>\$ 2,954,007</u>	<u>\$ 2,952,532</u>	<u>\$ 3,136,381</u>

The following table presents the Company's revenues disaggregated by sales channel. Warehouse sales are delivered from the Company's warehouses. Reload sales are similar to warehouse sales but are shipped from non-warehouse locations, most of which are operated by third parties, where the Company stores owned products to enhance operating efficiencies. The reload channel is employed primarily to service strategic customers that are less economical to service from Company warehouses, and to distribute large volumes of imported products from port facilities. Direct sales are shipped from the manufacturer to the customer and therefore the Company does not take physical possession of the inventory and, as a result, typically generate lower margins than the warehouse and reload distribution channels. The direct distribution channel requires the lowest amount of committed capital and fixed costs.

<i>(in thousands)</i>	Fiscal Year Ended		
	January 3, 2026	December 28, 2024	December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Warehouse and reload	\$ 2,454,565	\$ 2,432,820	\$ 2,663,107
Direct	563,459	581,517	535,163
Cash discounts and rebates	(64,017)	(61,805)	(61,889)
Total Net sales	<u>\$ 2,954,007</u>	<u>\$ 2,952,532</u>	<u>\$ 3,136,381</u>

The Company generally expenses sales commissions when incurred because the amortization period would typically be one year or less. These costs are recorded within SG&A expense.

The Company has made an accounting policy election to treat outbound shipping and handling activities as an SG&A expense. Shipping and handling costs include amounts related to the administration of the Company's logistical infrastructure, handling of material in its warehouses, and amounts pertaining to the delivery of products to customers, such as fuel and maintenance costs for mobile fleet, wages for drivers, and third-party freight charges. These expenses were \$165.9 million, \$154.3 million, and \$152.3 million for fiscal 2025, fiscal 2024, and fiscal 2023, respectively.

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4. Goodwill and Other Intangible Assets

Goodwill

The Company's goodwill as of January 3, 2026 originated as follows: \$47.8 million from the 2018 acquisition of Cedar Creek, \$7.6 million from the 2022 acquisition of Vandermeer, and \$11.9 million (preliminary estimate) from the 2025 acquisition of Disdero.

The Company performed its most recent annual impairment assessment for goodwill as of September 28, 2025, which was the first day of its fiscal fourth quarter for 2025. The annual assessments for fiscal 2025 and fiscal 2024 utilized the quantitative assessment method for goodwill and were performed with the assistance of an independent third-party expert. Based on the assessments, the Company concluded that its goodwill was not impaired and therefore no impairment charge was recorded. The Company has no accumulated goodwill impairment losses as of January 3, 2026 or December 28, 2024.

Between the annual assessment dates in fiscal 2025 and fiscal 2024, no events or circumstances were noted to indicate that it was "more likely than not" the fair value of the enterprise was less than its carrying value.

The activity and carrying amounts of the Company's goodwill were as follows:

	Total Carrying Amount
	<i>(In thousands)</i>
Balance as of December 30, 2023	\$ 55,372
Balance as of December 28, 2024	\$ 55,372
Disdero business combination ⁽¹⁾	11,854
Balance as of January 3, 2026	\$ 67,226

⁽¹⁾ Preliminary estimate. See Note 2, *Business Combination*, to the consolidated financial statements.

Intangible Assets from Business Combinations

The Company has no accumulated impairment charges for intangible assets as of January 3, 2026 or December 28, 2024. The gross carrying amounts, accumulated amortization, and net carrying amounts of our intangible assets as of January 3, 2026 were as follows:

	Weighted Average Remaining Useful Lives	Gross Carrying Amounts	Accumulated Amortization	Net Carrying Amounts
			<i>(\$ amounts in thousands)</i>	
Definite-Life:				
Customer relationships ⁽¹⁾	10	\$ 95,800	\$ (26,201)	\$ 69,599
Non-compete agreements ⁽¹⁾	5	5,400	(599)	4,801
Total definite-lived		101,200	(26,800)	74,400
Indefinite-Life:				
Trade name	NA	12,300	NA	12,300
Total		\$ 113,500	\$ (26,800)	\$ 86,700

⁽¹⁾ Intangible assets are amortized on straight-line basis.

The Net Carrying Amounts in the table above include \$46.7 million for customer relationships, \$4.6 million for non-compete agreements, and \$12.3 million for trade name from the Disdero business combination that occurred on October 31, 2025. These amounts are based on preliminary estimates of the acquisition-date fair values of these assets. See Note 2, *Business Combination*, to the consolidated financial statements.

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The gross carrying amounts, accumulated amortization, and net carrying amounts of our definite-lived intangible assets as of December 28, 2024 were as follows:

	Weighted Average Remaining Useful Lives	Gross Carrying Amounts	Accumulated Amortization ⁽¹⁾	Net Carrying Amounts
			<i>(\$ amounts in thousands)</i>	
Customer relationships	8	\$ 48,500	\$ (22,254)	\$ 26,246
Non-compete agreements	3	700	(315)	385
Trade names	1	1,000	(750)	250
Total		<u>\$ 50,200</u>	<u>\$ (23,319)</u>	<u>\$ 26,881</u>

⁽¹⁾ Intangible assets are amortized on straight-line basis.

The Company's definitive-life intangible assets are subject to amortization and must also be tested for impairment if events or circumstances indicate the carrying amounts may be impaired. No such indicators were noted in fiscal 2025 or fiscal 2024, and therefore no impairments were recorded.

Amortization Expense

Amortization expense for the definite-lived intangible assets was \$4.5 million, \$3.9 million, and \$4.2 million for the fiscal years ended January 3, 2026, December 28, 2024, and December 30, 2023, respectively.

Estimated annual amortization expense for definite-lived intangible assets over the next five fiscal years is as follows:

Fiscal Year	Estimated Amortization
	<i>(In thousands)</i>
2026	\$ 8,362
2027	8,327
2028	8,222
2029	8,222
2030	7,095

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5. Segment Reporting

The Company has one reportable segment: building products. The segment sells building products that are grouped into two primary categories: specialty products and structural products. The Company's CODM is its chief executive officer (CEO). The Company derives substantially all of its revenues from the United States and all of the Company's assets are located in the United States. No single customer of the Company generated 10% or more of the Company's total Net sales during fiscal years 2025, 2024 and 2023. The measure of segment assets is reported on the Company's balance sheet as total consolidated assets. The segment's accounting policies are the same as the accounting policies for the Company, as described in Note 1, *Summary of Significant Accounting Policies*.

The CODM's method under GAAP that is used to assess performance and allocate resources is based on Net income as reported on the Company's consolidated statement of operations. The following table presents information about Net income and significant expenses that are regularly reviewed by the Company's CODM:

<i>(in thousands)</i>	<u>Fiscal 2025</u> <i>(53 weeks)</i>	<u>Fiscal 2024</u> <i>(52 weeks)</i>	<u>Fiscal 2023</u> <i>(52 weeks)</i>
Net sales	\$ 2,954,007	\$ 2,952,532	\$ 3,136,381
Expenses:			
Cost of specialty products sold	1,683,997	1,648,285	1,763,446
Cost of structural products sold	818,382	815,108	845,918
SG&A - delivery and logistics	165,878	154,293	152,313
SG&A - sales	73,480	68,620	67,274
SG&A - all other	141,751	142,619	136,232
Depreciation of property and equipment	35,424	34,576	27,846
Amortization of definite-lived intangible assets	4,481	3,912	4,197
Recognition of deferred gains on real estate	(3,934)	(3,934)	(3,934)
Interest expense	49,680	47,169	44,654
Interest income	(17,326)	(27,805)	(20,908)
Settlement of frozen defined benefit pension plan	—	(2,481)	30,440
Other, net	2,065	1,483	7,017
(Benefit) provision for income taxes	(90)	17,571	33,350
Total segment expenses	<u>2,953,788</u>	<u>2,899,416</u>	<u>3,087,845</u>
Segment net income	<u>219</u>	<u>53,116</u>	<u>48,536</u>
Reconciliation of profit or loss:			
Adjustments and reconciling items	—	—	—
Consolidated net income	<u>\$ 219</u>	<u>\$ 53,116</u>	<u>\$ 48,536</u>

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6. Property and Equipment

Property and equipment as of January 3, 2026 and December 28, 2024, consisted of the following:

	As of	
	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Land and land improvements	\$ 34,064	\$ 31,834
Buildings	222,165	210,875
Machinery and equipment	218,432	175,981
Construction in progress	20,792	24,938
	<u>495,453</u>	<u>443,628</u>
Accumulated depreciation	(208,693)	(194,072)
Property and equipment, net	<u>\$ 286,760</u>	<u>\$ 249,556</u>

Depreciation expense for property and equipment was \$35.4 million, \$34.6 million, and \$27.8 million for the years ended January 3, 2026, December 28, 2024, and December 30, 2023, respectively. See Note 13, *Lease Commitments*, to the consolidated financial statements for disclosure about the Company's property and equipment that is held under finance lease obligations.

7. Income Taxes

For fiscal 2025, the Company's statutory income tax rate was 25.1 percent, and it was comprised of the federal statutory income tax rate of 21.0 percent and the blended state statutory income tax rate of 4.1 percent. In fiscal 2024, the Company's statutory income tax rate was also 25.1 percent, and it was comprised of the federal statutory income tax rate of 21.0 percent and the blended state statutory income tax rate of 4.1 percent. In fiscal 2023, the Company's statutory income tax rate was 25.3 percent, and it was comprised of the federal statutory income tax rate of 21.0 percent and the blended state statutory income rate of 4.3 percent. The Company's blended state income tax rate is impacted by the mix of income earned in various states and by the Company's federal taxable income, both of which may differ from year to year. The Company's effective income tax rate is impacted by the effects of permanent differences occurring throughout the fiscal year.

The Company's income tax (benefit) expense and the effective income tax rates were as follows:

	Fiscal Year Ended January 3, 2026		Fiscal Year Ended December 28, 2024		Fiscal Year Ended December 30, 2023	
	<i>53 weeks</i>		<i>52 weeks</i>		<i>52 weeks</i>	
<i>(\$ amounts in thousands)</i>						
Income before provision (benefit) for income taxes	\$	129	\$	70,687	\$	81,886
Federal income taxes:						
Current	\$	(754)	\$	11,255	\$	20,221
Deferred		270		1,490		7,993
State income taxes:						
Current		700		3,638		5,373
Deferred		(306)		1,188		(237)
(Benefit) provision for income taxes	<u>\$</u>	<u>(90)</u>	<u>\$</u>	<u>17,571</u>	<u>\$</u>	<u>33,350</u>
Effective income tax rate		(a)		24.9 %		40.7 %

(a) The Company income tax benefit and income before income taxes were not material for fiscal 2025.

The accounting for the one-time settlement for the single-employer defined benefit pension plan increased the effective income tax rate for fiscal 2023 by 14.8%.

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For fiscal 2025, the Company's benefit for income taxes is reconciled to the federal statutory amount as follows:

<i>(\$ amounts in thousands)</i>	Fiscal 2025	
	<i>53 weeks</i>	
	\$ Amount	%
Income before income taxes	\$ 129	
Federal income taxes computed at the federal statutory tax rate	\$ 27	21 %
Increases (decreases) in income tax from:		
Domestic state and local income taxes, net of federal benefit ⁽¹⁾	(6)	(4.7)%
Nontaxable or nondeductible items:		
Stock-based compensation - excess income tax benefit	(977)	(757.4)%
Executive compensation	308	238.8 %
Meals and entertainment	291	225.6 %
Other items	47	36.4 %
Other:		
Adjustment to balances of deferred income taxes	220	170.5 %
Benefit for income taxes	\$ (90)	(69.8)%

⁽¹⁾ For the state income tax effect, taxes were not material for any single state or in the aggregate. Local income taxes were not material.

The Company's provisions for income taxes are reconciled to the federal statutory amounts as follows for fiscal 2024 and fiscal 2023:

<i>(in thousands)</i>	Fiscal 2024		Fiscal 2023	
	<i>52 weeks</i>		<i>52 weeks</i>	
	\$		\$	
Federal income taxes computed at the federal statutory tax rate	\$	14,844	\$	17,196
State income taxes, net of federal benefit		4,188		4,609
Valuation allowance change arising from state net operating losses		49		(621)
Pension plan settlement ⁽¹⁾		—		12,150
Uncertain tax positions		(1,371)		(356)
Permanent differences arising from compensation		(95)		746
Other		(44)		(374)
Provision for income taxes	\$	17,571	\$	33,350

⁽¹⁾ \$4.5 million was reclassified from accumulated other comprehensive income in fiscal 2023

The Company's consolidated financial statements contain certain deferred income tax assets which primarily result from other temporary differences related to certain reserves, accrued liabilities, pension obligations, differences between book and tax depreciation and amortization, and state net operating losses. The Company records a valuation allowance against deferred income tax assets when it is determined, based on the weight of available evidence, that it is more likely than not that some or all of the Company's deferred income tax assets will not be realized in the future.

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For fiscal 2025 and fiscal 2024, components of the Company's deferred income tax assets and deferred income tax liabilities are as follows:

	As of	
	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Deferred income tax assets:		
Inventory reserves	\$ 3,685	\$ 4,179
Compensation-related accruals	6,431	6,339
Accounts receivable	945	793
Property and equipment	33,127	41,481
Operating lease liability	14,031	12,203
Pension plans	2,561	2,701
Benefit from net operating loss carryovers	11,074	3,809
Other	92	40
Total gross deferred income tax assets	71,946	71,545
Less: valuation allowances	(3,444)	(3,505)
Total net deferred income tax assets	\$ 68,502	\$ 68,040
Deferred income tax liabilities:		
Intangible assets	\$ (2,956)	\$ (4,279)
Operating lease asset	(13,625)	(11,823)
Other	(1,306)	(1,360)
Total deferred income tax liabilities	(17,887)	(17,462)
Deferred income tax asset, net	\$ 50,615	\$ 50,578

Activity in the Company's deferred income tax asset valuation allowance for fiscal 2025 and fiscal 2024 was as follows:

	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Balance as of beginning of the fiscal year	\$ 3,505	\$ 3,456
Valuation allowance increases (decreases) related to:		
State net operating loss carryforwards	(61)	49
Balance as of end of the fiscal year	\$ 3,444	\$ 3,505

The Company has recorded income tax and related interest liabilities where it believes certain income tax positions are not more likely than not to be sustained if challenged. These balances are included in Other noncurrent liabilities in the Company's consolidated balance sheets.

The following table summarizes the activity related to our gross unrecognized income tax benefits:

	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Balance at beginning of the fiscal year	\$ 596	\$ 3,281
Additions for tax positions of current fiscal year	18	—
Reductions due to lapse of applicable statute of limitations	—	(2,685)
Balance at end of the fiscal year	\$ 614	\$ 596

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Included in the unrecognized income tax benefits as of January 3, 2026 and December 28, 2024, were approximately \$0.6 million and \$0.6 million, respectively of income tax benefits that, if recognized, would reduce the Company's annual effective income tax rate for fiscal 2025 and fiscal 2024. Penalties accrued for fiscal 2025 and fiscal 2024 were not material. The Company has accrued interest associated with its unrecognized income tax benefits which it releases as those benefits are realized due to the lapse of applicable statute of limitations. Interest expense associated with the Company's unrecognized income tax benefits is reported as Interest expense, net in the Company's consolidated statement of operations and comprehensive income. Such interest expense has not been material in any reporting period presented herein.

Net Operating Losses

At the end of fiscal 2025, the Company's gross federal net operating loss carryovers were \$30.0 million, representing a future net tax benefit of approximately \$6.3 million. These federal loss carryovers have an indefinite expected carryforward period. At the end of fiscal 2025, the Company's gross state net operating loss carryovers were \$92.9 million and its tax-effected state net operating loss carryovers were \$4.7 million, of which \$3.4 million was subject to a valuation allowance arising from expiration dates when considered in conjunction with state limitations related to Internal Revenue Code ("IRC") Section 382. At the end of fiscal 2024, the Company's gross state net operating loss carryovers were \$73.1 million and tax-effected state net operating loss carryovers were \$3.7 million, of which \$3.5 million was subject to a valuation allowance arising from expiration dates when considered in conjunction with state limitation related to IRC Section 382. Certain of the Company's state net operating loss carryovers will expire in 5 to 20 years, while others are expected to carry forward indefinitely.

Federal and State Tax Filings

The Company files U.S. federal and state income tax returns in jurisdictions with varying statutes of limitations and may be subject to audit based on periods that are not limited by applicable statutes. The Company's U.S. federal income tax returns for tax years 2022, 2023 and 2024 remain subject to audit under the federal statute of limitations. The Company's auditable state income tax returns vary depending on the jurisdiction and its applicable statute of limitations.

Assessing Deferred Tax Assets

Quarterly, the Company assesses the carrying value of its deferred income tax assets for impairment by evaluating the weight of available evidence at the end of each fiscal quarter. In the evaluation of the weight of available evidence at the end of fiscal 2025, the Company considered the recent reported income in the current year, as well as the reported income for 2024 and 2023, which resulted in a three-year cumulative income situation as positive evidence which carried substantial weight. While this was substantial, it was not the only evidence evaluated. The Company also considered evidence related to the four sources of taxable income, to determine whether such positive evidence outweighed the negative evidence. The evidence considered included:

- future reversals of existing taxable temporary differences;
- future taxable income exclusive of reversing temporary differences and carryforwards;
- taxable income in prior carryback years, if carryback is permitted under the tax law; and
- income tax planning strategies.

In addition to the positive evidence discussed above, the Company considered as positive evidence forecasted future taxable income, the future timing of the reversal of its deferred income tax assets and liabilities, and the evidence from business and tax planning strategies. At the end of fiscal 2025 and fiscal 2024, in the Company's evaluation of the weight of available evidence, the Company concluded that its deferred income tax assets were not impaired other than \$3.4 million and \$3.5 million, respectively, of the state net operating losses.

Although the Company believes its estimates are reasonable in the carrying value of its valuation allowances against its deferred income tax items, the ultimate determination of the appropriate amounts of valuation allowance involves significant judgement.

Federal and State Income Tax Payments, Net of Refunds

During the fiscal year ended January 3, 2026, the Company paid U.S. federal income taxes, net of refunds, totaling \$3.9 million and paid state income taxes, net of refunds, of \$0.1 million. Income tax payments, net of refunds, to any single state did not exceed five percent of the Company's total income tax paid, net of refunds. Local income taxes paid by the Company were not

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material.

On July 4, 2025, the law formally titled “An Act to Provide for the Reconciliation Pursuant to Title II of H. Con. Res. 14” (commonly referred to as the “One Big Beautiful Bill” or “OBBB”) was signed into law. The OBBB did not have a material effect on the Company effective income tax rates for fiscal 2025 and is not expected to have a material effective in future years. However, the bonus depreciation provisions of the OBBB reduced the Company’s cash payments for income taxes by approximately \$1.2 million for fiscal 2025, based on qualifying assets in fiscal 2025.

During the fiscal year ended January 3, 2026, the Company did not pay income taxes to any jurisdictions outside of the United States.

8. Debt and Finance Lease Obligations

As of January 3, 2026, and December 28, 2024, outstanding debt and finance leases consisted of the following:

	As of	
	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Senior secured notes ⁽¹⁾	\$ 300,000	\$ 300,000
Revolving credit facilities ⁽²⁾	—	—
Unamortized debt issuance costs ⁽¹⁾	(1,349)	(2,437)
Unamortized bond discount ⁽¹⁾	(1,991)	(2,502)
	296,660	295,061
Finance lease obligations ⁽³⁾	321,279	\$ 292,543
Less: current portions of finance leases	22,348	12,541
Total debt and finance leases, net of current portions	\$ 595,591	\$ 575,063

⁽¹⁾ As of January 3, 2026 and December 28, 2024, long-term debt was comprised of \$300 million of senior secured notes issued in October 2021. These notes are presented under the Long-term debt caption of the Company’s consolidated balance sheets at \$296.7 million and \$295.1 million as of January 3, 2026 and December 28, 2024, respectively. This presentation is net of unamortized bond discount of \$2.0 million and \$2.5 million and unamortized debt issuance costs of \$1.3 million and \$2.4 million as of January 3, 2026 and December 28, 2024, respectively. The senior secured notes are presented in the above table at face value and have an annual interest rate of 6.0% through maturity.

⁽²⁾ No borrowings were outstanding during fiscal 2025 or fiscal 2024. Available borrowing capacity under revolving credit facilities was \$340.1 million and \$346.2 million on January 3, 2026 and December 28, 2024, respectively. Available borrowing capacity is net of undrawn letters of credit commitments.

⁽³⁾ Refer to Note 13, *Lease Commitments*, to the consolidated financial statement for interest rates associated with finance lease obligations.

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Interest expense, net on the Company's consolidated statements of operations consisted of the following components:

(in thousands)

	Fiscal Year Ended		
	January 3, 2026	December 28, 2024	December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Interest expense	\$ 49,680	\$ 47,169	\$ 44,654
Less: interest income	17,326	27,805	20,908
Interest expense, net	<u>\$ 32,354</u>	<u>\$ 19,364</u>	<u>\$ 23,746</u>

Interest expense for the reporting periods presented in the above table primarily reflects interest expense for the 2029 Notes, interest expense on finance lease obligations, certain ongoing fees for the revolving credit facilities that are classified as interest expense, amortization of debt issuance costs for the 2029 Notes and revolving credit facilities, and amortization of original-issue bond discount on the 2029 Notes. Total amortization of debt issuance costs plus bond discount costs was \$1.5 million, \$1.3 million, and \$1.3 million for fiscal year 2025, 2024, and 2023, respectively. Interest income for fiscal year 2025 and 2024 included \$0.5 million and \$2.7 million, respectively, received and related to retroactive adjustments associated with certain antidumping duties for imported wood moulding and millwork products (see Note 1, *Summary of Significant Accounting Policies*, to the consolidated financial statements, under the heading Inventory). Interest expense for fiscal year 2025 and 2024 included \$0.8 million and \$1.2 million, respectively, of estimated interest expense related to import duties that the Company believes it may owe (see Note 14, *Commitments and Contingencies*, to the consolidated financial statements).

Senior Secured Notes

In October 2021, the Company and certain subsidiaries completed a private offering of \$300.0 million of 6.0 percent senior secured notes due November 2029 (the "2029 Notes"), and in connection therewith entered into an indenture (the "Indenture") with the subsidiary guarantors and Truist Bank, as trustee and collateral agent. The 2029 Notes were issued to investors at 98.625 percent of their principal amount. The 2029 Notes are secured by a first-priority security interest in substantially all of the Company's assets, other than accounts receivables, inventory, deposit accounts, securities accounts, business interruption insurance and other related assets. The majority of net proceeds from the offering of the 2029 Notes were used to repay borrowings under the Company's Revolving Credit Facility, as described below. The 2029 Notes will mature on November 15, 2029, however at the sole discretion of the Company, the notes may be redeemed, in whole or in part, prior to scheduled maturity. Early redemptions made by the Company prior to November 15, 2026 could require the Company to pay a redemption premium, as defined in the Indenture. Interest expense for the 2029 Notes totaled \$18.0 million in each of the fiscal years 2025, 2024, and 2023.

