

Boss Holdings, Inc. and Subsidiaries

Consolidated Balance Sheets (Dollars in Thousands, Except Per Share Data)

	June 27, 2026 (Unaudited)	December 27, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 10,373	\$ 8,743
Accounts receivable	3,215	2,279
Inventories	8,029	9,292
Prepaid expenses and other	604	1,122
Income tax receivable	225	180
Note receivable	200	200
Investment in debt securities, amortized cost	3,762	7,440
Total current assets	26,408	29,256
Property and equipment, net	1,544	1,630
Operating lease right of use assets, net	870	1,010
Marketable equity securities	10,342	10,093
Deferred tax asset	3,219	3,219
Intangibles, net of accumulated amortization	123	166
Goodwill	3,288	3,288
	\$ 45,794	\$ 48,662
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of operating lease liabilities	\$ 400	\$ 340
Accounts payable	1,245	1,395
Accrued payroll and related expenses	308	389
Other accrued liabilities	547	762
Total current liabilities	2,500	2,886
Noncurrent liabilities:		
Long-term operating lease liabilities	468	666
Other long-term liabilities	208	233
Total noncurrent liabilities	676	899
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$.25 par value; authorized 2,000,000 shares; issued and outstanding 1,599,608 shares at 6/27/2026 and 1,643,002 at 12/27/2025	400	411
Additional paid-in capital	56,069	56,822
Accumulated (deficit)	(13,851)	(12,356)
Total stockholders' equity	42,618	44,877
	\$ 45,794	\$ 48,662

Boss Holdings, Inc. and Subsidiaries

Consolidated Statements of Comprehensive Income (Loss)
Periods Ended June 27, 2026 and June 28, 2025
(Dollars in Thousands, Except Per Share Data)

	Quarter Ended 6/27/2026	Quarter Ended 6/28/2025	Six Months Ended 6/27/2026	Six Months Ended 6/28/2025
Net sales	\$ 9,759	\$ 11,138	\$ 19,109	\$ 22,190
Cost of sales	7,126	8,197	13,924	16,613
Gross profit	2,633	2,941	5,185	5,577
Operating expenses	2,672	3,302	5,539	6,521
Operating (loss)	(39)	(361)	(354)	(944)
Other income (expenses):				
Interest income	256	208	482	418
Interest expense	-	-	-	-
Change in unrealized gains and losses on marketable equity securities	(13)	-	(10)	-
Other	(16)	(10)	(9)	36
	227	198	463	454
Income (Loss) from continuing operations before income tax (benefit)	188	(163)	109	(490)
Income tax (benefit)	5	(11)	(48)	(49)
Net income (loss)	183	(152)	157	(441)
Other comprehensive income (loss), foreign currency translation adjustments	-	-	-	-
Comprehensive income (loss)	\$ 183	\$ (152)	\$ 157	\$ (441)
Basic earnings (loss) per common share:				
Continuing operations	\$ 0.11	\$ (0.09)	\$ 0.10	\$ (0.27)
Discontinued operations	-	-	-	-
Basic earnings (loss) per common share	\$ 0.11	\$ (0.09)	\$ 0.10	\$ (0.27)
Diluted earnings (loss) per common share:				
Continuing operations	\$ 0.11	\$ (0.09)	\$ 0.10	\$ (0.27)
Discontinued operations	-	-	-	-
Diluted earnings (loss) per common share	\$ 0.11	\$ (0.09)	\$ 0.10	\$ (0.27)

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Consolidated Statements of Cash Flows Periods Ended June 27, 2026 and June 28, 2025 (Dollars in Thousands)

	Six Months Ended June 26, 2026	Six Months Ended June 28, 2025
Cash flows from operating activities:		
Net income (loss) from continuing operations	\$ 157	\$ (441)
Adjustments to reconcile net income (loss) from continuing operations to net cash provided by (used in) continuing operations:		
Depreciation and amortization	81	294
Change in realized and unrealized (gains) losses on investments	10	(328)
Changes in assets and liabilities net of acquisitions:		
(Increase) decrease in:		
Accounts receivable	(936)	(81)
Inventories	1,263	858
Prepaid expenses and other	518	113
Increase (decrease) in:		
Accounts payable	(148)	(690)
Accrued liabilities	(341)	(415)
Other liabilities	(25)	(75)
Net cash provided by (used in) operating activities	579	(765)
Cash flows from investing activities:		
Purchases of intangible assets	(10)	(37)
Purchases of property and equipment	(44)	(80)
Purchases of marketable securities	(259)	-
Purchases of held-to-maturity securities	-	(16,656)
Proceeds from sale of held-to-maturity securities	3,780	10,036
Proceeds from sale of available-for-sale securities	-	-
Net cash provided by (used in) investing activities	3,467	(6,737)
Cash flows from financing activities:		
Repurchase of common stock	(773)	-
Cash dividends paid	(1,643)	-
Net cash used in financing activities	(2,416)	-
Increase (Decrease) in cash and cash equivalents	1,630	(7,502)
Cash and cash equivalents:		
Beginning	8,743	11,015
Ending	\$ 10,373	\$ 3,513
Supplemental disclosures of cash flows information, cash payments for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -