Hamilton Beach



Hamilton Beach · proctor silex · Hamilton Beach Professional · Hamilton Beach Commercial · Wolf Gourmet · Weston

Hamilton Beach Health · brightline · Bartesian Premium Cocktails on Demand · CHI · TrueAir · Brita · Clorox™

Investor Presentation
Three Part Advisors Midwest Ideas Conference – August 24, 2022



Hamilton Beach BRANDS

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Title Slide Registered Trademarks: Wolf Gourmet® Sub-Zero Group, Inc. CHI® Farouk Systems, Inc. Bartesian® the Bartesian company. Clorox® The Clorox Company. Brita* Brita LP.

Company Overview

Leading Provider of Small Kitchen Appliances

Hamilton Beach Brands Holding Company (HBBHC)

HBBHC was spun off from NACCO Industries in September 2017 and became a focused housewares investment with greater flexibility to pursue strategic growth opportunities.
Listed on the NYSE: HBB

NYSE

Hamilton Beach Brands (HBB)

HBB is a wholly owned subsidiary of HBBHC. HBB is a leading designer, marketer and distributor of a wide range of branded small electric household and specialty housewares appliances, as well as commercial products for restaurants, fast food chains, bars and hotels.

2021 Results
Record Revenue: $658 million
Operating Profit: $31.5 million

HBB is focused on generating above-market revenue growth, margin expansion and strong cash flow over time

Hamilton Beach

Investment Highlights

Competitive Advantages Position HBB to Drive Results

- Commitment to Building Long-Term Shareholder Value
- Experienced Team with Deep Industry, Customer and Consumer Knowledge
- Leader in an Industry with Strong, Proven, Durable Demand
- Leading Portfolio of Trusted, Preferred Brands: 50+ Categories, Value to Luxury Price Points
- #1 Presence in Key Sales Channels: Brick & Mortar and Ecommerce
- Market Leading Innovator: 100+ Years of Proven Innovation
- Strong Relationships with Broad Retail Customer Base Across All Channels
- Global Platform: Infrastructure is Asset Light
- Historically Strong Cash Flow and Financial Flexibility
- Strategic Initiatives to Drive Revenue Growth and Margin Expansion

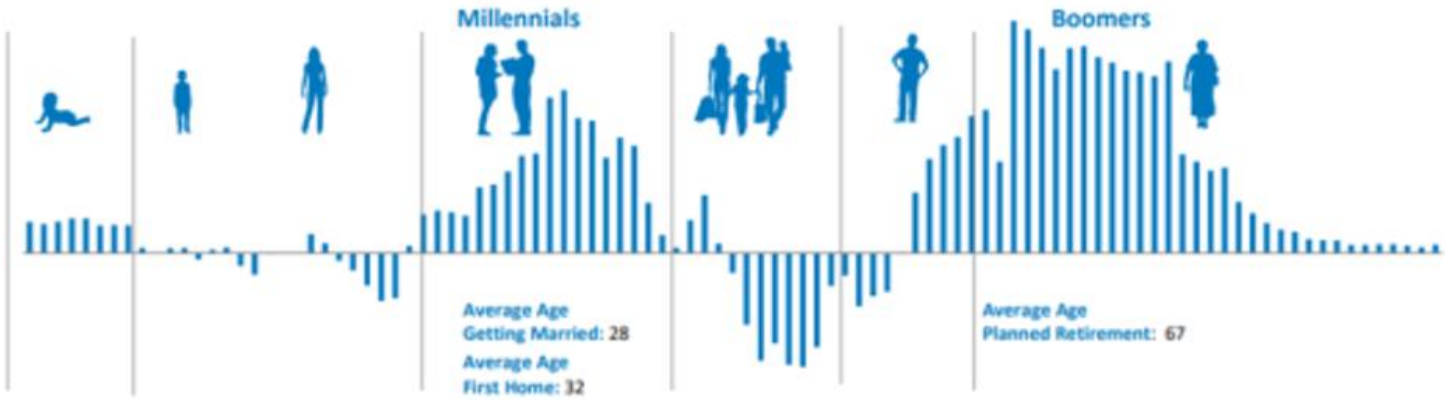
Millennials and Boomers Are Driving Industry Demand

Population Change by Age 2015-2025

The population is hitting key life moments driving the growth of Home Industry.