Revolving Credit Facility and Prior Revolving Credit Facility

On August 27, 2025, the Company entered into a new credit agreement with certain of the Company's subsidiaries, as borrowers (together with the Company, the "Borrowers") or guarantors thereunder, Bank of America, National Association, in its capacity as administrative agent and swing line lender ("BofA"), and certain other financial institutions party thereto (the "Credit Agreement"). The Credit Agreement matures August 27, 2030 and initially provides for a senior secured revolving loan and letter of credit facility of up to \$350 million (the "Revolving Credit Facility"). The Revolving Credit Facility also includes a \$35 million swing line subfacility and letters of credit in an aggregate amount of up to \$30 million are available under the Revolving Credit Facility. Subject to certain conditions and consents, the Borrowers have the option to increase the facility by an aggregate additional principal amount of up to \$300 million. If the Borrowers obtain the full amount of the additional increases in commitments, the Revolving Credit Facility could allow total borrowings of up to \$650 million. The Company capitalized new debt issuance costs of \$3.1 million in connection with execution of the Credit Agreement on August 27, 2025. On the Company's consolidated balance sheet, the unamortized balance of these debt issuance costs is included within Other non-current assets.

In connection with the execution of the Credit Agreement, the Company and certain of the Company's subsidiaries also entered into a Guaranty and Security Agreement with BofA (the "Revolving Guaranty and Security Agreement"). Pursuant to the Revolving Guaranty and Security Agreement, the Borrowers' obligations under the Credit Agreement are secured by a security interest in substantially all of the Company's and its subsidiaries' assets (other than real property), including inventories, accounts receivable, and proceeds from those items. A collateral agent is used by the Borrowers.

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Any borrowings under the Credit Agreement are subject to availability under the Borrowing Base (as such term is defined in the Credit Agreement). The Borrowers will be required to repay revolving loans thereunder to the extent that such revolving loans exceed the Borrowing Base then in effect. The Revolving Credit Facility may be prepaid in whole or in part from time to time without penalty or premium, but including all breakage costs incurred by any lender thereunder.

If borrowings are outstanding under the Credit Agreement, interest accrues at a rate per annum equal to (i) the then-current Secured Overnight Financing Rate (“SOFR”) plus a margin ranging from 1.25% to 1.75%, with the amount of such margin determined based upon the average of the Borrowers’ excess availability (as defined) for the immediately preceding fiscal quarter as calculated by the administrative agent, for loans based on SOFR, or (ii) the administrative agent’s base rate plus a margin ranging from 0.25% to 0.75%, with the amount of such margin determined based upon the average of the Borrowers’ excess availability (as defined) for the immediately preceding fiscal quarter as calculated by the administrative agent, for loans based on the base rate.

In the event excess availability falls below the greater of (i) \$30 million and (ii) 10% of the lesser of (a) the borrowing base and (b) the aggregate revolver commitments of all lenders at such time, the Credit Agreement requires maintenance of a fixed charge coverage ratio of 1.0 to 1.0 until such time as the Borrowers’ excess availability has been at least the greater of (i) \$30 million and (ii) 10% of the lesser of (a) the borrowing base and (b) the maximum permitted credit at such time for a period of 30 consecutive days.

The Credit Agreement replaced the Borrowers’ existing \$350 million secured revolving credit facility, dated April 13, 2018, as amended, by and among the Company, certain of the Company’s subsidiaries, as borrowers or guarantors thereunder, Wells Fargo Bank, National Association, in its capacity as administrative agent, and certain other financial institutions party thereto (the “Prior Revolving Credit Facility”). No borrowings were outstanding on the Prior Revolving Credit Facility on August 27, 2025 and the balance of its unamortized debt issuance costs was not material.

As of January 3, 2026, we had zero outstanding borrowings and excess availability, including cash in qualified accounts, of \$725.9 million under our Revolving Credit Facility. As of December 28, 2024, we had zero outstanding borrowings on the Prior Revolving Credit Facility and excess availability, including cash in qualified accounts, of \$851.8 million under our Prior Revolving Credit Facility. Available borrowing capacity under our Revolving Credit Facility and Prior Revolving Credit Facility was \$340.1 million and \$346.2 million on January 3, 2026 and December 28, 2024, respectively.

During fiscal 2025, fiscal 2024, and fiscal 2023, the Company incurred no interest expense for the Revolving Credit Facility or Prior Revolving Credit Facility since no borrowings were outstanding during those fiscal years. During fiscal 2025, 2024, and 2023, the Company incurred \$0.9 million, \$1.0 million, and \$1.0 million respectively, of fees associated with the Revolving Credit Facility, primarily unused line fees. These expenses are included in Interest expense, net on the Company’s consolidated statement of operations.

Debt Covenants

The Revolving Credit Facility and the 2029 Notes contain various covenants and restrictions, including customary financial covenants. The Company’s right to make draws on the Revolving Credit Facility may be conditioned upon, among other things, compliance with these covenants. The Company was in compliance with all covenants as of January 3, 2026. These covenants also limit the Company’s ability to, among other things incur additional debt, grant liens on assets, make investments, repurchase stock, pay dividends and make distributions, sell or acquire assets, including certain real estate assets, outside the ordinary course of business, engage in transactions with affiliates, and make fundamental business changes.

Finance Lease Obligations

The Company’s finance lease liabilities consist of leases related to vehicles, real estate, and equipment. For more information on the Company’s finance lease obligations, refer to Note 13, *Lease Commitments*, to the consolidated financial statements.

9. Fair Value

As of January 3, 2026 and December 28, 2024, the Company has no assets or liabilities for which the carrying value is remeasured to fair value at the end of each reporting period. The Company has not elected the fair value reporting option for any of its financial instruments.

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Fair Value Disclosures

The fair value of cash, cash equivalents, accounts receivable, accounts payable and accrued liabilities, to the extent the underlying liability will be settled in cash, approximates the carrying values because of the short-term nature of these instruments.

Debt

The estimated fair value of the Company's 2029 Notes was determined based on Level 2 input using observable market prices in less active markets, as presented below:

	As of			
	January 3, 2026		December 28, 2024	
	Carrying Value ⁽¹⁾	Fair Value	Carrying Value ⁽¹⁾	Fair Value
	<i>(In thousands)</i>			
2029 Notes	\$ 296,660	\$ 295,594	\$ 295,061	\$ 293,597

⁽¹⁾ The \$300 million obligation for the 2029 Notes is presented on the Company's consolidated balance sheets net of unamortized debt issuance costs and discount totaling \$3.3 million and \$4.9 million as of January 3, 2026 and December 28, 2024, respectively. Periodic amortization of the issuance costs and discount each reporting period causes the carrying value of the 2029 Notes to gradually increase to the \$300 million maturity amount scheduled for November 15, 2029. See Note 8, *Debt and Finance Lease Obligations*, to the consolidated financial statements.

There were no borrowings outstanding under the Company's Revolving Credit Facility or Prior Revolving Credit Facility during fiscal 2025 or fiscal 2024. However, the fair value of any outstanding borrowing under the revolving credit facilities would approximate the carrying value of the outstanding borrowings since the interest rate is variable and reflective of market interest rates.

10. Employee Retirement Plans**Multi-Employer Pension Plans**

The Company is involved in various multi-employer pension plans ("MEPPs") that provide retirement and certain disability benefits to certain union employees in accordance with certain collective bargaining agreements ("CBAs"). As one of many participating employers in these MEPPs, the Company is generally responsible with the other participating employers for any plan underfunding. The Company's contributions to a particular MEPP are established by the applicable CBAs, however required contributions may increase based on the funded status of an MEPP and legal requirements such as those of the Pension Act, which requires substantially underfunded MEPPs to implement a funding improvement plan ("FIP") or a rehabilitation plan ("RP") to improve their funded status. Factors that could impact funded status of an MEPP include, without limitation, investment performance, changes in the participant demographics, decline in the number of contributing employers, changes in actuarial assumptions, and the utilization of extended amortization provisions. A FIP or RP requires a particular MEPP to adopt measures to correct its underfunded status. These measures may include, but are not limited to, an increase in the Company's contribution rate to the applicable CBA, a reallocation of the contributions already being made by participating employers for various benefits to individuals participating in the MEPP, and/or a reduction in the benefits to be paid to future and/or current retirees.

The Company could also be obligated to make future payments to MEPPs if it either ceases to have an obligation to contribute to the MEPP or significantly reduces its contributions to the MEPP because the Company reduced its number of employees who are covered by the relevant MEPP for various reasons, including, but not limited to, layoffs or closures, assuming the MEPP has unfunded vested benefits. The amount of such payments (known as a complete or partial withdrawal liability) generally would equal the Company's proportionate share of the plan's unfunded vested benefits.

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Only one of the MEPP plans is currently deemed to be significant to the Company, and the following table provides the required disclosures for this plan. “Contributions” represent the amounts contributed by the Company during the fiscal years presented:

(\$ amounts in thousands)

Pension Fund:	EIN/Pension Plan Number	Pension Act Zone Status	FIP/RP Status ⁽¹⁾	Surcharge	Contributions by Company		
					2025	2024	2023
Central States, Southeast and Southwest Areas Pension Fund (“Central States Plan”)	366044243	Critical (December 31, 2025 and 2024)	RP	No	\$ 388.6	\$ 350.0	\$ 357.8

⁽¹⁾ Funding Improvement Plan or Rehabilitation Plan, as defined by the Pension Protection Act of 2006

The Company’s contributions to the Central States Plan are approximately 0.1% of total contributions, which is less than the required disclosure threshold of five percent of total plan contributions. However, this plan is deemed significant for disclosure as it is severely underfunded, as defined. The current CBA that requires contributions to the plan expires on December 31, 2028. In May 2020, the Company received a demand letter for payment resulting from its partial withdrawal in 2018 from the Central States Plan and started making payments in June 2020. These payments are payable monthly for a period of 20 years. The Company’s liability for the remainder of these payments was \$6.2 million as of January 3, 2026. The Company may, in the future, record an additional liability if required by an event of our complete withdrawal from the plan or a mass withdrawal. The Company’s most recent contingent withdrawal liability was estimated at approximately \$30.4 million for a complete withdrawal occurring in 2025. In the case of a complete withdrawal or a mass withdrawal, the Central States Plan could demand yearly payments of approximately \$0.7 million, which do not include payments for the partial withdrawal of approximately \$0.6 million annually. In a complete withdrawal, the payments would not amortize the liability fully; however, payments for a complete withdrawal are limited to a 20-year period. In the case of a mass withdrawal, the liability would not amortize fully under current government regulations, and payments would continue indefinitely.

Defined Contribution Plans

Eligible Company employees can participate in one of two defined contribution plans: the BlueLinx Corporation Hourly Savings Plan (“Hourly Plan”) covering most hourly employees or the BlueLinx Corporation Salaried Savings Plan (“Salaried Plan”) covering salaried employees and specific hourly employees groups not included in the Hourly Plan. Effective January 1, 2025, these plans were merged into the LifeSight Pooled Employer Plan (“LifeSight PEP”) as distinct participating employer plans. Additionally, effective January 1, 2026 the two plans were merged into a singular plan under LifeSight PEP. Discretionary matching contributions to the plans are based on employee contributions and compensation, and, in certain cases, participants in the Hourly Plan also receive employer contributions based on union negotiated match amounts.

Employer contributions to the Hourly Plan for fiscal year 2025 were approximately \$1.1 million, of which \$0.1 million was for fiscal 2024. Employer contributions for fiscal 2024 were approximately \$1.1 million, of which less than \$0.1 million was for fiscal 2023. Employer contributions were approximately \$0.9 million for fiscal 2023.

Employer contributions to the salaried savings plan for fiscal 2025 were approximately \$2.7 million, of which \$0.2 million was for fiscal 2024. Employer contributions to the salaried savings plan for fiscal 2024 were approximately \$2.5 million, of which \$0.1 million was for fiscal 2023. Employer contributions to the salaried savings plan for fiscal 2023 were approximately \$2.5 million.

Single-Employer Defined Benefit Pension Plan

As previously disclosed, in October 2022, the Company, as sponsor, notified participants in its noncontributory defined benefit pension plan (the “DB Plan”) that the Company intended to transfer financial responsibility for the management and delivery of continuing benefits associated with the DB Plan to a highly rated insurance company with pension settlement experience. Most of the participants in the DB Plan were inactive, with all remaining active participants no longer accruing benefits, and the DB Plan had been previously closed to new entrants. The DB Plan’s accumulated benefit obligation and its projected benefit obligation were the same amount (a “frozen” plan), and the Company has not incurred service cost under the plan since fiscal year 2019. Benefits under the plan were primarily related to years of service. The DB Plan’s assets were maintained in a separate trust entity prior to settlement, and then used to fund the settlement transaction as described below.

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Effective December 5, 2023, the Company settled the frozen DB Plan by purchasing an irrevocable nonparticipating annuity contract with an insurance company (the “buy-out contract”). The buyout contract met the requirements for a settlement, as that term is defined in ASC No. 715, *Compensation-Retirement Benefits*, and the DB Plan and Company, as sponsor, have been relieved of primary responsibility for the benefits obligations.

Immediately before the settlement, benefit obligations and plan assets of the DB Plan were \$78.7 million and \$78.7 million, respectively. The plan assets included a final cash contribution of \$6.9 million made by the Company in fiscal 2023, as sponsor, at the time the buy-out contract was purchased. During fiscal 2024, the Company received a net refund of \$2.5 million related to an adjustment to the settlement cost.

Substantially all of the plan assets were used to purchase the buyout contract from the insurance company on December 5, 2023. Just prior to settlement, the Company’s accumulated other comprehensive loss included unrecognized pension cost of \$30.4 million plus unrecognized deferred taxes of \$4.5 million, for a total of \$34.9 million and these amounts were reclassified into earnings at settlement in fourth quarter of fiscal 2023.

The net adjustment to other comprehensive income for fiscal 2023 was a \$32.7 million pre-tax loss. The amount for fiscal 2023 included a \$30.4 million settlement loss. The remainder of the amount for fiscal 2023 was primarily due to a combination of actuarial adjustments at year end in addition to the amortization of unrealized gain and/or losses throughout the fiscal year.

The net periodic pension (benefit) cost for the plan included the following:

	Fiscal Year Ended December 28, 2024	Fiscal Year Ended December 30, 2023
	<i>(In thousands)</i>	
Service cost	\$ —	\$ —
Interest cost on projected benefit obligation	—	4,419
Expected return on plan assets	—	(3,249)
Amortization of unrecognized loss	—	1,207
Before settlement ⁽¹⁾	—	2,377
Settlement (gain) loss ⁽²⁾	(2,481)	30,440
Net periodic pension (benefit) cost for the pension plan	<u>\$ (2,481)</u>	<u>\$ 32,817</u>

(1) On the Company’s consolidated statements of operations, reported within Other expenses (income), net

(2) The DB Pension Plan was frozen, and no service cost had been incurred for the plan after fiscal 2019. The settlement loss in fiscal 2023 and adjustment in fiscal 2024 are reported as a non-operating expense on the Company’s consolidated statement of operations.

11. Share-Based Compensation

The Company maintains the BlueLinx Holdings, Inc. 2021 Long-Term Incentive Plan (the “2021 Plan”), which permits the grant of nonqualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units (“RSUs”), performance shares, performance units, cash-based awards, and other share-based awards to eligible employees and board members who are selected by the Company’s board of directors or a committee of the board of directors. The Company reserved 750,000 shares of its common stock for issuance under the 2021 Plan.

At any time, the number of remaining shares available for future grants against the 750,000 share authorization is determined by: subtracting the number of shares associated with grants that have been issued under the 750,000 share authorization, whether vested or unvested; adding the number of shares associated with those grants that have been either subsequently forfeited or cancelled; and adding the number of shares that were repurchased by the Company at vesting to satisfy employee payroll withholding taxes for grants, other than any grants of SARs or stock options, that were issued against the 750,000 share authorization. Additionally, shares available for issuance under the 2021 Plan include certain shares associated with grants made under the Company’s prior equity compensation plans, as follows: forfeitures and cancellations of grants that occur after May 20, 2021, and shares repurchased by the Company to satisfy employee payroll withholding taxes for grants, other than any grants of SARS or stock options, that vest after May 20, 2021. As of January 3, 2026, there were 343,831 shares of common stock available for issuance pursuant to future equity-based compensation awards under the 2021 Plan.

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The Company typically issues new shares of its common stock to participants upon the exercise or vesting of vested grants out of the total amount of common shares available for issuance under the aforementioned plan. The 2021 Plan does not permit the payment of dividends or dividend equivalents on unvested grants that include underlying shares of the Company's common stock.

During fiscal 2024 and 2023, the Company issued service-based and performance-based RSU grants to eligible employees and members of the Company's board of directors. During fiscal 2025, the Company issued service-based and market-based RSU grants to eligible employees and members of the Company's board of directors. Performance-based and market-based grants typically also have a service requirement for vesting, similar to the service-based awards. Each RSU represents a contingent right to receive one share of our common stock at a future date.

Service-Based Restricted Stock Units (Time-based)

Service-based RSUs are issued to eligible employees and members of the Company's board of directors. Service-based RSUs issued to members of the Company's board of directors typically vest over a one-year service vesting period, although a pro-rated portion of the award may vest and settle prior to the one-year period with the remainder forfeited if the director is not standing for re-election or upon retirement from the Company's board of directors. Service-based RSUs issued to employees of the Company typically vest ratably over a three-year service vesting period.

The following table summarizes activity for service-based RSUs for fiscal years 2025, 2024, and 2023:

	Time-Based	
	Number of Awards	Weighted Average Grant-Date Fair Value
Outstanding as of December 31, 2022	264,360	\$ 55.07
Granted	158,276	90.49
Vested	(170,066)	50.30
Forfeited	(50,264)	75.67
Outstanding as of December 30, 2023	202,306	82.25
Granted	153,429	103.69
Vested	(105,216)	79.45
Forfeited	(40,236)	94.21
Outstanding as of December 28, 2025	210,283	97.08
Granted	250,637	72.26
Vested	(104,701)	97.08
Forfeited	(54,647)	87.48
Outstanding as of January 3, 2026	301,572	77.85

The total fair value of service-based RSUs that vested in fiscal 2025, 2024, and 2023 was \$7.4 million, \$11.0 million and \$14.3 million, respectively. If all grant recipients provide the required service to the Company over the remaining vesting periods, all 301,572 of the outstanding time-based RSUs are expected to vest.

Performance-Based Restricted Stock Units

Performance-based RSUs are issued to eligible employees and typically vest over a three-year period based on the achievement of performance goals based on three-year cumulative adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) of the Company and three-year average return on working capital ("ROWC") for the Company. The grant recipient must also typically complete a three-year service vesting period.

Expense for fiscal year 2024 included a credit of \$4.3 million related to cumulative adjustments for performance-based RSUs granted in 2022 and 2023. At the time of the expense adjustments in fiscal 2024, the performance metrics for the 2022 performance-based RSUs were expected to be partially achieved while the performance metrics for the 2023 performance-based RSUs were not expected to be achieved. Based on the partial achievement of the performance metrics through the end of the

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performance period on June 28, 2025 for the 2022 performance-based RSUs, a total of 5,780 shares of common stock were issued with a grant-date fair value of \$0.4 million and 34,275 of the RSUs expired unvested in fiscal 2025.

Expense for fiscal year 2025 includes a credit of \$1.2 million related to cumulative adjustments for performance-based RSUs granted in 2024. At the time of the expense adjustments in fiscal 2025, the performance metrics for the 2024 performance-based RSUs were not expected to be achieved.

No performance-based RSUs were granted in fiscal 2025.

The following table summarizes activity for performance-based RSUs for fiscal years 2025, 2024 and 2023. The number outstanding as of December 30, 2023, December 28, 2024, and January 3, 2026 include all then-outstanding performance-based RSUs, including those for which the performance criteria were not expected to be achieved at or before the applicable vesting periods.

	Performance-Based	
	Number of Awards	Weighted Average Grant-Date Fair Value
Outstanding as of December 31, 2022	61,049	\$ 66.81
Granted	77,785	92.44
Forfeited	(23,436)	75.11
Outstanding as of December 30, 2023	115,398	82.40
Granted	44,828	98.07
Forfeited	(24,779)	88.84
Outstanding as of December 28, 2024	135,447	86.29
Vested	(5,780)	71.15
Forfeited or expired	(50,858)	77.99
Outstanding as of January 3, 2026	<u>78,809</u>	<u>94.61</u>

Based on the expected achievement of the performance metrics as of January 3, 2026, none of the 78,809 outstanding performance-based RSUs are expected to vest.

Market-Based Restricted Stock Units

During fiscal 2025, the Company issued RSUs to certain members of senior management that vest based on the performance of the Company's common stock and total shareholder return over a three-year period compared to a group of other public companies that also serve the building products industry. The grant recipients must also provide service to the Company over the three-year period in order for these market-based RSUs to vest.

	Market-Based	
	Number of Awards	Weighted Average Grant-Date Fair Value
Outstanding as of December 28, 2024	—	\$ —
Granted	56,966	89.96
Forfeited	(2,770)	89.96
Outstanding as of January 3, 2026	<u>54,196</u>	<u>89.96</u>

Based on an interim assessment of the market-based metrics through January 3, 2026, the Company expects that approximately 45% of the outstanding market-based RSUs will vest. This estimate will likely change over the course of the three-year evaluation period that ends June 30, 2028.

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Compensation Expense

During fiscal years 2025, 2024 and 2023, the Company recognized share-based compensation expense of \$11.3 million, \$7.7 million, and \$12.1 million, respectively. The Company recognized related income tax benefits in fiscal years 2025, 2024 and 2023 of \$3.3 million, \$2.8 million, and \$2.6 million, respectively.

As of January 3, 2026, there was approximately \$26.4 million of unrecognized compensation expense associated with all of the unvested RSUs and \$21.6 million excluding the outstanding 2023 and 2024 performance-based RSUs that are not currently expected to vest. The unrecognized compensation expense is expected to be recognized over a weighted average term of approximately 2.04 years.

12. Stockholders' Equity, Earnings Per Share and Share Repurchases***Stockholders' Equity - Common Stock and Preferred Stock***

The Company has authorized 20 million shares of common stock with a par value of \$0.01 per share. The Company has only one class of common stock authorized and issued. Holders of the Company's common stock are entitled to one vote for each share held of record on all matters submitted to a vote of stockholders and there are no cumulative voting rights. The Company's common stock has no preemptive, redemption, conversion or subscription rights. The Company has generally not paid cash dividends on its common stock. Any future dividend payments would be subject to the discretion of the Company's board of directors and contractual restrictions under the Company's revolving credit facility and senior secured notes. The BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan does not permit the payment of dividends or dividend equivalents on unvested grants that include underlying shares of the Company's common stock.

The Company has authorized 30 million shares of preferred stock with a par value of \$0.01 per share. The Company has never issued any shares of preferred stock. The Company's board of directors is authorized to issue, at any time and from time to time, shares of preferred stock in one or more series. The shares of preferred stock in any series can have preferences with respect to the Company's common stock and other series of preferred stock, and such other rights, restrictions or limitations with respect to voting, dividends, conversion, exchange, redemption and any other matters, as may be set forth by the Company's board of directors.

Earnings Per Share

The Company calculates basic earnings per share by dividing net income for the period by the weighted average number of common shares outstanding for the period. For rounding purposes when calculating earnings per share, the Company's policy is to round down to the whole cent.

Diluted earnings per share are calculated using the treasury stock method whereby net income for the period is divided by the weighted average number of common shares outstanding for the period plus the dilutive effect, if any, of shares of stock associated with unvested share-based grants. For unvested performance-based share-based grants, the dilutive effect is included only for grants where the performance goals have been achieved as of the end of the current reporting period. For unvested market-based share-based grants, the dilutive effect is included to the extent that some or all of the market-based vesting requirements have been achieved under a hypothetical assumption that the end of the current reporting period is also the end of the measurement period for the market-based metrics.

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The reconciliations of basic net income and diluted earnings per common share for fiscal 2025, 2024, 2023 were as follows:

<i>(amounts in thousands, except per share amounts)</i>	Fiscal Year Ended		
	January 3, 2026	December 28, 2024	December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Net income	\$ 219	\$ 53,116	\$ 48,536
Weighted average shares outstanding - Basic	7,984	8,531	8,987
Dilutive effect of share-based awards	55	41	7
Weighted average shares outstanding - Diluted	8,039	8,572	8,994
Basic earnings per share	\$ 0.02	\$ 6.22	\$ 5.40
Diluted earnings per share	\$ 0.02	\$ 6.19	\$ 5.39

Weighted-average unvested restricted stock units totaling 121,057, 376, and 107,498, for fiscal years 2025, 2024, and 2023, respectively, were not included in the dilutive effect of share-based awards for the respective periods because their effects were antidilutive. Additionally, as of January 3, 2026, December 28, 2024, and December 30, 2023, unvested performance-based RSUs of 78,809, 118,938, and 82,042, respectively, were not evaluated for their potential dilutive effects because their performance metrics had not been achieved as of the end of the respective reporting periods. The dilutive effects for these excluded awards could change in future reporting periods.

Share Repurchases

Under the Company's share repurchase programs, the Company may repurchase its common stock from time to time, without prior notice, subject to prevailing market conditions and other considerations. Repurchases may be made through a variety of methods, which may include open market purchases, privately negotiated transactions, accelerated share repurchase programs, tender offers or pursuant to a trading plan that may be adopted in accordance with the Securities and Exchange Commission Rule 10b5-1.

2021/2022 Authorization

On August 23, 2021, the Company's board of directors approved a stock repurchase program that authorized the Company to repurchase up to \$25.0 million of its common stock. On May 3, 2022, the Company's board of directors increased the share repurchase authorization to \$100 million. During fiscal 2023, the Company exhausted the remaining available capacity under its stock repurchase program by completing the repurchases of 404,796 shares at an average price of \$82.91 through October 2023.

2023 Authorization

On October 31, 2023, the Company's board of directors authorized a share repurchase program for \$100 million. During fiscal 2023, the Company repurchased 101,516 shares of its common stock at an average price of \$84.45, including broker commissions but excluding excise taxes. During fiscal 2024, the Company repurchased 428,630 shares of its common stock at an average price of \$104.90, including broker commissions but excluding excise taxes. During fiscal 2025, the Company repurchased 503,556 shares of its common stock at an average price of \$74.97, including broker commissions but excluding excise taxes. As of January 3, 2026, a total of 1,033,702 shares of the Company's common stock have been repurchased under the 2023 authorization at an average price of \$88.32, including broker commissions but excluding excise taxes. As of January 3, 2026, there remains \$8.7 million repurchase capacity under the 2023 authorization.

2025 Authorization

On July 28, 2025, the Company's board of directors authorized a new share repurchase program for \$50 million. The 2025 authorization may be used after exhaustion of the 2023 authorization.

Common stock repurchases of \$38.1 million, \$45.3 million, and \$42.5 million for fiscal years 2025, 2024, and 2023,

BLUELIX HOLDINGS INC.
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respectively, as indicated on the Company's consolidated statement of stockholders' equity include accrued excise taxes of \$0.3 million, \$0.4 million and \$0.3 million, respectively, that are deemed to be a cost of the share repurchases. Excise taxes levied against a current year's share repurchases are typically paid in the following year per applicable law. On the Company's consolidated statements of cash flow, these excise taxes are reflected in the fiscal period of payment.

13. Lease Commitments

The Company has operating and finance leases for certain of its distribution facilities, office space, land, mobile fleet, and equipment. Many of these leases are non-cancelable and typically have a defined initial lease term, and some provide options to renew at the Company's election for specified periods of time. The majority of these leases have remaining lease terms of one to 15 years, some of which include one or more options to extend the leases for five years. Certain leases include provisions for escalating rent based on, among other things, contractually defined increases and/or changes in the Consumer Price Index ("CPI"). The known changes to lease payments are included in the lease liability at lease commencement. Unknown changes related to CPI are treated as variable lease payments and recognized in the period in which the obligation for those payments was incurred. In addition, a subset of vehicle lease cost is considered variable. Some leases require the Company to pay taxes, insurance, and maintenance expenses associated with the leased assets. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The Company determines if an arrangement is a lease at inception and assesses lease classification as either operating or finance at lease inception or modification. Operating lease right-of use ("ROU") assets and liabilities are presented separately on the consolidated balance sheets. Finance lease ROU assets are included in property and equipment, and the finance lease obligations are presented separately in the consolidated balance sheets. When a lease does not provide an implicit interest rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of future payments. The Company has also made an accounting policy election to not separate lease components from non-lease components related to its mobile fleet asset class.

The Company's finance lease liabilities consist of leases related to real estate, equipment and vehicles. A majority of the Company's finance leases relate to real estate. During fiscal 2017 and fiscal 2018, the Company entered into real estate financing transactions on certain of its warehouse facilities. These transactions were completed pursuant to sale-leaseback arrangements, and upon their completion, the Company entered into long-term leases on the properties having renewal options. The Company accounted for these transactions in accordance with the ASC 840, *Leases*, which was the lease accounting standard in effect for the Company at the inception of these arrangements. The Company recorded these transactions as finance lease liabilities on its consolidated balance sheet. Gains on these sale-leaseback transactions were deferred and are being recognized in earnings. As of January 3, 2026 and December 28, 2024, the remaining unrecognized deferred gains related to these transactions were \$63.3 million and \$67.2 million, respectively, and these deferred gains are being recognized in earnings on a straight-line basis. During fiscal 2025, 2024 and 2023, the Company recognized \$3.9 million, \$3.9 million, \$3.9 million, respectively, of these deferred gains.

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The following table presents the assets and liabilities related to the Company's finance and operating leases as of January 3, 2026 and December 28, 2024:

Lease assets and liabilities		As of	
		January 3, 2026	December 28, 2024
<i>(In thousands)</i>			
Assets	Classification		
Operating lease right-of-use assets	Operating lease right-of-use assets	\$ 54,608	\$ 47,221
Finance lease right-of-use assets ⁽¹⁾⁽²⁾	Property and equipment, net	162,869	134,319
Total lease right-of-use assets		<u>\$ 217,477</u>	<u>\$ 181,540</u>
Liabilities			
Current portion			
Operating lease liabilities	Operating lease liabilities - current	\$ 8,969	\$ 8,478
Finance lease liabilities	Finance lease liabilities - current	22,348	12,541
Non-current portion			
Operating lease liabilities	Operating lease liabilities - less current portion	47,075	40,114
Finance lease liabilities	Finance lease liabilities - less current portion	298,931	280,002
Total lease liabilities		<u>\$ 377,323</u>	<u>\$ 341,135</u>

⁽¹⁾ Finance lease right-of-use assets are presented net of accumulated amortization of \$116.3 million and \$112.3 million as of January 3, 2026 and December 28, 2024, respectively.

⁽²⁾ During fiscal 2025, 2024 and 2023, the Company added fleet assets under finance leases of \$44.6 million, \$19.4 million and \$19.9 million, respectively. These additions did not involve cash outlays and therefore are not included in "Property and equipment investments" within cash flows from investing activities on the Company's consolidated statements of cash flows.

The components of lease expense were as follows:

<i>(in thousands)</i>	Fiscal Year Ended January 3, 2026 <i>(53 weeks)</i>	Fiscal Year Ended December 28, 2024 <i>(52 weeks)</i>	Fiscal Year Ended December 30, 2023 <i>(52 weeks)</i>
Operating lease cost:			
Operating lease cost	\$ 12,732	\$ 10,898	\$ 11,485
Sublease income	(3,766)	(3,582)	(3,334)
Total operating lease costs	<u>\$ 8,966</u>	<u>\$ 7,316</u>	<u>\$ 8,151</u>
Finance lease cost:			
Amortization of right-of-use assets	\$ 19,755	\$ 18,692	\$ 16,493
Interest on lease liabilities	27,907	25,653	24,380
Total finance lease costs	<u>\$ 47,662</u>	<u>\$ 44,345</u>	<u>\$ 40,873</u>

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Cash flow information related to leases was as follows:

<i>(in thousands)</i>	Fiscal Year Ended January 3, 2026	Fiscal Year Ended December 28, 2024	Fiscal Year Ended December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Cash paid for amounts included in the measurement of lease liabilities			
Operating cash flows from operating leases	\$ 12,994	\$ 11,064	\$ 11,671
Operating cash flows from finance leases	27,907	25,653	24,380
Financing cash flows from finance leases	16,317	13,427	9,208

Non-cash supplemental cash flow information related to leases was as follows:

<i>(in thousands)</i>	Fiscal Year Ended January 3, 2026	Fiscal Year Ended December 28, 2024	Fiscal Year Ended December 30, 2023
	<i>(53 weeks)</i>	<i>(52 weeks)</i>	<i>(52 weeks)</i>
Right-of-use assets obtained in exchange for lease obligations			
Operating leases	\$ 13,908	\$ 18,097	\$ 1,883
Finance leases	44,564	19,373	19,861

Supplemental balance sheet information for right-of-use assets related to leases was as follows:

Balance sheet information	As of	
	January 3, 2026	December 28, 2024
	<i>(\$ amounts in thousands)</i>	
Finance leases		
Property and equipment, at cost	\$ 279,131	\$ 246,635
Accumulated depreciation	(116,262)	(112,316)
Property and equipment, net	\$ 162,869	\$ 134,319
Weighted Average Remaining Lease Term (in years)		
Operating leases	7.27	8.34
Finance leases	15.83	17.68
Weighted Average Discount Rate		
Operating leases	7.71 %	8.15 %
Finance leases	9.16 %	8.88 %

The major categories of the Company's finance lease liabilities as of January 3, 2026 and December 28, 2024 are as follows:

Category	As of	
	January 3, 2026	December 28, 2024
	<i>(In thousands)</i>	
Equipment and vehicles	\$ 80,635	\$ 49,785
Real estate ⁽¹⁾	240,644	242,758
Total finance leases	\$ 321,279	\$ 292,543

⁽¹⁾ Amounts include \$124.1 million and \$125.1 million as of January 3, 2026 and December 28, 2024, respectively, for sale-leasebacks of real estate in fiscal 2019 and 2020 that did not qualify for sale treatment for accounting purposes.

