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

FORM 10-Q

(Mark One)

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

For the quarterly period ended **September 30, 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: 001-38214

HAMILTON BEACH BRANDS HOLDING COMPANY

(Exact name of registrant as specified in its charter)

Delaware			**31-1236686**
(State or other jurisdiction of incorporation or organization)			(I.R.S. Employer Identification No.)
4421 WATERFRONT DR.	**GLEN ALLEN**	**VA**	**23060**
(Address of principal executive offices)			(Zip code)

(804) 273-9777

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, Par Value $0.01 Per Share	**HBB**	**New York Stock Exchange**

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ **No** ☑

Number of shares of Class A Common Stock outstanding as of October 30, 2026: 9,856,278
Number of shares of Class B Common Stock outstanding as of October 30, 2026: 3,582,852

HAMILTON BEACH BRANDS HOLDING COMPANY
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Part I
FINANCIAL INFORMATION
Item 1. Financial Statements

HAMILTON BEACH BRANDS HOLDING COMPANY
CONSOLIDATED BALANCE SHEETS
(Unaudited)

	SEPTEMBER 30 2026	DECEMBER 31 2025	SEPTEMBER 30 2025
		(In thousands)	
Assets			
Current assets			
Cash and cash equivalents	**$ 92,539**	$ 47,313	$ 17,175
Trade receivables, net	**102,794**	110,535	83,805
Inventory	**138,715**	133,833	174,801
Prepaid expenses and other current assets	**13,938**	13,052	15,466
Total current assets	**347,986**	304,733	291,247
Property, plant and equipment, net	**22,795**	30,253	33,172
Right-of-use lease assets	**33,196**	34,614	35,693
Goodwill	**7,099**	7,099	7,099
Deferred income taxes	**3,568**	3,607	7,556
Other non-current assets	**13,699**	17,318	17,615
Total assets	**$ 428,343**	$ 397,624	$ 392,382
Liabilities and stockholders' equity			
Current liabilities			
Accounts payable	**$ 109,774**	$ 86,376	$ 106,458
Accrued compensation	**12,366**	13,956	8,800
Accrued product returns	**7,151**	7,875	6,452
Lease liabilities	**5,921**	5,497	5,497
Other current liabilities	**7,949**	9,529	8,409
Total current liabilities	**143,161**	123,233	135,616
Revolving credit agreements	**25,000**	50,000	50,000
Lease liabilities, non-current	**34,148**	36,416	37,628
Other long-term liabilities	**5,270**	5,130	5,090
Total liabilities	**207,579**	214,779	228,334
Stockholders' equity			
Preferred stock, par value $0.01 per share	**—**	—	—
Class A Common stock	**121**	119	118
Class B Common stock	**36**	36	36
Capital in excess of par value	**87,098**	80,795	79,242
Treasury stock	**(38,938)**	(35,213)	(34,124)
Retained earnings	**179,683**	143,888	126,953
Accumulated other comprehensive loss	**(7,236)**	(6,780)	(8,177)
Total stockholders' equity	**220,764**	182,845	164,048
Total liabilities and stockholders' equity	**$ 428,343**	$ 397,624	$ 392,382

See notes to unaudited consolidated financial statements.

HAMILTON BEACH BRANDS HOLDING COMPANY
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2026	2025	**2026**	2025
	(In thousands, except per share data)		(In thousands, except per share data)	
Revenue	**$ 140,262**	$ 132,779	**$ 404,857**	$ 393,921
Cost of sales	**101,717**	104,753	**252,624**	297,993
Gross profit	**38,545**	28,026	**152,233**	95,928
Selling, general and administrative expenses	**34,159**	25,152	**99,673**	84,793
Operating profit (loss)	**4,386**	2,874	**52,560**	11,135
Interest (income) expense, net	**(555)**	224	**(1,897)**	273
Other (income) expense, net	**(238)**	625	**(304)**	294
Income (loss) before income taxes	**5,179**	2,025	**54,761**	10,568
Income tax expense (benefit)	**1,637**	372	**13,972**	2,657
Net income (loss)	**$ 3,542**	$ 1,653	**$ 40,789**	$ 7,911
Basic and diluted earnings (loss) per share	**$ 0.26**	$ 0.12	**$ 3.02**	$ 0.58
Basic weighted average shares outstanding	**13,444**	13,488	**13,504**	13,591
Diluted weighted average shares outstanding	**13,456**	13,508	**13,519**	13,610

See notes to unaudited consolidated financial statements.

HAMILTON BEACH BRANDS HOLDING COMPANY
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2026	2025	**2026**	2025
	(In thousands)		(In thousands)	
Net income (loss)	**$ 3,542**	$ 1,653	**$ 40,789**	$ 7,911
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	**(596)**	81	**(477)**	3,068
Cash flow hedging activity	**497**	94	**1,061**	(1,641)
Reclassification of hedging activities into earnings	**(876)**	(128)	**(1,028)**	(1,080)
Reclassification related to pension termination activity into earnings	**—**	—	**—**	48
Reclassification of pension adjustments into earnings	**(4)**	(2)	**(12)**	5
Total other comprehensive income (loss), net of tax	**(979)**	45	**(456)**	400
Comprehensive income (loss)	**$ 2,563**	$ 1,698	**$ 40,333**	$ 8,311

See notes to unaudited consolidated financial statements.

HAMILTON BEACH BRANDS HOLDING COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	NINE MONTHS ENDED SEPTEMBER 30	
	2026	2025
	(In thousands)	
Operating activities		
Net income (loss)	**$ 40,789**	$ 7,911
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization	**8,078**	3,772
Stock compensation expense	**6,305**	2,577
Other	**1,370**	(1,570)
Net changes in operating assets and liabilities:		
Trade receivables	**7,819**	35,351
Inventory	**(6,498)**	(47,634)
Other assets	**6,879**	10,856
Accounts payable	**23,306**	1,882
Other liabilities	**(7,577)**	(27,786)
Net cash provided by (used for) operating activities	**80,471**	(14,641)
Investing activities		
Expenditures for property, plant and equipment	**(1,175)**	(2,228)
Other	**(306)**	(278)
Net cash provided by (used for) investing activities	**(1,481)**	(2,506)
Financing activities		
Net additions (reductions) to revolving credit agreements	**(25,000)**	—
Cash dividends paid	**(4,994)**	(4,821)
Purchase of treasury stock	**(3,725)**	(7,922)
Net cash provided by (used for) financing activities	**(33,719)**	(12,743)
Effect of exchange rate changes on cash and cash equivalents	**(45)**	541
Cash and cash equivalents		
Increase (decrease) for the period	**45,226**	(29,349)
Balance at the beginning of the period	**47,313**	46,524
Balance at the end of the period	**$ 92,539**	$ 17,175

See notes to unaudited consolidated financial statements.

