2019 Global Consumer, Technology & Services Conference

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Hamilton Beach BRANDS



Hamilton Beach · Proctor Silex · Hamilton Beach Professional · Hamilton Beach Commercial · TrueAir · WESTON · WOLF GOURMET · CHI · Proctor Silex Commercial · kitchen COLLECTION

HAMILTON BEACH BRANDS HOLDING COMPANY

Baird 2019 Global Consumer, Technology & Services Conference

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This presentation and the Q and A to follow may include forward-looking statements subject to important risks and uncertainties. Refer to Hamilton Beach Brands Holding Company's reports filed on Forms 10-Q and 10-K for information on factors that could cause actual results to differ materially from information in this presentation. Past performance may not be representative of future results.

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On the Cover: Wolf Gourmet® is a registered trademark of the Sub-Zero Group, Inc. CHI® is a registered trademark of Farouk Systems, Inc.

HBBHC 2018 REVENUE - $743M

$634M

HBB 2018 Revenue

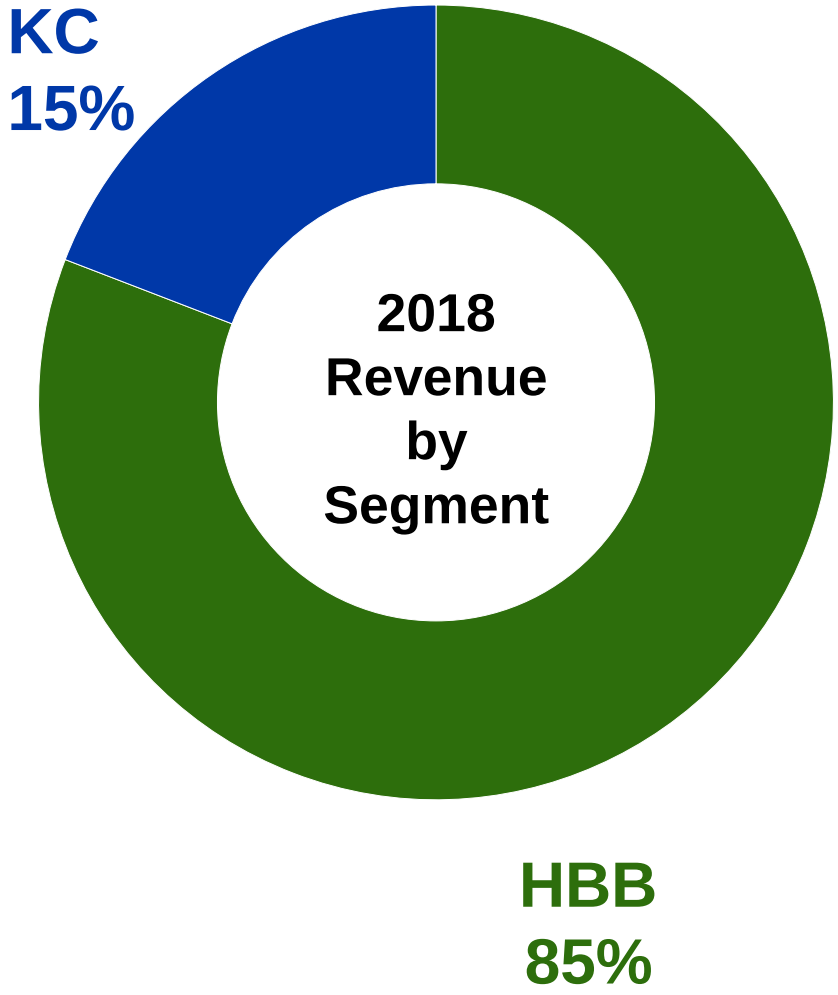
$114M

KC 2018 Revenue

HBBHC:

Operating Profit: $32M

Net Income: $22M



2018 Revenues of $743.2 million is net of $4.1 million of eliminations (intercompany sales)

STRONG CASH FLOW

Provides Financial Flexibility

$86M

HBBHC CASH FLOW BEFORE FINANCING GENERATED OVER PAST 3 YEARS

PRIORITY USES OF CASH

- Reinvest in Core Growth
- Support Strategic Initiatives
- Pay Down Debt
- Return Capital to Shareholders
  - Dividends
  - Share Repurchases
- Accretive Acquisitions – Strategic Fit at the Right Price

