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

FORM 10-Q

(MARK ONE)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Quarterly Period 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 No. 000-11676

BEL FUSE INC.

(Exact name of registrant as specified in its charter)

New Jersey	22-1463699
(State of incorporation)	(I.R.S. Employer Identification No.)

300 Executive Drive, Suite 300
West Orange, NJ 07052

(Address of principal executive offices and zip code)
Registrant's telephone number, including area code: (201) 432-0463

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	*Trading Symbol*	*Name of Exchange on Which Registered*
Class A Common Stock ($0.10 par value)	BELFA	Nasdaq Global Select Market
Class B Common Stock ($0.10 par value)	BELFB	Nasdaq Global Select Market

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 (or for such shorter period that the registrant was required to file such reports), 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 (§232.405 of this chapter) 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, a smaller reporting company or an emerging growth company. See the 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 ☒

Title of Each Class	*Number of Shares of Common Stock Outstanding as of July 31, 2026*
Class A Common Stock ($0.10 par value)	2,115,263
Class B Common Stock ($0.10 par value)	12,324,187

BEL FUSE INC. AND SUBSIDIARIES

FORM 10-Q INDEX

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING INFORMATION

The terms the “Company,” “Bel,” “we,” “us,” and “our” as used in this report refer to Bel Fuse Inc. and its consolidated subsidiaries unless otherwise specified.

This Quarterly Report on Form 10-Q (this “report”) contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date of this report and are based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as “expect,” “anticipate,” “should,” “believe,” “hope,” “target,” “project,” “forecast,” “outlook,” “goals,” “estimate,” “potential,” “predict,” “may,” “will,” “might,” “could,” “intend,” variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Bel’s control. Bel’s actual results could differ materially from those stated or implied in our forward-looking statements (including without limitation any of Bel’s projections) due to a number of factors, including but not limited to, the following: risks related to the protection of our intellectual property rights; difficulties associated with integrating previously acquired companies, including any unanticipated difficulties, or unexpected or higher than anticipated expenditures; the possibility that the Bel’s intended acquisition of the remaining 20% stake in Enercon Technologies Ltd ("Enercon") is not completed, and any resulting disruptions to Bel’s business and its currently 80% owned Enercon subsidiary; trends in demand which can affect Bel’s products and results; the market concerns facing Bel’s customers, and risks for its business in the event of the loss of certain substantial customers; the continuing viability of sectors that rely on Bel’s products; the effects of business and economic conditions, and challenges impacting the macroeconomic environment generally and/or Bel's industry specifically; the effects of energy and other input costs, and cost changes generally, including the potential impact of inflationary pressures; capacity and supply constraints or difficulties, including supply chain constraints or other challenges; the impact of public health crises; difficulties associated with the availability of labor, and the risks of any labor unrest or labor shortages; risks associated with Bel’s international operations, including its substantial manufacturing operations in China and Israel; risks related to Bel’s indebtedness; risks associated with restructuring programs or other strategic initiatives, including any difficulties in implementation or realization of the expected benefits or cost savings; product development, commercialization or technological difficulties (including risks relating to artificial intelligence); the regulatory and trade environment of the countries in which Bel transacts business or that may otherwise impact Bel, its customers and/or its suppliers; risks associated with fluctuations in foreign currency exchange and interest rates; uncertainties associated with legal proceedings; the market’s acceptance of Bel’s products and competitive responses to those products; the impact of changes to U.S. and applicable foreign legal and regulatory requirements, including tax laws; and other risks detailed in Bel’s most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2025 (our “2025 Annual Report on Form 10-K”) and in subsequent reports filed by Bel with the Securities and Exchange Commission (the “SEC”). The forward-looking statements included in this report represent Bel’s views only as of the date of the applicable statement, and except as required by law, Bel undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I. Financial Information

Item 1. Financial Statements (Unaudited)

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)
(unaudited)

	June 30, 2026	December 31, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 306,106	$ 57,800
Accounts receivable, net of allowance of $927 and $671, respectively	155,884	121,490
Inventories	200,226	167,270
Unbilled receivables	10,337	9,747
Assets held for sale	803	-
Other current assets	25,374	28,454
Total current assets	698,730	384,761
Property, plant and equipment, net	47,051	48,428
Right-of-use assets	33,354	22,868
Intangible assets, net	218,201	217,966
Goodwill, net	217,598	214,821
Deferred income taxes	15,056	12,843
Other assets	34,192	33,513
Total assets	$ 1,264,182	$ 935,200
LIABILITIES, REDEEMABLE NONCONTROLLING INTEREST AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 87,612	$ 52,990
Accrued expenses	45,009	49,710
Operating lease liabilities, current	8,748	8,029
Other current liabilities	14,552	16,716
Total current liabilities	155,921	127,445
Long-term Liabilities:		
Long-term debt	-	197,500
Operating lease liabilities, long-term	25,514	15,867
Liability for uncertain tax positions	16,566	17,524
Minimum pension obligation and unfunded pension liability	19,417	19,303
Deferred income taxes	27,319	29,684
Other long-term liabilities	7,473	9,203
Total liabilities	252,210	416,526
Commitments and contingencies (see Note 14)		
Redeemable noncontrolling interest	102,601	93,161
Shareholders' Equity:		
Preferred stock, no par value, 1,000,000 shares authorized; none issued	-	-
Class A common stock, par value $.10 per share, 10,000,000 shares authorized; 2,115,263 shares outstanding at each date (net of 1,072,769 restricted treasury shares)	212	212
Class B common stock, par value $.10 per share, 30,000,000 shares authorized; 12,324,187 and 10,543,368 shares outstanding at June 30, 2026 and December 31, 2025, respectively (net of 3,218,307 restricted treasury shares)	1,236	1,058
Additional paid-in capital	484,292	38,315
Retained earnings	438,228	403,102
Accumulated other comprehensive loss	(14,597)	(17,174)
Total shareholders' equity	909,371	425,513
Total liabilities, redeemable noncontrolling interest and shareholders' equity	$ 1,264,182	$ 935,200

See accompanying notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)
(unaudited)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Net sales	$ 210,685	$ 168,299	$ 389,176	$ 320,537
Cost of sales	126,718	103,216	235,611	196,635
Gross profit	83,967	65,083	153,565	123,902
Research and development costs	9,006	8,104	17,513	15,326
Selling, general and administrative expenses	36,285	30,914	73,015	60,421
Restructuring charges (credits)	24	280	100	(2,653)
Gain on sale of properties	-	(4,075)	-	(4,075)
Earnout liability adjustment	233	-	852	-
Income from operations	38,419	29,860	62,085	54,883
Interest expense	(1,802)	(3,993)	(4,332)	(8,145)
Interest income	1,280	264	1,430	539
Other (expense) income, net	(137)	7,568	(3,631)	10,207
Earnings before provision for income taxes	37,760	33,699	55,552	57,484
Provision for income taxes	3,785	6,906	6,593	12,369
Net earnings	33,975	26,793	48,959	45,115
Less: Net earnings attributable to noncontrolling interest	1,757	822	2,729	1,660
Redemption value adjustment attributable to noncontrolling interest	6,738	(890)	9,371	(1,280)
Net earnings attributable to Bel Fuse shareholders	$ 25,480	$ 26,861	$ 36,859	$ 44,735
Net earnings per common share:				
Class A common share - basic	$ 1.80	$ 2.03	$ 2.69	$ 3.39
Class A common share - diluted	$ 1.79	$ 2.03	$ 2.68	$ 3.39
Class B common share - basic	$ 1.89	$ 2.14	$ 2.83	$ 3.58
Class B common share - diluted	$ 1.89	$ 2.14	$ 2.83	$ 3.58
Weighted-average number of shares outstanding:				
Class A common share - basic	2,115	2,115	2,115	2,115
Class A common share - diluted	2,115	2,115	2,115	2,115
Class B common share - basic	11,483	10,551	11,020	10,504
Class B common share - diluted	11,497	10,551	11,028	10,504

See accompanying notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net earnings attributable to Bel Fuse shareholders	$ 25,480	$ 26,861	$ 36,859	$ 44,735
Add: Redemption value adjustment attributable to noncontrolling interest	6,738	(890)	9,371	(1,280)
Net earnings attributable to noncontrolling interest	1,757	822	2,729	1,660
Net earnings	33,975	26,793	48,959	45,115
Other comprehensive income (loss):				
Currency translation adjustment, net of taxes of $0 in all periods presented	1,954	540	3,097	(708)
Unrealized losses on interest rate swap cash flow hedge, net of taxes of $0 in all periods presented	(239)	(386)	(535)	(974)
Unrealized holding losses on marketable securities, net of taxes of $0 in all periods presented	34	-	33	-
Change in unfunded SERP liability, net of taxes of $2, $8, $5 and $16, respectively	(8)	(27)	(18)	(55)
Other comprehensive income (loss)	1,741	127	2,577	(1,737)
Comprehensive income	35,716	26,920	51,536	43,378
Comprehensive income attributable to noncontrolling interest	1,757	822	2,729	1,660
Comprehensive income attributable to Bel shareholders	$ 33,959	$ 26,098	$ 48,807	$ 41,718

See accompanying notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND REDEEMABLE NONCONTROLLING INTEREST
(in thousands, except per share data)
(unaudited)

	Class A Common Stock	Class A # of Shares	Class B Common Stock	Class B # of Shares	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total Shareholders' Equity	Redeemable Noncontrolling Interest
Balance at December 31, 2025	$ 212	2,115	$ 1,058	10,543	$ 38,315	$ 403,102	$ (17,174)	$ 425,513	$ 93,161
Redemption value adjustment attributable to noncontrolling interest	-	-	-	-	-	-	-	-	2,633
Net earnings	-	-	-	-	-	11,379	-	11,379	972
Dividends declared:									
Class A Common Stock, $0.06/share	-	-	-	-	-	(127)	-	(127)	-
Class B Common Stock, $0.07/share	-	-	-	-	-	(736)	-	(736)	-
Issuance of restricted common stock	-	-	6	53	(6)	-	-	-	-
Forfeiture of restricted common stock	-	-	-	(1)	-	-	-	-	-
Issuance of shares upon vesting of Performance Stock Units	-	-	-	12	-	-	-	-	-
Foreign currency translation adjustment, net of taxes of $0	-	-	-	-	-	-	1,143	1,143	-
Unrealized losses on interest rate swap cash flow hedge, net of taxes of $0	-	-	-	-	-	-	(296)	(296)	-
Unrealized holding gains on marketable securities, net of taxes of $0	-	-	-	-	-	-	(1)	(1)	-
Stock-based compensation expense	-	-	-	-	2,077	-	-	2,077	-
Change in unfunded SERP liability, net of taxes of $3	-	-	-	-	-	-	(10)	(10)	-
Balance at March 31, 2026	212	2,115	1,064	10,607	40,386	413,618	(16,338)	438,942	96,766
Redemption value adjustment attributable to noncontrolling interest	-	-	-	-	-	-	-	-	6,738
Net earnings	-	-	-	-	-	25,480	-	25,480	1,757
Dividends declared:									
Class A Common Stock, $0.06/share	-	-	-	-	-	(127)	-	(127)	-
Class B Common Stock, $0.07/share	-	-	-	-	-	(743)	-	(743)	-
Dividends paid to noncontrolling interest holders	-	-	-	-	-	-	-	-	(2,660)
Issuance of Class B common stock	-	-	173	1,725	440,871	-	-	441,044	
Forfeiture of restricted common stock	-	-	(1)	(8)	1	-	-	-	-
Foreign currency translation adjustment, net of taxes of $0	-	-	-	-	-	-	1,954	1,954	-
Unrealized losses on interest rate swap cash flow hedge, net of taxes of $0	-	-	-	-	-	-	(239)	(239)	-
Unrealized holding gains on marketable securities, net of taxes of $0	-	-	-	-	-	-	34	34	-
Stock-based compensation expense	-	-	-	-	3,034	-	-	3,034	-
Change in unfunded SERP liability, net of taxes of $2	-	-	-	-	-	-	(8)	(8)	-
Balance at June 30, 2026	$ 212	2,115	$ 1,236	12,324	$ 484,292	$ 438,228	$ (14,597)	$ 909,371	$ 102,601

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY AND REDEEMABLE NONCONTROLLING INTEREST (Continued)
(in thousands, except per share data)
(unaudited)

