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

FORM 10-Q

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

For the quarter ended June 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 1-13905

COMPX INTERNATIONAL INC.

(Exact name of Registrant as specified in its charter)

DELAWARE **(State or other jurisdiction of incorporation or organization)**	**57-0981653** **(IRS Employer Identification No.)**

5430 LBJ Freeway, Suite 1700
Dallas, Texas 75240-2620
(Address of principal executive offices)

Registrant's telephone number, including area code (972) 448-1400

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	CIX	NYSE American

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 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 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, smaller reporting company, or an emerging growth company. See 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 ☒.

As of July 30, 2026, the registrant had 12,336,657 shares of Class A common stock, $.01 par value per share, outstanding.

COMPX INTERNATIONAL INC.

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Items 2, 3, 4 and 5 of Part II are omitted because there is no information to report.

COMPX INTERNATIONAL INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)
(In thousands)

ASSETS	December 31, 2025	June 30, 2026
Current assets:		
Cash and cash equivalents	$ 54,096	$ **52,421**
Accounts receivable, net	13,766	**19,564**
Inventories, net	30,410	**31,756**
Prepaid expenses and other	1,826	**2,060**
Total current assets	100,098	**105,801**
Other assets:		
Note receivable from affiliate	8,000	**6,800**
Goodwill	23,742	**23,742**
Operating lease right-of-use asset	—	**993**
Other noncurrent assets	645	**707**
Total other assets	32,387	**32,242**
Property and equipment:		
Land	5,390	**5,390**
Buildings	23,634	**23,634**
Equipment	78,021	**78,948**
Construction in progress	477	**818**
	107,522	**108,790**
Less accumulated depreciation	83,813	**85,309**
Net property and equipment	23,709	**23,481**
Total assets	$ 156,194	$ **161,524**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	$ 15,320	$ **14,131**
Income taxes payable to affiliate	1,726	**1,691**
Total current liabilities	17,046	**15,822**
Noncurrent liabilities:		
Deferred income taxes	405	**61**
Operating lease liability	—	**908**
Other	113	**68**
Total noncurrent liabilities	518	**1,037**
Stockholders' equity:		
Preferred stock	—	—
Class A common stock	123	**123**
Additional paid-in capital	53,513	**53,832**
Retained earnings	84,994	**90,710**
Total stockholders' equity	138,630	**144,665**
Total liabilities and stockholders' equity	$ 156,194	$ **161,524**

Commitments and contingencies (Note 8)

See accompanying Notes to Condensed Consolidated Financial Statements.

COMPX INTERNATIONAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)
(In thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2025	2026	2025	2026
Net sales	$ 40,366	**$ 43,614**	$ 80,638	**$ 84,183**
Cost of sales	27,476	**28,078**	55,585	**55,395**
Gross margin	12,890	**15,536**	25,053	**28,788**
Selling, general and administrative expense	6,570	**6,615**	12,864	**12,817**
Operating income	6,320	**8,921**	12,189	**15,971**
Interest income	846	**662**	1,719	**1,339**
Income before income taxes	7,166	**9,583**	13,908	**17,310**
Income tax expense	1,713	**2,321**	3,324	**4,196**
Net income	$ 5,453	**$ 7,262**	$ 10,584	**$ 13,114**
Basic and diluted net income per common share	$ .44	**$ .59**	$ .86	**$ 1.06**
Basic and diluted weighted average shares outstanding	12,321	**12,329**	12,320	**12,326**

See accompanying Notes to Condensed Consolidated Financial Statements.

COMPX INTERNATIONAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(Unaudited)
(In thousands)

	Three months ended June 30, 2025 and 2026			
	Class A common stock	**Additional paid-in capital**	**Retained earnings**	**Total stockholders' equity**
Balance at March 31, 2025	$ 123	$ 53,396	$ 94,062	$ 147,581
Net income	—	—	5,453	5,453
Issuance of common stock	—	117	—	117
Cash dividends ($.30 per share)	—	—	(3,698)	(3,698)
Balance at June 30, 2025	$ 123	$ 53,513	$ 95,817	$ 149,453
Balance at March 31, 2026	$ 123	$ 53,513	$ 87,149	$ 140,785
Net income	**—**	**—**	**7,262**	**7,262**
Issuance of common stock	**—**	**319**	**—**	**319**
Cash dividends ($.30 per share)	**—**	**—**	**(3,701)**	**(3,701)**
Balance at June 30, 2026	**$ 123**	**$ 53,832**	**$ 90,710**	**$ 144,665**

	Six months ended June 30, 2025 and 2026			
	Class A common stock	**Additional paid-in capital**	**Retained earnings**	**Total stockholders' equity**
Balance at December 31, 2024	$ 123	$ 53,396	$ 92,626	$ 146,145
Net income	—	—	10,584	10,584
Issuance of common stock	—	117	—	117
Cash dividends ($.60 per share)	—	—	(7,393)	(7,393)
Balance at June 30, 2025	$ 123	$ 53,513	$ 95,817	$ 149,453
Balance at December 31, 2025	$ 123	$ 53,513	$ 84,994	$ 138,630
Net income	**—**	**—**	**13,114**	**13,114**
Issuance of common stock	**—**	**319**	**—**	**319**
Cash dividends ($.60 per share)	**—**	**—**	**(7,398)**	**(7,398)**
Balance at June 30, 2026	**$ 123**	**$ 53,832**	**$ 90,710**	**$ 144,665**

See accompanying Notes to Condensed Consolidated Financial Statements.