US Population Change by Individual Age (Projected)



Source: US Census Bureau

- The pandemic accelerated broader and deeper consumer adoption of small kitchen appliances that has continued as the pandemic has receded.
- The small kitchen appliance category has proven to be resilient during economic downturns.

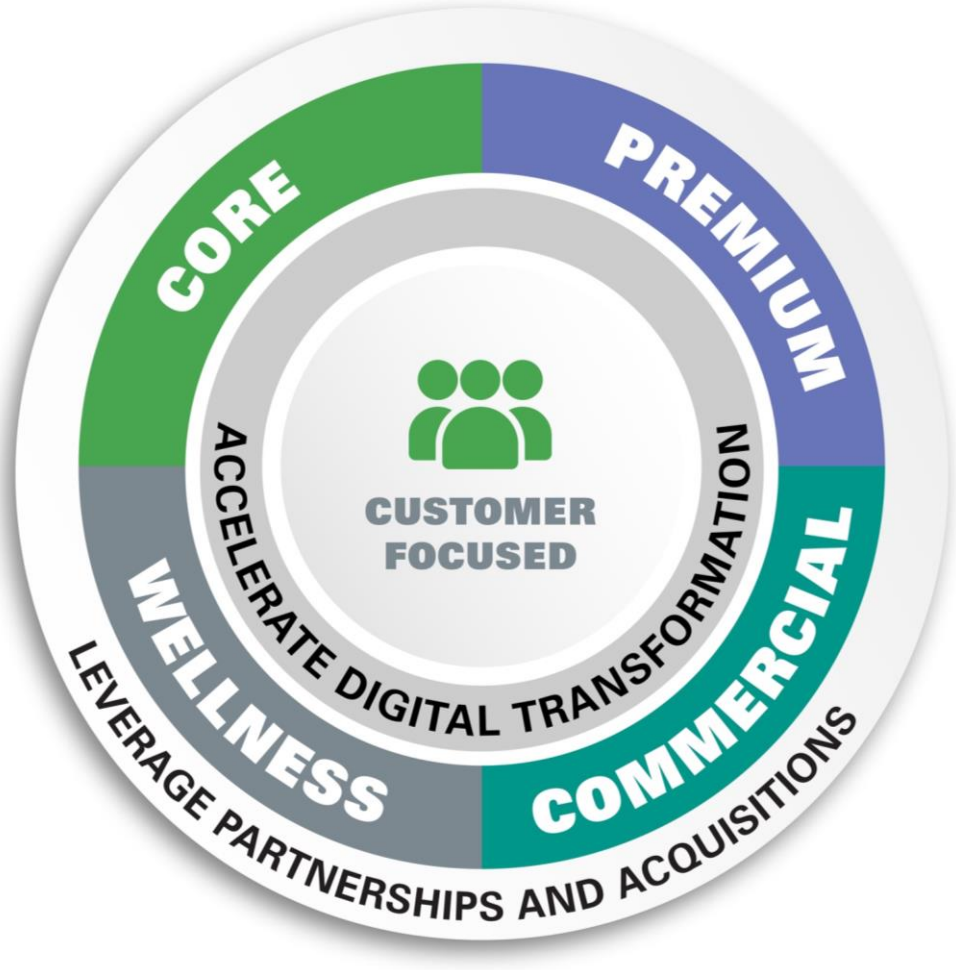
Comprehensive Portfolio of Well-Known Trusted Brands

Value to Luxury, 50+ Categories
Enables HBB to Meet the Needs of Most Retailers and Consumers



Strategic Initiatives to Drive Long-Term Growth

Deliver Profitable Growth from Innovative Solutions that Improve Everyday Living



1. DRIVE CORE GROWTH
2. GAIN SHARE IN THE PREMIUM MARKET
3. EXPAND IN HOME HEALTH & WELLNESS
4. LEAD IN GLOBAL COMMERCIAL MARKET