	Class A Common Stock	Class A # of Shares	Class B Common Stock	Class B # of Shares	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Total Shareholders' Equity	Redeemable Noncontrolling Interest
Balance at December 31, 2024	$ 212	2,115	$ 1,046	10,425	$ 31,514	$ 345,031	$ (17,227)	$ 360,576	$ 80,586
Redemption value adjustment attributable to noncontrolling interest	-	-	-	-	-	-	-	-	(390)
Net earnings	-	-	-	-	-	17,874	-	17,874	838
Dividends declared:									
Class A Common Stock, $0.06/share	-	-	-	-	-	(127)	-	(127)	-
Class B Common Stock, $0.07/share	-	-	-	-	-	(737)	-	(737)	-
Issuance of restricted common stock	-	-	13	129	(13)	-	-	-	-
Forfeiture of restricted common stock	-	-	-	(2)	-	-	-	-	-
Foreign currency translation adjustment, net of taxes of $0	-	-	-	-	-	-	(1,248)	(1,248)	-
Unrealized gains on interest rate swap cash flow hedge, net of taxes of $0	-	-	-	-	-	-	(588)	(588)	-
Stock-based compensation expense	-	-	-	-	1,179	-	-	1,179	-
Change in unfunded SERP liability, net of taxes of $8	-	-	-	-	-	-	(28)	(28)	-
Balance at March 31, 2025	212	2,115	1,059	10,552	32,680	362,041	(19,091)	376,901	81,034
Redemption value adjustment attributable to noncontrolling interest	-	-	-	-	-	-	-	-	(890)
Net earnings	-	-	-	-	-	26,861	-	26,861	822
Dividends declared:									
Class A Common Stock, $0.06/share	-	-	-	-	-	(127)	-	(127)	-
Class B Common Stock, $0.07/share	-	-	-	-	-	(740)	-	(740)	-
Forfeiture of restricted common stock	-	-	(1)	(3)	1	-	-	-	-
Foreign currency translation adjustment, net of taxes of $0	-	-	-	-	-	-	540	540	-
Unrealized losses on interest rate swap cash flow hedge, net of taxes of $0	-	-	-	-	-	-	(386)	(386)	-
Stock-based compensation expense	-	-	-	-	1,721	-	-	1,721	-
Change in unfunded SERP liability, net of taxes of $8	-	-	-	-	-	-	(27)	(27)	-
Balance at June 30, 2025	$ 212	2,115	$ 1,058	10,549	$ 34,402	$ 388,035	$ (18,964)	$ 404,743	$ 80,966

See accompanying notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2026	2025
Cash flows from operating activities:		
Net earnings	$ 48,959	$ 45,115
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	13,535	13,284
Stock-based compensation	5,111	2,900
Amortization of deferred financing costs	1,090	692
Deferred tax benefit	(4,557)	(861)
Unrealized losses (gains) on foreign currency revaluation	3,786	(12,913)
Gain on sale of properties	-	(4,075)
Inventory impairment	1,186	-
Changes in fair value of contingent consideration liabilities	852	-
Other, net	(622)	1,595
Changes in operating assets and liabilities:		
Increase in accounts receivable	(32,095)	(8,203)
Decrease (increase) in unbilled receivables	67	(1,400)
Increase in inventories	(32,166)	(122)
Increase in other current assets	(563)	(4,994)
(Increase) decrease in other assets	(2,006)	2,443
Increase in accounts payable	33,072	3,511
Decrease in accrued expenses	(4,310)	(8,641)
Decrease in accrued restructuring costs	(479)	(5,075)
Increase in income taxes payable	1,745	2,143
(Decrease) increase in other liabilities	(843)	3,465
Net cash provided by operating activities	31,762	28,864
Cash flows from investing activities:		
Purchase of property, plant and equipment	(4,890)	(6,718)
Proceeds from held to maturity securities	-	950
Investment in related party notes receivable	-	(778)
Proceeds from disposal/sale of property, plant and equipment	3	4,867
Acquisition of business, net of cash acquired	(15,224)	-
Net cash used in investing activities	(20,111)	(1,679)
Cash flows from financing activities:		
Proceeds from issuance of common stock, net	441,643	-
Repayments under revolving line of credit	(217,500)	(42,500)
Borrowings under revolving line of credit	20,000	5,000
Dividends paid to common shareholders	(1,684)	(1,660)
Dividends paid to noncontrolling interest	(2,661)	-
Payment for contingent consideration	(3,531)	-
Deferred financing costs	-	(681)
Net cash provided by (used in) financing activities	236,267	(39,841)
Effect of exchange rate changes on cash and cash equivalents	388	3,687
Net increase (decrease) in cash and cash equivalents	248,306	(8,969)
Cash and cash equivalents - beginning of period	57,800	68,253
Cash and cash equivalents - end of period	$ 306,106	$ 59,284
Supplementary information:		
Cash paid during the period for:		
Income taxes, net of refunds received	$ 10,429	$ 11,422
Interest payments	$ 3,816	$ 8,188
ROU assets obtained in exchange for lease obligations	$ 14,771	$ 1,502

See accompanying notes to unaudited condensed consolidated financial statements.

BEL FUSE INC. AND SUBSIDIARIES
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The condensed consolidated balance sheets and statements of operations, comprehensive income (loss), shareholders' equity and redeemable noncontrolling interest, and cash flows for the periods presented herein have been prepared by the Company and are unaudited. In the opinion of management, all adjustments (consisting solely of normal recurring adjustments) necessary to present fairly the consolidated financial position, results of operations and cash flows for all periods presented have been made. The results for the six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the full year. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and footnotes thereto included in the Bel Fuse Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Certain information and footnote disclosures required under accounting principles generally accepted in the United States of America ("U.S. GAAP") have been condensed or omitted from these condensed consolidated financial statements pursuant to the rules and regulations, including the interim reporting requirements, of the U.S. Securities and Exchange Commission ("SEC"). The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts and the disclosure of contingent amounts in our condensed consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

All amounts included in the tables to these notes to condensed consolidated financial statements, except per share amounts, are in thousands.

The Company's significant accounting policies are summarized in Note 1 to the consolidated financial statements of the Company included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

May 2026 Follow-on Public Offering of Class B Common Stock: In May 2026, the Company completed an underwritten public offering of 1,725,000 shares of its Class B common stock at a public offering price of $266.00 per share, including the full exercise of the underwriters' option to purchase an additional 225,000 shares. Gross proceeds from the offering were $458.9 million. After deducting underwriting discounts and commissions of approximately $17.2 million, net proceeds were approximately $441.6 million. During the quarter ended June 30, 2026, the Company used approximately $197.5 million of the net proceeds to repay all outstanding borrowings under its Credit and Security Agreement, resulting in no outstanding debt under this facility as of June 30, 2026. The Company intends to use the remaining net proceeds to fund the remaining 20% acquisition of Enercon or pursue other acquisitions or partnership opportunities that may arise, and the remainder, if any, for general corporate purposes. Offering costs were recorded as a reduction of additional paid-in capital.

There were no significant changes to these accounting policies during the six months ended June 30, 2026.

Recently Adopted Accounting Standards

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which focuses on the rate reconciliation and income taxes paid. ASU 2023-09 requires a public business entity ("PBE") to disclose, on an annual basis, a tabular rate reconciliation using both percentages and currency amounts, broken out into specified categories with certain reconciling items further broken out by nature and jurisdiction to the extent those items exceed a specified threshold. In addition, all entities are required to disclose income taxes paid, net of refunds received disaggregated by federal, state/local, and foreign and by jurisdiction if the amount is at least 5% of total income tax payments, net of refunds received. The Company adopted this ASU in 2025.

Accounting Standards Issued But Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which is intended to improve disclosures about a PBE's expenses and address requests from investors for more detailed information about the types of expenses in commonly presented expense captions. Such information should allow investors to better understand an entity's performance, assess future cash flows, and compare performance over time and with other entities. The amendments will require PBEs to disclose in the notes to the financial statements, at each interim and annual reporting period, specific information about certain costs and expenses, including purchases of inventory, employee compensation, depreciation, and intangible asset amortization included in each expense caption presented on the face of the income statement, and the total amount of an entity's selling expenses. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, and may be applied either prospectively or retrospectively. Early adoption is permitted. The Company is currently evaluating the impact of adopting this guidance on the consolidated financial statements.

2. ACQUISITIONS

Acquisition of dataMate

On March 5, 2026, we completed the acquisition of dataMate (“dataMate”), a provider of Ethernet and broadband connectivity solutions, from Methode Electronics, Inc. for aggregate consideration of approximately $16.0 million, subject to customary post-closing adjustments. The acquisition was funded using cash on hand and borrowings under our senior secured revolving credit facility (the "Revolver") under the Amended and Restated Credit and Security Agreement with KeyBank National Association as amended, the "Credit Agreement" or the "CSA"). The acquisition was accounted for as a business combination under ASC 805, *Business Combinations*.

The acquisition is expected to broaden Bel’s customer reach and increase exposure to attractive end markets, including networking, data centers, industrial automation, smart buildings and broadband deployment, while providing R&D capabilities. Bel also believes the acquisition provides opportunities to leverage dataMate’s ongoing technology development, including solutions intended to deliver data and power over a single pair of wires, to support future product expansion.

No separate fair value step-up was recorded for inventory. Any further adjustments to the valuation of identifiable intangible assets will be reflected in goodwill as the purchase price allocation is finalized. Goodwill recognized in connection with the acquisition was $3.5 million, and all of the goodwill is expected to be deductible for income tax purposes, generally over a 15-year period. The purchase price allocation is preliminary and is subject to change as additional information becomes available, including as valuation work related to acquired intangible assets is finalized. The intangible assets will be amortized over 10 years using the straight-line method, and these assets will be periodically reviewed for impairment.

The results of operations of dataMate have been included in our condensed consolidated financial statements from the acquisition date. The results of dataMate are reported within the Company’s ITDS segment. The contribution of dataMate to our net sales was $4.4 million and $5.9 million for the three and six months ended June 30, 2026, respectively. The contribution of dataMate to our operating income was not material during those periods. Acquisition-related costs were immaterial and were expensed as incurred. Bel did not provide any material indemnifications to the seller other than customary indemnities included in the purchase agreement.

	Preliminary Acquisition Date (as adjusted)
Accounts receivable	$ 2,548
Inventories	2,119
Other current assets	647
Total identifiable assets	5,314
Net fixed assets	609
Intangible assets	8,000
Goodwill	3,494
Net assets acquired	17,417
Working capital liabilities	1,213
Total consideration transferred	$ 16,204

The results of operations of dataMate have been included in the Company’s condensed consolidated financial statements for periods subsequent to the acquisition date of March 5, 2026. The following unaudited pro forma information presents the combined results of operations of the Company and dataMate as if the acquisition had occurred on January 1, 2025, as applicable to the periods presented. The unaudited pro forma information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have been achieved had the acquisition occurred on the assumed date, nor is it intended to be a projection of future results. The unaudited pro forma information reflects adjustments that are directly attributable to the acquisition, factually supportable, and, with respect to the statements of operations, expected to have a continuing impact. The unaudited pro forma information does not reflect the realization of any anticipated cost savings, synergies, or operating efficiencies that may result from the acquisition, nor does it reflect any nonrecurring integration-related costs that may be incurred, while certain cost savings may result from the acquisition, there can be no assurance that such cost savings will be achieved.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue, net	$ 210,685	$ 173,082	$ 391,502	$ 329,306
Net earnings	33,975	27,919	49,401	46,613
Less: Net earnings attributable to non-controlling interest	1,757	822	2,729	1,660
Redemption value adjustment attributable to noncontrolling interest	6,738	(890)	9,371	(1,280)
Net earnings attributable to Bel Fuse shareholders	$ 25,480	$ 27,987	$ 37,301	$ 46,233
Earnings per Class A common share - basic	$ 1.80	$ 2.12	$ 2.72	$ 3.51
Earnings per Class A common share - diluted	$ 1.79	$ 2.12	$ 2.72	$ 3.51
Earnings per Class B common share - basic	$ 1.89	$ 2.23	$ 2.86	$ 3.70

Earnings per Class B common share - diluted	$ 1.89	$ 2.23	$ 2.86	$ 3.70

Acquisition of Enercon

On November 14, 2024, the Company closed on its acquisition of its majority 80% stake in Enercon, pursuant to the terms of the Share Purchase Agreement, dated as of September 19, 2024 (the “Purchase Agreement”), by and among the Company, Enercon, and FF3 Holdings, L.P., for itself and as Sellers’ Representative (“FF3”), and each of the other seller parties signatory thereto (collectively with FF3, the “Sellers”). Enercon is a leading supplier of highly customized power conversion and networking solutions to aerospace and defense markets globally, providing robust and reliable solutions across air, land and sea applications. Enercon is based in Netanya, Israel with additional facilities in New Hampshire, U.S. and Haryana, India.