HAMILTON BEACH BRANDS HOLDING COMPANY
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Unaudited)

	Class A Common Stock	Class B Common Stock	Capital in Excess of Par Value	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity
	(In thousands, except per share data)						
Balance, January 1, 2026	**$ 119**	**$ 36**	**$ 80,795**	**$ (35,213)**	**$ 143,888**	**$ (6,780)**	**$ 182,845**
Net income (loss)	—	—	—	—	**3,539**	—	**3,539**
Issuance of common stock, net of conversions	**2**	—	**(2)**	—	—	—	—
Purchase of treasury stock	—	—	—	**(1,206)**	—	—	**(1,206)**
Share-based compensation expense	—	—	**1,186**	—	—	—	**1,186**
Cash dividends, $0.12 per share	—	—	—	—	**(1,629)**	—	**(1,629)**
Other comprehensive income (loss), net of tax	—	—	—	—	—	**(1)**	**(1)**
Reclassification adjustment to net income (loss)	—	—	—	—	—	**35**	**35**
Balance, March 31, 2026	**121**	**36**	**81,979**	**(36,419)**	**145,798**	**(6,746)**	**184,769**
Net income (loss)	—	—	—	—	**33,708**	—	**33,708**
Purchase of treasury stock	—	—	—	**(1,957)**	—	—	**(1,957)**
Share-based compensation expense	—	—	**1,410**	—	—	—	**1,410**
Cash dividends, $0.125 per share	—	—	—	—	**(1,685)**	—	**(1,685)**
Other comprehensive income (loss), net of tax	—	—	—	—	—	**684**	**684**
Reclassification adjustment to net income (loss)	—	—	—	—	—	**(195)**	**(195)**
Balance, June 30, 2026	**121**	**36**	**83,389**	**(38,376)**	**177,821**	**(6,257)**	**216,734**
Net income (loss)	—	—	—	—	**3,542**	—	**3,542**
Purchase of treasury stock	—	—	—	**(562)**	—	—	**(562)**
Share-based compensation expense	—	—	**3,709**	—	—	—	**3,709**
Cash dividends, $0.125 per share	—	—	—	—	**(1,680)**	—	**(1,680)**
Other comprehensive income (loss), net of tax	—	—	—	—	—	**(99)**	**(99)**
Reclassification adjustment to net income (loss)	—	—	—	—	—	**(880)**	**(880)**
Balance, September 30, 2026	**$ 121**	**$ 36**	**$ 87,098**	**$ (38,938)**	**$ 179,683**	**$ (7,236)**	**$ 220,764**

Balance, January 1, 2025	$ 115	$ 36	$ 76,668	$ (26,202)	$ 123,863	$ (8,577)	$ 165,903
Net income (loss)	—	—	—	—	1,805	—	1,805
Issuance of common stock, net of conversions	3	—	(3)	—	—	—	—
Purchase of treasury stock	—	—	—	(3,373)	—	—	(3,373)
Share-based compensation expense	—	—	1,156	—	—	—	1,156
Cash dividends, $0.115 per share	—	—	—	—	(1,585)	—	(1,585)
Other comprehensive income (loss), net of tax	—	—	—	—	—	(293)	(293)
Reclassification adjustment to net income (loss)	—	—	—	—	—	(432)	(432)
Balance, March 31, 2025	118	36	77,821	(29,575)	124,083	(9,302)	163,181
Net income (loss)	—	—	—	—	4,453	—	4,453
Purchase of treasury stock	—	—	—	(3,974)	—	—	(3,974)
Share-based compensation expense	—	—	852	—	—	—	852
Cash dividends, $0.12 per share	—	—	—	—	(1,617)	—	(1,617)
Other comprehensive income (loss), net of tax	—	—	—	—	—	1,545	1,545
Reclassification adjustment to net income (loss)	—	—	—	—	—	(465)	(465)
Balance, June 30, 2025	118	36	78,673	(33,549)	126,919	(8,222)	163,975
Net income (loss)	—	—	—	—	1,653	—	1,653
Purchase of treasury stock	—	—	—	(575)	—	—	(575)
Share-based compensation expense	—	—	569	—	—	—	569
Cash dividends, $0.12 per share	—	—	—	—	(1,619)	—	(1,619)
Other comprehensive income (loss), net of tax	—	—	—	—	—	175	175
Reclassification adjustment to net income (loss)	—	—	—	—	—	(130)	(130)
Balance, September 30, 2025	$ 118	$ 36	$ 79,242	$ (34,124)	$ 126,953	$ (8,177)	$ 164,048

See notes to unaudited consolidated financial statements.

HAMILTON BEACH BRANDS HOLDING COMPANY
NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2026
(Tabular amounts in thousands, except as noted and per share amounts)

NOTE 1—Basis of Presentation and Recently Issued Accounting Standards

Basis of Presentation

Throughout this Quarterly Report on Form 10-Q and the notes to unaudited consolidated financial statements, references to "Hamilton Beach Holding", "the Company", "we", "us" and "our" and similar references are to Hamilton Beach Brands Holding Company and its subsidiaries on a consolidated basis unless otherwise noted or as the context otherwise requires. Hamilton Beach Brands Holding Company is a holding company and operates through its indirect, wholly owned subsidiary, Hamilton Beach Brands, Inc., a Delaware corporation ("HBB").

We are a leading designer, marketer and distributor of a wide range of brand name small electric household and specialty housewares appliances, and commercial products for restaurants, fast food chains, bars and hotels, and a provider of connected devices and software for home healthcare management.

Our operations are managed and reported in two operating segments, each of which is a reportable segment for financial reporting purposes: (1) Home and Commercial Products and (2) Health.

The financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all of the information and notes required by U.S. GAAP for complete financial statements. In the opinion of management, all adjustments of a normal recurring nature considered necessary for a fair presentation have been included. These financial statements should be read in conjunction with the consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Certain prior period amounts have been reclassified to conform to the current period classification. These reclassifications had no effect on the reported operating profit, net income, or stockholders' equity.

Operating results for the three and nine months ended September 30, 2026 are not necessarily indicative of the results that may be expected for the remainder of the year as our revenue typically increases during the second half of the year and peaks during the fourth quarter due to the fall holiday-selling season. Accordingly, quarter-to-quarter comparisons of our past operating results are meaningful only when comparing equivalent time periods, if at all.

We maintain a $125.0 million senior secured floating-rate revolving credit facility (the "HBB Facility") that expires on December 13, 2029. We believe funds available from cash on hand, the HBB Facility and operating cash flows will provide sufficient liquidity to meet our operating needs and commitments arising during the next twelve months.

Recently Issued Accounting Standards Not Yet Adopted

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, "Income Statement — Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)," which requires additional information to be disclosed about specific expense categories in the notes to financial statements at interim and annual reporting periods. The amendments are effective for fiscal years beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The Company is currently evaluating the impact this ASU may have on our consolidated financial statement disclosures.