COMPX INTERNATIONAL INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)
(In thousands)

	Six months ended June 30,	
	2025	**2026**
Cash flows from operating activities:		
Net income	$ 10,584	**$ 13,114**
Depreciation and amortization	1,868	**1,725**
Deferred income taxes	(191)	**(411)**
Other, net	258	**464**
Change in assets and liabilities:		
Accounts receivable, net	(2,809)	**(5,807)**
Inventories, net	(4,664)	**(1,452)**
Accounts payable and accrued liabilities	(1,137)	**(1,273)**
Accounts with affiliates	153	**(35)**
Prepaids and other, net	529	**(280)**
Net cash provided by operating activities	4,591	**6,045**
Cash flows from investing activities:		
Capital expenditures	(2,165)	**(1,522)**
Note receivable from affiliate:		
Collections	6,400	**8,800**
Advances	(6,000)	**(7,600)**
Net cash used in investing activities	(1,765)	**(322)**
Cash flows from financing activities -		
Dividends paid	(7,393)	**(7,398)**
Cash and cash equivalents - net change from:		
Operating, investing and financing activities	(4,567)	**(1,675)**
Balance at beginning of period	60,782	**54,096**
Balance at end of period	$ 56,215	**$ 52,421**
Supplemental disclosures -		
Cash paid for income taxes	$ 3,364	**$ 4,658**
Noncash investing and financing activities -		
Change in accruals for capital expenditures	(424)	**(23)**
Right-of-use asset obtained in exchange for a lease liability	—	**1,014**

See accompanying Notes to Condensed Consolidated Financial Statements.

COMPX INTERNATIONAL INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2026

(Unaudited)

Note 1 – Organization and basis of presentation:

Organization. We (NYSE American: CIX) were approximately 87% owned by NLI Holdings, Inc. (formerly NL Industries, Inc.) (NYSE: NL) at June 30, 2026. At June 30, 2026, Valhi, Inc. (NYSE: VHI) owned approximately 83% of NL's outstanding common stock and a wholly-owned subsidiary of Contran Corporation owned approximately 91% of Valhi's outstanding common stock. A majority of Contran's outstanding voting stock is held directly by Lisa K. Simmons, and by family stockholders (Thomas C. Connelly (the husband of Ms. Simmons' late sister), a family-owned entity and various family trusts established for the benefit of Ms. Simmons, Mr. Connelly and their children) who are required to vote their shares of Contran voting stock in the same manner as Ms. Simmons. Such voting rights are personal to Ms. Simmons and last through April 22, 2030. The remainder of Contran's outstanding voting stock is held by another trust (the "Family Trust"), which was established for the benefit of Ms. Simmons and her late sister and their children and for which a third-party financial institution serves as trustee. Consequently, at June 30, 2026, Ms. Simmons and the Family Trust may be deemed to control Contran, and therefore may be deemed to indirectly control the wholly-owned subsidiary of Contran, Valhi, NL and us.

Basis of presentation. Consolidated in this Quarterly Report are the results of CompX International Inc. and its subsidiaries. The unaudited Condensed Consolidated Financial Statements contained in this Quarterly Report have been prepared on the same basis as the audited Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2025 that we filed with the Securities and Exchange Commission ("SEC") on March 4, 2026 (the "2025 Annual Report"). In our opinion, we have made all necessary adjustments (which include only normal recurring adjustments) in order to state fairly, in all material respects, our consolidated financial position, results of operations and cash flows as of the dates and for the periods presented. We have condensed the Consolidated Balance Sheet at December 31, 2025 contained in this Quarterly Report as compared to our audited Consolidated Financial Statements at that date, and we have omitted certain information and footnote disclosures (including those related to the Consolidated Balance Sheet at December 31, 2025) normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Our results of operations for the interim periods ended June 30, 2026 may not be indicative of our operating results for the full year. The Condensed Consolidated Financial Statements contained in this Quarterly Report should be read in conjunction with our 2025 Consolidated Financial Statements contained in our 2025 Annual Report.

Our operations are reported on a 52 or 53-week year. For presentation purposes, annual and quarterly information in the Condensed Consolidated Financial Statements and accompanying notes are presented as ended June 30, 2025, December 31, 2025 and June 30, 2026. The actual dates of our annual and quarterly periods are June 29, 2025, December 28, 2025 and June 28, 2026, respectively. Unless otherwise indicated, references in this report to "we", "us" or "our" refer to CompX International Inc. and its subsidiaries, taken as a whole.

Note 2 – Business segment information:

Our chief operating decision maker ("CODM") evaluates segment performance based on segment operating income, which is defined as income before income taxes, exclusive of certain general corporate income and expense items (primarily interest income) and certain non-recurring items (such as gains or losses on the disposition of long-lived assets outside the ordinary course of business).