Under the terms of the Purchase Agreement, on the November 14, 2024 closing date (and deemed effective solely for accounting purposes as of November 1, 2024), Bel acquired from the Sellers 80% of the issued and outstanding share capital of Enercon on a fully-diluted basis for (i) a cash purchase price of $320 million (subject to customary adjustments), plus (ii) up to $10 million in potential earnout payments for the 2025 - 2026 period (the “Earnout Payments”), as further described below (the “Transaction” or the "acquisition"). Bel may acquire the remaining 20% stake in Enercon and has the current intention to purchase such remaining interest by early 2027 in accordance with the terms and subject to the conditions of a shareholders’ agreement, which was also entered into on November 14, 2024.

The potential Earnout Payments may become payable of up to $5.0 million for each of the fiscal 2025 and fiscal 2026 earnout periods (each, an “Earnout Period”), subject to Enercon’s achievement of certain specified EBITDA targets for each respective Earnout Period, as calculated and determined in accordance with the Purchase Agreement. In the event that (i) the target for the respective Earnout Period has been achieved, the full $5.0 million Earnout Payment for the Earnout Period shall be payable, or (ii) achievement for the respective Earnout Period is at least 90% of the target level but less than 100% of the target level, then the amount payable in respect of the Earnout Payment for such Earnout Period shall be $2.5 million. In the event that achievement for the respective Earnout Period is less than 90% of the target level, no Earnout Payment shall be due for such period. The Earnout Payment associated with fiscal year 2025 was achieved in full and the Company paid $5 million to the Sellers during the first quarter of 2026 in connection with the 2025 earnout achievement.

The acquisition of Enercon resulted in a noncontrolling interest holder who is entitled to a put option, giving the sellers the ability to put their redeemable interest in the shares of the acquiree to the Company. Specifically, if exercised by the noncontrolling interest holder, the Company would be required to purchase the remaining 20% of the Seller's redeemable interest, at a redemption price during specified time period(s) stipulated in the Enercon acquisition agreement. The Company also has a corresponding call option with respect to the noncontrolling interest. Upon acquisition, the redeemable noncontrolling interest was initially valued at a fair value of $72.4 million. The redeemable noncontrolling interest reflected on the accompanying condensed consolidated balance sheets at June 30, 2026 and December 31, 2025 will remain in temporary equity until the applicable put-call option is either fully exercised or expires. At June 30, 2026 and December 31, 2025, the redeemable noncontrolling interest was adjusted to reflect its redemption value of $102.6 million and $93.2 million, respectively. The redemption value of the redeemable noncontrolling interest is generally calculated using Level 3 unobservable inputs based on a multiple of earnings. A roll-forward of the redeemable noncontrolling interest for the three and six months ending June 30, 2026 is included in the accompanying condensed consolidated statements of shareholders' equity and redeemable noncontrolling interest.

3. REVENUE

The following table provides information about disaggregated revenue by geographic region and sales channel, and includes a reconciliation of the disaggregated revenue to our reportable segments. See Note 15, "*Segments,*" for additional information regarding the Company's current reportable segments and the recast of prior period segment information to conform to the current presentation:

	Three Months Ended June 30, 2026			Six Months Ended June 30, 2026		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Consolidated	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Consolidated
By Geographic Region:						
North America	$ 69,082	$ 68,781	$ 137,863	$ 133,260	$ 118,955	$ 252,215
EMEA	39,580	15,606	55,186	72,660	31,099	103,759
Asia	1,795	15,841	17,636	4,358	28,844	33,202
	$ 110,457	$ 100,228	$ 210,685	$ 210,278	$ 178,898	$ 389,176
By Sales Channel:						
Direct to customer	$ 85,802	$ 68,512	$ 154,314	$ 161,889	$ 123,499	$ 285,388
Through distribution	24,655	31,716	56,371	48,389	55,399	103,788
	$ 110,457	$ 100,228	$ 210,685	$ 210,278	$ 178,898	$ 389,176

	Three Months Ended June 30, 2025			Six Months Ended June 30, 2025		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Consolidated	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Consolidated
By Geographic Region:						
North America	$ 63,669	$ 48,386	$ 112,055	$ 118,729	$ 89,597	$ 208,326
EMEA	25,878	15,073	40,951	50,986	30,782	81,768
Asia	2,285	13,008	15,293	5,239	25,204	30,443
	$ 91,832	$ 76,467	$ 168,299	$ 174,954	$ 145,583	$ 320,537
By Sales Channel:						
Direct to customer	$ 73,990	$ 51,913	$ 125,903	$ 137,808	$ 97,535	$ 235,343
Through distribution	17,842	24,554	42,396	37,146	48,048	85,194
	$ 91,832	$ 76,467	$ 168,299	$ 174,954	$ 145,583	$ 320,537

The balances of the Company's contract assets and contract liabilities at June 30, 2026 and December 31, 2025 are as follows:

	June 30, 2026	December 31, 2025
Contract assets - current (unbilled receivables)	$ 10,337	$ 9,747
Contract liabilities - current (deferred revenue)	$ 10,579	$ 9,767
Accounts receivable, net	$ 155,884	$ 121,490

The change in the balance of the Company's unbilled receivables from December 31, 2025 to June 30, 2026 primarily reflects a timing difference between (i) when the Company satisfies its performance obligation (i.e., when product is shipped to a customer-controlled hub and control transfers in accordance with the applicable contract terms) and (ii) when the Company has an unconditional right to invoice the customer under the contractual invoicing provisions (i.e., when the customer withdraws ("pulls") product from the customer-controlled hub). Accordingly, unbilled receivables represent amounts for which revenue has been recognized but which are not yet billable, and are expected to be billed as customers withdraw product from the hub.

The Company's contract liabilities (deferred revenue) at December 31, 2025 and June 30, 2026 primarily relate to customer prepayments and advance billings for which revenue has not yet been recognized. Revenue is recognized upon shipment (or otherwise upon transfer of control) of the related goods in accordance with the Company's revenue recognition policy. Contract liabilities are classified as current and are included in other current liabilities. For the six months ended June 30, 2026, contract liabilities increased by approximately $0.8 million to $10.6 million, from $9.8 million at December 31, 2025, reflecting $52.8 million of customer prepayments and advance billings recorded during the period, partially offset by $52.0 million of revenue recognized that was included in contract liabilities at the beginning of the period and/or recorded during the period.

Transaction Price Allocated to Future Obligations

The aggregate amount of transaction price allocated to remaining performance obligations that have not been fully satisfied as of June 30, 2026 related to contracts that exceed one year in duration amounted to $14.3 million, with expected contract expiration dates that range from 2027 – 2031**.** Based on the Company's current estimates, it is expected that approximately $2.8 million of this aggregate amount will be recognized in 2027, $0.3 million will be recognized in 2028, and $11.2 million will be recognized in the years beyond 2028. The majority of the Company's orders received (but not yet shipped) at June 30, 2026 are related to contracts that have an original expected duration of one year or less, for which the Company is electing to utilize the practical expedient available within the applicable guidance, and are excluded from the transaction price related to these future obligations. The Company will generally satisfy the remaining performance obligations as we transfer control of the products ordered to our customers.

4. EARNINGS PER SHARE

The following table sets forth the calculation of basic and diluted net earnings per common share under the two-class method for the six months ended June 30, 2026 and 2025:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Numerator:				
Net earnings attributable to Bel Fuse shareholders	$ 25,480	$ 26,861	$ 36,859	$ 44,735
Less dividends declared:				
Class A	127	127	254	254
Class B	743	740	1,479	1,477
Undistributed earnings attributable to Bel Fuse shareholders	$ 24,610	$ 25,994	$ 35,126	$ 43,004
Undistributed earnings allocation:				
Basic - Class A undistributed earnings	$ 3,673	$ 4,172	$ 5,429	$ 6,920
Basic - Class B undistributed earnings	20,937	21,822	29,697	36,084
Total undistributed earnings	$ 24,610	$ 25,994	$ 35,126	$ 43,004
Net earnings allocation:				
Basic - Class A net earnings	$ 3,800	$ 4,299	$ 5,683	$ 7,174
Basic - Class B net earnings	21,680	22,562	31,176	37,561
Basic - Net earnings	$ 25,480	$ 26,861	$ 36,859	$ 44,735
Undistributed earnings allocation:				
Diluted - Class A undistributed earnings	$ 3,669	$ 4,172	$ 5,425	$ 6,920
Diluted - Class B undistributed earnings	20,941	21,822	29,701	36,084
Total undistributed earnings	$ 24,610	$ 25,994	$ 35,126	$ 43,004
Net earnings allocation:				
Diluted - Class A net earnings	$ 3,796	$ 4,299	$ 5,679	$ 7,174
Diluted - Class B net earnings	21,684	22,562	31,180	37,561
Diluted - Net earnings	$ 25,480	$ 26,861	$ 36,859	$ 44,735
Denominator:				
Weighted-average shares outstanding:				
Class A - Basic	2,115	2,115	2,115	2,115
Class A - Diluted	2,115	2,115	2,115	2,115
Class B - Basic	11,483	10,551	11,020	10,504
Class B - Diluted	11,497	10,551	11,028	10,504
Net earnings per share:				
Class A - Basic	$ 1.80	$ 2.03	$ 2.69	$ 3.39
Class A - Diluted	$ 1.79	$ 2.03	$ 2.68	$ 3.39
Class B - Basic	$ 1.89	$ 2.14	$ 2.83	$ 3.58
Class B - Diluted	$ 1.89	$ 2.14	$ 2.83	$ 3.58

5. FAIR VALUE MEASUREMENTS

Fair value is defined as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants based upon the best use of the asset or liability at the measurement date. Entities are required to use a fair value hierarchy which maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value:

Level 1 – Observable inputs such as quoted market prices in active markets;

Level 2 – Inputs other than quoted prices in active markets that are either directly or indirectly observable; and

Level 3 – Unobservable inputs about which little or no market data exists, therefore requiring an entity to develop its own assumptions.

	June 30, 2026			
	Carrying Value	Fair Value	Cash and Cash Equivalents	Other Current Assets
Cash	$ 305,349	$ 305,349	$ 305,349	$ -
Level 1:				
Money market funds (Rabbi Trust)	200	200	-	200
Subtotal	200	200	-	200
Level 2:				
Certificates of deposit and time deposits	1,355	1,555	757	598
Subtotal	1,355	1,555	757	598
Total	$ 306,904	$ 307,104	$ 306,106	$ 798

	December 31, 2025			
	Carrying Value	Fair Value	Cash and Cash Equivalents	Other Current Assets
Cash	$ 57,531	$ 57,531	$ 57,531	$ -
Level 1:				
Money market funds	1	1	1	-
Money market funds (Rabbi Trust)	586	586	-	586
Subtotal	587	587	1	586
Level 2:				
Certificates of deposit and time deposits	1,859	2,121	268	1,591
Subtotal	1,859	2,121	268	1,591
Total	$ 59,977	$ 60,239	$ 57,800	$ 2,177

As of June 30, 2026 and December 31, 2025, our available-for-sale securities primarily consisted of investments held in a rabbi trust which are intended to fund the Company's Supplemental Executive Retirement Plan ("SERP") obligations. These securities are measured at fair value using quoted prices in active markets for identical assets (Level 1) inputs and amounted to $0.2 million at June 30, 2026 and $0.6 million at December 31, 2025.

Throughout 2026 and 2025, the Company entered into a series of foreign currency forward contracts, the fair values of which were $1.9 million at June 30, 2026 and $1.8 million at December 31, 2025. The estimated fair value of foreign currency forward contracts is based on quotes received from the applicable counterparty, and represents the estimated amount we would receive or pay to settle the contracts, taking into consideration current exchange rates which can be validated through readily observable data from external sources (Level 2).

The Company is a party to two interest rate swap agreements as further described in Note 9, *"Derivative Instruments and Hedging Activities"*. The fair value of the interest rate swap agreements was $0.3 million at June 30, 2026 and $0.9 million at December 31, 2025, which was based on market data, and represents the estimated amount we would receive or pay to settle the agreements, taking into consideration current and projected future interest rates as well as the creditworthiness of the parties, all of which can be validated through readily observable data from external sources (Level 2).

The fair values of our derivative financial instruments and their classifications in our condensed consolidated balance sheets as of June 30, 2026 and December 31, 2025 were as follows:

	Balance Sheet Classification	June 30, 2026	December 31, 2025
Derivative assets:			
Foreign currency forward contracts:			
Designated as cash flow hedges	Other current assets	$ 346	$ 294
Not designated as hedging instruments	Other current assets	1,542	1,504
Interest rate swap agreements:			
Designated as a cash flow hedge	Other assets	250	905
Total derivative assets		$ 2,138	$ 2,703

In connection with the acquisition of Enercon as further described in Note 2, "*Acquisition*", the sellers are eligible to receive an Earnout Payment based on the achievement of certain financial metrics for each of the fiscal 2025 and 2026 Earnout Periods. As this contingent consideration will be settled in cash by Bel if the related metrics are achieved, this contingent consideration has been classified as a liability on the accompanying balance sheets at June 30, 2026 and December 31, 2025. The earnout liabilities were initially recorded at a fair value of $3.3 million at the acquisition date, with subsequent remeasurements to fair value as of the balance sheet dates calculated using Level 3 unobservable inputs. At June 30, 2026, inputs to the valuation approach for the contingent earnout liabilities included the Company's forecasted Enercon EBITDA (as defined in the Purchase Agreement) for each of fiscal 2025 and 2026, an estimated EBITDA volatility of 72.5%, an expected term of 2 years, and a discount rate applied to the Earnout Payments of 6.18%. At December 31, 2025, inputs included forecasted Enercon EBITDA for each of fiscal 2025 and 2026, an estimated EBITDA volatility of 52.1%, an expected term of 2 years, and a discount rate applied to the Earnout Payments of 6.66%. The fair value of the earnout liabilities as of June 30, 2026 and December 31, 2025 were as follows:

		Level 3	
	Balance Sheet Classification	June 30, 2026	December 31, 2025
Contingent Liabilities:			
Earnout payment liability - 2025	Other current liabilities	$ -	$ 4,916
Earnout payment liability - 2026	Other long-term liabilities	2,561	1,709
		$ 2,561	$ 6,625

The change in the fair value of the 2025 Earnout Payment noted above from December 31, 2025 to June 30, 2026 relates to the full achievement of the earnout targets in 2025 and resulting payment thereof to the Sellers during the first quarter of 2026. Changes in the fair value of the 2026 Earnout Payment have been recognized through earnings during the six months ended June 30, 2026.

Aside from the earnout liability described above, the Company does not have any financial assets measured at fair value on a recurring basis categorized as Level 3, and there were no transfers in or out of Level 1, Level 2 or Level 3 during the three months ended June 30, 2026 or June 30, 2025. There were no changes to the Company's valuation techniques used to measure fair values on a recurring or nonrecurring basis during the three months ended June 30, 2026 or June 30, 2025.

During 2025, the Company performed its annual impairment test of indefinite-lived intangible assets and determined that no impairment charges were required. There were no financial assets or indefinite-lived intangible assets measured at fair value on a nonrecurring basis as of June 30, 2026 or December 31, 2025.

The Company has other financial instruments, such as cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, which are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature. The fair value of the Company's long-term debt is estimated using a discounted cash flow method based on interest rates currently available for debt issuances with similar terms and maturities. At June 30, 2026, the Company had no outstanding long-term debt, accordingly, the estimated fair value and carrying amount of total debt were $0 million and $0 million, respectively. At December 31, 2025, the estimated fair value of total debt was $196.5 million, compared to a carrying amount of $197.5 million. The Company did not have any other financial liabilities within the scope of the fair value disclosure requirements as of June 30, 2026.

Nonfinancial assets and liabilities, such as goodwill, indefinite-lived intangible assets and long-lived assets, are accounted for at fair value on a nonrecurring basis. These items are tested for impairment upon the occurrence of a triggering event or in the case of goodwill, on at least an annual basis. Based on the Company's assessment, it was concluded that no triggering events occurred during the six months ended June 30, 2026 or June 30, 2025.

6. INVENTORIES

The components of inventories are as follows:

	June 30, 2026	December 31, 2025
Raw materials	$ 95,727	$ 73,629
Work in progress	63,644	58,076
Finished goods	40,855	35,565
Inventories	$ 200,226	$ 167,270

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of the following:

	June 30, 2026	December 31, 2025
Land	$ 126	$ 130
Buildings and improvements	13,606	16,408
Machinery and equipment	109,254	103,445
Construction in progress	6,982	7,114
	129,968	127,097
Accumulated depreciation	(82,917)	(78,669)
Property, plant and equipment, net	$ 47,051	$ 48,428

Depreciation expense was $3.0 million and $2.9 million, respectively, for the three months ended June 30, 2026 and 2025 and $5.9 million for each of the six months ended June 30, 2026 and 2025. Depreciation expense related to our manufacturing facilities and equipment is included in cost of sales and depreciation expense associated with administrative facilities and office equipment is included in selling, general and administrative expense within the accompanying condensed consolidated statements of operations.

At June 30, 2026, a total of $0.8 million of properties were classified as assets held for sale on the accompanying condensed consolidated balance sheets related to a properties owned by the Company in Hong Kong.

8. ACCRUED EXPENSES

Accrued expenses consist of the following:

	June 30, 2026	December 31, 2025
Salaries, bonuses and related benefits	$ 30,016	$ 37,426
Accrued restructuring costs	280	759
Sales commissions	3,090	2,375
Warranty accrual	1,264	1,245
Other	10,359	7,905
	$ 45,009	$ 49,710

The change in warranty accrual during the six months ended June 30, 2026 primarily related to repair costs incurred and adjustments to pre-existing warranties. The new warranty charges incurred during the six months ended June 30, 2026 were $0.1 million.

Restructuring Activities:

Activity and liability balances related to restructuring costs for the six months ended June 30, 2026 are as follows:

		Six Months Ended June 30, 2026		
	Liability at December 31, 2025	New Charges	Cash Payments and Other Settlements	Liability at June 30, 2026
Severance and other restructuring costs	$ 759	$ 100	$ (579)	$ 280

The balance of accrued restructuring costs at June 30, 2026 is primarily related to remaining liabilities associated with the Company's facility consolidation project in China where multiple Industrial Technology & Data Solutions manufacturing sites were consolidated.

9. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

Our primary objective for holding derivative financial instruments is to manage foreign currency exchange rate risk and interest rate risk, when deemed appropriate. We enter into these contracts in the normal course of business to mitigate risks and generally not for speculative purposes.

Foreign Currency Forward Contracts

Under our risk management strategy, we periodically use foreign currency forward contracts to manage our short-term exposures to fluctuations in operational cash flows resulting from changes in foreign currency exchange rates. These cash flow exposures result from portions of our forecasted operating expenses, primarily compensation and related expenses, which are transacted in currencies other than the U.S. dollar, most notably the Chinese renminbi, Mexican peso and Israeli shekel. These foreign currency forward contracts generally have maturities of no longer than twelve months, although occasionally we will execute a contract that extends beyond twelve months, depending upon the nature of the underlying risk.

We held outstanding foreign currency forward contracts with notional amounts of $49.3 million and $49.6 million as of June 30, 2026 and December 31, 2025, respectively. The Company's foreign currency forward contracts related to the Chinese renminbi are designated as cash flow hedges for accounting purposes and as such, changes in their fair value are recognized in accumulated other comprehensive loss in the consolidated balance sheet and are reclassified into the statement of operations within cost of goods sold in the period in which the hedged transaction affects earnings.

Interest Rate Swap Agreements

To partially mitigate risks associated with the variable interest rates on the revolver borrowings under our Credit Agreement (as defined and described in Note 10, "*Debt*", below), in November 2021, we executed a pay-fixed, receive-variable interest rate swap agreement with each of two multinational financial institutions under which we (i) pay interest at a fixed rate of 1.334% and receives variable interest of the daily SOFR rate plus 10 basis points on a notional amount of $30.0 million and (ii) paid interest at a fixed rate of 1.348% and receives variable interest of the daily SOFR rate plus 10 basis points on a notional amount of $30.0 million (the “2021 Swaps”). The effective date of the 2021 Swaps was December 31, 2021, and settlements with the counterparties began on January 31, 2022 and occur on a monthly basis. The 2021 Swaps will terminate on August 31, 2026.

The 2021 Swaps are designated as cash flow hedges for accounting purposes and as such, changes in their fair value are recognized in accumulated other comprehensive loss in the consolidated balance sheet and are reclassified into the statement of operations within interest expense in the period in which the hedged transaction affects earnings.

Fair Values of Derivative Financial Instruments

See Note 5, *"Fair Value Measurements"* for the gross fair values of the Company's derivative assets and liabilities as of June 30, 2026 and December 31, 2025.

Derivative Financial Instruments in Cash Flow Hedging Relationships

The effects of derivative financial instruments designated as cash flow hedges on accumulated other comprehensive loss (“AOCL”) and on the condensed consolidated statements of operations for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Net gains (losses) recognized in AOCL:				
Foreign currency forward contracts	$ 177	$ 30	$ 520	$ 59
Interest rate swap agreements	(5)	80	63	(44)
	$ 172	$ 110	$ 583	$ 15
Net gains (losses) reclassified from AOCL to the consolidated statement of operations:				
Foreign currency forward contracts	$ 240	$ (9)	$ 379	$ (66)
Interest rate swap agreements	234	467	598	932
	$ 474	$ 458	$ 977	$ 866

The gains and losses related to the foreign currency forward contracts are included as a component of currency translation adjustment on the accompanying condensed consolidated statements of comprehensive income for the three and six months ended June 30, 2026 and 2025.

Derivative Financial Instruments Not Designated as Hedging Instruments

Gains (losses) recognized on derivative financial instruments not designated as hedging instruments in our condensed consolidated statements of operations for the three and six months ended June 30, 2026 and 2025 were as follows:

	Classification in Consolidated Statements of Operations	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Foreign currency forward contracts	Other (expense) income, net	$ 1,292	$ (194)	$ 2,185	$ (479)
Interest rate swap agreements	Other (expense) income, net	121	-	121	-
		$ 1,413	$ (194)	$ 2,306	$ (479)

10. DEBT

The Company's Credit Agreement provides for the Revolver with aggregate commitments of up to $400.0 million. The Revolver matures on September 1, 2028. Borrowings under the Revolver bear interest at variable rates based on SOFR (daily simple or term) or a base rate, plus an applicable margin, as provided in the Credit Agreement, and the Company may also be required to pay customary fees in accordance with the Credit Agreement.

On June 4, 2026, the Company entered into a Limited Consent and Fifth Amendment Agreement to the CSA, which, among other things, (i) provided a one-time limited consent related to certain hedge agreements and (ii) eliminated the requirement to maintain control agreements over the deposit accounts and securities accounts of any Company.

At June 30, 2026, the Company had no outstanding borrowings under the Revolver and $400.0 million of unused availability. At December 31, 2025, outstanding borrowings under the Revolver amounted to $197.5 million, and unused availability under the Revolver was $202.5 million. The Company incurred $1.8 million and $4.0 million of interest expense during the three months ended June 30, 2026 and 2025, respectively, and $4.3 million and $8.1 million during the six months ended June 30, 2026 and 2025 respectively, in connection with interest due on its outstanding borrowings under the CSA during each period, including the effects of the 2021 Swaps discussed in Note 9, *"Derivative Instruments and Hedging Activities"*, and amortization of deferred financing costs.

As of December 31, 2025, the Company's borrowings consisted of (i) a $60.0 million SOFR-based borrowing that, after giving effect to the 2021 interest rate swaps, effectively bore interest at an average rate of 2.59% and (ii) a $137.5 million variable-rate tranche that bore interest at SOFR plus the applicable credit spread in accordance with the Credit Agreement. For comparability, the Company also presents the weighted-average effective interest rates on its borrowings after giving effect to the 2021 interest rate swaps: the weighted-average effective rate on the variable-rate tranche was 3.63% as of December 31, 2025, and the weighted-average effective rate on total borrowings (fixed and variable) was 4.42% as of December 31, 2025. The stated variable rate in effect at December 31, 2025 (before the impact of the swap) was 5.21%.

Deferred financing costs incurred in connection with obtaining or modifying recognized debt obligations are capitalized and presented in the consolidated balance sheets as a direct deduction from the carrying amount of the related debt liability. These deferred costs are amortized to interest expense over the contractual term of the related debt using the effective interest method or a method that approximates the effective interest method.

The CSA contains customary representations and warranties, covenants and events of default. In addition, the CSA contains financial covenants that measure (i) the ratio of the Company's total funded indebtedness, on a consolidated basis, less the aggregate amount of all unencumbered cash and cash equivalents, to the amount of the Company's consolidated EBITDA, in each case as defined and calculated in accordance with the CSA, and (ii) the ratio of the amount of the Company's consolidated EBITDA to the Company's consolidated fixed charges (or the "Fixed Charge Coverage Ratio"), in each case as defined and calculated in accordance with the CSA. If an event of default occurs, the lenders under the CSA would be entitled to take various actions, including the acceleration of amounts due thereunder and all actions permitted to be taken by a secured creditor.

At June 30, 2026, the Company was in compliance with its debt covenants, including its most restrictive covenant, the Fixed Charge Coverage Ratio.

11. INCOME TAXES

The Company does not measure income tax expense for interim periods using the annual effective tax rate ("AETR") method, as its estimated taxable income for future periods is not determined on a legal entity basis. The Company and its subsidiaries file income tax returns in the U.S. federal jurisdiction and various states and foreign jurisdictions. The Company is no longer subject to U.S. federal income tax examinations for years before 2022 and state examinations for years before 2019. For foreign subsidiaries, the Company is no longer subject to examination for years before 2016 in Asia and generally 2018 in Europe.

The Company is currently under examination by the Internal Revenue Service ("IRS") for the tax year 2024. The Company is unable to reasonably estimate the amount or range of potential changes at this time because the examination is in its early stages and the outcome depends on future developments, including the IRS's final positions and timing of any resolution.

In June 2026, the Company received communication from local tax authorities regarding our Guangxi, China factory disputing the deduction of certain service fee expenses relating to intercompany services provided by our Dongguan, China factory. We are in the process of responding to the relevant tax authorities and assessing potential exposure, which we do not expect to be material.

Due to the expiration of the statutes of limitations for certain jurisdictions, it is reasonably possible that the amount of unrecognized tax benefits may change materially from those recorded at June 30, 2026. Liabilities for uncertain tax positions totaled $16.6 million at June 30, 2026 and $17.5 million at December 31, 2025. As of June 30, 2026, approximately $1.2 million of uncertain tax positions expired and $0.8 million are expected to be resolved within the next twelve months due to expiration of the related statute of limitations. If recognized, these amounts would reduce the effective tax rate.

The Company recognizes interest and penalties related to uncertain tax positions as a component of the current provision for income taxes. During each of the six months ended June 30, 2026 and 2025, the Company recognized $0.1 million in interest and penalties in the condensed consolidated statements of operations. Accrued interest and penalties included in the liabilities for uncertain tax positions were $0.8 million at June 30, 2026 and $1.0 million at December 31, 2025.

12. RETIREMENT, SAVINGS AND DEFERRED COMPENSATION PLANS

The Company maintains the Bel Fuse Inc. Employees' Savings Plan, a defined contribution plan that is intended to meet the applicable requirements for tax-qualification under sections 401(a) and (k) of the Internal Revenue Code. The expense for the three months ended June 30, 2026 and 2025 amounted to $0.4 million and $0.3 million, respectively. The expense for the six months ended June 30, 2026 and 2025 amounted to $1.1 million and $0.8 million, respectively. The Company's matching contribution is made in the form of Bel Class A common stock. As of June 30, 2026, the plan owned 203,172 and 40,830 shares of Bel Class A and Class B common stock, respectively.

The Company also maintains a Nonqualified Deferred Compensation Plan (the "DCP"). With certain exceptions, the Company's contributions to the DCP are discretionary and become fully vested by the participants upon reaching age 65. The expense for the three months ended June 30, 2026 and 2025 amounted to less than $0.1 million during each period. The expense for the six months ended June 30, 2026 and 2025 amounted to $0.1 million during each period. As the plan is fully funded, the assets and liabilities related to the DCP were in equal amounts of $1.9 million at June 30, 2026 and $1.7 million at December 31, 2025. These amounts are included in other assets and other liabilities, respectively, on the accompanying condensed consolidated balance sheets as of each date.

The Company's subsidiaries in Asia maintain a retirement fund that covers substantially all Hong Kong-based full-time employees. Retirement fund expense for the three months ended June 30, 2026 and 2025 amounted to less than $0.1 million, in each period. The expense for the six months ended June 30, 2026 and 2025 amounted to $0.1 million, in each period.

The Company maintains a SERP, which is designed to provide a limited group of key management and other key employees of the Company with supplemental retirement and death benefits. As discussed in Note 5, *"Fair Value Measurements"*, above, the Company has investments in a rabbi trust which are intended to fund the obligations of the SERP.

The components of SERP expense are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Service cost	$ 80	$ 71	$ 160	$ 142
Interest cost	241	240	482	480
Net amortization	(11)	(35)	(22)	(70)
Net periodic benefit cost	$ 310	$ 276	$ 620	$ 552

The service cost component of net benefit cost is presented within cost of sales, research and development costs or selling, general and administrative expense on the accompanying condensed consolidated statements of operations, in accordance with where compensation cost for the related associate is reported. All other components of net benefit cost, including interest cost and net amortization noted above, are presented within other income (expense), net in the accompanying condensed consolidated statements of operations.

The following amounts are recognized net of tax in accumulated other comprehensive loss:

	June 30, 2026	December 31, 2025
Prior service cost	$ 37	$ 55
Net loss	(3,045)	(3,085)
	$ (3,008)	$ (3,030)

13. ACCUMULATED OTHER COMPREHENSIVE LOSS

The components of accumulated other comprehensive loss at June 30, 2026 and December 31, 2025 are summarized below:

	June 30, 2026	December 31, 2025
Foreign currency translation adjustment, net of taxes of ($312) at June 30, 2026 and ($312) at December 31, 2025	$ (16,393)	$ (19,490)
Unrealized gains on interest rate swap cash flow hedge, net of taxes of $0 at June 30, 2026 and $0 at December 31, 2025	371	906
Unrealized holding gains on marketable securities, net of taxes of ($7) at June 30, 2026 and ($7) at December 31, 2025	54	21
Unfunded SERP liability, net of taxes of $998 at June 30, 2026 and $1,003 at December 31, 2025	1,371	1,389
Accumulated other comprehensive loss	$ (14,597)	$ (17,174)

Changes in accumulated other comprehensive loss by component during the six months ended June 30, 2026 are as set forth below. All amounts are net of tax:

	Foreign Currency Translation Adjustment	Unrealized Gains on Interest Rate Swap Cash Flow Hedge	Unrealized Holding Gains on Marketable Securities	Unfunded SERP Liability	Total
Balance at December 31, 2025	$ (19,490)	$ 906	$ 21	$ 1,389	$ (17,174)
Other comprehensive (loss) income before reclassifications	3,337	(301)	33	(14)	3,055
Amount reclassified from accumulated other comprehensive loss	(240)	(234)	-	(4) (a)	(478)
Net current period other comprehensive (loss) income	3,097	(535)	33	(18)	2,577
Balance at June 30, 2026	$ (16,393)	$ 371	$ 54	$ 1,371	$ (14,597)

(a) This reclassification relates to the amortization of prior service costs and gains/losses associated with the Company's SERP. This expense is reflected in other (expense) income, net on the accompanying condensed consolidated statements of operations.

14. COMMITMENTS AND CONTINGENCIES

Legal Proceedings

The Company is party to a number of legal actions and claims, none of which individually or in the aggregate, in the opinion of management, are expected to have a material adverse effect on the Company's consolidated results of operations or consolidated financial position.

On June 23, 2021, a patent infringement lawsuit styled Bel Power Solutions, Inc. v. Monolithic Power Systems, Inc., Case Number 6:21cv00655, was filed in the United States District Court for the Western District of Texas (Waco Division) by Bel Power Solutions, Inc. against Monolithic Power Systems, Inc. ("MPS") for infringement of various patents directed towards systems, methods and articles of manufacture that provide a substantial improvement in power control for circuits, including novel and unique point-of-load regulators. On July 27, 2023, the Western District of Texas court filed an Order granting MPS's motion for summary judgment of non-infringement. In the first quarter of 2026, the Company entered into a settlement agreement related to the matter described above and made an immaterial cash payment in the second quarter of 2026.

In connection with the Company's 2014 acquisition of the Power-One Power Solutions business ("Power Solutions") of ABB Ltd ("ABB"), there is an ongoing claim by the Arezzo Revenue Agency in Italy concerning certain tax matters related to what was then Power-One Asia Pacific Electronics Shenzhen Co. Ltd. (now Bel Power Solutions Asia Pacific Electronics Shenzhen Co. Ltd, or "BPS China") for the years 2004 to 2006. In September 2012, the Tax Court of Arezzo ruled in favor of BPS China and cancelled the claim. In February 2013, the Arezzo Revenue Agency filed an appeal of the Tax Court's ruling. The hearing of the appeal was held on October 2, 2014. On October 13, 2014, BPS China was informed of the Regional Tax Commission of Florence ruling which was in favor of the Arezzo Revenue Agency and against BPS China. An appeal was filed on July 18, 2015 before the Regional Tax Commission of Florence and rejected. On December 5, 2016, the Arezzo Revenue Agency filed an appeal with the Supreme Court and BPS China filed a counter-appeal on January 4, 2017. The Supreme Court rendered a judgment against BPS China in March 2024. BPS China filed an appeal in July 2024. The estimated liability related to this matter is approximately \$12.0 million and has been included as a liability for uncertain tax positions on the accompanying condensed consolidated balance sheets at June 30, 2026 and December 31, 2025. As Bel is entitled to be fully indemnified in this matter per the terms of the stock purchase agreement with ABB, a corresponding other asset for indemnification is also included in other assets on the accompanying condensed consolidated balance sheets at June 30, 2026 and December 31, 2025.

In connection with the Company's 2021 acquisition of EOS Power ("EOS"), there is an ongoing claim asserted with respect to EOS by the Principal Commissioner of Customs (Preventive), Mumbai related to customs duties and imposed fines and penalties dating back to 1994. The original demand was in the amount of approximately \$1.4 million, of which EOS has paid \$0.5 million. EOS filed an Appeal in 2016 which is pending with the Customs, Excise and Service Tax Appellate Tribunal in Mumbai related to the \$0.9 million balance of the original demand net of EOS' payment. As part of the EOS acquisition agreement entered into in March 2021, the Company is entitled to be indemnified for this matter for a period of 7 years from the acquisition date. The Company is unable to estimate at this time what amount, if any, may ultimately be due in connection with this claim. As such, no estimate was accrued as of June 30, 2026.

15. SEGMENTS

During the first quarter of 2026, the Company implemented a change in its internal organizational and reporting structure to better align management reporting with customer end markets. As a result, effective March 31, 2026, the Company updated the reportable segment view used by the Company's Chief Operating Decision Maker ("CODM") to assess performance and allocate resources. The CODM has not changed.

Following this change, the Company has two reportable segments: (i) Aerospace, Defense & Rugged Solutions and (ii) Industrial Technology & Data Solutions. Prior-period segment information has been recast to conform to the current period presentation. Accordingly, prior-year segment amounts have been recast for comparability to conform to the current period presentation. The Aerospace, Defense & Rugged Solutions segment primarily includes the Company's legacy Connectivity Solutions business and Enercon operations. The Industrial Technology & Data Solutions segment primarily includes the Company's legacy Power Solutions and Protection and Magnetic Solutions operations. These segment descriptions reflect how results are reviewed by the CODM.

There are no intercompany sales between segments.

On a quarterly basis, the Company's CODM evaluates segment performance using gross profit (a U.S. GAAP measure), which the Company has determined to be its measure of segment profit or loss under ASC 280, as amended by ASU 2023-07. The CODM uses segment gross profit to make commercial and operational decisions and to evaluate capital deployment opportunities. The CODM's quarterly reporting package also includes segment revenues and cost of sales to arrive at gross profit; cost of sales is a significant segment expense and is therefore included in the segment financial data tables below.