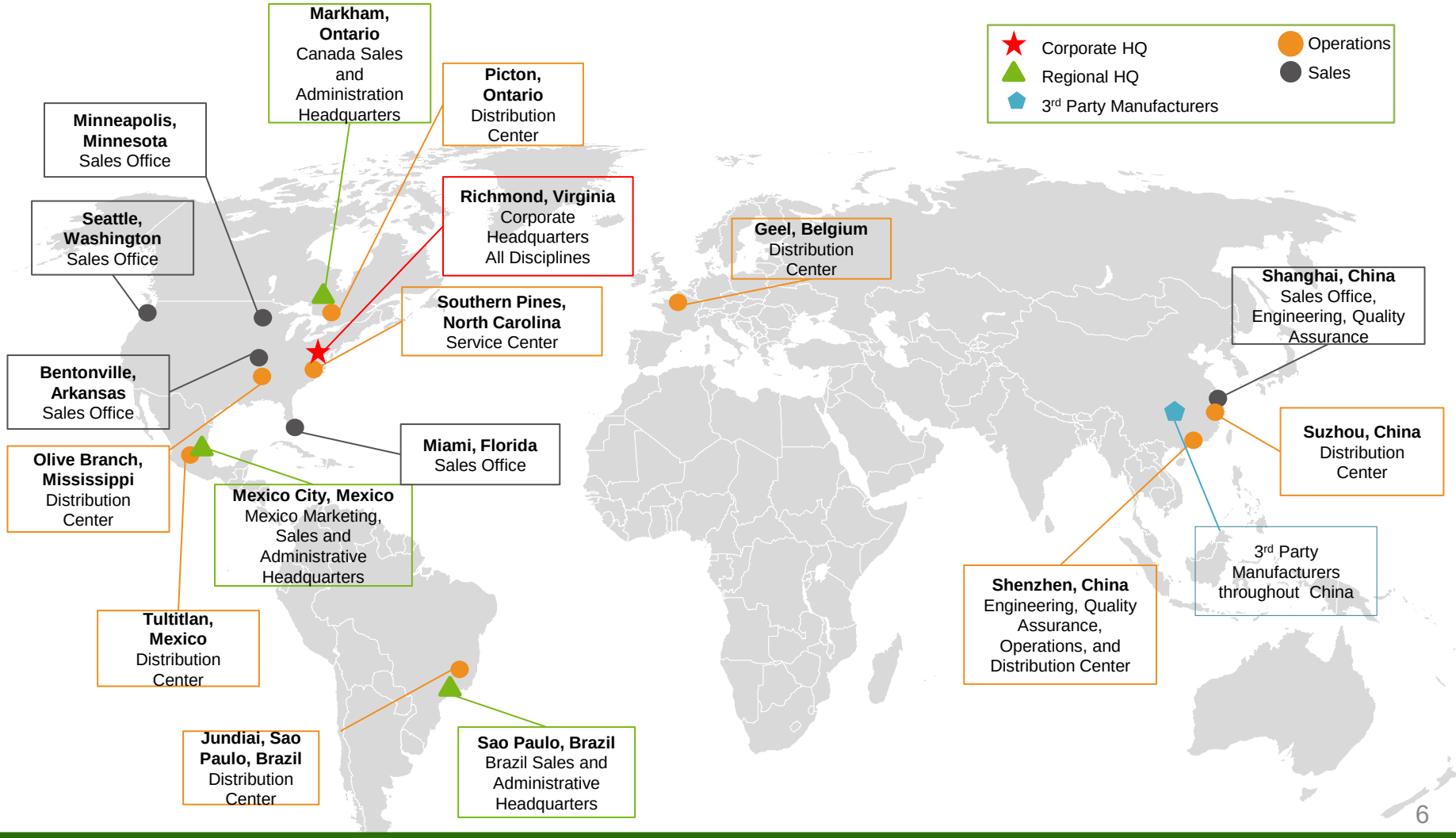
INVESTMENT HIGHLIGHTS

Proven Business Model Drives Results

- Commitment to Building Long-Term Shareholder Value
- Experienced Team Focused on Our Customers and Consumers
- Iconic Brands Serving Consumer and Commercial Markets Globally
- Comprehensive Product Offering - Value to Luxury
- Broad Customer Base and #1 Presence in Key Channels
- Leading Provider to the Growing E-commerce Market
- Focus on Innovation - 100+ Year History of Creating New and Innovative Products
- Global Infrastructure and Efficient Supply Chain
- Six Strategic Initiatives to Drive Long-Term Growth
- Historically Strong Cash Flows and Financial Flexibility

GLOBAL FOOTPRINT

Strategically Located to Serve Customers



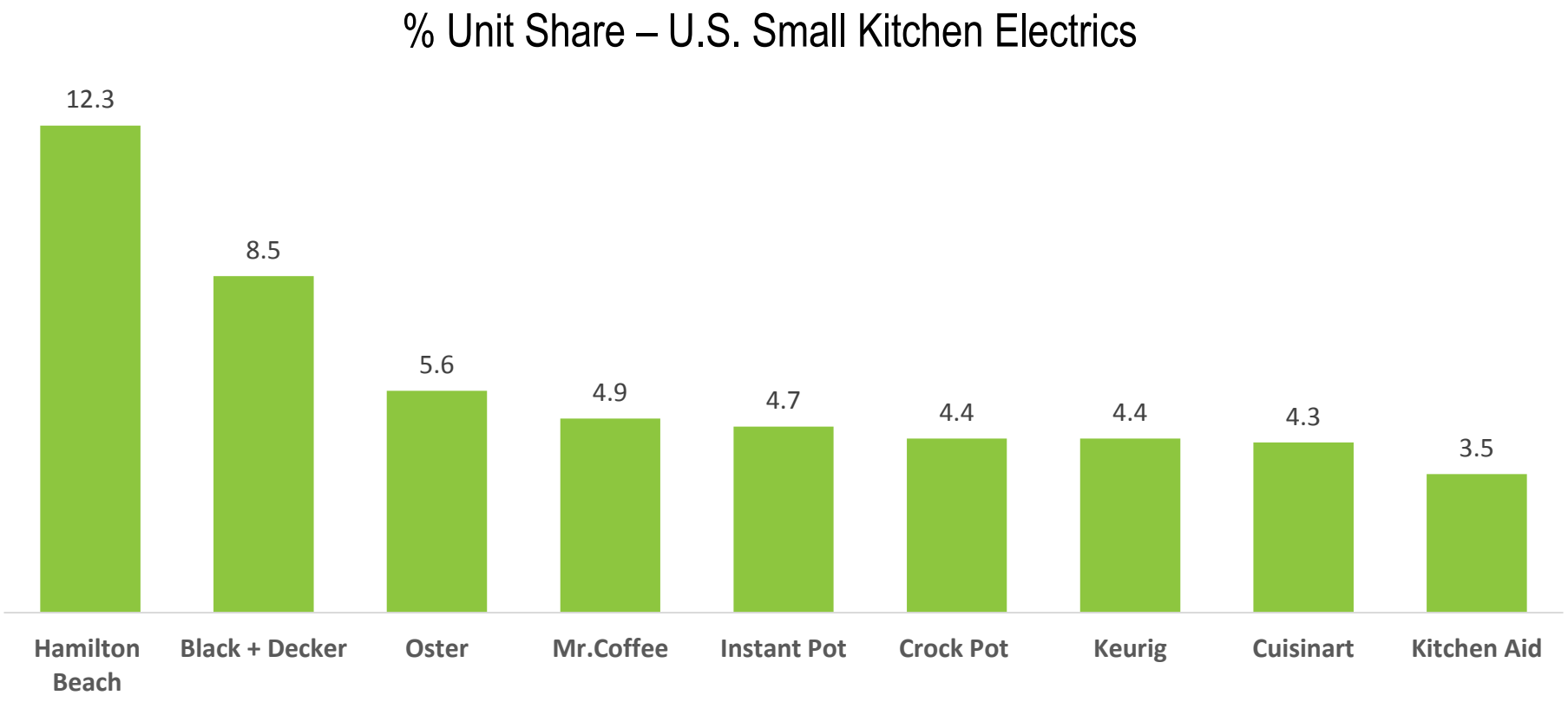
COMPREHENSIVE OFFERING

Brands, Price Points, 50+ Categories



HAMILTON BEACH® IS THE #1 BRAND

Hamilton Beach Drives Retailers' Traffic In Stores and Online



Source: NPD POS database, 12 & 6 months ending December 2018 – SKA + Garment care

HBB BRANDS ARE TOP 3 IN 28 CATEGORIES

Gained Share in 26 Categories in 2018

- Air Fryers
- **Blending (Traditional)**
- **Blending (Single Serve)**
- Other Blending & Processing
- **Breadmaker**
- **Citrus Juicer**
- **Coffee Grinder**
- **Coffeemaker (ADC)**
- **Coffee Percolators**
- **Combo Hand/Stand Mixer**
- **Electric Can Opener**
- Electric Griddle/Other Griddle
- **Electric Grills/Other Grills**
- **Electric Kettles**
- **Electric Knives**
- Electric Pasta Makers
- Electric Skillet
- Espresso Maker
- **Food Processor**
- Food Chopper
- **Food Steamer**
- Fryers (excluding Air Fryers)
- Garment Steamer
- Hand Blenders
- **Hand Mixer**
- Ice Cream/Yogurt Maker
- Ice Shaver/Sno-Cone Makers
- **Irons**
- **Jar Openers**
- **Juice Extractor**
- **Kitchen System**
- Meat Grinder/Mincer
- Multi-Cooker
- Other Waffle Iron/Sandwich Maker
- **Pizza Ovens**
- Popcorn Makers
- Rice Cooker
- **Roaster Oven**
- **Sandwich Maker**
- **Single Serve Brewer (w Pod)**
- **Slow Cooker**
- Sous Vide
- **Specialty Drink Maker**
- Stand Mixer
- Tea Makers
- **Toaster**
- **Toaster Oven**
- **Vacuum Sealers**
- Waffle Iron