In September 2025, the FASB issued ASU 2025-06, “Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software,” which modernizes previously written guidance around internal-use software costs by eliminating accounting consideration of software project development stages and provides for cost capitalization when management has authorized and committed funding to the project and that the project is considered ‘probable’ of completion and the software used to perform the function as intended, along with prescriptive disclosure requirements associated with internal-use software costs to be consistent with Subtopic 360-10, “Property, Plant and Equipment” regardless of how those costs are presented in the financial statements. The amendments are effective for fiscal years beginning after December 15, 2027, with early adoption permitted. The amendment may be applied either retrospectively or prospectively or on a modified prospective basis prescribed by the ASU. The Company is currently evaluating the impact this ASU may have on our consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, “Interim Reporting (Topic 270): Narrow Scope Improvements.” The update provides clarifications intended to improve the consistency and usability of interim disclosure requirements, including a comprehensive listing of required interim disclosures and a new disclosure principle for reporting material events occurring after the most recent annual period. The amendments do not change the underlying objectives of interim reporting but are designed to enhance clarity in application. The amendments are effective for annual periods beginning after December 15, 2027, including interim periods within that annual period. The Company is currently evaluating the impact this ASU may have on our consolidated financial statement disclosures.

Accounts Payable - Supplier Finance Program

The Company has an agreement with a third-party administrator to provide an accounts payable tracking system which facilitates a participating supplier’s ability to monitor and voluntarily elect to sell payment obligations owed by the Company to the designated third-party financial institution. Participating suppliers can sell one or more of the Company’s payment obligations at their sole discretion. The Company has no economic interest in a supplier’s decision to sell one or more of its payment obligations. The Company’s rights and obligations with respect to such payment obligations, including amounts due and scheduled payment terms, are not impacted by suppliers’ decisions to sell amounts under these arrangements.

As of September 30, 2026, December 31, 2025 and September 30, 2025, the Company had $43.6 million, $29.9 million and $54.4 million, respectively, in outstanding payment obligations to the third-party financial institution that are presented in accounts payable on the Consolidated Balance Sheets. There is no requirement to provide assets pledged as security or other forms of guarantees under the agreement. The Company pays the third-party financial institution based upon the original payment terms negotiated with participating suppliers. The payment of these obligations by the Company is included in cash provided by operating activities in the Consolidated Statements of Cash Flows.

The agreement limits payment obligations owed by the Company but sold by participating suppliers to $65.0 million. Of the amounts owed by the Company referenced above that are presented in accounts payable, participating suppliers have sold $32.7 million, $21.8 million and $44.4 million, as of September 30, 2026, December 31, 2025 and September 30, 2025, respectively.

NOTE 2—Transfer of Financial Assets

The Company previously had an arrangement with a financial institution to sell certain U.S. trade receivables of a single customer on a non-recourse basis. The Company exited the arrangement during 2026. Under the terms of the agreement, the Company received cash proceeds and retained no rights or interest and had no obligations with respect to the sold receivables. These transactions, which were accounted for as sold receivables, resulted in a reduction in trade receivables because the agreement transfers effective control over and risk related to the receivables to the buyer. Under this arrangement, the Company derecognized $0.0 million and $4.3 million of trade receivables during the three and nine months ended September 30, 2026, respectively, $35.8 million and $102.4 million during the three and nine months ended September 30, 2025, respectively, and $145.0 million during the year ended December 31, 2025. The decrease in derecognized trade receivables for the three and nine months ended September 30, 2026 is due to the Company’s decision to exit the agreement in 2026. The loss incurred on sold receivables in the Consolidated Statements of Operations for the three and nine months ended September 30, 2026 and 2025 was not material. The Company does not carry any servicing assets or liabilities. Cash proceeds from this arrangement are reflected as operating activities in the Consolidated Statements of Cash Flows.

NOTE 3—Fair Value Disclosure

The following table presents the Company's assets and liabilities accounted for at fair value on a recurring basis:

Description	Balance Sheet Location	**SEPTEMBER 30 2026**	DECEMBER 31 2025	SEPTEMBER 30 2025
Assets:				
Interest rate swap agreements				
Current	Prepaid expenses and other current assets	**$ 699**	$ 831	$ 841
Long-term	Other non-current assets	**874**	1,199	1,419
		$ 1,573	$ 2,030	$ 2,260
Liabilities:				
Foreign currency exchange contracts				
Current	Other current liabilities	—	126	675
		$ —	$ 126	$ 675

The Company measures its derivatives at fair value using significant observable inputs, which is Level 2 as defined in the fair value hierarchy. The Company uses a present value technique that incorporates the Secured Overnight Financing Rate (SOFR) swap curve, foreign currency spot rates and foreign currency forward rates to value its derivatives, including its interest rate swap agreements and foreign currency exchange contracts. The Company also incorporates the effect of HBB and counterparty credit risk into the valuation.

Other Fair Value Measurement Disclosures

The carrying amounts of cash and cash equivalents, trade receivables and accounts payable approximate fair value due to the short-term maturities of these instruments.

The carrying amount of borrowings outstanding under the HBB Facility, including book overdrafts, approximates fair value and was determined using current rates offered for similar obligations taking into account the Company's credit risk, which is Level 2 as defined in the fair value hierarchy.

The Company does not hold any Level 3 assets or liabilities and there were no transfers into or out of Levels 1, 2 or 3 during the three and nine months ended September 30, 2026.

NOTE 4—Stockholders' Equity

Capital Stock

The following table sets forth the Company's authorized capital stock information:

	SEPTEMBER 30 2026	DECEMBER 31 2025	SEPTEMBER 30 2025
Preferred stock, par value $0.01 per share			
Preferred stock authorized	**5,000**	5,000	5,000
Preferred stock outstanding	**—**	—	—
Class A Common stock, par value $0.01 per share			
Class A Common authorized	**70,000**	70,000	70,000
Class A Common issued [(1)(2)]	**12,100**	11,870	11,849
Treasury Stock [(3)]	**2,244**	2,052	1,980
Class B Common stock, par value $0.01 per share, convertible into Class A Common stock on a one-for-one basis			
Class B Common authorized	**30,000**	30,000	30,000
Class B Common issued [(1)]	**3,583**	3,587	3,587

[(1)] Class B Common converted to Class A Common were 1 and 4 shares during the three and nine months ended September 30, 2026, respectively, and 9 and 16 shares during the three and nine months ended September 30, 2025, respectively.

[(2)] The Company issued Class A Common of 16 and 226 shares during the three and nine months ended September 30, 2026, respectively, and 19 and 357 shares during the three and nine months ended September 30, 2025, respectively.

[(3)] On February 20, 2026 and February 21, 2025, a total of 14 and 39 mandatory cashless-exercise-award shares of Class A Common, respectively, were surrendered to the Company by the participants of our Executive Long-Term Equity Incentive Compensation Plan (the "Incentive Plan") in order to satisfy the participants' tax withholding obligations with respect to shares of Class A Common awarded under the Incentive Plan.

Stock Repurchase Program: In November 2025, the Company's Board of Directors (the "Board") approved a stock repurchase program for the purchase of up to $25.0 million of the Company's Class A Common outstanding starting January 1, 2026 and ending December 31, 2027. This program replaced the previous stock repurchase plan that started January 1, 2024 and ended December 31, 2025. During the three and nine months ended September 30, 2026, the Company repurchased 24,908 and 178,190 shares at prevailing market prices for an aggregate purchase price of $0.6 million and $3.5 million, respectively. During the three and nine months ended September 30, 2025, the Company repurchased 39,333 and 396,065 shares at prevailing market prices for an aggregate purchase price of $0.6 million and $7.2 million, respectively. During the year ended December 31, 2025, the Company repurchased 467,804 shares for an aggregate purchase price of $8.3 million. As of September 30, 2026, the Company had $21.5 million remaining authorized for repurchase.