	Three Months Ended June 30, 2026		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Total Consolidated
Net sales	$ 110,457	$ 100,228	$ 210,685
Cost of sales	65,090	61,305	126,395
Segment gross profit	45,367	38,923	84,290
Segment gross profit %	41.1%	38.8%	40.0%
Corporate and other			(323)
Total consolidated gross profit			83,967
Gross profit %			39.9%
Research and development costs			9,006
Selling, general and administrative expenses			36,285
Restructuring charges			24
Earnout liability adjustment			233
Interest expense			1,802
Interest income			(1,280)
Other income, net			137
Earnings before provision for income taxes			$ 37,760

	Three Months Ended June 30, 2026				
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Reportable Segment Total	Corporate and Other	Total Consolidated
Total Assets	$ 682,388	$ 263,848	$ 946,236	$ 317,946	$ 1,264,182
Capital Expenditures	1,501	710	2,211	36	2,247
Depreciation and Amortization Expense	4,871	1,912	6,783	128	6,911
Interest Expense	-	36	36	1,766	1,802

	Three Months Ended June 30, 2025		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Total Consolidated
Net sales	$ 91,832	$ 76,467	$ 168,299
Cost of sales	53,842	48,471	102,313
Segment gross profit	37,990	27,996	65,986
Segment gross profit %	41.4%	36.6%	39.2%
Corporate and other			(903)
Total consolidated gross profit			65,083
Gross profit %			38.7%
Research and development costs			8,104
Selling, general and administrative expenses			30,914
Restructuring charges			280
Gain on sale of properties			(4,075)
Interest expense			3,993
Interest income			(264)
Other income, net			(7,568)
Earnings before provision for income taxes			$ 33,699

	Three Months Ended June 30, 2025				
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Reportable Segment Total	Corporate and Other	Total Consolidated
Total Assets	$ 657,501	$ 235,476	$ 892,977	$ 57,603	$ 950,580
Capital Expenditures	1,974	1,950	3,924	4	3,928
Depreciation and Amortization Expense	4,870	1,588	6,458	142	6,600
Interest Expense	166	(78)	88	3,905	3,993

	Six Months Ended June 30, 2026		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Total Consolidated
Net sales	$ 210,278	$ 178,898	$ 389,176
Cost of sales	123,533	111,208	234,741
Segment gross profit	86,745	67,690	154,435
Segment gross profit %	41.3%	37.8%	39.7%
Corporate and other			(870)
Total consolidated gross profit			153,565
Gross profit %			39.5%
Research and development costs			17,513
Selling, general and administrative expenses			73,015
Restructuring charges			100
Earnout liability adjustment			852
Interest expense			4,332
Interest income			(1,430)
Other income, net			3,631
Earnings before provision for income taxes			$ 55,552

	Six Months Ended June 30, 2026				
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Reportable Segment Total	Corporate and Other	Total Consolidated
Total Assets	$ 682,388	$ 263,848	$ 946,236	$ 317,946	$ 1,264,182
Capital Expenditures	3,513	1,286	4,799	91	4,890
Depreciation and Amortization Expense	9,701	3,554	13,255	280	13,535
Interest Expense	-	51	51	4,281	4,332

	Six Months Ended June 30, 2025		
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Total Consolidated
Net sales	$ 174,954	$ 145,583	$ 320,537
Cost of sales	103,636	91,807	195,443
Segment gross profit	71,318	53,776	125,094
Segment gross profit %	40.8%	36.9%	39.0%
Corporate and other			(1,192)
Total consolidated gross profit			123,902
Gross profit %			38.7%
Research and development costs			15,326
Selling, general and administrative expenses			60,421
Restructuring charges			(2,653)
Gain on sale of properties			(4,075)
Interest expense			8,145
Interest income			(539)
Other income, net			(10,207)
Earnings before provision for income taxes			$ 57,484

	Six Months Ended June 30, 2025				
	Aerospace, Defense & Rugged Solutions	Industrial Technology & Data Solutions	Reportable Segment Total	Corporate and Other	Total Consolidated
Total Assets	$ 657,501	$ 235,476	$ 892,977	$ 57,603	$ 950,580
Capital Expenditures	3,147	3,562	6,709	9	6,718
Depreciation and Amortization Expense	9,880	3,123	13,003	281	13,284
Interest Expense	180	23	203	7,942	8,145

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The information in this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") should be read in conjunction with the Company's condensed consolidated financial statements and the related notes set forth in Item 1 of Part I of this Quarterly Report on Form 10-Q, our MD&A set forth in Item 7 of Part II of our 2025 Annual Report on Form 10-K and our consolidated financial statements and related notes set forth in Item 8 of Part II of our 2025 Annual Report on Form 10-K. See Part II, Item 1A, *"Risk Factors,"* below and *"Cautionary Notice Regarding Forward-Looking Information,"* above, and the information referenced therein, for a description of risks that we face and important factors that we believe could cause actual results to differ materially from those in our Forward-Looking Statements. All amounts and percentages are approximate due to rounding and all dollars in the text are in millions, except per share amounts or where otherwise noted. When we cross-reference to a *"Note,"* we are referring to our *"Notes to Condensed Consolidated Financial Statements"* included in Part I, Item 1, of this Quarterly Report on Form 10-Q, unless the context indicates otherwise. All amounts noted within the tables are in thousands and amounts and percentages are approximate due to rounding.

Overview

Our Company

We design, manufacture, and market critical electronic components, systems and solutions for customers in aerospace, defense, industrial, and data-driven markets. Understanding that our customers face increasingly complex technical challenges, Bel delivers a comprehensive portfolio of solutions including power systems, high-reliability connectors and cable assemblies, circuit protection, and networking products that enable Original Equipment Manufacturers (OEMs) to bring their innovations to market. Bel partners closely with customers to deliver both customized and standard solutions tailored to their specific applications and performance requirements. With manufacturing facilities and technical support teams worldwide, Bel serves as a strategic partner to customers who require proven reliability in demanding end markets.

Effective March 31, 2026, we realigned our organizational and reporting structure and changed the reportable segment views used by the Chief Operating Decision Maker to evaluate operating performance and allocate resources. As a result, we now operate and report results through the following two reportable segments:

- Aerospace, Defense & Rugged Solutions, which serves customers in aerospace, defense, space, and other ruggedized applications; and

- Industrial Technology & Data Solutions, which serves customers in industrial, networking, and data infrastructure markets.

Our product portfolio includes power solutions, connectors and cable assemblies, circuit protection devices, and networking products. We sell standard products and provide customized solutions to meet customer specifications. We maintain manufacturing operations and engineering support capabilities in multiple geographic regions and sell our products globally. We did not incur material restructuring charges as a result of this realignment.

For comparability, prior-period segment information has been recast to conform to the current period presentation.

In the six months ended June 30, 2026, 54% of our revenues were derived from Aerospace, Defense & Rugged Solutions and 46% from Industrial Technology & Data Solutions.

Our operating expenses are driven principally by the cost of labor where the factories that we use are located, the cost of the materials that we use and our ability to effectively and efficiently manage overhead costs. As labor and material costs vary by product line and region, any significant shift in product mix can have an associated impact on our costs of sales. Costs are recorded as incurred for all products manufactured. Such amounts are determined based upon the estimated stage of production and include materials, labor cost and fringes and related allocations of factory overhead. Our products are manufactured at various facilities in the United States, Mexico, Dominican Republic, United Kingdom, Slovakia, Israel, India and the People's Republic of China.

We have little visibility into the ordering habits of our customers and we can be subjected to large and unpredictable variations in demand for our products. Accordingly, we must continually recruit and train new workers to replace those lost to attrition and be able to address peaks in demand that may occur from time to time. These recruiting and training efforts and related inefficiencies, and overtime required in order to meet any increase in demand, can add volatility to the labor costs incurred by us.

Key Factors Affecting our Business

We believe that in addition to recent global tariffs and inflationary pressures on the costs of goods and services in general, as well as ongoing conflicts/political unrest including in or near the countries in which Bel operates, the key factors affecting and/or potentially affecting our results for the six months ended June 30, 2026 and/or future results include the following:

- Acquisition of dataMate – In March 2026, we acquired dataMate, as further disclosed in Note 2, *"Acquisitions."* As a result, our Industrial Technology & Data Solutions segment will include dataMate's net sales and results of operations from the date of acquisition. dataMate provides Ethernet and broadband connectivity solutions, and its results of operations may vary based on factors such as demand in industrial networking and data infrastructure markets, customer purchasing patterns, and general market conditions.

- Backlog – Our backlog of orders amounted to $594.7 million at June 30, 2026, an increase of $155.6 million, or 35.4%, from December 31, 2025. From December 31, 2025 to June 30, 2026, we experienced a 22.2% increase in backlog within our Aerospace, Defense & Rugged Solutions segment and a 56.0% increase within our Industrial Technology & Data Solutions segment. Factors that could cause us to fail to ship all such orders include unanticipated supply difficulties, changes in customer demand, and new customer designs. Due to these factors, backlog may not be a reliable indicator of the timing or amount of future sales.

- Product Mix – Material and labor costs vary by product line, and any significant shift in product mix between higher- and lower-margin products will have a corresponding impact on our gross margin. In general, products within our Aerospace, Defense & Rugged Solutions segment have historically generated higher contribution margins due to a product mix that serves harsh-environment and high-reliability applications and end markets, which may be partially offset by higher-cost bills of materials. Our Industrial Technology & Data Solutions segment includes products that have historically generated strong contribution margins, as well as products that are more labor-intensive and therefore may be more sensitive to wage rate changes and foreign currency fluctuations, including movements between the U.S. dollar and the Chinese renminbi. Fluctuations in revenue volume and product mix between our reportable segments and product lines will have a corresponding impact on our profit margins. See *"Results of Operations - Summary by Operating Segment - Revenue and Gross Margin."*

- Pricing and Availability of Materials – Prices for commodities that are key inputs to our products, including gold (Au), silver (Ag) and copper (Cu), have increased as market prices for these metals have risen. In addition, lead times for certain integrated circuits ("ICs") have increased, which we believe is driven in part by demand related to AI-enabled applications and the supporting infrastructure. Regulatory developments, including trade restrictions and other measures affecting suppliers in the PRC, have previously disrupted, and could in the future disrupt, our supply chain. These disruptions could result in limited access to certain components or suppliers, increased costs, extended lead times, shortages, or other adverse impacts on our business and results of operations. Additionally, tariffs or other duties imposed by the U.S. or foreign governments on imports or exports could increase our costs, reduce margins, or require price increases, which could in turn reduce customer demand. See "*Global Tariffs*" below.

- Global Tariffs – On April 5, 2025, the U.S. government announced the implementation of reciprocal tariffs on imports into the United States from certain countries in which our manufacturing facilities and/or suppliers are located. On February 20, 2026, the Supreme Court of the United States issued its decision in *Learning Resources, Inc. v. Trump*, holding that the International Emergency Economic Powers Act ("IEEPA") does not authorize the imposition of tariffs. While this decision invalidated certain tariffs previously imposed under IEEPA, the broader implications of the ruling remain uncertain. We continue to monitor developments in U.S. trade policy, including potential legislative or executive actions that could result in the imposition of tariffs under alternative statutory authorities. Imports into the United States from Mexico are currently exempt from tariffs under the United States–Mexico–Canada Agreement ("USMCA"), as currently in force. During the six months ended June 30, 2026, tariffs did not have a material impact on our results of operations. We continue to monitor potential impacts from changes in trade policy and may implement mitigation actions, including supply chain adjustments and pricing actions, as appropriate. We will also monitor, and may in the future consider to the extent appropriate, possible tariff refund claims, whether via the process administered by U.S. Customs and Border Protection ("CBP") or in other fora. The imposition or reinstatement of tariffs on imports into the United States could increase costs, disrupt supply chains, and/or reduce demand for our products, all or any of which could adversely affect future results of operations, including net sales and gross margins.

- Labor Costs – Labor costs represented 7.4% of revenue during the first six months of 2026, as compared to 8.1% for the same period of 2025. The decrease primarily reflects operating leverage on higher sales volumes (net sales increased 21.4%), automation-driven productivity improvements, and the late-2025 transition of certain manufacturing activities from the Company's Pingguo, PRC facility to an outside subcontractor, which shifted a portion of costs from direct labor to materials.