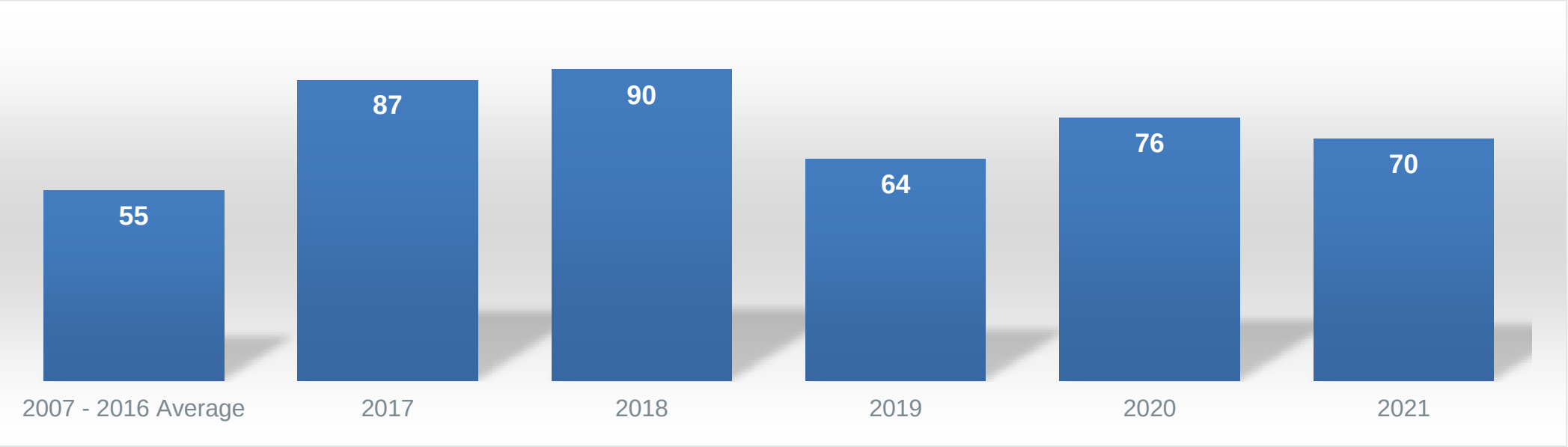
100+ Years of Market Leading Innovation

New Product Development Is Focused On:

Research-Driven Consumer Needs, Wants, Value Add
Higher Priced, Higher Margin Products
Large, Fast-Growing Categories
Breakthrough/Disruptive Innovation

Number of New Product Platforms Introduced

Expect to Introduce ~130 in 2022-2023



2022 New Products Across Brands and Categories



Strategic Initiative: Drive Core Growth

Focused on Growth of Our Flagship Brands
in Our Core North American Market
(United States, Canada, Mexico, Latin America)

Hamilton Beach®

- HB is the #1 brand in the USA with extremely high brand awareness and 4.4 star average online rating.
- Portfolio is filled with consumer-driven innovation across a range of categories.
- Covers a wide range of categories and price points and poised for growth.
- Investing in digital marketing, PR, and influencer campaigns.