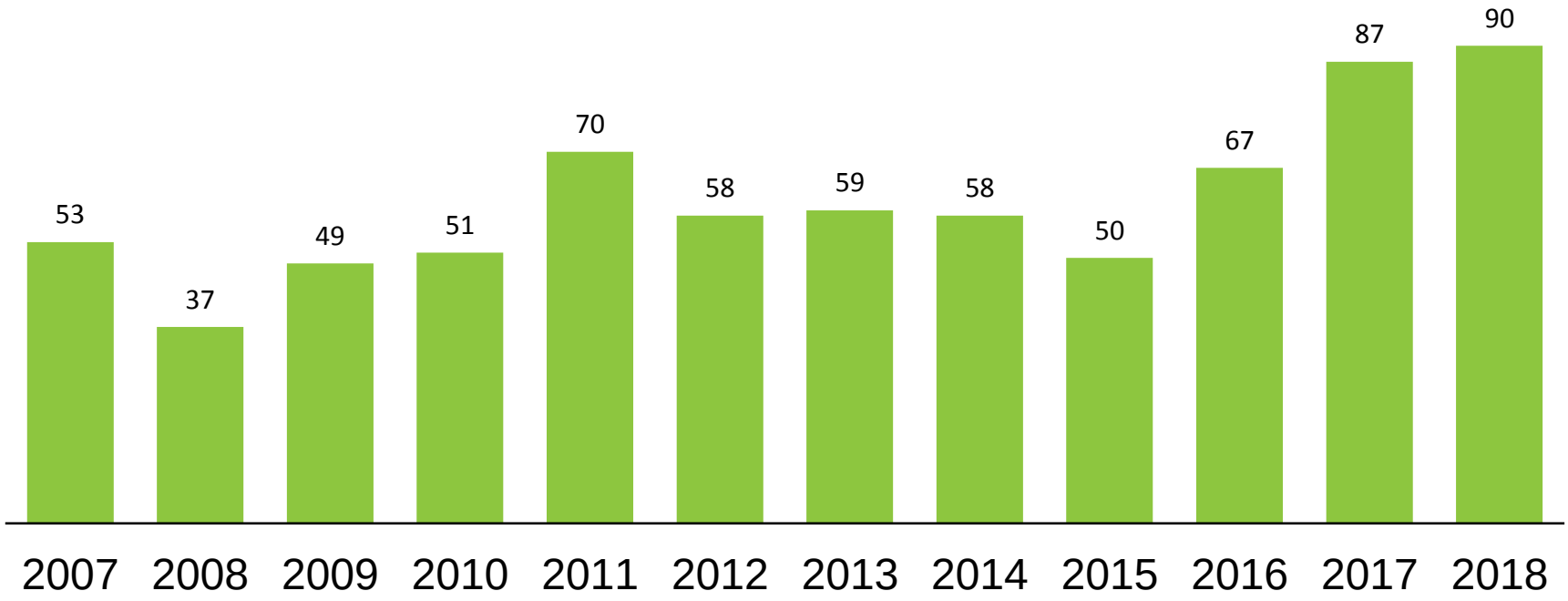
Green – Top 3 Share Category

Source: NPD POS – Units, 12 months ending 12/31/2018

FOCUS ON INNOVATION

"Good Thinking" Process Drives New Product Development

New Product Platform Introductions



HBB generated approximately 30% of its revenue in the last 3 years from products that are less than 3 years old.

GROWTH OBJECTIVE

Long-Term Growth Goal (excludes KC): $750 M - $1 B in Revenue and 9% - 10% Operating Profit



ONLY-THE-BEST

Increasing Share in High–End Market with Premium Brands

1/3 Approximately 1/3 of U.S. Small Kitchen Appliance Industry Dollars is in Only-the-Best segment

2014	2015	2016	2017
WOLF GOURMET	WESTON RECONNECT WITH REAL FOOD	Hamilton Beach PROFESSIONAL	CHI®

HBB Only-The-Best Revenue +40% in 2018

NEW IN 2019

Wolf Gourmet Stand Mixer



GLOBAL E-COMMERCE

HBB Products Earn Strong Online Ratings and Reviews

Brand	Rating	Average Star
Wolf Gourmet	4.4	
CHI	4.3	
Hamilton Beach Professional	4.1	
Hamilton Beach	4.1	
Weston	4.0	
Proctor Silex	4.0	

Hamilton Beach® was #1 selling brand in the U.S. e-commerce channel in 2018, based on units

HBB provides support for promotion, marketing and distribution programs appropriate for online channel

Reviews and star ratings take into account brand reputation, innovation, product quality and safety