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Under the short-term lease exception provided within ASC 842, the Company does not record a lease liability or right-of-use asset for any lease that has a lease term of 12 months or less at commencement. Below is a summary of undiscounted finance and operating lease liabilities that have initial terms in excess of one year as of January 3, 2026. The table also includes a reconciliation of the future undiscounted cash flows to the present value of the finance and operating lease liabilities included in the consolidated balance sheets, including options to extend lease terms that are reasonably certain of being exercised.

	<u>Operating leases</u>	<u>Finance leases</u>
	<i>(In thousands)</i>	
2026	\$ 12,852	\$ 49,138
2027	11,741	43,555
2028	10,945	43,822
2029	9,410	40,493
2030	7,454	36,478
Thereafter	22,932	441,493
Total lease payments	<u>75,334</u>	<u>654,979</u>
Less: imputed interest	(19,290)	(333,700)
Total	<u>\$ 56,044</u>	<u>\$ 321,279</u>

14. Commitments and Contingencies

Regulatory Matters

Government and regulatory agencies may have the ability to conduct routine audits and periodic examinations of, and administrative proceedings regarding, the Company's business operations.

As previously disclosed, U.S. Customs gathered initial information from the Company under routine audit procedures, and the information indicated that the Company potentially underpaid import duties in prior periods arising from certain classification discrepancies for products imported into the United States as separately entered shipments. In working with U.S. Customs, the Company has exercised reasonable care to address this matter in an equitable and expeditious manner through the filing of a prior disclosure submission with U.S. Customs. As of January 3, 2026, the Company estimates that it will be required to pay approximately \$8.0 million, excluding any interest. This amount is reflected in Other current liabilities on the Company's consolidated balance sheets as of January 3, 2026 and December 28, 2024. On the Company's consolidated statement of operations, expense of \$8.0 million, excluding interest, was recognized during fiscal 2024 within Cost of products sold.

In addition, as previously disclosed, U.S. Customs issued proposed notices of action to the Company, asking for confirmation that certain plywood products the Company imported into the United States originated from Vietnam as opposed to China. The Company has provided responses to U.S. Customs and believes that the information it has provided supports the declared origins of the plywood. The Company understands that the review by U.S. Customs of the Company's imports of certain plywood products from Vietnam remains pending; if the government disagrees with the Company and determines the plywood from Vietnam that was identified in the proposed notice of action originated from China, the Company believes it is reasonably possible that it could be responsible for additional import duties on the entries identified by U.S. Customs that could range from zero to \$4 million. The Company has not accrued any liability related to this matter due to its contingent status.

For disclosure concerning another matter related to import duties, see Note 1, *Summary of Significant Accounting Policies*, to the consolidated financial statements, under the heading Inventory.

Environmental Matters

From time to time, the Company may be involved in proceedings involving various environmental and pollution control laws and regulations in the jurisdictions in which it operates. When the Company believes it has material financial exposure to these matters, it estimates and recognizes adequate liabilities and, if applicable, also timely records any expected recoveries from insurance coverages or subrogation in accordance with GAAP. Such liabilities, when recorded, may or may not be discounted, as required or permitted by GAAP. Based on presently available information, the Company has no material obligations for environmental matters as of January 3, 2026.

**BLUELINX HOLDINGS INC.
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Collective Bargaining Agreements

As of January 3, 2026, the Company employed approximately 2,160 associates and less than one percent of these associates are employed on a part-time basis. Approximately 21 percent of these associates are represented by various local labor unions with terms and conditions of employment governed by Collective Bargaining Agreements (“CBAs”). Five CBAs covering approximately 4% of our associates are up for renewal in fiscal year 2026, of which one is currently in the renegotiation process. We expect to renegotiate the remainder before their expiration dates.

Commitments to Purchase Inventory

The Company’s purchase orders are based on near-term needs and are typically fulfilled by vendors within short time horizons. The Company does not have significant agreements for the purchase of inventory specifying minimum quantities or set prices that exceed expected requirements or that cannot be canceled by the Company within 30 to 60 days.

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15. Accumulated Other Comprehensive Income (Loss)

Comprehensive income (loss) is a measure of income which includes both net income (loss) and other comprehensive income (loss). Other comprehensive income (loss) results from items deferred from recognition in the Company's consolidated statements of operations. Accumulated other comprehensive income (loss) is separately presented on the consolidated balance sheet as part of total stockholders' equity.

The changes in accumulated balances for each component of other comprehensive income for fiscal 2023 were as follows:

	Impact of defined benefit pension plan, net of tax	Other, net of tax	Total
		<i>(In thousands)</i>	
Balance as of end of fiscal 2022, net of tax	\$ (32,675)	\$ 1,263	\$ (31,412)
Other comprehensive income (loss), including tax ⁽¹⁾	32,675	(1,263)	31,412
Balance as of end of fiscal 2023 ⁽²⁾	\$ —	\$ —	\$ —

⁽¹⁾ Included \$32.7 million related to the single-employer defined benefit pension plan, as follows: \$(3.1) million net of tax of \$1.1 million for actuarial adjustments; \$0.9 million net of tax of \$(0.3) for amortization of unrecognized amounts from prior years; and \$30.4 million plus tax of \$4.5 million for the settlement of the plan and reclassification of these amounts to earnings.

⁽²⁾ As of the end of fiscal 2023, the Company no longer has any items recorded in accumulated other comprehensive income (loss).

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we performed an evaluation, as of the end of the period covered by this report, of our disclosure controls and procedures, which have been designed to permit us to record, process, summarize, and report, within time periods specified by the SEC's rules and forms, information required to be disclosed. Our management, including our Chief Executive Officer and Chief Financial Officer, concluded that the controls and procedures were effective as of January 3, 2026, to ensure that material information was accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control

During the fiscal year ended January 3, 2026, we did not make any changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies may deteriorate.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting as of January 3, 2026, using the criteria issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in the 2013 Internal Control-Integrated Framework. Based on that evaluation, management believes that our internal control over financial reporting was effective as of January 3, 2026. During fiscal 2025, we completed the acquisition of Disdero Lumber Co., LLC ("Disdero"). Subsequently, we have begun integration and controls assessment activities. See Note 2, *Business Combination*, for additional information. Disdero represented 0.4 percent of our Net sales for the fiscal year ended January 3, 2026 and 6.4 percent of our total assets as of January 3, 2026. Because we acquired Disdero during the current fiscal year, we have excluded Disdero from our assessment of Section 404 of the Sarbanes-Oxley Act for fiscal 2025, as permitted.

The effectiveness of our internal control over financial reporting as of January 3, 2026, has been audited by Ernst & Young LLP, an independent registered public accounting firm, which also audited our consolidated financial statements for the year ended January 3, 2026.

Ernst & Young LLP's report on our internal control over financial reporting is set forth below.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of BlueLinx Holdings Inc.

Opinion on Internal Control Over Financial Reporting

We have audited BlueLinx Holdings Inc.'s internal control over financial reporting as of January 3, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, BlueLinx Holdings Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of January 3, 2026, based on the COSO criteria.

As indicated in the accompanying Management's Annual Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Disdero Lumber Co., LLC (Disdero), which is included in the fiscal 2025 consolidated financial statements of the Company and constituted 6.4% of total assets as of January 3, 2026 and 0.4% of net sales for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Disdero.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of January 3, 2026 and December 28, 2024, the related consolidated statements of operations and comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended January 3, 2026, and the related notes and our report dated February 24, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Atlanta, Georgia
February 24, 2026

ITEM 9B. OTHER INFORMATION

None of our directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the fourth quarter of fiscal 2025.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The information required by this Item is incorporated herein by reference to the applicable disclosures under the captions entitled “Proposal 1: Election of Directors,” “More Information about the Board of Directors,” “Communications with the Board of Directors,” “Director Compensation for 2025,” “Audit Committee Report,” “Corporate Governance Guidelines and Code of Conduct,” and “Insider Trading Policy and Prohibition on Hedging and Pledging” in our Proxy Statement for our 2026 Annual Meeting of Stockholders of BlueLinx Holdings Inc. to be filed within 120 days after the end of our 2025 fiscal year. Our Code of Ethics is available on our website, BlueLinxCo.com.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the applicable disclosures under the captions entitled “Compensation Discussion and Analysis,” “Human Capital and Compensation Committee Report,” and “Compensation of Executive Officers” in our Proxy Statement to be filed within 120 days after the end of our 2025 fiscal year.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Equity Compensation Plan Information

The following table provides information about the shares of our common stock that may be issued upon the vesting of restricted stock units made under our existing equity compensation plan as of January 3, 2026. Our stockholder-approved equity compensation plan now consists of the BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan, which was approved by our shareholders effective May 20, 2021 and authorizes up to 750,000 shares of our common stock to be issued for grants of our common stock and for options to purchase our common stock. At any time, the number of remaining shares available for future grants against the 750,000 share authorization is determined by: subtracting the number of shares associated with grants that have been issued under the 750,000 share authorization, whether vested or unvested; adding the number of shares associated with those grants that have been either subsequently forfeited or cancelled; and adding the number of shares that were repurchased by the Company at vesting to satisfy employee payroll withholding taxes for grants, other than any grants of SARs or stock options, that were issued against the 750,000 share authorization. Additionally, shares available for issuance under the BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan include certain shares associated with grants made under the Company’s prior equity compensation plans, as follows: forfeitures and cancellations of grants that occur after May 20, 2021; and shares repurchased by the Company to satisfy employee payroll withholding taxes for grants, other than any grants of SARS or stock options, that vest after May 20, 2021. As of January 3, 2026, we have no outstanding stock options or warrants.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights ⁽¹⁾	(b) Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights ⁽²⁾	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by security holders	434,577	\$ —	343,831
Equity compensation plans not approved by security holders ⁽³⁾	n/a	n/a	n/a
Total	434,577	\$ —	343,831

⁽¹⁾ Includes 301,572 service-based restricted stock units, 78,809 performance-based restricted stock units, and 54,196 market-based restricted stock units assuming the applicable vesting requirements are met. Upon vesting, each restricted stock unit results in the issuance of one share of the Company’s common stock. The performance-based restricted stock units and the market-based restricted stock units vest upon the achievement of specified performance goals or market-based goals, in addition to service requirements. Up to an additional 78,809 plus 54,196 shares would be issuable under the performance-based awards and market-based awards, respectively, if the maximum goals are achieved.

⁽²⁾ The weighted-average exercise price does not take into account outstanding restricted stock units, which have no exercise price.

⁽³⁾ We do not have any non-stockholder approved equity compensation plans.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated herein by reference to the applicable disclosure under the captions entitled “Certain Relationships and Related Transactions” and “More Information About the Board of Directors” in our Proxy Statement to be filed within 120 days after the end of our 2025 fiscal year.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the applicable disclosure under the caption entitled “Proposal 2 - Ratification of Independent Registered Public Accounting Firm” in our Proxy Statement to be filed within 120 days after the end of our 2025 fiscal year.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements, Schedules, and Exhibits

1. *Financial Statements.* The Financial Statements of BlueLinx Holdings Inc. and subsidiaries and the Report of Independent Registered Public Accounting Firm are presented under Item 8 of this Form 10-K.