proctor|silex®

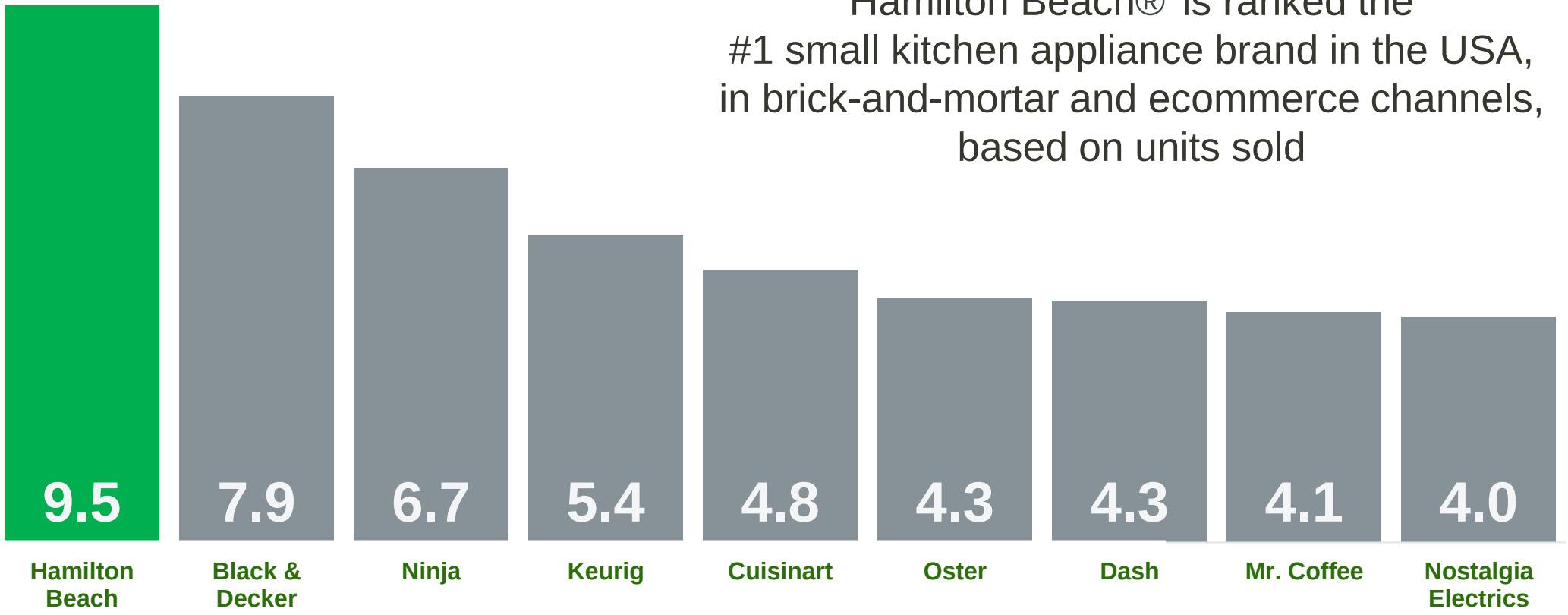
- Strong brand with a robust portfolio of products and 4.4 star average online rating.
- Continue to incorporate Simply Better positioning and build out Platinum Series line.
- Driving online sales, building awareness, share, and potential for in-store placement.
- Increase awareness and traffic to PS products with PR and digital marketing support – influencer, email, affiliate, social media.

In 2021, sales of the Company's Core Brands increased 6.2%

Hamilton Beach® Is the #1 SKA Brand in USA

Hamilton Beach Brands Drives Retailer Traffic in Stores and Online

% UNIT SHARE
U.S. SMALL KITCHEN ELECTRICS
Hamilton Beach® is ranked the
#1 small kitchen appliance brand in the USA,
in brick-and-mortar and ecommerce channels,
based on units sold



Source: NPD POS, units 12 months ending June 2022

Hamilton Beach® Holds A Top 3 Share in 27 Categories

Air Fryers

Blending (Traditional)

Blending (Single Serve)

Other Blending & Processing

Bread Makers

Citrus Juicer

Coffee Grinders

Coffeemakers (ADC)

Coffeemakers (Single Serve)

Coffee Percolators

Combo Hand/Stand Mixer

Can Openers (Electric)

Electric Griddle/Other Griddle

Electric Grills/Other Grills

Electric Skillet

Espresso Makers

Food Processors

Food Chopper

Food Steamers

Fryers

Garment Steamer

Hand Blenders

Hand Mixers

Ice Cream/Yogurt Maker

Ice Shaver/Snow-Cone Makers

Irons

Jar Openers

Juice Extractor

Kettles

Kitchen Systems

Knives

Meat Grinders

Multi Cookers

Pasta Makers

Popcorn Makers

Pressure Cookers

Rice Cooker

Roaster Oven

Sandwich Makers

Slow Cookers

Sous Vide

Specialty Drink Makers

Stand Mixers

Tea Makers

Toasters

Toaster Oven

Vacuum Sealers

Waffle Iron

Source: NPD POS, units 12 months ending June 2022

FlexBrew® Trio











Driving Growth of Proctor Silex® Brand

‘Simply Better’ Positioning



- Strong brand participating in a wide variety of categories.
- Building on storied brand heritage and solid levels of awareness with target consumer.
- Incorporating innovation and building out new Platinum Series line.
- Investing in robust digital marketing
- Launching a number of new products in 2022 and 2023