Additionally, during the nine months ended September 30, 2026 and September 30, 2025, the Company withheld shares for tax payments due upon issuance of stock to employees under the Incentive Plan. During the nine months ended September 30, 2026 and September 30, 2025, the Company repurchased 13,575 and 39,121 shares, respectively, for an aggregate purchase price of $0.3 million and $0.7 million, respectively, pursuant to the Incentive Plan. There were no shares repurchased pursuant to the Incentive Plan during the three months ended September 30, 2026 and September 30, 2025.

The total combined share repurchases from the stock repurchase program and the Incentive Plan during the three and nine months ended September 30, 2026 was 24,908 and 191,765 shares, respectively, for an aggregate purchase price of $0.6 million and $3.7 million, respectively. The total combined share repurchases from the stock repurchase program and the Incentive Plan during the three and nine months ended September 30, 2025 was 39,333 and 435,186 shares, respectively, for an aggregate purchase price of $0.6 million and $7.9 million, respectively.

Accumulated Other Comprehensive Loss: The following table summarizes changes in accumulated other comprehensive loss by component and related tax effects for periods shown:

	Foreign Currency	Deferred Gain (Loss) on Cash Flow Hedging	Pension Plan Adjustment	Total
Balance, January 1, 2026	**$ (8,365)**	**$ 1,096**	**$ 489**	**$ (6,780)**
Other comprehensive income (loss)	**(290)**	**383**	**—**	**93**
Reclassification adjustment to net income (loss)	**—**	**80**	**(6)**	**74**
Tax effects	**—**	**(133)**	**—**	**(133)**
Balance, March 31, 2026	**(8,655)**	**1,426**	**483**	**(6,746)**
Other comprehensive income (loss)	**409**	**364**	**—**	**773**
Reclassification adjustment to net income (loss)	**—**	**(254)**	**(2)**	**(256)**
Tax effects	**—**	**(28)**	**—**	**(28)**
Balance, June 30, 2026	**(8,246)**	**1,508**	**481**	**(6,257)**
Other comprehensive income (loss)	**(596)**	**654**	**—**	**58**
Reclassification adjustment to net income (loss)	**—**	**(1,155)**	**(4)**	**(1,159)**
Tax effects	**—**	**122**	**—**	**122**
Balance, September 30, 2026	**$ (8,842)**	**$ 1,129**	**$ 477**	**$ (7,236)**
Balance, January 1, 2025	$ (12,279)	$ 3,572	$ 130	$ (8,577)
Other comprehensive income (loss)	327	(861)	—	(534)
Reclassification adjustment to net income (loss)	—	(654)	64	(590)
Tax effects	—	415	(16)	399
Balance, March 31, 2025	(11,952)	2,472	178	(9,302)
Other comprehensive income (loss)	2,660	(1,567)	—	1,093
Reclassification adjustment to net income (loss)	—	(637)	7	(630)
Tax effects	—	617	—	617
Balance, June 30, 2025	(9,292)	885	185	(8,222)
Other comprehensive income (loss)	81	114	—	195
Reclassification adjustment to net income (loss)	—	(151)	(2)	(153)
Tax effects	—	3	—	3
Balance, September 30, 2025	$ (9,211)	$ 851	$ 183	$ (8,177)

During the third quarter of 2026, the Company terminated interest rate swap agreements with an aggregate notional amount of $25.0 million in connection with the repayment of a portion of its variable-rate debt. As a result, approximately $0.9 million of previously deferred gains associated with the terminated cash flow hedges were reclassified from accumulated other comprehensive income into earnings.

NOTE 5—Revenue

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 expects to be entitled to in exchange for those goods or services, which includes an estimate for variable consideration.

The Company's warranty program to the consumer consists generally of an assurance-type limited warranty for electric appliances, with the majority of products having a warranty of one to three years. There is no guarantee to the consumer as the Company may repair or replace, at its discretion, products returned under warranty. Accordingly, the Company determined that no separate performance obligation exists.

Most of the Company's products are not sold with a general right of return. Subject to certain terms and conditions, however, the Company will agree to accept a portion of products sold that, based on historical experience, are estimated to be returned for reasons such as product failure and excess inventory stocked by the customer. Product returns, customer programs and incentive offerings, including special pricing agreements, price competition, promotions and other volume-based incentives are accounted for as variable consideration.

A description of revenue sources and performance obligations for the Company are as follows:

Consumer and Commercial product revenue
Transactions with both consumer and commercial customers generally originate upon the receipt of a purchase order from a customer, which in some cases are governed by master sales agreements, specifying product(s) that the customer desires. Contracts for product revenue have an original duration of one year or less, and payment terms are generally standard and based on customer creditworthiness. Revenue from product sales is recognized at the point in time when control transfers to the customer, which is either when a product is shipped from a Company facility, or delivered to customers, depending on the shipping terms. The amount of revenue recognized varies primarily with price concessions and changes in returns. The Company offers price concessions to its customers for incentive offerings, special pricing agreements, price competition, promotions or other volume-based arrangements. The Company evaluated such agreements with its customers and determined returns and price concessions should be accounted for as variable consideration.

Consumer product revenue consists of sales of small electric household and specialty housewares appliances to traditional brick and mortar and ecommerce retailers, distributors and directly to the end consumer. A majority of this revenue is in North America.

Commercial product revenue consists of sales of products for restaurants, fast-food chains, bars and hotels. Approximately two-thirds of the Company's commercial sales are in the U.S., and the remaining is in markets across the globe.

License revenue
From time to time, the Company enters into licensing agreements which grant the right to use certain of the Company's intellectual property ("IP") in connection with designing, manufacturing, distributing, advertising, promoting and selling the licensees' products during the term of the agreement. The IP that is licensed generally consists of trademarks, trade names, patents, trade dress, logos and/or products (the "Licensed IP"). In exchange for granting the right to use the Licensed IP, the Company receives a royalty payment, which is a function of (1) the total net sales of products that use the Licensed IP and (2) the royalty percentage that is stated in the licensing agreement. The Company recognizes revenue at the later of when the subsequent sales occur or when the performance obligation is satisfied over time.

Additionally, the Company enters into agreements which grant the right to use software for healthcare management. The Company receives a license payment which is recognized when the performance obligation is satisfied over time or as usage occurs based on the contract with the customer.

Lease revenue
The Company leases connected devices to specialty pharmacy networks and pharmaceutical companies and is accounted for under Accounting Standards Codification 842, Leases as operating leases.