2. *Financial Statement Schedules.* Omitted because the information is not required or because the information required is included in the financial statements or notes thereto in Item 8 of this Form 10-K.

Exhibit Number	Item
2.1	Agreement and Plan of Merger, dated as of March 9, 2018, by and among BlueLinx Corporation, Panther Merger Sub, Inc., Cedar Creek Holdings, Inc. and Charlesbank Equity Fund VII, Limited Partnership (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on March 12, 2018)
3.1	Second Amended and Restated Certificate of Incorporation of BlueLinx, as amended (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement for the 2015 Annual Meeting of Stockholders, filed with the Securities and Exchange Commission on April 20, 2015)
3.2	Certificate of Amendment to the Second Amended and Restated Certificate of Incorporation of BlueLinx Holdings Inc. (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on June 13, 2016)
3.3	Third Amended and Restated ByLaws of BlueLinx Holdings Inc., dated November 15, 2023 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on November 21, 2023)
3.4	Amendment to Third Amended and Restated ByLaws of BlueLinx Holdings Inc., dated February 3, 2026 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on February 6, 2026)
4.1	Description of Registrant's Securities (incorporated by reference to Exhibit 4.1 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024) *
4.2	Indenture, dated as of October 25, 2021, by and among BlueLinx Holdings Inc., the guarantors party thereto and Truist Bank, as trustee and collateral agent (incorporated by reference to Exhibit 4.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on October 25, 2021)
10.1	Asset Purchase Agreement, dated as of March 12, 2004, by and among Georgia-Pacific Corporation, Georgia-Pacific Building Materials Sales, Ltd. and BlueLinx Corporation (A)
10.2	First Amendment to Asset Purchase Agreement, dated as of May 6, 2004, by and among Georgia-Pacific Corporation, Georgia-Pacific Building Materials Sales, Ltd. and BlueLinx Corporation (A)
10.3	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on January 13, 2011) ±
10.4	BlueLinx Holdings Inc. 2016 Amended and Restated Long-Term Equity Incentive Plan Restricted Stock Unit Award Agreement for Non-Employee Directors (incorporated by reference to Exhibit 10.19 to the Company's Form 10-K filed with the Securities and Exchange Commission on March 2, 2017) ±
10.5	Environmental Indemnity Agreement, dated as of June 9, 2006, by BlueLinx Holdings Inc. in favor of German American Capital Corporation (incorporated by reference to Exhibit 10.4 to the Company's Form 8-K filed with the Securities and Exchange Commission on June 15, 2006)
10.6	Employment Agreement between BlueLinx Corporation and Shyam K. Reddy, dated May 3, 2017 (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 10, 2017) ±
10.7	Transition Agreement between BlueLinx Corporation and Tricia A. Kinney, dated November 6, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on November 8, 2024) ±
10.8	BlueLinx Holdings Inc. Amended and Restated Short-Term Incentive Plan (incorporated by reference to Appendix A to the Definitive Proxy Statement for the 2017 Annual Meeting of Stockholders, filed with the Securities and Exchange Commission on April 18, 2017) ±
10.9	BlueLinx Holdings Inc. Executive Severance Plan (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on May 27, 2015) ±

Exhibit Number	Item
10.10	Form of Executive Restrictive Covenant Agreement (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the Securities and Exchange Commission on May 27, 2015) ±
10.11	Revised Form of Executive Restrictive Covenant Agreement ± (incorporated by reference to Exhibit 10.13 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024)
10.12	Amended and Restated Credit Agreement, dated April 13, 2018, by and among BlueLinx Holdings Inc., certain subsidiaries of BlueLinx Holdings Inc. as borrowers or guarantors thereunder, Wells Fargo Bank, National Association, as administrative agent, and certain other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on April 16, 2018)
10.13	First Amendment to Amended and Restated Credit Agreement, dated January 31, 2020, by and among BlueLinx Holdings Inc., certain subsidiaries of BlueLinx Holdings Inc. as borrowers or guarantors thereunder, Wells Fargo Bank, National Association, as administrative agent, and certain other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on May 6, 2020)
10.14	Amended and Restated Guaranty and Security Agreement, dated April 13, 2018, by and among BlueLinx Holdings Inc., certain subsidiaries of BlueLinx Holdings Inc., and Wells Fargo Bank, National Association (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the Securities and Exchange Commission on April 16, 2018)
10.15	BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement filed with the Securities and Exchange Commission on April 20, 2021) ±
10.16	Second Amendment to Amended and Restated Credit Agreement, dated August 2, 2021, by and among BlueLinx Holdings Inc., certain subsidiaries of BlueLinx Holdings Inc. as borrowers or guarantors thereunder, Wells Fargo Bank, National Association, as administrative agent, and certain other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on August 3, 2021)
10.17	Form of 2021 Time-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.5 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 3, 2021) ±
10.18	BlueLinx Holdings Inc. 2021 Long-Term Equity Incentive Plan Restricted Stock Unit Agreement for Non-Employee Directors (incorporated by reference to Exhibit 10.6 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 3, 2021) ±
10.19	Form of 2022 Time-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 2, 2022) ±
10.20	Form of 2022 Performance-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 2, 2022) ±
10.21	Transition Agreement between BlueLinx Corporation and Shyam K. Reddy, dated September 29, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on September 30, 2022) ±
10.22	Stock Purchase Agreement, dated October 3, 2022, by and among BlueLinx Corporation, Vandermeer Forest Products, Inc. and David, J. Staudacher (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on October 3, 2022)
10.23	Amended Transition Agreement between BlueLinx Corporation and Shyam K. Reddy, dated December 23, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on December 23, 2022) ±
10.24	Employment Agreement, dated March 21, 2023, between the Company, BlueLinx Corporation and Shyam Reddy (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the Securities and Exchange Commission on March 21, 2023) ±
10.25	Third Amendment to the Amended and Restated Credit Agreement, dated June 27, 2023, by and among BlueLinx Holdings Inc., certain subsidiaries of BlueLinx Holdings Inc. as borrowers or guarantors thereunder, Wells Fargo Bank, National Association, as administrative agent, and certain other financial institutions party thereto (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on August 1, 2023)
10.26	Employment Agreement, dated July 6, 2023, between BlueLinx Holdings Inc. and Andrew Wamser (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on October 31, 2023) ±
10.27	Form of 2023 Time-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.35 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024)

Exhibit Number	Item
10.28	Form of 2023 Performance-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.36 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024)
10.29	Form of 2023 Director Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.37 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024)
10.30	Form of 2024 Time-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on July 30, 2024)
10.31	Form of 2024 Performance-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed with the Securities and Exchange Commission on July 30, 2024)
10.32	Form of 2024 Director Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan ± (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed with the Securities and Exchange Commission on July 30, 2024)
10.33	Promotion Notice and Employment Offer Letter from BlueLinx Corporation to Michael Wilson, Chief Commercial Officer, dated March 21, 2024 (incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q filed with the Securities and Exchange Commission on April 25, 2025) ±
10.34	Employment Agreement by and among BlueLinx Corporation, BlueLinx Holdings Inc., and C. Kelly Wall, dated May 12, 2025 (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on May 13, 2025) ±
10.35	Form of 2025 Director Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Form 10-Q filed with the Securities and Exchange Commission on July 29, 2025) ±
10.36	Form of 2025 Employee Time-Based Restricted Stock Unit Award Agreement under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Form 10-Q filed with the Securities and Exchange Commission on July 29, 2025) ±
10.37	Form of 2025 Employee Performance-Based Restricted Stock Unit Award Agreement (TSR) under the BlueLinx Holdings Inc. 2021 Amended and Restated Long-Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on June 11, 2025) ±
10.38	Credit Agreement, dated August 27, 2025, by and among Bank of America N.A., the Lenders, BlueLinx Holdings Inc., the Borrowers, and the Guarantors (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the Securities and Exchange Commission on August 28, 2025).
10.39	Guaranty and Security Agreement, dated August 27, 2025, by and among the Grantors and Bank of America N.A., as administrative agent for each member of the Lender Group and Bank Product Providers (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the Securities and Exchange Commission on August 28, 2025).
10.40	Equity Purchase Agreement, dated October 31, 2025, by and among BlueLinx Corporation, Tumatic Lumber Co., Inc., and Disdero Lumber Co., LLC (incorporated by reference to Exhibit 10.1 to the Company Form 8-K filed with the Securities and Exchange Commission on November 3, 2025).
10.41	Transition Agreement between BlueLinx Corporation and Michael Wilson, dated December 12, 2025 (incorporated by reference to the Company's Form 8-K filed with the Securities and Exchange Commission on December 15, 2025). ±
19.1	Insider Trading Policy (incorporated by reference to the Company's Form 10-K filed with the Securities and Exchange Commission on February 18, 2025)
21.1	List of subsidiaries of the Company. *
23.1	Consent of Ernst & Young LLP *
31.1	Certification of Shyam Reddy, Principal Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
31.2	Certification of C. Kelly Wall, Principal Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002*
32.1	Certification of Shyam Reddy, Principal Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**
32.2	Certification of C. Kelly Wall, Principal Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

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Exhibit Number	Item
97.1	BlueLinx Holdings Inc. Policy on Recovery of Erroneously Awarded Incentive-Based Compensation, effective as of November 15, 2023 (incorporated by reference to Exhibit 97.1 to the Company's Form 10-K filed with the Securities and Exchange Commission on February 20, 2024)
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document *
101.SCH	XBRL Taxonomy Schema Document*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101) *

* Filed herewith.

** Exhibit is being furnished and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subjected to liability under that Section. This exhibit shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference.

± Management contract or compensatory plan or arrangement.

(A) Previously filed as an exhibit to Amendment No. 1 to the Company's Registration Statement on Form S-1 (Reg. No. 333-118750) filed with the Securities and Exchange Commission on October 1, 2004.

ITEM 16. FORM 10-K SUMMARY

None.

Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BlueLinx Holdings Inc.
(Registrant)

By: /s/ Shyam K. Reddy
Shyam K. Reddy
President and Chief Executive Officer

Date: February 24, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

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Name	Signature	Capacity	Date
	<u>/s/ Shyam K. Reddy</u> Shyam K. Reddy	President, Chief Executive Officer and Director (Principal Executive Officer)	February 24, 2026
	<u>/s/ C. Kelly Wall</u> C. Kelly Wall	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	February 24, 2026
	<u>/s/ Kimberly DeBrock</u> Kimberly DeBrock	Vice President and Chief Accounting Officer (Principal Accounting Officer)	February 24, 2026
	<u>/s/ Kim S. Fennebresque</u> Kim S. Fennebresque	Chairman	February 24, 2026
	<u>/s/ Anuj Dhanda</u> Anuj Dhanda	Director	February 24, 2026
	<u>/s/ Christina M. Corley</u> Christina M. Corley	Director	February 24, 2026
	<u>/s/ Keith A. Haas</u> Keith A. Haas	Director	February 24, 2026
	<u>/s/ Mitchell B. Lewis</u> Mitchell B. Lewis	Director	February 24, 2026
	<u>/s/ J. David Smith</u> J. David Smith	Director	February 24, 2026
	<u>/s/ Carol B. Yancey</u> Carol B. Yancey	Director	February 24, 2026
	<u>/s/ Marietta Edmunds Zakas</u> Marietta Edmunds Zakas	Director	February 24, 2026

DESCRIPTION OF THE REGISTRANT'S SECURITIES

BlueLinx Holdings Inc. (the "Company") has one class of securities, our common stock, registered under Section 12 of the Securities Exchange Act of 1934, as amended.