Strong Lineup of Proctor Silex® New Products



























proctor|silex®

Strategic Initiative: Gain Share In The Premium Market

Focused on Owned and Licensed Brands
Growing Through Innovation, Exclusive Multiyear Licensing Agreements, Acquisitions

40%

U.S. Small Kitchen Appliance Industry Dollars
in the Premium segment have grown to ~40% of total

WESTON
RECONNECT WITH REAL FOOD

Hamilton Beach®
PROFESSIONAL

WOLF
GOURMET

CHI®

BARTESIAN®

MAGNOLIA
EST. BAKERY 1996

In 2021, sales of the Company's Premium Brands increased 33.4%
and accounted for 12.9% of total revenue

Wolf Gourmet® Countertop Appliances

Luxury Line Covers 10 of the Highest Demand Categories



- The Wolf Gourmet countertop portfolio is expected to continue to grow in sales, product category, and channel coverage
- Wolf Gourmet countertop appliances have a 4.6 star average online rating

New Bartesian® Models: Commercial and Duet











BARTESIAN®
PREMIUM COCKTAILS ON DEMAND™

Expertly Crafted Cocktails in Seconds

- Bartesian has been a very strong seller since launch
- Introducing Generation 2 with enhanced functionality
- New: First Commercial model with exclusive bottle lock
- New: 2-bottle model
- Variety without complexity
- Flavorful, inspired cocktail options
- Less time cleaning
- Elegant design

CHI® Full-Sized Handheld Steamer











Hamilton Beach Professional® Line Leverages Commercial Expertise

For Cooks Who Want to Achieve Professional Results at Home



- Commercial grade quality for home kitchens
- Full line covering 14 high-demand categories
- HBB continues robust new product development for this premium line
- Leverages HBB's expertise in creating products for commercial kitchens
- Brand continues to gain new channel placements

Magnolia Bakery® Hand Mixer by Hamilton Beach®









MAGNOLIA BAKERY
NEW YORK CITY

Weston® Line Targets Hunters and Gatherers

Field-to-Table and Farm-to-Table Food Preparation Products



- Targeted to home chefs, hunters and gatherers who take a self-sustaining approach to food
- Line of enduring, well-built products for meat grinding and processing, food preservation
- HBB continues to invest in Weston new products
- Capitalizing on new products in focused categories and driving ecommerce growth

WESTON
RECONNECT WITH REAL FOOD

Weston® 2-in-1 6 Quart Indoor Smoker & Slow Cooker











WESTON
RECONNECT WITH REAL FOOD

Strategic Initiative: Expand in Home Health & Wellness Market



AIR PURIFICATION

Air Purifiers and Filters

CLOROX™

TrueAir®



WATER FILTRATION

Electric countertop water filtration system

BRITA™



HOME MEDICAL

Smart Sharps Bin™
Injection Care Management System

Hamilton Beach Health

HEALTH BEACON



PERSONAL CARE

Oral Care,
Facial Cleaning Brush

brightline™

Clorox Air Purifiers



Water Filtration: Hamilton Beach + Brita Partnership

Hamilton Beach®

BRITA™

- Water filtration category $873M and growing. Bottled water sales have exceeded $18B.
- We have partnered with the #1 Brand in water filtration.
- #1 trusted filtration brand
- Premium brand with leading equity
- Appeals to consumers' desire for clean, healthy drinking water and sustainability by reducing single use plastic.
- We are creating a category with a countertop appliance.

Health Beacon + Hamilton Beach Brands

Smart Sharps Bin™



For Managing Injectible Medications At Home

Hamilton Beach Brands

- Exclusive marketer and distributor in the U.S. and Canada.
- Launched online in Q1 2022 on dedicated DTC site and Amazon.