The following table sets forth the Company's revenue on a disaggregated basis for the three and nine months ended September 30:

	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2026	2025	**2026**	2025
Type of good or service:				
Consumer products	**$ 121,965**	$ 113,838	**$ 350,285**	$ 340,781
Commercial products	**14,187**	15,493	**42,408**	42,428
Licensing	**2,037**	2,041	**6,174**	6,809
Leasing	**2,073**	1,407	**5,990**	3,903
Total revenues	**$ 140,262**	$ 132,779	**$ 404,857**	$ 393,921

NOTE 6—Contingencies

The Company is involved in various legal and regulatory proceedings and claims that have arisen in the ordinary course of business, including product liability, patent infringement, environmental and other claims. Although it is difficult to predict the ultimate outcome of these proceedings and claims, the Company believes the ultimate disposition of these matters will not have a material adverse effect on the financial condition, results of operations or cash flows of the Company. Any costs that the Company estimates will be paid as a result of these claims are accrued when the liability is considered probable and the amount of such costs can be reasonably estimated. The Company does not accrue liabilities when the likelihood that the liability has been incurred is probable, but the amount cannot be reasonably estimated or when the liability is believed to be only reasonably possible or remote. For contingencies where an unfavorable outcome is probable or reasonably possible and which are material, the Company discloses the nature of the contingency and, in some circumstances, an estimate of the possible loss.

Tariff matters (IEEPA)

On February 20, 2026, the United States Supreme Court ("Court") issued a ruling that the International Emergency Economic Powers Act ("IEEPA") does not authorize the U.S. President to impose tariffs. The Court's ruling invalidated tariffs previously implemented by the U.S. Presidential Administration pursuant to IEEPA ("IEEPA Ruling"). As a result of this ruling, the Company began filing refund claims through the U.S. Customs and Border Protection's Consolidated Administration and Processing of Entries system. The Company has elected to apply a gain contingency model to account for potential recoveries of previously paid IEEPA tariffs ("IEEPA Tariff Refunds") and any related interest received. Under this model, a gain contingency is not recognized in the consolidated financial statements until the gain is realized or realizable. Any remaining recovery, when recognized, would be reflected as a reduction of inventory to the extent the related goods remain on hand, or as a reduction to cost of sales for amounts related to goods already sold. During the three and nine months ended September 30, 2026, the Company received $0.0 million and $36.5 million, respectively, of IEEPA Tariff Refunds and recognized such refunds as a reduction of cost of sales in the Consolidated Statements of Operations. During the three and nine months ended September 30, 2026, the Company also received $0.0 million and $1.2 million, respectively, of interest associated with the IEEPA Tariff Refunds, which was recognized within interest (income) expense, net.

Environmental matters

The Company is investigating or remediating historical environmental contamination at some current and former sites operated by the Company or by businesses the Company has acquired. The estimate of future investigation and remediation costs is primarily based on variables associated with site clean-up, including, but not limited to, physical characteristics of the site, the nature and extent of the contamination and applicable regulatory programs and remediation standards. The Company continues to monitor environmental matters and as of September 30, 2026, management has determined that such obligations are not material to the Company's financial position, results of operations, or cash flows.

NOTE 7—Income Taxes

The Company's provision for income taxes for interim periods is determined using an estimate of its annual effective tax rate, adjusted for discrete items, if any, that arise during the period. Each quarter, the Company updates its estimate of the annual effective tax rate, and if the estimated annual effective tax rate changes, the Company makes a cumulative adjustment in such period.

The effective tax rate was 31.6% and 18.4% for the three months ended September 30, 2026 and 2025, respectively, and 25.5% and 25.1% for the nine months ended September 30, 2026 and 2025, respectively. The lower effective tax rates in 2025 for both periods are primarily due to a favorable discrete tax benefit recognized in the third quarter of 2025.

NOTE 8—Segment Information

The Company's operations are managed and reported in two operating segments, each of which is a reportable segment for financial reporting purposes: (1) Home and Commercial Products and (2) Health. These segments are organized principally by product and service category. The Company's reportable segments are determined based on (1) financial information reviewed by the chief operating decision maker ("CODM"), (2) operational structure of the Company which is designed and managed to share resources across the entire suite of products offered by the business, and (3) the basis upon which the CODM makes resource allocation decisions. The CODM for both segments is the President and Chief Executive Officer of the Company. The CODM utilizes the segment operating profit (loss) to assess profitability and performance of actual results compared to forecasts.

The types of products and services from which each reportable segment derives its revenues are as follows:

Home and Commercial Products
Our Home and Commercial Products segment includes consumer product revenue, primarily concentrated in North America, consisting of sales of small electric household and specialty housewares appliances to traditional brick and mortar and ecommerce retailers, distributors and directly to the end consumer. Also included in this segment is commercial product revenue consisting of sales of products for restaurants, fast-food chains, bars and hotels. Approximately two-thirds of the Company's commercial sales are in the U.S., and the remaining is in markets across the globe.

Health
Our Health segment includes lease revenue in the U.S. and globally associated with leases of connected devices to specialty pharmacy networks and pharmaceutical companies, as well as licensing revenue associated with agreements which grant customers the right to use software for healthcare management.

The table below presents the revenues and significant expenses of the two reportable segments along with a reconciliation of segment profit (loss) to consolidated income (loss) before income taxes. Total assets by segment are not reported as the CODM does not regularly review asset information by segment.

	THREE MONTHS ENDED SEPTEMBER 30					
	2026			2025		
	Home and Commercial Products	**Health**	**Total**	Home and Commercial Products	Health	Total
Revenue	**$ 137,707**	**$ 2,555**	**$ 140,262**	$ 130,892	$ 1,887	$ 132,779
Less:						
Cost of sales	**101,065**	**652**	**101,717**	104,266	487	104,753
Selling, general and administrative expenses	**32,435**	**1,724**	**34,159**	23,924	1,228	25,152
Segment profit (loss)	**$ 4,207**	**$ 179**	**$ 4,386**	$ 2,702	$ 172	$ 2,874
Reconciliation of segment profit or (loss)						
Interest (income) expense, net			**(555)**			224
Other (income) expense, net			**(238)**			625
Income (loss) before income taxes			**$ 5,179**			$ 2,025

	NINE MONTHS ENDED SEPTEMBER 30					
	2026			2025		
	Home and Commercial Products	**Health**	**Total**	Home and Commercial Products	Health	Total
Revenue	**$ 397,490**	**$ 7,367**	**$ 404,857**	$ 388,792	$ 5,129	$ 393,921
Less:						
Cost of sales	**250,837**	**1,787**	**252,624**	296,641	1,352	297,993
Selling, general and administrative expenses	**94,463**	**5,210**	**99,673**	79,452	5,341	84,793
Segment profit (loss)	**$ 52,190**	**$ 370**	**$ 52,560**	$ 12,699	$ (1,564)	$ 11,135
Reconciliation of segment profit or (loss)						
Interest (income) expense, net			**(1,897)**			273
Other (income) expense, net			**(304)**			294
Income (loss) before income taxes			**$ 54,761**			$ 10,568

Item 2. - Management's Discussion and Analysis of Financial Condition and Results of Operations

(Dollars in thousands, except as noted and per share data)

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon management's current expectations and are subject to various uncertainties and changes in circumstances. Important factors that could cause actual results to differ materially from those described in these forward-looking statements are set forth below under the heading "Forward-Looking Statements." Accordingly, this Management's Discussion and Analysis of Financial Condition and Results of Operations should be read in conjunction with the financial statements and the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Our operations are managed and reported in two operating segments, each of which is a reportable segment for financial reporting purposes: (1) Home and Commercial Products and (2) Health.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

For a summary of the Company's critical accounting policies, refer to "Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Critical Accounting Policies and Estimates" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as there have been no material changes from those disclosed in the Annual Report.

