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

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**FORM 10-Q**

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

For the quarter ended March 31, 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

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**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	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

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 April 30, 2026, the registrant had 12,323,057 shares of Class A common stock, \$0.01 par value per share, outstanding.

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**COMPX INTERNATIONAL INC.**

**Index**

	<u>Page</u>
<b>Part I. FINANCIAL INFORMATION</b>	
Item 1. Financial Statements	
<a href="#">Condensed Consolidated Balance Sheets – December 31, 2025 and March 31, 2026 (unaudited)</a>	- 3 -
<a href="#">Condensed Consolidated Statements of Income (unaudited) – Three months ended March 31, 2025 and 2026</a>	- 4 -
<a href="#">Condensed Consolidated Statements of Stockholders’ Equity (unaudited) – Three months ended March 31, 2025 and 2026</a>	- 5 -
<a href="#">Condensed Consolidated Statements of Cash Flows (unaudited) – Three months ended March 31, 2025 and 2026</a>	- 6 -
<a href="#">Notes to Condensed Consolidated Financial Statements (unaudited)</a>	- 7 -
<a href="#">Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</a>	- 11 -
<a href="#">Item 3. Quantitative and Qualitative Disclosures About Market Risk</a>	- 17 -
<a href="#">Item 4. Controls and Procedures</a>	- 17 -
<b>Part II. OTHER INFORMATION</b>	
<a href="#">Item 1. Legal Proceedings</a>	- 18 -
<a href="#">Item 1A. Risk Factors</a>	- 18 -
<a href="#">Item 6. Exhibits</a>	- 18 -

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**  
**(In thousands)**

ASSETS	December 31, 2025	March 31, 2026 (unaudited)
<b>Current assets:</b>		
Cash and cash equivalents	\$ 54,096	\$ 49,438
Accounts receivable, net	13,766	18,959
Inventories, net	30,410	30,070
Prepaid expenses and other	1,826	1,607
Total current assets	<u>100,098</u>	<u>100,074</u>
<b>Other assets:</b>		
Note receivable from affiliate	8,000	7,400
Goodwill	23,742	23,742
Operating lease right-of-use asset	—	1,014
Other noncurrent assets	645	679
Total other assets	<u>32,387</u>	<u>32,835</u>
<b>Property and equipment:</b>		
Land	5,390	5,390
Buildings	23,634	23,634
Equipment	78,021	78,137
Construction in progress	477	937
	<u>107,522</u>	<u>108,098</u>
Less accumulated depreciation	83,813	84,645
Net property and equipment	<u>23,709</u>	<u>23,453</u>
Total assets	<u>\$ 156,194</u>	<u>\$ 156,362</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued liabilities	\$ 15,320	\$ 10,424
Operating lease liability	—	88
Income taxes payable to affiliate	1,726	3,795
Total current liabilities	<u>17,046</u>	<u>14,307</u>
<b>Noncurrent liabilities:</b>		
Deferred income taxes	405	243
Operating lease liability	—	926
Other	113	101
Total noncurrent liabilities	<u>518</u>	<u>1,270</u>
<b>Stockholders' equity:</b>		
Preferred stock	—	—
Class A common stock	123	123
Additional paid-in capital	53,513	53,513
Retained earnings	84,994	87,149
Total stockholders' equity	<u>138,630</u>	<u>140,785</u>
Total liabilities and stockholders' equity	<u>\$ 156,194</u>	<u>\$ 156,362</u>

Commitments and contingencies (Note 8)

See accompanying Notes to Condensed Consolidated Financial Statements.

**COMPX INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
**(In thousands, except per share data)**

	<b>Three months ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2026</b>
	<b>(unaudited)</b>	
Net sales	\$ 40,272	\$ 40,569
Cost of sales	28,109	27,317
Gross margin	12,163	13,252
Selling, general and administrative expense	6,294	6,202
Operating income	5,869	7,050
Interest income	873	677
Income before income taxes	6,742	7,727
Income tax expense	1,611	1,875
Net income	\$ 5,131	\$ 5,852
Basic and diluted net income per common share	\$ .42	\$ .48
Basic and diluted weighted average shares outstanding	12,319	12,323

See accompanying Notes to Condensed Consolidated Financial Statements.

**COMPX INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

(In thousands)

	<b>Three months ended March 31, 2025 and 2026 (unaudited)</b>			
	<b>Class A common stock</b>	<b>Additional paid-in capital</b>	<b>Retained earnings</b>	<b>Total stockholders' equity</b>
Balance at December 31, 2024	\$ 123	\$ 53,396	\$ 92,626	\$ 146,145
Net income	—	—	5,131	5,131
Cash dividends (\$.30 per share)	—	—	(3,695)	(3,695)
Balance at March 31, 2025	<u>\$ 123</u>	<u>\$ 53,396</u>	<u>\$ 94,062</u>	<u>\$ 147,581</u>
Balance at December 31, 2025	\$ 123	\$ 53,513	\$ 84,994	\$ 138,630
Net income	—	—	5,852	5,852
Cash dividends (\$.30 per share)	—	—	(3,697)	(3,697)
<b>Balance at March 31, 2026</b>	<b><u>\$ 123</u></b>	<b><u>\$ 53,513</u></b>	<b><u>\$ 87,149</u></b>	<b><u>\$ 140,785</u></b>

See accompanying Notes to Condensed Consolidated Financial Statements.

**COMPX INTERNATIONAL INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(In thousands)**

	Three months ended	
	March 31,	
	2025	2026
	(unaudited)	
<b>Cash flows from operating activities:</b>		
Net income	\$ 5,131	\$ 5,852
Depreciation and amortization	945	868
Deferred income taxes	(95)	(194)
Other, net	75	72
<b>Change in assets and liabilities:</b>		
Accounts receivable, net	(3,921)	(5,193)
Inventories, net	(863)	268
Accounts payable and accrued liabilities	(3,515)	(5,104)
Accounts with affiliates	1,696	2,069
Prepays and other, net	410	205
Net cash used in operating activities	(137)	(1,157)
<b>Cash flows from investing activities:</b>		
Capital expenditures, net	(822)	(404)
Note receivable from affiliate:		
Collections	500	3,700
Advances	(500)	(3,100)
Net cash provided by (used in) investing activities	(822)	196
<b>Cash flows from financing activities -</b>		
Dividends paid	(3,695)	(3,697)
<b>Cash and cash equivalents - net change from:</b>		
Operating, investing and financing activities	(4,654)	(4,658)
Balance at beginning of period	60,782	54,096
Balance at end of period	\$ 56,128	\$ 49,438
<b>Supplemental disclosures -</b>		
Noncash investing and financing activities -		
Change in accruals for capital expenditures	\$ (352)	\$ 208
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**

**March 31, 2026**

**(unaudited)**

**Note 1 – Organization and basis of presentation:**

*Organization.* We (NYSE American: CIX) were approximately 87% owned by NL Industries, Inc. (NYSE: NL) at March 31, 2026. At March 31, 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 March 31, 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 period ended March 31, 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 March 31, 2025, December 31, 2025 and March 31, 2026. The actual dates of our annual and quarterly periods are March 30, 2025, December 28, 2025 and March 29, 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.

[Table of Contents](#)**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	
	March 31,	
	2025	2026
	(In thousands)	
Net sales:		
Security Products	\$ 30,230	\$ 29,896
Marine Components	10,042	10,673
Total	<u>\$ 40,272</u>	<u>\$ 40,569</u>
Cost of sales:		
Security Products	\$ 21,232	\$ 19,872
Marine Components	6,877	7,445
Total	<u>\$ 28,109</u>	<u>\$ 27,317</u>
Gross margin:		
Security Products	\$ 8,998	\$ 10,024
Marine Components	3,165	3,228
Total	<u>\$ 12,163</u>	<u>\$ 13,252</u>
Segment selling, general and administrative expense:		
Security Products	\$ 3,477	\$ 3,449
Marine Components	924	917
Total	<u>\$ 4,401</u>	<u>\$ 4,366</u>
Operating income:		
Security Products	\$ 5,521	\$ 6,575
Marine Components	2,241	2,311
Segment operating income	7,762	8,886
Corporate operating expenses	(1,893)	(1,836)
Total operating income	5,869	7,050
Interest income	873	677
Income before income taxes	<u>\$ 6,742</u>	<u>\$ 7,727</u>
Depreciation and amortization:		
Security Products	\$ 644	\$ 576
Marine Components	301	292
Total	<u>\$ 945</u>	<u>\$ 868</u>

Intersegment sales are not material.

[Table of Contents](#)**Note 3 – Accounts receivable, net:**

	<b>December 31, 2025</b>	<b>March 31, 2026</b>
	<b>(In thousands)</b>	
Accounts receivable, net:		
Security Products	\$ 11,474	\$ 13,990
Marine Components	2,362	5,039
Allowance for doubtful accounts	(70)	(70)
Total accounts receivable, net	<u>\$ 13,766</u>	<u>\$ 18,959</u>

**Note 4 – Inventories, net:**

	<b>December 31, 2025</b>	<b>March 31, 2026</b>
	<b>(In thousands)</b>	
Raw materials:		
Security Products	\$ 3,979	\$ 3,751
Marine Components	1,641	1,592
Total raw materials	<u>5,620</u>	<u>5,343</u>
Work-in-process:		
Security Products	14,313	14,706
Marine Components	5,594	5,618
Total work-in-process	<u>19,907</u>	<u>20,324</u>
Finished goods:		
Security Products	3,002	2,967
Marine Components	1,881	1,436
Total finished goods	<u>4,883</u>	<u>4,403</u>
Total inventories, net	<u>\$ 30,410</u>	<u>\$ 30,070</u>

**Note 5 – Accounts payable and accrued liabilities:**

	<b>December 31, 2025</b>	<b>March 31, 2026</b>
	<b>(In thousands)</b>	
Accounts payable:		
Security Products	\$ 2,153	\$ 2,414
Marine Components	538	739
Corporate	6	38
Employee benefits	11,186	5,562
Taxes other than on income	371	441
Professional services	263	409
Insurance	224	173
Advances from customers	61	169
Utilities	120	77
Customer tooling	90	53
Deferred revenue	50	41
Other	258	308
Total accounts payable and accrued liabilities	<u>\$ 15,320</u>	<u>\$ 10,424</u>

[Table of Contents](#)**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.

	<b>Three months ended</b>	
	<b>March 31,</b>	
	<b>2025</b>	<b>2026</b>
	<b>(In thousands)</b>	
U.S. federal statutory tax rate	\$ 1,416	\$ 1,623
State income taxes, net of federal income tax rate	190	238
Other, net	5	14
Income tax expense	<u>\$ 1,611</u>	<u>\$ 1,875</u>

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 March 31, 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:

	<b>December 31, 2025</b>		<b>March 31, 2026</b>	
	<b>Carrying amount</b>	<b>Fair value</b>	<b>Carrying amount</b>	<b>Fair value</b>
	<b>(In thousands)</b>			
Cash and cash equivalents	\$ 54,096	\$ 54,096	\$ 49,438	\$ 49,438

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

## [Table of Contents](#)

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 March 31, 2026, the outstanding principal balance receivable from Valhi under the promissory note was \$7.4 million. Interest income (including unused commitment fees) on our loan to Valhi was \$.2 million for each of the three months ended March 31, 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;



[Table of Contents](#)

See segment discussion below.

*Cost of sales and gross margin.* Cost of sales as a percentage of net sales decreased 2.5% in the first quarter of 2026 compared to the same period in 2025. As a result, gross margin as a percentage of net sales increased over the same period. Gross margin percentage increased in the first quarter of 2026 compared to the same period in 2025 primarily due to higher gross margin percentage at Security Products. 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 and administrative costs relating to business unit and corporate management activities, as well as any gains and losses on property and equipment. Operating costs and expenses for the first quarter of 2026 were comparable to same period in 2025. Operating costs and expenses as a percentage of net sales for the first quarter of 2026 decreased slightly due to increased coverage of operating costs and expenses as a result of higher sales.

*Operating income.* As a percentage of net sales, operating income for the first quarter 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.

[Table of Contents](#)

*Interest income.* Interest income decreased \$.2 million in the first quarter of 2026 compared to the same period in 2025 primarily due to lower average interest rates and decreased average investment 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.

	<b>Three months ended</b>		<b>% Change</b>
	<b>March 31,</b>		
	<b>2025</b>	<b>2026</b>	
	<b>(Dollars in thousands)</b>		
<b>Security Products:</b>			
Net sales	\$ 30,230	\$ 29,896	(1)%
Cost of sales	21,232	19,872	(6)
Gross margin	8,998	10,024	11
Operating costs and expenses	3,477	3,449	(1)
Operating income	<u>\$ 5,521</u>	<u>\$ 6,575</u>	19
Gross margin	29.8 %	33.5 %	
Operating income margin	18.3	22.0	

*Security Products.* Security Products net sales decreased 1% in the first quarter of 2026 compared to the same period last year primarily due to lower sales across a variety of markets. The decrease was driven by \$.3 million lower sales to the healthcare market and \$.2 million lower sales to each of the general cabinetry, electric control panel, and gas station security markets. These decreases were partially offset by \$.3 million higher sales to the tool storage market and \$.2 million higher sales to the institutional furniture market. Gross margin as a percentage of net sales increased in the first quarter primarily due to a more favorable customer and product mix. Operating income margin also increased, primarily due to the improvement in gross margin discussed above.

	<b>Three months ended</b>		<b>% Change</b>
	<b>March 31,</b>		
	<b>2025</b>	<b>2026</b>	
	<b>(Dollars in thousands)</b>		
<b>Marine Components:</b>			
Net sales	\$ 10,042	\$ 10,673	6 %
Cost of sales	6,877	7,445	8
Gross margin	3,165	3,228	2
Operating costs and expenses	924	917	(1)
Operating income	<u>\$ 2,241</u>	<u>\$ 2,311</u>	3
Gross margin	31.5 %	30.2 %	
Operating income margin	22.3	21.7	

*Marine Components.* Marine Components net sales increased 6% in the first quarter of 2026 compared to the same period last year primarily due to \$1.9 million higher sales to the industrial market partially offset by \$1.4 million lower sales to the towboat market. Towboat market sales in the first quarter of 2025 benefitted from a one-time customer stocking event that did not repeat in 2026. Gross margin as a percentage of net sales decreased in the first quarter of 2026 compared to the same period last year primarily due to higher cost inventory produced during the fourth quarter of 2025 and sold in the first quarter of 2026, partially offset by increased coverage of fixed costs on higher sales. Operating income margin decreased primarily due to the factors impacting gross margin discussed above, partially offset by increased coverage of operating costs and expenses on higher sales.

## [Table of Contents](#)

*Outlook.* Net sales for the first quarter of 2026 exceeded the prior year period, primarily driven by improved demand in the industrial market at Marine Components. Security Products sales reflected mixed performance across the original equipment manufacturer (“OEM”) markets, driven by differences in customer demand cycles and project timing, resulting in slightly lower net sales compared to the prior year period. Operating income increased compared to the prior year primarily due to a more favorable customer and product mix at Security Products and, to a lesser extent, the impact of higher sales at Marine Components.

For the full year 2026, we expect modest net sales growth as we continue to align pricing, product features, and service levels with market conditions and customer requirements. Net sales growth at Marine Components is expected to be driven primarily by the industrial market. Recreational marine sales have largely stabilized and sales to the towboat market in 2026 are expected to be generally comparable to 2025 (excluding the impact of the one-time stocking event noted above). At Security Products, we expect net sales to be consistent with the prior year, reflecting anticipated continued variability across multiple OEM markets.

We expect gross margin and operating income margins across both segments in 2026 to remain generally comparable to 2025. Operating income margin at Security Products benefited from favorable mix in the first quarter of 2026; however, margins are expected to moderate over the remainder of the year. We increased inventory levels across both segments during 2025 to support customer demand. These actions included an insourcing initiative at Security Products and a shift in customer mix at Marine Components. Inventory levels at the end of the first quarter of 2026 were comparable to those at December 31, 2025 and are expected to remain at these levels, consistent with near-term operating requirements.

We manufacture substantially all 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 first quarter of 2026, we incurred tariff-related surcharges to certain raw materials, primarily electronic components. In addition, some of our U.S.-based suppliers are applying tariff-related surcharges on certain domestically sourced 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. We will continue to monitor current and anticipated near-term customer demand levels to ensure our production capabilities and inventories are aligned accordingly.

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.

We generally report a net use of cash from operating activities in the first three months of each year due to seasonal changes in the level of our working capital. Our net cash used by operating activities for the first three months of 2026 increased by \$1.0 million as compared to the first three months of 2025. The increase in net cash used is primarily due to the net effects of a \$1.9 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 and a \$1.2 million increase in operating income in 2026.

Changes in working capital can have a significant effect on cash flows from operating activities. As shown below, the change in our average days sales outstanding increased from December 31, 2025 to March 31, 2026, with changes

[Table of Contents](#)

varying by segment primarily as a result of relative changes in the timing of sales and collections relative to the end of the quarter. For comparative purposes, we have provided December 31, 2024 and March 31, 2025 numbers below.

<b>Days Sales Outstanding:</b>	<b>December 31, 2024</b>	<b>March 31, 2025</b>	<b>December 31, 2025</b>	<b>March 31, 2026</b>
Security Products	36 Days	43 Days	35 Days	42 Days
Marine Components	23 Days	34 Days	26 Days	43 Days
Consolidated CompX	33 Days	41 Days	33 Days	43 Days

As shown below, our average number of days in inventory decreased from December 31, 2025 to March 31, 2026 primarily due to lower days in inventory at Marine Components driven by higher sales volumes in the first quarter of 2026 as compared to the fourth quarter of 2025. For comparative purposes, we have provided December 31, 2024 and March 31, 2025 numbers below.

<b>Days in Inventory:</b>	<b>December 31, 2024</b>	<b>March 31, 2025</b>	<b>December 31, 2025</b>	<b>March 31, 2026</b>
Security Products	85 Days	88 Days	98 Days	98 Days
Marine Components	130 Days	114 Days	141 Days	106 Days
Consolidated CompX	94 Days	94 Days	108 Days	100 Days

*Investing activities.* Our capital expenditures were \$.4 million and \$.8 million in the first three months of 2026 and 2025, respectively. During the first three months of 2026, Valhi repaid a net \$.6 million under the promissory note (\$.1 million of gross borrowings and \$.7 million of gross repayments). During the first three months of 2025, the promissory note balance with Valhi had net activity of nil (\$.5 million of gross borrowings and \$.5 million of gross repayments). See Note 10 to our Condensed Consolidated Financial Statements.

*Financing activities.* Financing activities consisted only of cash dividends. Our board of directors declared a regular quarterly dividend of \$.30 per share in each of the first quarters of 2025 and 2026. 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 loan 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 \$49.4 million aggregate cash and cash equivalents at March 31, 2026 were held in the U.S.

## [Table of Contents](#)

*Capital expenditures.* Firm purchase commitments for capital projects in process at March 31, 2026 totaled \$4 million. We expect our capital expenditures for 2026 will be approximately \$4.3 million primarily to improve our manufacturing facilities and invest in manufacturing equipment, including new technologies and increased automation.

*Stock repurchase program.* At March 31, 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 three 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 March 31, 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

[Table of Contents](#)

- 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 March 31, 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.**

In addition to the matter discussed below, refer to Note 8 to our Condensed Consolidated Financial Statements and our 2025 Annual Report for descriptions of certain legal proceedings.

*South Carolina Public Water Company PFAS Litigation.* In April 2026, CompX filed answers denying liability in all four pending PFAS cases. We intend to defend vigorously against all claims.

**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.**

<b>Item No.</b>	<b>Exhibit Index</b>
31.1	<a href="#">Certification</a>
31.2	<a href="#">Certification</a>
32.1	<a href="#">Certification</a>
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: May 5, 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)

## 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: May 5, 2026

By: /s/ Scott C. James

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Scott C. James  
President and Chief Executive Officer

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## 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: May 5, 2026

By: /s/ Amy A. Samford

Amy A. Samford

Executive Vice President and Chief Financial Officer

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**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 March 31, 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

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Scott C. James  
President and Chief Executive Officer

By: /s/ Amy A. Samford

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Amy A. Samford  
Executive Vice President and Chief Financial Officer

Date: May 5, 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.

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