- Inflationary Pressures - Inflationary pressures could continue to result in higher input costs, including those related to our raw materials, labor, freight, utilities, healthcare and other expenses. Our future operating results will depend, in part, on our continued ability to manage these fluctuations through pricing actions, cost savings initiatives and sourcing decisions. A surge in demand driven by AI data center buildouts has contributed to higher prices and extended lead times for certain components, including printed circuit boards (PCBs), semiconductors, and capacitors. Additionally, the armed conflict involving Iran and the Gulf states was the primary driver of the increased energy prices and resulting inflation in our various regions of operations in the first quarter of 2026. The conflict led, and to the extent it continues materially, may continue to lead, to, among other things, increased volatility and higher prices for commodities, such as energy products and freight on input material costs, increased inflation in various countries where we and/or our suppliers or customers operate, and disruptions to global trade and supply chains, including key energy transit routes. Actual or threatened disruptions to maritime shipping lanes and other escalating security tensions also increased insurance, financing and transportation costs. While the impact on us has not been material, continued hostilities could have a material adverse effect in future periods.

- Impact of Foreign Currency – During the six months ended June 30, 2026, labor and overhead costs increased by approximately $5.3 million compared to the same period in 2025, primarily due to unfavorable foreign exchange rates involving the Israeli shekel, the Chinese renminbi, the euro, and the Mexican peso. Specifically, the appreciation of the Israeli shekel, Chinese renminbi and euro against the U.S. dollar resulted in higher labor and overhead costs of $2.5 million, $2.3 million and $0.4 million, respectively. We recognized a foreign exchange transactional loss of $1.4 million during this period, mainly due to currency spot rate fluctuations when translating balance sheet accounts as of June 30, 2026, versus December 31, 2025. As a U.S.-domiciled company, our foreign currency-denominated financial results are translated into U.S. dollars, and exchange rate fluctuations can impact our consolidated statements of operations and cash flows. We continuously monitor foreign currency movements and may utilize forward contracts or implement pricing actions to mitigate the impact of currency fluctuations on our operating results.

- Effective Tax Rate – Our effective tax rate will fluctuate based on the geographic regions in which our pretax profits are earned. Of the geographic regions in which we operate, the U.S. and Europe's tax rates are generally comparable while Asia has the lowest tax rates of our three geographical regions. See Note 11, "*Income Taxes.*"

Results of Operations - Summary by Operating Segment

Revenue and Gross Margin

Our revenue and gross margin by operating segment for the three and six months ended June 30, 2026 and 2025 were as follows:

	Three Months Ended June 30,				Six Months Ended June 30,			
	Revenue		Gross Margin		Revenue		Gross Margin	
	2026	2025	2026	2025	2026	2025	2026	2025
Aerospace, Defense & Rugged Solutions	$ 110,457	$ 91,832	41.1%	41.4%	$ 210,278	$ 174,954	41.3%	40.8%
Industrial Technology & Data Solutions	100,228	76,467	38.8%	36.6%	178,898	145,583	37.8%	36.9%
	$ 210,685	$ 168,299	39.9%	38.7%	$ 389,176	$ 320,537	39.5%	38.7%

Aerospace, Defense & Rugged Solutions:

Net sales increased by $18.6 million, or 20.3%, for the three months ended June 30, 2026, compared to the three months ended June 30, 2025. The increase was primarily driven by higher sales volumes, led by defense and rugged industrial applications. Defense sales increased by $14.7 million, or 28.4%, industrial sales increased by $7.5 million, or 51.4%, offset by decrease in commercial air sales by $3.6 million, or 14.1%, each compared to the prior-year period.

Net sales increased by $35.3 million, or 20.2%, for the six months ended June 30, 2026, compared to the six months ended June 30, 2025. The increase was primarily attributable to higher sales in defense applications, which increased by $24.1 million, or 23.7%, and higher sales in industrial applications, which increased by $10.6 million, or 37.9%. Commercial air sales increased by $0.6 million, or 1.4%, compared to the prior-year period.

Gross margin for the 2026 periods was favorably impacted primarily by a more favorable product mix and improved operational efficiencies. These favorable impacts were partially offset by unfavorable foreign currency fluctuations, primarily due to the weakening of the U.S. dollar against the Israeli shekel and the Mexican peso, which adversely affected costs in certain manufacturing locations. The year-over-year change in gross margin differed between the quarterly and year-to-date periods as the favorable impacts noted above were more evident on a year-to-date basis, while unfavorable foreign currency impacts and period-to-period mix variability were more pronounced in the current quarter.

Industrial Technology & Data Solutions

Net sales increased by $23.8 million, or 31.1%, for the three months ended June 30, 2026, compared to the three months ended June 30, 2025. The increase was primarily driven by higher sales volumes in Data Solutions, partially offset by lower sales in Transportation. Data Solutions sales increased by $20.7 million, or 54.4%, and Industrial sales increased by $3.5 million, or 12.1%, each compared to the prior-year period. Transportation sales decreased by $0.4 million, or 4.3%, compared to the prior-year period.

Net sales increased by $33.3 million, or 22.9%, for the six months ended June 30, 2026, compared to the six months ended June 30, 2025. The increase was primarily attributable to higher sales in Data Solutions and Industrial, partially offset by lower sales in Transportation. Data Solutions sales increased by $30.3 million, or 43.4%, and Industrial sales increased by $7.6 million, or 14.2%, each compared to the prior-year period. Transportation sales decreased by $4.6 million, or 20.6%, compared to the prior-year period.

Gross margin for the 2026 periods was favorably impacted primarily by a more favorable product mix and improved operational efficiencies, including benefits from higher volumes and improved factory utilization. These favorable impacts were partially offset by unfavorable foreign currency fluctuations, primarily due to the weakening of the U.S. dollar against the Chinese renminbi, and euro, which increased costs in certain manufacturing locations. The increase in gross margin was more pronounced in the current quarter than on a year-to-date basis, as the benefits from mix and operational efficiencies were stronger in the quarter, while the year-to-date period includes earlier period results with comparatively lower margins.

Cost of Sales

Cost of sales as a percentage of revenue for the three and six months ended June 30, 2026 and 2025 consisted of the following:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Material costs	33.1%	31.8%	31.8%	30.7%
Labor costs	7.0%	7.8%	7.4%	8.1%
Other expenses	20.0%	21.7%	21.3%	22.6%
Total cost of sales	60.1%	61.3%	60.5%	61.3%

The increase in material costs as a percentage of net sales in the 2026 periods was primarily due to an unfavorable product and production mix, driven by higher sales volumes in offerings with higher bill-of-material ("BOM") content, including power products, within the Aerospace, Defense & Rugged Solutions and Industrial Technology & Data Solutions segments. These products generally have a greater proportion of purchased components and raw materials relative to labor and overhead, which increased material costs as a percentage of net sales.

Material costs were also impacted by higher purchasing levels associated with increased volumes and higher unit input costs in certain commodities and electronic components, including select supplier price increases. In addition, the Company's evolving manufacturing footprint, including the increased use of third-party manufacturing for certain products previously produced in-house at the Pingguo facility, shifted certain costs from labor and overhead to purchased materials, contributing to higher material costs as a percentage of net sales. While the Company took pricing actions and continued sourcing and cost-reduction initiatives, these measures partially offset, but did not fully mitigate, the effects of mix and higher input costs in the periods presented.

The decrease in labor costs as a percentage of net sales in the 2026 periods was driven by a shift in the Company's production and sourcing mix, including an increased use of third-party manufacturing for certain products previously produced in-house (including at the Pingguo facility). As a result, certain costs that had historically been reflected in internal direct labor are now reflected in material content, reducing labor costs as a percentage of net sales. In addition, higher sales volumes supported improved operating efficiency and labor utilization across the manufacturing footprint, which further contributed to the decrease in labor costs as a percentage of net sales. These favorable impacts were partially offset by unfavorable foreign currency movements, including the Israeli shekel and the Chinese renminbi, which increased labor-related costs in certain manufacturing locations when translated into U.S. dollars.

Other expenses (overhead and other manufacturing costs) were $42.1 million for the three months ended June 30, 2026, compared to $36.5 million for the three months ended June 30, 2025, an increase of $5.6 million. For the six months ended June 30, 2026, other expenses were $82.9 million, compared to $72.3 million in the prior-year period, an increase of $10.6 million. Other expenses as a percentage of net sales decreased year over year, reflecting higher net sales and increased absorption of fixed and semi-fixed manufacturing overhead. The year-over-year increase in other expenses reflects higher indirect/support labor and related benefits, other overhead, and repairs and maintenance, consistent with increased manufacturing activity and support requirements. These increases were partially offset by lower insurance and rental costs. Depreciation and amortization were generally consistent period over period, and utilities were relatively stable.

Research and Development Expense

Research and development (R&D) expenses totaled $9.0 million for the three months ended June 30, 2026, an increase of $0.9 million from $8.1 million for the three months ended June 30, 2025. The increase was primarily attributable to higher R&D personnel costs. The increase in R&D expense was broad-based across both Aerospace, Defense & Rugged Solutions and Industrial Technology & Data Solutions.

For the six months ended June 30, 2026, R&D expenses totaled $17.5 million, an increase of $2.2 million from $15.3 million for the six months ended June 30, 2025. The increase was primarily attributable to higher R&D personnel costs, including labor and fringe benefits and bonus expense under the Company's company-wide incentive program, and was broad-based across both Aerospace, Defense & Rugged Solutions and Industrial Technology & Data Solutions.

Selling, General and Administrative Expense

For the three months ended June 30, 2026, sales, general and administrative ("SG&A") expenses were $36.3 million, an increase of $5.4 million from $30.9 million for the three months ended June 30, 2025. The increase was primarily driven by $3.0 million of higher salaries and benefits (including $1.5 million higher salaries, $1.0 million higher benefits/medical, and $0.5 million higher recruiting and relocation), $1.6 million of higher professional, audit and legal fees, and $0.5 million higher travel and entertainment.

For the six months ended June 30, 2026, SG&A expenses were $73.0 million, an increase of $12.6 million from $60.4 million for the six months ended June 30, 2025. The increase was primarily driven by higher salaries and benefits and higher professional, audit and legal fees. Salaries and benefits increased by $6.9 million, reflecting higher compensation and benefit costs, including annual salary increases effective March 1, 2026, as well as onboarding and overlapping salary and benefit costs related to the CEO and segment president positions. Professional, audit and legal fees increased by $3.6 million, primarily reflecting costs associated with the acquisition of dataMate and higher external professional spend, including overlapping audit fees. The increase also reflected higher travel and entertainment, and commissions. Bonus expense was also higher in 2026, including $1.3 million in the first half of 2026 due to a bonus reversal recorded in the first quarter of 2025 that did not recur.

Interest Expense

Interest expense was $1.8 million for the three months ended June 30, 2026, compared to $4.0 million for the three months ended June 30, 2025, representing a decrease of $2.2 million. The decrease was primarily due to lower average outstanding borrowings under the Company's Revolver during the 2026 period compared to the prior-year period. In particular, the Company had no outstanding borrowings under the Revolver at June 30, 2026, compared to interest incurred in the prior-year quarter on higher Revolver borrowings. Interest expense for the period also includes the effects of the Company's 2021 interest rate swaps and amortization of deferred financing costs.

For the six months ended June 30, 2026, interest expense was $4.3 million, compared to $8.1 million for the six months ended June 30, 2025, representing a decrease of $3.8 million. The decrease was primarily driven by lower average borrowings under the Credit and Security Agreement during the first half of 2026 as the Company reduced and ultimately repaid amounts outstanding under the Revolver, which had $197.5 million outstanding at December 31, 2025. Interest expense for both periods includes the impact of the 2021 swaps and amortization of deferred financing costs.

For further information on the Company's outstanding debt, see "*Liquidity and Capital Resources*" below and Note 10, "*Debt.*"

Interest Income

Interest income was $1.3 million for the three months ended June 30, 2026, compared to $0.3 million for the same period in 2025, an increase of $1.0 million, primarily due to higher average cash balances. For the six months ended June 30, 2026, interest income was $1.4 million versus $0.5 million in 2025, an increase of $0.9 million, also primarily due to higher average cash balances.