HealthBeacon

- Pioneered the world's first and only FDA-cleared system.
- Manufactures bin.
- Provides post-purchase support, including companion app, activation, data and security, 24/7 customer care.
- Provides safe disposal and recycling of used sharps. Also markets to insurance companies.

Strategic Initiative: Lead In Global Commercial Market

Commercial Products Generally Deliver Higher Margins Than Consumer Products

Hamilton Beach COMMERCIAL

Proctor Silex COMMERCIAL

In 2021, sales of the Company's Commercial Products increased 36.3% and accounted for 6.2% of total revenue.

This business rebounded strongly in 2021 from pandemic-driven disruptions in the Food Service and Hospitality industries and is experiencing robust growth in 2022.

Hamilton Beach COMMERCIAL

Expanding Our Commercial Leadership Position

Investing in Resources to Expand Our Leadership Position in the Global Food Service and Hospitality Markets

- We sell to restaurant and hotel chains and independents via distributors, and we are building our distribution capabilities.
- Our brand reputation for performance, reliability and differentiated products is driving growth of commercial products.
- The online channel continues to grow in importance.
- We have leadership and heritage positions in the Blending and Mixing categories.
- We are expanding into new areas: juicers, vacuum sealers, and immersion mixers as well as other ‘back of the house’ solutions.



Hamilton Beach COMMERCIAL

Commercial Food Preparation Products

Continued strength in the Front-of-House

Growing in the Back-of-House

Blending



Mixing



Juicing



Culinary Blending



Heated Products



Food Prep Products



Hamilton Beach COMMERCIAL

Strategic Initiative: Accelerate Digital Transformation

Ecommerce Greatly Expands Distribution and Consumer Education Opportunities

BRAND	Star Rating
Hamilton Beach	4.4
Proctor Silex	4.4
Bartesian	4.7
Wolf Gourmet	4.6
Hamilton Beach Professional	4.5
CHI	4.5
Clorox (Air Purifiers)	4.5
Brightline	4.5
Hamilton Beach Commercial	4.3
Weston	4.2

- HBB is a leader in ecommerce with a strong presence across multiple platforms globally.
- All 10 HBB brands earn star ratings of 4.2 or better; 6 brands are 4.5 or better.
- Strong reviews underscore brand reputation, innovation, product quality and safety.
- Hamilton Beach® is the #1 brand in the US ecommerce channel, based on units sold.
- In 2021, HBB ecommerce revenue increased 22.4% and represented 37.5% of total sales.

amazon Walmart TARGET wayfair

KOHL'S macy's WILLIAMS SONOMA BEST BUY CANADIAN TIRE meijer COSTCO WHOLESALE BED BATH & BEYOND

Source: ReviewCamp, June 30th, 2022

Hamilton Beach

Strategic Initiative: Leverage Partnerships & Acquisitions

Acquisition Strategy is A Disciplined Approach – Right Fit at the Right Valuation

HBB is actively engaged in the pursuit of additional licensing agreements, partnerships and acquisitions that would drive growth in all of its strategic markets.

TARGET PROFILE

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

VALUE CREATION

- Dedicated resource increases focus
- Disciplined
- Accelerate revenue growth and margin expansion
- Highly accretive when layered into current business model
- Meet or exceed return on capital targets