RESULTS OF OPERATIONS

The market for small electric household and specialty housewares appliances is fairly steady throughout the year; however, the Company's revenue typically increases during the second half of the year and peaks during the fourth quarter due to the fall holiday-selling season.

Third Quarter of 2026 Compared with Third Quarter of 2025

	THREE MONTHS ENDED SEPTEMBER 30					
					Increase / (Decrease)	
	2026	% of Revenue	2025	% of Revenue	$ Change	% Change
Revenue	**$ 140,262**	100.0 %	$ 132,779	100.0 %	$ 7,483	5.6 %
Cost of sales	**101,717**	72.5 %	104,753	78.9 %	(3,036)	(2.9)%
Gross profit	**38,545**	27.5 %	28,026	21.1 %	10,519	37.5 %
Selling, general and administrative expenses	**34,159**	24.4 %	25,152	18.9 %	9,007	35.8 %
Operating profit (loss)	**4,386**	3.1 %	2,874	2.2 %	1,512	52.6 %
Interest (income) expense, net	**(555)**	(0.4)%	224	0.2 %	(779)	(347.8)%
Other (income) expense, net	**(238)**	(0.2)%	625	0.5 %	(863)	(138.1)%
Income (loss) before income taxes	**5,179**	3.7 %	2,025	1.5 %	3,154	155.8 %
Income tax expense (benefit)	**1,637**	1.2 %	372	0.3 %	1,265	340.1 %
Net income (loss)	**$ 3,542**	2.5 %	$ 1,653	1.2 %	$ 1,889	114.3 %
Effective income tax rate	**31.6 %**		18.4 %			

The following table identifies the components of the change in revenue:

	Revenue
2025	$ 132,779
Increase (decrease) from:	
Unit volume and product mix	5,600
Average sales price	1,327
Foreign currency	556
2026	**$ 140,262**

Revenue - Revenue increased $7.5 million, or 5.6%, compared to the prior year driven by growth in the Company's U.S. Consumer business reflecting recovery from the third quarter of 2025 when one large retailer delayed orders as they assessed inventory levels and pricing in response to the tariffs implemented by the U.S. in April 2025. This growth was further supported by strong double-digit revenue growth in the Health business.

Gross profit - Gross profit margin increased to 27.5% compared to 21.1% in the prior year. The significant improvement in gross margin year-over-year was driven by the continued sell-through of inventory no longer subject to IEEPA tariffs compared with the year ago period when inventory was subject to the temporary spike in tariff rates on imports from China to 125%.

Selling, general and administrative expenses (SG&A) - Selling, general and administrative expenses increased $9.0 million compared to the prior year. The increase was driven by $4.0 million in higher incentive related personnel costs primarily due to the appreciation in share price. The current period also includes increased advertising of $1.6 million and $1.3 million in accelerated depreciation of the Company's legacy enterprise resource planning (ERP) system.

Interest (income) expense, net - Interest income, net increased $0.8 million primarily due to investment of increased cash on hand.

Other (income) expense, net - Other income, net was $0.2 million for the three months ended September 30, 2026, compared to other expense, net of $0.6 million in the prior period.

Income tax expense (benefit) - The effective tax rate was 31.6% and 18.4% for the three months ended September 30, 2026 and 2025, respectively. The lower effective tax rate in the prior period was primarily due to a favorable discrete tax benefit recognized in the third quarter of 2025.

First Nine Months of 2026 Compared with First Nine Months of 2025

	NINE MONTHS ENDED SEPTEMBER 30					
	2026	% of Revenue	2025	% of Revenue	$ Change	% Change
Revenue	**$ 404,857**	100.0 %	$ 393,921	100.0 %	$ 10,936	2.8 %
Cost of sales	**252,624**	62.4 %	297,993	75.6 %	(45,369)	(15.2)%
Gross profit	**152,233**	37.6 %	95,928	24.4 %	56,305	58.7 %
Selling, general and administrative expenses	**99,673**	24.6 %	84,793	21.5 %	14,880	17.5 %
Operating profit (loss)	**52,560**	13.0 %	11,135	2.8 %	41,425	372.0 %
Interest (income) expense, net	**(1,897)**	(0.5)%	273	0.1 %	(2,170)	(794.9)%
Other (income) expense, net	**(304)**	(0.1)%	294	0.1 %	(598)	(203.4)%
Income (loss) before income taxes	**54,761**	13.5 %	10,568	2.7 %	44,193	418.2 %
Income tax expense (benefit)	**13,972**	3.5 %	2,657	0.7 %	11,315	425.9 %
Net income (loss)	**$ 40,789**	10.1 %	$ 7,911	2.0 %	$ 32,878	415.6 %
Effective income tax rate	**25.5 %**		25.1 %			

The following table identifies the components of the change in revenue:

	Revenue
2025	$ 393,921
Increase (decrease) from:	
Unit volume and product mix	(6,451)
Average sales price	13,274
Foreign currency	4,113
2026	**$ 404,857**

Revenue - Revenue increased $10.9 million, or 2.8%, compared to the prior year driven by growth in the U.S. Consumer business, while strong double-digit growth in the Health business and favorable foreign currency translation also contributed to the overall increase.

Gross profit - Gross profit margin increased to 37.6% compared to 24.4% in the prior year. The significant improvement in gross margin included one-time benefits related to the IEEPA Tariff Ruling. These benefits consist of IEEPA Tariff Refunds of $36.5 million received in the second quarter, as well as continued sell-through of inventory no longer subject to IEEPA tariffs. These benefits are non-recurring and will not persist beyond the sell-through of the affected inventory. Excluding these benefits, gross profit margin would have been 26.9%.

Selling, general and administrative expenses (SG&A) - Selling, general and administrative expenses increased $14.9 million compared to the prior year. The increase was driven by $6.8 million in higher incentive related personnel costs primarily due to the appreciation in share price. The current period also includes increased advertising of $2.8 million and $4.2 million in accelerated depreciation of the Company's legacy enterprise resource planning (ERP) system.

Interest (income) expense, net - Interest income, net increased $2.2 million due to interest income on the IEEPA Tariff Refunds in the second quarter of 2026 and investment of increased cash on hand.

Other (income) expense, net - Other income, net was $0.3 million for the nine months ended September 30, 2026 compared to other expense, net of $0.3 million for the nine months ended September 30, 2025.

Income tax expense (benefit) - The effective tax rate was 25.5% compared to 25.1% in the prior period. The lower effective tax rate in the prior period was primarily due to a favorable discrete tax benefit recognized in the third quarter of 2025.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

Our cash flows are provided by dividends paid or distributions made by HBB. The only material assets held by us are the investments in our consolidated subsidiary. As a result, certain statutory limitations or regulatory or financing agreements could affect the levels of distributions allowed to be made by our subsidiary. We have not guaranteed any of the obligations of HBB.