DESCRIPTION OF AUTHORIZED STOCK

The following description of our common stock is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to our Second Amended and Restated Certificate of Incorporation, as amended (the "Certificate of Incorporation") and our Third Amended and Restated Bylaws, as amended (the "Bylaws"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this Exhibit 4.1 is a part. We encourage you to read our Certificate of Incorporation, our Bylaws and the applicable provisions of the General Corporation Law of the State of Delaware ("DGCL") for additional information.

Authorized Shares of Capital Stock

Our authorized capital stock consists of:

- 20,000,000 shares of common stock, \$0.01 par value; and
- 30,000,000 shares of preferred stock, \$0.01 par value.

Common Stock

Holders of our common stock are entitled to one vote for each share held of record on all matters submitted to a vote of the stockholders, including the election of directors. There are no cumulative voting rights. Each director will be elected by the vote of a plurality of the votes cast with respect to such director's election. Except as otherwise provided by law or our Certificate of Incorporation, any other corporate action taken by a vote of stockholders shall be authorized by the affirmative vote of a majority of the shares present or represented by proxy and entitled to vote on the subject matter. Special meetings of the stockholders, for any purpose or purposes, only may be called by the Board.

We do not currently pay dividends on our common stock. Any future dividend payments as may be declared from time to time by our board of directors out of funds legally available would be subject to contractual restrictions under our revolving credit facility and our term loan facility. The rights, preferences and privileges of the holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock, which we may designate in the future. In the event of our liquidation, dissolution or winding-up, the holders of our common stock are entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding. All outstanding shares of common stock are fully paid and nonassessable. Our common stock has no preemptive, redemption, conversion or subscription rights. In addition, there are no redemption or sinking fund provisions applicable to the shares of our common stock.

Transfer Agent

The transfer agent and registrar for our common stock is Broadridge Corporate Issuer Solutions, Inc.

Anti-Takeover Effects of Certain Provisions of the Delaware General Corporation Law, our Certificate of Incorporation, and our Bylaws

We are subject to Section 203 of the DGCL, which prohibits persons deemed "interested stockholders" from engaging in a "business combination" with a publicly-held Delaware corporation for three years following the date these persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions not approved in advance by the board of directors, such as discouraging takeover attempts that might result in a premium over the market price of our common stock.

Furthermore, certain provisions in our Certificate of Incorporation and our Bylaws may have the effect of discouraging potential acquisition proposals or making a tender offer or delaying or preventing a change in control,

including changes a stockholder might consider favorable. Such provisions may also prevent or frustrate attempts by our stockholders to replace or remove our management. In particular, the Certificate of Incorporation and Bylaws, as applicable, among other things:

- provide the board of directors with the ability to alter the bylaws without shareholder approval;
- provide the board of directors with the power to retain and discharge our officers;
- do not provide for cumulative voting rights in director elections; and
- provide that vacancies on the board of directors may be filled by a majority of the directors in office, although less than a quorum.

These provisions and the provisions described below are expected to discourage certain types of coercive takeover practices and inadequate takeover bids and to encourage persons seeking to acquire control of us to first negotiate with our board of directors. These provisions may delay or prevent someone from acquiring or merging with us, which may cause our market price of our common stock to decline.

Undesignated Preferred Stock

The ability to authorize undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change control of us. These and other provisions may have the effect of deterring hostile takeovers or delaying changes in control or management of our company.

Meetings of and Actions by Stockholders

Our Bylaws provide that annual meetings of our stockholders may take place at the time and place designated by our board of directors. A special meeting of stockholders may be called only by our board of directors. Furthermore, our Bylaws provide that: (i) any stockholder seeking to have the stockholders authorize or take corporate action by written consent shall, by written notice to the secretary of the Company, request that the board fix a record date and the board shall adopt a resolution fixing the record date within ten calendar days after a request in proper form is received; (ii) a written consent of stockholders shall not be effective unless a written consent signed by a sufficient number of stockholders to take such action is received by us within 60 calendar days of the earliest dated signature thereto; and (iii) any stockholder directly or indirectly soliciting proxies from other stockholders must use a proxy card color other than white, which is reserved for the exclusive use of the board of directors.

Further, our Bylaws allow for a complete list of the stockholders entitled to vote at the meeting as of the record date shall be open to the examination of any stockholder, for any purpose germane to the meeting at least 10 days before the meeting (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Company.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our Bylaws establish advance notice procedures in order to be in proper written form with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors.

Choice of Forum

Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our Certificate of Incorporation or our Bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable.

Listing

Our common stock is listed on the New York Stock Exchange under the symbol "BXC."

SUBSIDIARIES OF BLUELINX HOLDINGS INC.

**Jurisdiction of
Name of Subsidiary Organization**

1. BLUELINX CORPORATION Georgia
2. BLUELINX FLORIDA LP Florida
3. BLUELINX FLORIDA HOLDING NO. 1 INC. Georgia
4. BLUELINX FLORIDA HOLDING NO. 2 INC. Georgia
5. BLX REAL ESTATE LLC Delaware
6. CALYPSO BUILDINGS, INC. f/k/a ASTRO BUILDINGS, INC. Delaware
7. CEDAR CREEK CORP. Delaware
8. CEDAR CREEK HOLDINGS, INC. Delaware
9. CEDAR CREEK LLC Delaware
10. DISDERO LUMBER CO., LLC Oregon
11. ELKHART IMH LLC Georgia
12. INDUSTRIAL DEVELOPMENT FUND, LLC Georgia
13. LAKE STATES LUMBER, INC. Minnesota
14. SECURITY INVESTMENT CORPORATION OF NORTH AMERICA Grand Cayman
15. VANDERMEER FOREST PRODUCTS, INC. Washington
16. ABP AL (MIDFIELD) LLC Delaware
17. ABP CO II (DENVER) LLC Delaware
18. ABP FL (LAKE CITY) LLC Delaware
19. ABP FL (MIAMI) LLC Delaware
20. ABP FL (PENSACOLA) LLC Delaware
21. ABP FL (TAMPA) LLC Delaware
22. ABP FL (YULEE) LLC Delaware
23. ABP GA (LAWRENCEVILLE) LLC Delaware
24. ABP IA (DES MOINES) LLC Delaware
25. ABP IL (UNIVERSITY PARK) LLC Delaware

27. ABP KY (INDEPENDENCE) LLC Delaware
28. ABP LA (NEW ORLEANS) LLC Delaware
29. ABP MA (BELLINGHAM) LLC Delaware
30. ABP MD (BALTIMORE) LLC Delaware
31. ABP MD (BALTIMORE) SUBSIDIARY LLC Delaware
32. ABP ME (PORTLAND) LLC Delaware
33. ABP MI (GRAND RAPIDS) LLC Delaware
34. ABP MN (MAPLE GROVE) LLC Delaware
35. ABP MO (BRIDGETON) LLC Delaware
36. ABP MO (KANSAS CITY) LLC Delaware
37. ABP MO (SPRINGFIELD) LLC Delaware
38. ABP NC (BUTNER) LLC Delaware
39. ABP NC (CHARLOTTE) LLC Delaware
40. ABP NJ (DENVILLE) LLC Delaware
41. ABP NY (YAPHANK) LLC Delaware
42. ABP OH (TALMADGE) LLC Delaware
43. ABP OK (TULSA) LLC Delaware
44. ABP PA (STANTON) LLC Delaware
45. ABP SC (CHARLESTON) LLC Delaware
46. ABP TN (ERWIN) LLC Delaware
47. ABP TN (MEMPHIS) LLC Delaware
48. ABP TN (MADISON) LLC Delaware
49. ABP TX (EL PASO) LLC Delaware
50. ABP TX (FORT WORTH) LLC Delaware
51. ABP TX (HOUSTON) LLC Delaware
52. ABP TX (LUBBOCK) LLC Delaware
53. ABP TX (SAN ANTONIO) LLC Delaware
54. ABP VA (RICHMOND) LLC Delaware

55. ABP VT (SHELBURNE) LLC Delaware

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- 1) Registration Statement (Form S-3 No. 333-234965) of BlueLinx Holdings Inc.,
- 2) Registration Statement (Form S-8 No. 333-124721) pertaining to the BlueLinx Holdings Inc. Equity Incentive Plan,
- 3) Registration Statement (Form S-8 No. 333-134612) pertaining to the BlueLinx Holdings Inc. 2006 Long-Term Equity Incentive Plan,
- 4) Registration Statement (Form S-8 No. 333-151529) pertaining to the BlueLinx Holdings Inc. 2006 Long-Term Equity Incentive Plan,
- 5) Registration Statement (Form S-8 No. 333-176130) pertaining to the BlueLinx Holdings Inc. 2006 Long-Term Equity Incentive Plan,
- 6) Registration Statement (Form S-8 No. 333-183027) pertaining to the BlueLinx Holdings Inc. 2006 Long-Term Equity Incentive Plan,
- 7) Registration Statement (Form S-8 No. 333-211838) pertaining to the BlueLinx Holdings Inc. 2016 Amended and Restated Long-Term Incentive Plan,
- 8) Registration Statement (Form S-8 No. 333-225444) pertaining to the BlueLinx Holdings Inc. 2016 Amended and Restated Long-Term Incentive Plan, and
- 9) Registration Statement (Form S-8 No. 333-256642) pertaining to the BlueLinx Holdings Inc. 2021 Long-Term Incentive Plan;

of our reports dated February 24, 2026, with respect to the consolidated financial statements of BlueLinx Holdings Inc. and the effectiveness of internal control over financial reporting of BlueLinx Holdings Inc. included in this Annual Report (Form 10-K) of BlueLinx Holdings Inc. for the year ended January 3, 2026.

/s/ Ernst & Young LLP

Atlanta, Georgia
February 24, 2026

**CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934**

I, Shyam K. Reddy certify that:

- (1) I have reviewed this annual report on Form 10-K of BlueLinx Holdings Inc.;
- (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(s) 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(s) 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 the 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.

February 24, 2026

/s/ Shyam K. Reddy

Shyam K. Reddy
President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION REQUIRED BY RULE 13a-14(a) OR RULE 15d-14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934**

I, C. Kelly Wall, certify that:

- (1) I have reviewed this annual report on Form 10-K of BlueLinx Holdings Inc.;
- (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(s) 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(s) 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 the 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.

February 24, 2026

/s/ C. Kelly Wall

C. Kelly Wall

BlueLinx Holdings Inc.

Chief Financial Officer and Treasurer (Principal Financial Officer)

**BLUELINX HOLDINGS INC.
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of BlueLinx Holdings Inc. (the “Company”) on Form 10-K for the year ending January 3, 2026, as filed with the United States Securities and Exchange Commission on the date hereof (the “Report”), I, Shyam K. Reddy, President and Chief Executive Officer (Principal Executive Officer) of the Company, do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 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 Company.

February 24, 2026

By: /s/ Shyam K. Reddy
Shyam K. Reddy
President and Chief Executive Officer (Principal
Executive Officer)

**BLUELIX HOLDINGS INC.
CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of BlueLinx Holdings Inc. (the “Company”) on Form 10-K for the year ending January 3, 2026, as filed with the United States Securities and Exchange Commission on the date hereof (the “Report”), I, C. Kelly Wall, Chief Financial Officer and Treasurer (Principal Financial Officer) of the Company, do hereby certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 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 Company.

February 24, 2026

By: C. Kelly Wall
C. Kelly Wall
Senior Vice President, Chief Financial Officer and
Treasurer (Principal Financial Officer)