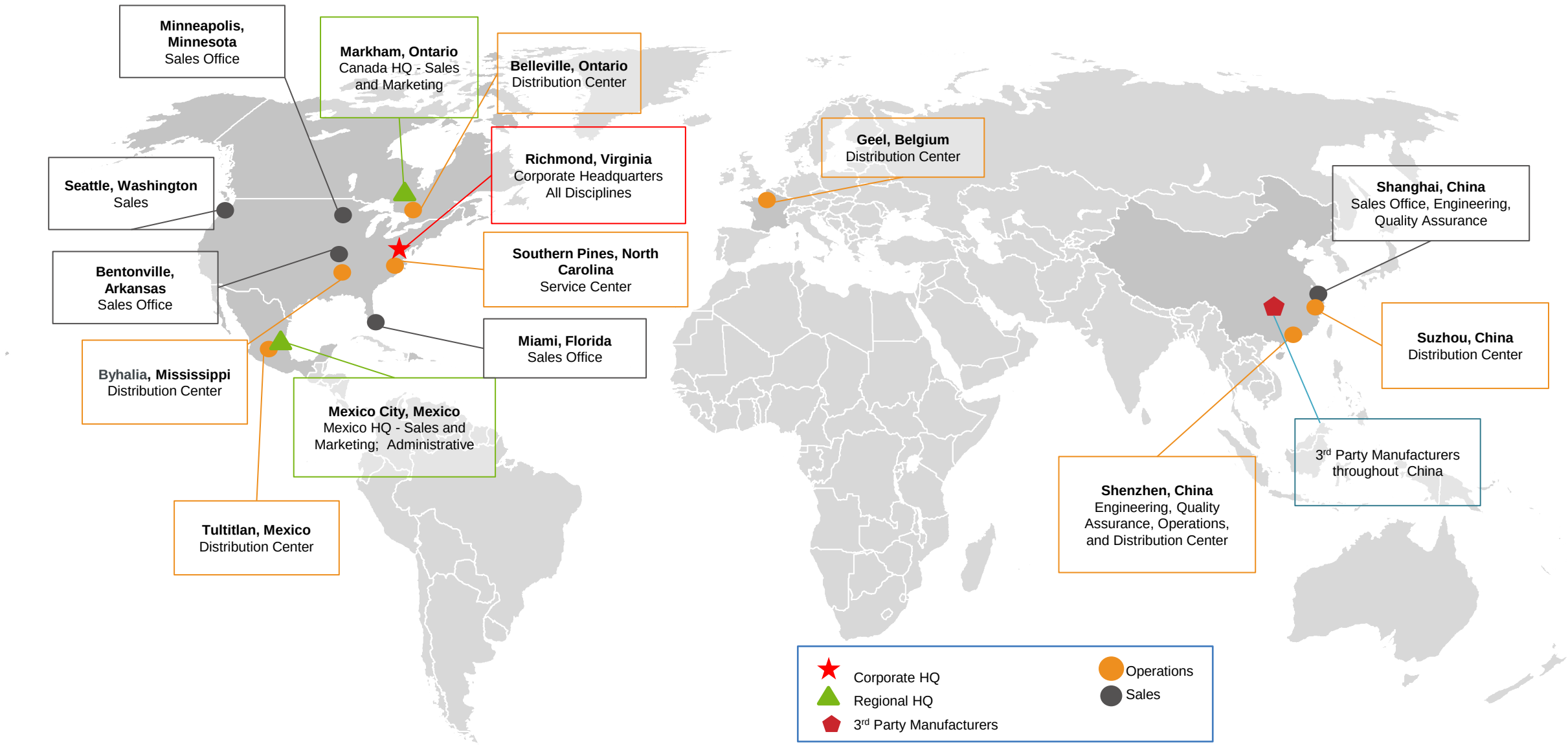
Cash Management

FCF Has Been Consistently Positive Due to Relatively Stable Margins, Asset Light Model (notwithstanding working capital timing fluctuations)

PRIORITY USES OF CASH

- Pay Down Debt
- Reinvest in Core Growth
- Support Strategic Initiatives – Our Highest Growth and Return Opportunities
- Return Capital to Shareholders
  - Dividends
  - Share Repurchases
- Accretive Acquisitions: Right Fit at the Right Valuation

Global Infrastructure Is Asset Light



Summary: Why Invest In HBB?

Commitment to Building Long-Term Shareholder Value



Experienced Team



Leader in Industry with Durable Demand



Strong Brand Portfolio Value to Luxury 50+ Categories



Hamilton Beach® is #1 U.S. Unit Brand in B&M and Ecommerce



Proven Innovator 100+ Years of New Products



Relationships Across All Channels



Well-Developed Ecommerce Capability



Global Infrastructure Is Asset Light



Strategic Initiatives For Growth



Historically Strong Cash Flow

Hamilton Beach

Thank You for Your Interest in HBB