	Three months ended June 30,		Six months ended June 30,	
	2025	2026	2025	2026
	(In thousands)			
Net sales:				
Security Products	$ 30,683	**$ 33,348**	$ 60,913	**$ 63,244**
Marine Components	9,683	**10,266**	19,725	**20,939**
Total	$ 40,366	**$ 43,614**	$ 80,638	**$ 84,183**
Cost of sales:				
Security Products	$ 21,129	**$ 21,559**	$ 42,361	**$ 41,431**
Marine Components	6,347	**6,519**	13,224	**13,964**
Total	$ 27,476	**$ 28,078**	$ 55,585	**$ 55,395**
Gross margin:				
Security Products	$ 9,554	**$ 11,789**	$ 18,552	**$ 21,813**
Marine Components	3,336	**3,747**	6,501	**6,975**
Total	$ 12,890	**$ 15,536**	$ 25,053	**$ 28,788**
Segment selling, general and administrative expense:				
Security Products	$ 3,786	**$ 3,800**	$ 7,263	**$ 7,249**
Marine Components	942	**978**	1,866	**1,895**
Total	$ 4,728	**$ 4,778**	$ 9,129	**$ 9,144**
Operating income:				
Security Products	$ 5,768	**$ 7,989**	$ 11,289	**$ 14,564**
Marine Components	2,394	**2,769**	4,635	**5,080**
Segment operating income	8,162	**10,758**	15,924	**19,644**
Corporate operating expenses	(1,842)	**(1,837)**	(3,735)	**(3,673)**
Total operating income	6,320	**8,921**	12,189	**15,971**
Interest income	846	**662**	1,719	**1,339**
Income before income taxes	$ 7,166	$ **9,583**	$ 13,908	**$ 17,310**
Depreciation and amortization:				
Security Products	$ 622	**$ 571**	$ 1,266	**$ 1,147**
Marine Components	301	**286**	602	**578**
Total	$ 923	**$ 857**	$ 1,868	**$ 1,725**

Intersegment sales are not material.

Note 3 – Accounts receivable, net:

	December 31, 2025	June 30, 2026
	(In thousands)	
Accounts receivable, net:		
Security Products	$ 11,474	**$ 14,471**
Marine Components	2,362	**5,163**
Allowance for doubtful accounts	(70)	**(70)**
Total accounts receivable, net	$ 13,766	**$ 19,564**

Note 4 – Inventories, net:

	December 31, 2025	June 30, 2026
	(In thousands)	
Raw materials:		
Security Products	$ 3,979	**$ 3,802**
Marine Components	1,641	**2,081**
Total raw materials	5,620	**5,883**
Work-in-process:		
Security Products	14,313	**14,621**
Marine Components	5,594	**6,568**
Total work-in-process	19,907	**21,189**
Finished goods:		
Security Products	3,002	**2,942**
Marine Components	1,881	**1,742**
Total finished goods	4,883	**4,684**
Total inventories, net	$ 30,410	**$ 31,756**

Note 5 – Accounts payable and accrued liabilities:

	December 31, 2025	June 30, 2026
	(In thousands)	
Accounts payable:		
Security Products	$ 2,153	**$ 2,956**
Marine Components	538	**993**
Corporate	6	**—**
Employee benefits	11,186	**8,444**
Taxes other than on income	371	**297**
Professional services	263	**553**
Insurance	224	**154**
Advances from customers	61	**166**
Operating lease liability	—	**92**
Utilities	120	**83**
Customer tooling	90	**66**
Deferred revenue	50	**42**
Other	258	**285**
Total accounts payable and accrued liabilities	$ 15,320	**$ 14,131**

Note 6 – Income taxes:

The provision for income taxes and the difference between such provision for income taxes and the amount that would be expected using the U.S. federal statutory income tax rate of 21% are presented below.

	Three months ended June 30,		Six months ended June 30,	
	2025	2026	2025	2026
	(In thousands)			
U.S. federal statutory tax rate	$ 1,505	**$ 2,012**	$ 2,921	**$ 3,635**
U.S. state income taxes, net	201	**292**	391	**530**
Other, net	7	**17**	12	**31**
Income tax expense	$ 1,713	**$ 2,321**	$ 3,324	**$ 4,196**

On July 4, 2025, the One Big Beautiful Bill Act was signed into law. It did not have a material impact on our consolidated financial statements.

Note 7 – Leases:

In March 2026, we entered into an operating lease for our distribution center located in Southern California. Upon commencement, we recognized an operating lease right-of-use asset and a corresponding operating lease liability, which are included in our Condensed Consolidated Balance Sheet. As of June 30, 2026, the remaining lease term of our operating lease was approximately 7 years and the discount rate associated with such lease was 6.75%.

Note 8 – Commitments and contingencies:

From time to time, we may be involved in various environmental, contractual, product liability, patent (or intellectual property), employment and other claims and disputes incidental to our business. At least quarterly our management discusses and evaluates the status of any pending litigation to which we are a party. The factors considered in such evaluation include, among other things, the nature of such pending cases, the status of such pending cases, the advice of legal counsel and our experience in similar cases (if any). Based on such evaluation, we make a determination as to whether we believe (i) it is probable a loss has been incurred, and if so, if the amount of such loss (or a range of loss) is reasonably estimable, or (ii) it is reasonably possible, but not probable, a loss has been incurred, and if so, if the amount of such loss (or a range of loss) is reasonably estimable, or (iii) the probability a loss has been incurred is remote. We have not accrued any amounts for litigation matters because of the uncertainty of the liability and inability to reasonably estimate the liability, if any. We currently believe the disposition of all claims and disputes, individually or in the aggregate, should not have a material adverse effect on our Consolidated Financial Statements, results of operations or liquidity.

Note 9 – Financial instruments:

The following table presents the financial instruments that are not carried at fair value but which require fair value disclosure:

	December 31, 2025		June 30, 2026	
	Carrying amount	Fair value	Carrying amount	Fair value
	(In thousands)			
Cash and cash equivalents	$ 54,096	$ 54,096	**$ 52,421**	**$ 52,421**

Due to their near-term maturities, the carrying amounts of accounts receivable and accounts payable are considered equivalent to fair value. See Notes 3 and 5.

Note 10 – Related party transactions:

From time to time, we may have loans and advances outstanding between us and various related parties pursuant to term and demand notes. We generally enter into these loans and advances for cash management purposes. When we loan funds to related parties, we are generally able to earn a higher rate of return on the loan than we would earn if we invested the funds in other instruments, and when we borrow from related parties, we are generally able to pay a lower rate of interest than we would pay if we had incurred third-party indebtedness. While certain of these loans to affiliates may be of a lesser credit quality than cash equivalent instruments otherwise available to us, we believe we have considered the credit risks in the terms of the applicable loans. In this regard, we have an unsecured revolving demand promissory note with Valhi under which, as amended, we agreed to loan Valhi up to $25 million. Our loan to Valhi, as amended, bears interest at prime plus 1.00%, payable quarterly, with all principal due on demand, but in any event no earlier than December 31, 2027. Loans made to Valhi at any time under the agreement are at our discretion. At June 30, 2026, the outstanding principal balance receivable from Valhi under the promissory note was $6.8 million. Interest income (including unused commitment fees) on our loan to Valhi was $.4 million for each of the six months ended June 30, 2025 and 2026.

Note 11 – Recent accounting pronouncements:

In November 2024, the FASB issued ASU No. 2024-03, *Reporting Comprehensive Income - Expense Disaggregation Disclosures*. The ASU requires additional information about specific expense categories in the notes to financial statements for both interim and annual reporting periods. The ASU is effective for us beginning with our 2027 Annual Report, and for interim reporting in the first quarter of 2028, with early adoption permitted. We are in the process of evaluating the additional disclosure requirements.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Business Overview

We are a leading manufacturer of engineered components utilized in a variety of applications and industries. Through our Security Products segment we manufacture mechanical and electrical cabinet locks and other locking mechanisms used in postal, recreational transportation, office and institutional furniture, cabinetry, tool storage and healthcare applications. We also manufacture wake enhancement systems, stainless steel exhaust systems, custom metal fabricated parts, gauges, throttle controls, trim tabs and related hardware and accessories for the recreational marine and other industries through our Marine Components segment.

General

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. Statements in this Quarterly Report that are not historical facts are forward-looking in nature and represent management's beliefs and assumptions based on currently available information. In some cases, you can identify forward-looking statements by the use of words such as "believes," "intends," "may," "should," "could," "anticipates," "expects" or comparable terminology, or by discussions of strategies or trends. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we do not know if these expectations will be correct. Such statements by their nature involve substantial risks and uncertainties that could significantly impact expected results. Actual future results could differ materially from those predicted. The factors that could cause actual future results to differ materially from those described herein are the risks and uncertainties discussed in this Quarterly Report and those described from time to time in our other filings with the SEC and include, but are not limited to, the following:

- Future supply and demand for our products;
- Changes in our raw material and other operating costs (such as zinc, brass, aluminum, steel and energy costs), including as a result of additional or changed tariffs on imported raw materials, and our ability to pass those costs on to our customers or offset them with reductions in other operating costs;
- Price and product competition from low-cost manufacturing sources (such as China);
- The impact of pricing and production decisions;
- Customer and competitor strategies including substitute products;
- Our ability to retain key customers;
- Uncertainties associated with new product development and the development of new product features;

- Pending or possible future litigation (such as litigation related to our use of certain permitted chemicals in our production process) or other actions;
- Our ability to protect or defend our intellectual property rights;
- Decisions to sell operating assets other than in the ordinary course of business;
- Environmental matters (such as those requiring emission and discharge standards for existing and new facilities);
- The ultimate outcome of income tax audits, tax settlement initiatives or other tax matters, including future tax reform;
- Government laws and regulations and possible changes therein including new environmental, health and safety, sustainability or other regulations;
- General global economic and political conditions that disrupt our supply chain, reduce demand or perceived demand for component products or impair our ability to operate our facilities (including changes in the level of gross domestic product in various regions of the world, natural disasters, terrorist acts, global conflicts and public health crises);
- Operating interruptions (including, but not limited to, labor disputes, leaks, natural disasters, fires, explosions, unscheduled or unplanned downtime, transportation interruptions, certain regional and world events or economic conditions and public health crises);
- The introduction of new, or changes in existing, tariffs, trade barriers or trade disputes (including tariffs imposed by the U.S. government on imports from China and Mexico);
- Technology related disruptions (including, but not limited to, cyber-attacks; software implementation, upgrades or improvements; technology processing failures; or other events) related to our technology infrastructure that could impact our ability to continue operations, or at key vendors which could impact our supply chain, or at key customers which could impact their operations and cause them to curtail or pause orders; and
- Possible disruption of our business or increases in the cost of doing business resulting from terrorist activities or global conflicts.

Should one or more of these risks materialize (or the consequences of such development worsen), or should the underlying assumptions prove incorrect, actual results could differ materially from those currently forecasted or expected. We disclaim any intention or obligation to update or revise any forward-looking statement whether as a result of changes in information, future events or otherwise.

Operating Income Overview

Operating income in the second quarter of 2026 was $8.9 million compared to $6.3 million in the same period of 2025. Operating income for the first six months of 2026 was $16.0 million compared to $12.2 million for the comparable prior year period. Our operating income increased in the second quarter and for the first six months of 2026 due to higher sales and gross margins, predominantly at the Security Products segment and, to a lesser extent, at the Marine Components segment.

We sell a large number of products that have a wide variation in selling price and manufacturing cost, which results in certain practical limitations on our ability to quantify the impact of changes in individual product sales quantities and selling prices on our net sales, cost of sales and gross margin. In addition, small variations in period-to-period net sales, cost of sales and gross margin can result from changes in the relative mix of our products sold.

Results of Operations

	Three months ended June 30,			
	2025	%	2026	%
	(Dollars in thousands)			
Net sales	$ 40,366	100.0 %	**$ 43,614**	**100.0 %**
Cost of sales	27,476	68.1	**28,078**	**64.4**
Gross margin	12,890	31.9	**15,536**	**35.6**
Operating costs and expenses	6,570	16.3	**6,615**	**15.2**
Operating income	$ 6,320	15.6 %	**$ 8,921**	**20.4 %**

	Six months ended June 30,			
	2025	%	2026	%
	(Dollars in thousands)			
Net sales	$ 80,638	100.0 %	**$ 84,183**	**100.0 %**
Cost of sales	55,585	68.9	**55,395**	**65.8**
Gross margin	25,053	31.1	**28,788**	**34.2**
Operating costs and expenses	12,864	16.0	**12,817**	**15.2**
Operating income	$ 12,189	15.1 %	**$ 15,971**	**19.0 %**

Net sales. Net sales increased $3.2 million and $3.5 million in the second quarter and for the first six months of 2026, respectively, compared to the same periods in 2025 due to higher Security Products sales across a variety of markets and higher Marine Components sales to the industrial market. See segment discussion below.

Cost of sales and gross margin. Cost of sales as a percentage of net sales improved by 3.7% and 3.1% in the second quarter and first six months of 2026, respectively, compared to the same periods in 2025. As a result, gross margin as a percentage of sales increased over the same periods. The improvement in gross margin percentage for the second quarter and first six months of 2026 was primarily due to a higher gross margin percentage at Security Products. In addition, improved gross margin performance at Marine Components contributed favorably to the increase in the second-quarter comparative period. See segment discussion below.

Operating costs and expenses. Operating costs and expenses consist primarily of sales and administrative-related personnel costs, sales commissions and advertising expenses directly related to product sales, administrative costs relating to business unit and corporate management activities, and gains and losses on property and equipment. Operating costs and expenses for the second quarter and first six months of 2026 were comparable to the same periods in 2025. Operating costs and expenses as a percentage of net sales decreased in the second quarter and first six months of 2026 due to higher coverage of operating costs and expenses as a result of higher sales.

Operating income. As a percentage of net sales, operating income for the second quarter and the first six months of 2026 increased compared to the same period of 2025 and was primarily impacted by the factors impacting sales, cost of sales, gross margin and operating costs and expenses. See segment discussion below.

Interest income. Interest income decreased $.2 million and $.4 million in the second quarter and first six months of 2026, respectively, compared to the same periods in 2025 primarily due to lower average interest rates and decreased cash balances.

Provision for income taxes. A tabular reconciliation of our actual tax provision to the U.S. federal statutory income tax rate is included in Note 6 to the Condensed Consolidated Financial Statements. Our operations are wholly within the U.S. and therefore our effective income tax rate is primarily reflective of the U.S. federal statutory rate and applicable state taxes.

Segment Results

Key performance indicators for our segments are gross margin and operating income.

	Three months ended June 30, 2025	Three months ended June 30, 2026	% Change	Six months ended June 30, 2025	Six months ended June 30, 2026	% Change
	(Dollars in thousands)			(Dollars in thousands)		
Security Products:						
Net sales	$ 30,683	**$ 33,348**	9 %	$ 60,913	**$ 63,244**	4 %
Cost of sales	21,129	**21,559**	2	42,361	**41,431**	(2)
Gross margin	9,554	**11,789**	23	18,552	**21,813**	18
Operating costs and expenses	3,786	**3,800**	—	7,263	**7,249**	—
Operating income	$ 5,768	**$ 7,989**	39	$ 11,289	**$ 14,564**	29
Gross margin	31.1 %	**35.4 %**		30.5 %	**34.5 %**	
Operating income margin	18.8	**24.0**		18.5	**23.0**	

Security Products. Security Products net sales increased 9% in the second quarter of 2026 compared to the same period in 2025 primarily due to $.9 million higher sales to the healthcare market, $.7 million higher sales to the transportation market, $.5 million higher sales to distributors and $.4 million higher sales to the tool storage market. Security Products net sales increased 4% in the first six months of 2026 compared to the same period in 2025 primarily due to $.8 million higher sales to the transportation market, $.7 million higher sales to the tool storage market, $.6 million higher sales to the healthcare market and $.4 million higher sales to distributors. Sales to the government security market in the second quarter and in the first six months of 2026 were comparable to the same periods in 2025.

Gross margin as a percentage of net sales increased in the second quarter and first six months of 2026 compared to the same periods in 2025 primarily due to a more favorable customer and product mix and lower cost of sales driven by lower employer-related medical expenses and the one-time recovery of prior-period import costs recognized during the second quarter of 2026. Operating income margin increased for both periods, primarily due to the improvement in gross margin and increased coverage of operating costs and expenses on higher sales.

	Three months ended June 30, 2025	Three months ended June 30, 2026	% Change	Six months ended June 30, 2025	Six months ended June 30, 2026	% Change
	(Dollars in thousands)			(Dollars in thousands)		
Marine Components:						
Net sales	$ 9,683	**$ 10,266**	6 %	$ 19,725	**$ 20,939**	6 %
Cost of sales	6,347	**6,519**	3	13,224	**13,964**	6
Gross margin	3,336	**3,747**	12	6,501	**6,975**	7
Operating costs and expenses	942	**978**	4	1,866	**1,895**	2
Operating income	$ 2,394	**$ 2,769**	16	$ 4,635	**$ 5,080**	10
Gross margin	34.5 %	**36.5 %**		33.0 %	**33.3 %**	
Operating income margin	24.7	**27.0**		23.5	**24.3**	

Marine Components. Marine Components net sales increased 6% in both the second quarter and first six months of 2026 compared to the same periods in 2025. The increase in second quarter sales was primarily due to $1.6 million higher sales to the industrial market, partially offset by $1.0 million lower sales to the government market. The increase in sales for the first six months of 2026 was primarily due to $3.5 million higher sales to the industrial market, partially offset by $1.5 million lower sales to the towboat market and $1.0 million lower sales to the government market. Towboat market sales in the first quarter of 2025 benefited from a one-time customer stocking event that did not repeat in 2026.

Gross margin as a percentage of net sales increased in the second quarter of 2026 compared to the same period in 2025 primarily due to a more favorable customer and product mix, partially offset by higher cost of sales, including increased maintenance and supply costs. Operating income margin increased in the second quarter of 2026 primarily due to the factors impacting gross margin. Gross margin as a percentage of net sales for the first six months of 2026 was comparable to the same period in 2025 as a more favorable customer and product mix and increased coverage of fixed costs on higher sales were largely offset by higher cost of sales, including sales of higher-cost inventory and increased maintenance and supply costs. Operating income margin increased for the first six months of 2026 primarily due to increased coverage of operating costs and expenses on higher sales.

Outlook. Our results for the first six months of 2026 reflected higher sales and favorable customer and product mix for both the Security Products and Marine Components segments. We expect these trends to continue through the remainder of 2026, and we currently expect net sales for the full year of 2026 to exceed 2025 levels. Within Security Products, we expect demand from several end markets, including healthcare, transportation and tool storage, to remain strong in the second half of 2026. Within Marine Components, we expect increased demand will continue to be driven by industrial market demand, particularly aeroderivative demand, while recreational marine and towboat-related demand is expected to remain relatively consistent with 2025 levels (excluding the impact of the one-time stocking event noted above). Based on our first-half operating performance, we currently expect full-year gross margin and operating income margins to exceed 2025 levels, although margins during the second half of 2026 may be challenged by the factors discussed below. Future operating results will continue to be influenced by product and customer mix, raw material costs and overall demand levels in the markets we serve.

We manufacture substantially all of our products in the U.S. and source a substantial majority of our raw materials from U.S. suppliers. We also source certain components, primarily electronic components, from suppliers in Asia, including China. Beginning in the second quarter of 2025 and continuing through the second quarter of 2026, we experienced cost increases for certain imported raw materials, primarily electronic components, including increases in tariffs and shipping costs. In addition, inflationary pressures have increased costs for certain domestically-sourced raw materials. Where possible, we increase selling prices to recover these higher raw material costs, although the extent to which we can fully recover such costs will depend on a variety of factors including the ultimate tariff rate, duration of tariffs, and our customers' ability to substitute alternative products. Accordingly, we continue to closely monitor raw material costs, including zinc, brass, aluminum, steel and energy, as well as current and anticipated customer demand levels, to ensure our production capacity and inventory levels remain aligned with market conditions.

Our expectations for our operations and the markets we serve are based on a number of factors outside our control. Currently, our supply chains are stable and transportation and logistical delays are minimal. We have experienced global and domestic supply chain challenges in the past. Any future impacts on our operations will depend on, among other things, disruption to our operations or our suppliers' operations, the effect of tariffs, and the impact of broader economic conditions, consumer confidence, and geopolitical events affecting demand for our products or our customers' and suppliers' operations, all of which remain uncertain and cannot be predicted.

Liquidity and Capital Resources

Consolidated cash flows –

Operating activities. Trends in cash flows from operating activities, excluding changes in assets and liabilities, have generally been similar to the trends in operating earnings. Changes in assets and liabilities result primarily from the timing of production, sales and purchases. Changes in assets and liabilities generally tend to even out over time. However, period-to-period relative changes in assets and liabilities can significantly affect the comparability of cash flows from operating activities.

Our net cash provided by operating activities for the first six months of 2026 increased by $1.5 million as compared to the first six months of 2025. The increase in net cash provided is primarily due to the net effects of:

- A $3.8 million increase in operating income in 2026;
- A $1.3 million increase in cash paid for taxes in 2026 due to higher earnings and the relative timing of payments; and
- A $.7 million increase in the amount of net cash used by relative changes in our inventories, receivables, prepaids, payables and non-tax related accruals in 2026.

Changes in working capital can have a significant effect on cash flows from operating activities. As shown below, our average days sales outstanding increased from December 31, 2025 to June 30, 2026, with changes varying by segment, primarily as a result of differences in the timing of sales and collections relative to the quarter-end, including differences arising from the fiscal month-end close occurring before calendar month-end, when certain large customers typically remit payments. For comparative purposes, we have provided December 31, 2024 and June 30, 2025 numbers below.

Days Sales Outstanding:	December 31, 2024	June 30, 2025	December 31, 2025	June 30, 2026
Security Products	36 Days	38 Days	35 Days	39 Days
Marine Components	23 Days	38 Days	26 Days	46 Days
Consolidated CompX	33 Days	38 Days	33 Days	41 Days

As shown below, our average number of days in inventory decreased from December 31, 2025 to June 30, 2026 due to a reduction in days in inventory at Security Products, driven by higher sales volumes in the second quarter of 2026 compared to the fourth quarter of 2025. This improvement was partially offset by an increase in days in inventory at Marine Components, primarily due to higher work-in-process inventory balances resulting from delays in certain raw material shipments, as well as the timing of customer order fulfillment. For comparative purposes, we have provided December 31, 2024 and June 30, 2025 numbers below.

Days in Inventory:	December 31, 2024	June 30, 2025	December 31, 2025	June 30, 2026
Security Products	85 Days	97 Days	98 Days	90 Days
Marine Components	130 Days	149 Days	141 Days	145 Days
Consolidated CompX	94 Days	109 Days	108 Days	103 Days

Investing activities. Our capital expenditures were $1.5 million and $2.2 million in the first six months of 2026 and 2025, respectively. During the first six months of 2026, Valhi repaid a net $1.2 million under the promissory note ($7.6 million of gross borrowings and $8.8 million of gross repayments). During the first six months of 2025, Valhi repaid a net $.4 million under the promissory note ($6.0 million of gross borrowings and $6.4 million of gross repayments). See Note 10 to our Condensed Consolidated Financial Statements.

Financing activities. Financing activities consisted only of cash dividends. During each of the first six months of 2026 and 2025, we paid aggregate quarterly dividends to CompX stockholders of $.60 per share. The declaration and payment of future dividends and the amount thereof, if any, is discretionary and is dependent upon our results of operations, financial condition, cash requirements for our businesses, contractual requirements and restrictions and other factors deemed relevant by our board of directors. The amount and timing of past dividends is not necessarily indicative of the amount or timing of any future dividends which we might pay.

Future cash requirements –

Liquidity. Our primary source of liquidity on an ongoing basis is our cash flow from operating activities, which is generally used to (i) fund capital expenditures, (ii) repay short-term or long-term indebtedness incurred primarily for capital expenditures, investment activities or reducing our outstanding stock, (iii) provide for the payment of dividends (if declared), and (iv) lend to affiliates. From time-to-time, we will incur indebtedness, primarily to fund capital expenditures or business combinations.

Periodically, we evaluate liquidity requirements, alternative uses of capital, capital needs and available resources in view of, among other things, our capital expenditure requirements, dividend policy and estimated future operating cash flows. As a result of this process, we have in the past and may in the future seek to raise additional capital, refinance or restructure indebtedness, issue additional securities, modify our dividend policy or take a combination of such steps to manage our liquidity and capital resources. In the normal course of business, we may review opportunities for acquisitions, joint ventures or other business combinations in the component products industry. In the event of any such transaction, we may consider using available cash, issuing additional equity securities or increasing our indebtedness or that of our subsidiaries.

We believe that cash generated from operations together with cash on hand, as well as our ability to obtain external financing, will be sufficient to meet our liquidity needs for working capital, capital expenditures, debt service, dividends (if declared) and any amounts we might lend from time to time under the terms of our revolving loan to Valhi discussed in Note 10 to our Condensed Consolidated Financial Statements (which loans would be solely at our discretion) for both the next 12 months and five years. To the extent that our actual operating results or other developments differ from our expectations, our liquidity could be adversely affected.

All of our $52.4 million aggregate cash and cash equivalents at June 30, 2026 were held in the U.S.

Capital expenditures. Firm purchase commitments for capital projects in process at June 30, 2026 totaled $1.1 million. We expect our capital expenditures for 2026 will be approximately $5.5 million primarily to increase capacity through investments in manufacturing equipment, including new technologies and increased automation and for improvements to our manufacturing facilities.

Stock repurchase program. At June 30, 2026, we have 523,647 shares available for repurchase under a stock repurchase program authorized by our board of directors.

Commitments and contingencies –

We are subject to certain commitments and contingencies, as more fully described in our 2025 Annual Report or in Note 8 to our Condensed Consolidated Financial Statements.

Recent accounting pronouncements –

See Note 11 to our Condensed Consolidated Financial Statements.

Critical accounting policies –

There have been no changes in the first six months of 2026 with respect to our critical accounting policies presented in Management's Discussion and Analysis of Financial Condition and Results of Operations in our 2025 Annual Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We are exposed to market risk from changes in interest rates and raw material prices. There have been no material changes in these market risks since we filed our 2025 Annual Report, and we refer you to Part I, Item 7A – "Quantitative and Qualitative Disclosure About Market Risk" in our 2025 Annual Report. See also Note 9 to our Condensed Consolidated Financial Statements.

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures. We maintain disclosure controls and procedures which, as defined in Exchange Act Rule 13a-15(e), means controls and other procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit to the SEC under the Securities Exchange Act of 1934, as amended (the "Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information we are required to disclose in the reports that we file or submit to the SEC under the Act is accumulated and communicated to our management, including our principal executive officer and our principal financial officer, or persons performing similar functions, as appropriate to allow timely decisions to be made regarding required disclosure. Our management with the participation of Scott C. James, our President and Chief Executive Officer, and Amy A. Samford, our Executive Vice President and Chief Financial Officer, has evaluated the design and operating effectiveness of our disclosure controls and procedures as of June 30, 2026. Based upon their evaluation, these executive officers have concluded that our disclosure controls and procedures are effective as of the date of such evaluation.

Internal Control Over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting which, as defined in Exchange Act Rule 13a-15(f), means a process designed by, or under the supervision of, our principal executive and principal financial officers, or persons performing similar functions, and effected by our board of directors, management and other personnel, 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, and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets,

- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and directors, and
- Provide reasonable assurance regarding prevention or timely detection of an unauthorized acquisition, use or disposition of our assets that could have a material effect on our Condensed Consolidated Financial Statements.

Changes in Internal Control Over Financial Reporting. There have been no changes in our internal control over financial reporting during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II. OTHER INFORMATION

ITEM 1. Legal Proceedings.

Refer to Note 8 to our Condensed Consolidated Financial Statements, our March 31, 2026 Quarterly Report on Form 10-Q and our 2025 Annual Report for descriptions of certain legal proceedings.

ITEM 1A. Risk Factors.

Reference is made to the 2025 Annual Report for a discussion of risk factors related to our businesses.

ITEM 6. Exhibits.

Item No.	Exhibit Index
31.1	Certification
31.2	Certification
32.1	Certification
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

SIGNATURES

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.

COMPX INTERNATIONAL INC.
(Registrant)

Date: August 4, 2026

By: /s/ Amy A. Samford
Amy A. Samford
(Executive Vice President and Chief Financial Officer)

By: /s/ Amy E. Ruf
Amy E. Ruf
(Senior Vice President and Controller)

Exhibit 31.1

CERTIFICATION

I, Scott C. James, certify that:

1) I have reviewed this quarterly report on Form 10-Q of CompX International Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer 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 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 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 registrant's board of directors (or persons performing the equivalent function):

   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: August 4, 2026

By: /s/ Scott C. James
Scott C. James
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Amy A. Samford, certify that:

1) I have reviewed this quarterly report on Form 10-Q of CompX International Inc.;

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4) The registrant's other certifying officer 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 13d-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 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 registrant's board of directors (or persons performing the equivalent function):

   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: August 4, 2026

By: /s/ Amy A. Samford
Amy A. Samford
Executive Vice President and Chief Financial Officer

Exhibit 32.1

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 CompX International Inc. (the Company) on Form 10-Q for the period ending June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the Report), I, Scott C. James, President and Chief Executive Officer of the Company and I, Amy A. Samford, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, that:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

By: /s/ Scott C. James
Scott C. James
President and Chief Executive Officer

By: /s/ Amy A. Samford
Amy A. Samford
Executive Vice President and Chief Financial Officer

Date: August 4, 2026

Note: The certification the registrant furnishes in this exhibit is not deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. Registration Statements or other documents filed with the Securities and Exchange Commission shall not incorporate this exhibit by reference, except as otherwise expressly stated in such filing.