Source: Star ratings are based on multiple online platforms.

GLOBAL COMMERCIAL

Leading Position in the Global Commercial Market





- Opportunity to accelerate growth in the $18B global commercial market (1)
- Company's commercial brand reputation for performance, reliability and differentiated products is driving growth
- Increasing penetration of products at regional and global chains

Global Commercial Sales +7% in 2018
Global Commercial Sales CAGR 6% since 2010

(1) Company estimate.

SmartServe™ Blend- In-Cup

The First Hands-Free BLIZZARD® Machine
Custom Designed for Dairy Queen®





INTERNATIONAL MARKETS

Significant Opportunity for Emerging Markets Growth

Latin America

Removable Reservoir Iron



China

High Performance Blender



India

Juicer Mixer Grinder



NEW CATEGORIES



brightline™

SONIC RECHARGEABLE TOOTHBRUSH

STRATEGIC ACQUISITIONS

Accretive – Right Fit at the Right Price

TARGET PROFILE

- Opportunity in consumer or commercial
- Competitive market position
- Potential to enter new product categories
- Strong brand or channel presence
- E-commerce focus

VALUE CREATION

- Accelerate growth and margins
- Highly accretive when layered into current business model
- Meet or exceed return on capital targets

STRATEGIC PARTNERSHIP

BARTESIAN®

PREMIUM COCKTAILS ON DEMAND™






Hamilton Beach
BRANDS