Our principal sources of cash to fund liquidity needs are: (1) cash generated from operations and (2) borrowings available under the HBB Facility. Our primary use of funds consists of working capital requirements, operating expenses, payment of dividends, repurchase of shares, capital expenditures and payments of principal and interest on debt.

The HBB Facility expires on December 13, 2029. We believe funds available from cash on hand, the HBB Facility and operating cash flows will provide sufficient liquidity to meet our operating needs and commitments arising during the next twelve months.

The following table presents selected cash flow information:

	NINE MONTHS ENDED SEPTEMBER 30	
	2026	2025
Net cash provided by (used for) operating activities	**$ 80,471**	$ (14,641)
Net cash provided by (used for) investing activities	**$ (1,481)**	$ (2,506)
Net cash provided by (used for) financing activities	**$ (33,719)**	$ (12,743)

Operating activities - Net cash provided by operating activities was $80.5 million, compared to cash used of $14.6 million in the prior year, representing an increase of $95.1 million. The increase was primarily driven by refunds received in the second quarter related to the IEEPA Ruling and lower working capital, mainly due to reduced inventory levels as the prior year included accelerated purchases ahead of tariff uncertainty.

Investing activities - Net cash used for investing activities decreased $1.0 million compared to the prior year.

Financing activities - Net cash used for financing activities increased $21.0 million compared to the prior year due to the paying down of $25.0 million of borrowings, slightly offset by lower share repurchases during the first nine months of 2026.

Capital Resources

The obligations under the HBB Facility are secured by all of HBB's U.S. assets. As of September 30, 2026, the borrowing base under the HBB Facility was $122.0 million and borrowings outstanding were $25.0 million. As of September 30, 2026, Excess Availability (as defined in the HBB Facility) was $97.0 million. The Company may repay outstanding debt from time to time depending on market conditions, cash flow generation, and other factors.

The maximum availability under the HBB Facility is governed by a borrowing base derived from advance rates against eligible trade receivables and inventory of HBB. As of September 30, 2026, interest on outstanding loans under the HBB Facility accrues at a per annum rate equal to, at HBB's option, either Term Secured Overnight Financing Rate (SOFR) (as defined in the HBB Facility) plus 1.65% or the Base Rate (as defined in the HBB Facility) plus 0.00%. As of September 30, 2026, the HBB Facility requires a fee of 0.20% per annum on the unused commitment thereunder. The weighted average interest rate applicable to the HBB Facility for the nine months ended September 30, 2026 was 3.27% (after giving effect to the interest rate swap agreements described below).

To reduce the exposure to changes in the market rate of interest, we have entered into interest rate swap agreements for a portion of the HBB Facility. Terms of the interest rate swap agreements require us to receive a variable interest rate and pay a fixed interest rate. As of June 30, 2026, the Company had $50.0 million of borrowings outstanding under the HBB Facility and interest rate swap agreements with an aggregate notional amount of $50.0 million. During the third quarter of 2026, the Company paid down $25.0 million of outstanding borrowings, and in connection with the reduction in borrowings, terminated interest rate swap agreements with an aggregate notional amount of $25.0 million, receiving $0.9 million upon termination. As of September 30, 2026, the Company had $25.0 million of borrowings outstanding under the HBB Facility and a remaining interest rate swap agreement with a notional amount of $25.0 million at a fixed interest rate of 1.78%.

The HBB Facility contains customary representations and warranties, events of default and covenants, including, among other things, covenants applicable to HBB and its subsidiaries limiting indebtedness, liens, investments, dispositions and restricted payments. Additionally, if Excess Availability is less than $15.0 million at any time, the HBB Facility will require that HBB maintain a minimum Fixed Charge Coverage Ratio (as defined in the HBB Facility) of 1.00 to 1.00 until Excess Availability is greater than or equal to $15.0 million for 30 consecutive days. As of September 30, 2026, we were in compliance with all applicable financial covenants in the HBB Facility.

The Company previously had an arrangement with a financial institution to sell certain U.S. trade receivables of a single customer on a non-recourse basis. See Note 2 - Transfer of Financial Assets included in the unaudited consolidated financial statements contained in Part I of this Form 10-Q.

Contractual Obligations, Contingent Liabilities and Commitments

For a summary of the Company's contractual obligations, contingent liabilities and commitments, refer to "Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Contractual Obligations, Contingent Liabilities and Commitments" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as there have been no material changes from those disclosed in the Annual Report.

Off Balance Sheet Arrangements

For a summary of the Company's off balance sheet arrangements, refer to "Part II - Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations - Off Balance Sheet Arrangements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as there have been no material changes from those disclosed in the Annual Report.

FORWARD-LOOKING STATEMENTS

The statements contained in this Form 10-Q that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Exchange Act. These forward-looking statements are made subject to certain risks and uncertainties, which could cause actual results to differ materially from those presented. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. Such risks and uncertainties include, without limitation: (1) uncertain or unfavorable global economic conditions and impacts from tariffs, inflation, rising interest rates, recessions or economic slowdowns; (2) changes in costs, including transportation costs and tariffs, of sourced products; (3) the Company's ability to source and ship products to meet anticipated demand; (4) changes in or unavailability of quality or cost effective suppliers; (5) the Company's ability to successfully manage constraints throughout the global transportation supply chain; (6) delays in delivery of sourced products; (7) changes in the sales prices, product mix or levels of consumer purchases of small electric household and specialty housewares appliances; (8) changes in consumer retail and credit markets, including the increasing volume of transactions made through third-party internet sellers; (9) bankruptcy of or loss of major retail customers or suppliers; (10) exchange rate fluctuations, changes in the import tariffs and monetary policies and other changes in the regulatory climate in the countries in which the Company operates or buys and/or sells products; (11) the impact of tariffs on customer purchasing patterns; (12) customer acceptance of price increases or delays in the development of new products; (13) product liability, regulatory actions or other litigation, warranty claims or returns of products; (14) increased competition, including consolidation within the industry; (15) changes in customers' inventory management strategies; (16) shifts in consumer shopping patterns, gasoline prices, weather conditions, the level of consumer confidence and disposable income as a result of economic conditions, unemployment rates or other events or conditions that may adversely affect the level of customer purchases of the Company's products; (17) changes mandated by federal, state and other regulation, including tax, health, safety or environmental legislation; (18) the Company's ability to identify, acquire or develop, and successfully integrate, new businesses or new product lines; and (19) other risk factors, including those described in the Company's filings with the Securities and Exchange Commission, including, but not limited to, the Annual Report on Form 10-K for the year ended December 31, 2025. Furthermore, the future impact of unfavorable economic conditions, including inflation, changing interest rates, availability of capital markets and consumer spending rates remains uncertain. In uncertain economic environments, we cannot predict whether or when such circumstances may improve or worsen, or what impact, if any, such circumstances could have on our business, results of operations, cash flows and financial position.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

INTEREST RATE RISK

We enter into certain financing arrangements that require interest payments based on floating interest rates. As such, our financial results are subject to changes in the market rate of interest. There is an inherent rollover risk for borrowings as they mature and are renewed at current market rates. The extent of this risk is not quantifiable or predictable because of the variability of future interest rates and business financing requirements. To reduce the exposure to changes in the market rate of interest, we have entered into interest rate swap agreements for a portion of our floating rate financing arrangements. As of June 30, 2026, the Company had $50.0 million of borrowings outstanding under the HBB Facility and interest rate swap agreements with an aggregate notional amount of $50.0 million. During the third quarter of 2026, the Company paid down $25.0 million of outstanding borrowings and, in connection with the reduction in borrowings, terminated interest rate swap agreements with an aggregate notional amount of $25.0 million. As of September 30, 2026, the Company had $25.0 million of borrowings outstanding under the HBB Facility and a remaining interest rate swap agreement with a notional amount of $25.0 million.

For the purpose of risk analysis, we use sensitivity analysis to measure the potential loss in fair value of financial instruments sensitive to changes in interest rates. We assume that a loss in fair value is an increase in our receivables. The fair value of our interest rate swap agreement was an asset of $1.6 million as of September 30, 2026. A hypothetical 10% relative decrease in market interest rates as of September 30, 2026 would cause a decrease of $0.1 million in the fair value of interest rate swap agreements. Additionally, a hypothetical 10% relative increase in market interest rates as of September 30, 2026 would cause an increase of $0.1 million in the fair value of interest rate swap agreements. Neither would have a material impact on the Company's interest income for the nine months ended September 30, 2026.

FOREIGN CURRENCY EXCHANGE RATE RISK

We operate internationally through our foreign operating subsidiaries and enter into transactions denominated in foreign currencies, principally the Canadian dollar, the Mexican peso and, to a lesser extent, the Chinese yuan and the European Union euro. As such, our financial results are subject to the variability that arises from exchange rate movements. The fluctuation in the value of the U.S. dollar against other currencies affects the reported amounts of revenues, expenses, assets and liabilities. The potential impact of currency fluctuation increases as international expansion increases.

We have historically used forward foreign currency exchange contracts to partially reduce risks related to transactions denominated in foreign currencies and not for trading purposes. These contracts generally mature within twelve months and require us to buy or sell the functional currency in which the applicable subsidiary operates and buy or sell U.S. dollars at rates agreed to at the inception of the contracts. As of September 30, 2026, we do not have any foreign currency exchange rate contracts.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Company management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures as of September 30, 2026. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that the Company's disclosure controls and procedures were effective as of September 30, 2026.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting identified during the quarter ended September 30, 2026, in connection with the evaluation by the Company's management required by paragraph (d) of Rules 13a-15 and 15d-15 under the Exchange Act, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1 Legal Proceedings
The information required by this Item 1 is set forth in Note 6 – Contingencies included in the unaudited consolidated financial statements contained in Part I of this Form 10-Q and is hereby incorporated herein by reference to such information.

Item 1A Risk Factors
There are no material changes to the risk factors for the Company from those disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2 Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities [1]

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share [2]	(c) Total Number of Shares Purchased as Part of the Publicly Announced Program	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Program
Month #1 July 1 to 31, 2026	21,706	$ 22.43	21,706	$ 21,613,761
Month #2 August 1 to 31, 2026	3,202	$ 23.57	3,202	$ 21,538,282
Month #3 September 1 to 30, 2026	—	$ —	—	$ 21,538,282
	24,908	$ 22.57	24,908	$ 21,538,282

[1] In November 2025, the Company's Board approved a stock repurchase program for the purchase of up to $25 million of the Company's Class A Common outstanding starting January 1, 2026 and ending December 31, 2027.

[2] Average price paid per share includes costs associated with the repurchases but excludes the 1% excise tax on stock repurchases imposed by the Inflation Reduction Act of 2022.

During the three and nine months ended September 30, 2026, the Company repurchased 24,908 and 178,190 shares at prevailing market prices for an aggregate purchase price of $0.6 million and $3.5 million, respectively. During the three and nine months ended September 30, 2025, the Company repurchased 39,333 and 396,065 shares at prevailing market prices for an aggregate purchase price of $0.6 million and $7.2 million, respectively. During the year ended December 31, 2025, the Company repurchased 467,804 shares for an aggregate purchase price of $8.3 million.

Additionally, during the nine months ended September 30, 2026 and September 30, 2025, the Company withheld shares for tax payments due upon issuance of stock to employees under the Incentive Plan. During the nine months ended September 30, 2026 and September 30, 2025, the Company repurchased 13,575 and 39,121 shares, respectively, for an aggregate purchase price of $0.3 million and $0.7 million, respectively, pursuant to the Incentive Plan. There were no shares repurchased pursuant to the Incentive Plan during the three months ended September 30, 2026 and September 30, 2025.

The total combined share repurchases from the stock repurchase program and the Incentive Plan during the three and nine months ended September 30, 2026 was 24,908 and 191,765 shares, respectively, for an aggregate purchase price of $0.6 million and $3.7 million, respectively. The total combined share repurchases from the stock repurchase program and the Incentive Plan during the three and nine months ended September 30, 2025 was 39,333 and 435,186 shares, respectively, for an aggregate purchase price of $0.6 million and $7.9 million, respectively.

Item 3 Defaults Upon Senior Securities
None.

Item 4 Mine Safety Disclosures
None.

Item 5 Other Information

None of the Company's directors or "officers" (as defined in Rule 16a-1(f) promulgated under the Exchange Act) adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended September 30, 2026.

Item 6 Exhibits

Exhibit Number*	Description of Exhibits
31(i)(1)	Certification of R. Scott Tidey pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act
31(i)(2)	Certification of Sally M. Cunningham pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act
32	Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed and dated by R. Scott Tidey and Sally M. Cunningham
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Numbered in accordance with Item 601 of Regulation S-K.

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Hamilton Beach Brands Holding Company
(Registrant)

Date: November 4, 2026

/s/ Sally M. Cunningham

Sally M. Cunningham

Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)/(Principal Accounting Officer)

Exhibit 31(i)(1)

Certifications

I, R. Scott Tidey, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hamilton Beach Brands Holding Company;

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.

Date: November 4, 2026

/s/ R. Scott Tidey

R. Scott Tidey
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31(i)(2)

Certifications

I, Sally M. Cunningham, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hamilton Beach Brands Holding Company;

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.

Date: November 4, 2026

/s/ Sally M. Cunningham

Sally M. Cunningham

Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)/(Principal Accounting Officer)

Exhibit 32

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 Quarterly Report of Hamilton Beach Holding Company (the "Company") on Form 10-Q for the quarter ended September 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

Date: November 4, 2026

/s/ R. Scott Tidey

R. Scott Tidey

President and Chief Executive Officer (Principal Executive Officer)

Date: November 4, 2026

/s/ Sally M. Cunningham

Sally M. Cunningham

Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)/(Principal Accounting Officer)