Other (Expense) Income, Net

Other (expense) income, net was other expense, net of $0.1 million for the three months ended June 30, 2026, compared to other income, net of $7.6 million for the three months ended June 30, 2025, an unfavorable change of $7.7 million, primarily due to foreign exchange, which shifted to a $1.4 million loss in 2026 from a $7.6 million gain in 2025 driven by exchange-rate movements on foreign currency-denominated balances. SERP investments resulted in a gain of $1.6 million in the second quarter of 2026 versus a gain of $0.7 million in the second quarter of 2025, primarily due to market fluctuations.

For the six months ended June 30, 2026, other expense, net was $3.6 million versus other income, net of $10.2 million in the prior-year period, an unfavorable change of $13.8 million, primarily reflecting foreign exchange, which shifted to a $4.5 million loss from an $11.8 million gain. SERP investments resulted in a gain of $1.3 million for the six months ended June 30, 2026 versus a gain of $0.4 million for the six months ended June 30, 2025.

Provision for Income Taxes

The Company's effective tax rate will fluctuate based on the geographic regions in which the pretax profits are earned. Tax rates in the U.S. and Europe are generally comparable, while Asia generally has lower statutory tax rates. See Note 11, "*Income Taxes*".

For the three months ended June 30, 2026, the provision for income taxes was $3.8 million, compared to $6.9 million for the same period in 2025. Earnings before income taxes for the three months ended June 30, 2026, increased by $4.1 million compared to the same period in 2025, primarily due to higher income from the North America and Asia regions, partially offset by a decrease in income from the Europe region. The Company's effective tax rate for the three months ended June 30, 2026, was 10.0%, compared to 20.5% for the same period in 2025. The decrease in the effective tax rate was primarily driven by a benefit from restricted stock vesting and the reversal of uncertain tax positions due to statute expirations, as well as deferred tax benefit arising from a rate increase in a foreign deferred tax asset. See Note 11, *"Income Taxes."*

For the six months ended June 30, 2026, the provision for income taxes was $6.6 million, compared to $12.4 million for the same period in 2025. Earnings before income taxes for the six months ended June 30, 2026, decreased by $1.9 million compared to the same period in 2025, primarily due to lower income from the Europe region, partially offset by an increase in income from the North America region. The Company's effective tax rate for the six months ended June 30, 2026, was 11.9% compared to 21.5% for the same period in 2025. The decrease in the effective tax rate was attributable to the same factors noted above. See Note 11, *"Income Taxes"*.

Liquidity and Capital Resources

Our principal sources of liquidity include $306.1 million of cash and cash equivalents at June 30, 2026, cash provided by operating activities, proceeds from securities offerings and borrowings available under our credit facility. We expect to use this liquidity for operating expenses, investments in working capital, capital expenditures, interest, taxes, lease and purchase obligations, pension benefit obligations, dividends, and debt obligations and other long-term liabilities. Our liquidity may also be utilized for purchases of common stock under our Repurchase Program, fund potential acquisitions in future periods, as well as potential future cash requirements related to the Enercon acquisition, including the potential 2026 Earnout Payment that may become due and the put-call options under the Enercon shareholders' agreement, pursuant to which Bel has the current intention to purchase the remaining 20% interest by early 2027. See the discussion "*Liquidity and Capital Resources*" appearing in Item 7, and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. We believe that our current liquidity position and future cash flows from operations will enable us to fund our operations, both in the next twelve months and in the longer term.

Cash Flow Summary

During the six months ended June 30, 2026, our cash and cash equivalents increased by $248.3 million. This increase was primarily due to the following:

- net cash provided by operating activities of $31.8 million;
- proceeds from our underwritten offering of common stock of $441.6 million, $197.5 million of which was used to repay long-term debt;
- a payment for the acquisition of dataMate of $15.2 million;
- purchases of property, plant and equipment of $4.9 million;
- dividend payment to noncontrolling interest of $2.7 million; and
- dividend payments to Bel shareholders of $1.7 million

Operating cash flow benefited from higher net earnings and higher non-cash adjustments, including stock-based compensation, depreciation and amortization, and foreign currency revaluation losses, partially offset by a higher deferred tax benefit. Working capital was a net use of cash, primarily driven by increases in accounts receivable of $32.1 million and inventories of $32.2 million, reflecting higher sales levels and purchasing activity. These uses of cash were partially offset by an increase in accounts payable of $33.1 million, primarily due to higher purchasing activity and the timing of vendor payments. DSO was 67 days at June 30, 2026 compared to 64 days at December 31, 2025, primarily due to the timing of billings and customer collections. The Company continues to focus on disciplined receivables management and cash conversion.

The increase in inventories was primarily driven by higher levels of raw materials, work in process, and finished goods to support customer demand and manage lead times. In addition, higher material costs increased the dollar value of on-hand inventory. Consistent with these higher inventory levels, inventory turns were 2.2 at June 30, 2026 compared to 2.5 at December 31, 2025.

Other working capital changes included decreases in accrued expenses of $4.3 million and accrued restructuring costs of $0.5 million, primarily reflecting cash payments and the timing of settlement of previously accrued obligations. Income taxes payable increased by $1.7 million, primarily due to the timing of tax payments. Changes in other operating assets also impacted operating cash flows, including an increase in other current assets of $0.6 million and an increase in other assets of $2.0 million during the six months ended June 30, 2026.

Net cash provided by financing activities was $236.3 million for the six months ended June 30, 2026. Financing cash flows were primarily driven by $441.6 million of net proceeds from the Company’s May 2026 underwritten public offering of 1,725,000 shares of Class B common stock (including shares issued pursuant to the underwriters’ option).

The Company utilized the net proceeds from the offering to pay down $197.5 million of the long-term debt under its Credit and Security Agreement, and intends to use the remaining net proceeds to fund the remaining 20% acquisition of Enercon or pursue other acquisitions or partnership opportunities that may arise, and the remainder, if any, for general corporate purposes.

Cash and cash equivalents and accounts receivable, in the aggregate, comprised approximately 36.5% of total assets as of June 30, 2026, compared to 19.2% as of December 31, 2025. The Company’s current ratio was 4.5 to 1 as of June 30, 2026 compared to 3.0 to 1 as of December 31, 2025.

At June 30, 2026 and December 31, 2025, $36.3 million and $43.4 million, respectively (representing 12% and 75%, respectively), of cash and cash equivalents was held by foreign subsidiaries. The Company repatriated $11.8 million of funds from outside of the U.S. during the six months ended June 30, 2026. The Company continues to evaluate its global working capital and cash requirements and the potential tax costs associated with additional repatriations. The Company has not made a determination regarding additional repatriations to fund U.S. operations. If these funds were needed in the U.S., the Company could be required to incur U.S. state taxes and any applicable foreign withholding taxes in connection with repatriation.

Future Cash Requirements

We expect foreseeable liquidity and capital resource requirements in the ordinary course to be met through existing cash and cash equivalents and anticipated cash flows from operations, as well as borrowings available under our revolving credit facility, if needed. Our material cash requirements arising in the normal course of business are outlined in Item 7, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*,” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. There were no material changes to our future cash requirements during the six months ended June 30, 2026.

Credit Facility

As of June 30, 2026, the Company had no outstanding borrowings under its Revolver and had $400 million of unused borrowing capacity. See Note 10, "*Debt.*" The Revolver matures on September 1, 2028. As of June 30, 2026, the Company was in compliance with all financial covenants, including the most restrictive covenant, the Fixed Charge Coverage Ratio.

Interest expense and related cash payments under the Revolver will vary based on amounts borrowed and applicable interest rates. Because there were no outstanding borrowings as of June 30, 2026, the Company does not currently expect material interest payments related to revolving borrowings for the remainder of 2026.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements include certain amounts that are based on management's best estimates and judgments. We base our estimates on historical experience and on various other assumptions, including in some cases future projections, that are believed to be reasonable under the circumstances. The results of these estimates form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Different assumptions and judgments could change the estimates used in the preparation of the condensed consolidated financial statements, which, in turn, could change the results from those reported. Management evaluates its estimates, assumptions and judgments on an ongoing basis.

Based on the above, we have determined that our most critical accounting estimates are those related to business combinations, inventory valuation, goodwill and other indefinite-lived intangible assets, and those related to our pension benefit obligations. For a detailed discussion of our critical accounting estimates, refer to “*Critical Accounting Estimates*” in Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

There have been no material changes in our critical accounting policies, judgments and estimates, including assumptions or estimation techniques utilized, as compared to those disclosed in our 2025 Annual Report on Form 10-K.

Recent Accounting Pronouncements

The discussion of new financial accounting standards applicable to our Company is incorporated herein by reference to Note 1, "*Basis of Presentation and Accounting Policies*".

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk primarily from changes in foreign currency exchange rates, changes in interest rates associated with its long-term debt and fluctuations in commodity prices. Under the Company's risk management strategy, the Company periodically uses foreign currency forward contracts to manage its short-term exposures to fluctuations in operational cash flows resulting from changes in foreign currency exchange rates. To partially mitigate risks associated with the variable interest rates on Revolver borrowings, to the extent of any outstanding, under the Company's Credit Agreement (see Note 10, "*Debt*", to the condensed consolidated financial statements herein, and Note 11, "*Debt*", to the consolidated financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025), the Company maintains two pay-fixed, receive-variable interest rate swap agreements with two multinational financial institutions (see Note 9, "*Derivative Instruments and Hedging Activities*", to the condensed consolidated financial statements herein, and Note 13, "*Derivative Instruments and Hedging Activities*", to the consolidated financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2025). The Company's primary objective for holding derivative financial instruments is to manage foreign currency exchange rate risk and interest rate risk, when deemed appropriate. The Company enters into these contracts in the normal course of business to mitigate risks and not for speculative purposes. The Company utilizes various metals in the production of its products, including copper, zinc, tin, gold, and silver. Fluctuations in the prices of these and other commodities can lead to significantly higher production costs. The Company believes it has adequate primary and secondary sources for each of its key materials. While facing potential volatility in metal prices and anticipating increased material costs, the Company actively monitors these risks. To mitigate any possible negative impacts from these changes, it has implemented and may continue to implement various strategies, including price adjustments and productivity improvements. There have not been any material changes with regard to market risk during the six months ended June 30, 2026. See Part I, Item 2, "*Management's Discussion and Analysis of Financial Condition and Results of Operations,*" herein, and Part II, Item 7, "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and Part II, Item 7A, "*Quantitative and Qualitative Disclosures About Market Risk*," in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 for further discussion of market risks.

Item 4. Controls and Procedures

Disclosure controls and procedures: As of the end of the period covered by this report, the Company carried out an evaluation, with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer, of the effectiveness of the Company's disclosure controls and procedures pursuant to Securities Exchange Act Rule 13a-15. Based on that evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in internal controls over financial reporting: There has not been any change in the Company's internal control over financial reporting that occurred during the Company's last fiscal quarter to which this report relates that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. Other Information

Item 1. Legal Proceedings

The information called for by this Item is incorporated herein by reference to Note 14, "*Commitments and Contingencies*" of the Company's Condensed Consolidated Financial Statements, under "Legal Proceedings", as set forth in Part I, Item 1 of this Quarterly Report on Form 10-Q.

We are also involved in various other legal actions incidental to our business. In the Company's opinion, it has made appropriate and adequate accruals for claims, if any, where necessary; however, the ultimate liability for legal proceedings is uncertain, and if significantly different than the amounts accrued, if any, the ultimate outcome could have a material effect on the financial condition or results of operations of the Company. The Company cannot predict the outcome of the litigation matters or other actions nor when they will be resolved.

Item 1A. Risk Factors

Our risk factors are disclosed in Part I, Item 1A, "*Risk Factors,*" of our Annual Report on Form 10-K for the fiscal year ended December 31, 2025 and should be carefully considered before making an investment decision. These are the risk factors that we consider to be the most significant risk factors, but they are not the only risk factors that should be considered in making an investment decision. There have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025. This Quarterly Report on Form 10-Q also contains Forward-Looking Statements that involve risks and uncertainties. See the "*Cautionary Notice Regarding Forward-Looking Information,*" above.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Unregistered Sales of Equity Securities

There were no unregistered sales of equity securities during the three months ended June 30, 2026 that were not previously reported in a Current Report on Form 8-K.

Use of Proceeds

Not applicable.

Purchasers of Equity Securities by the Issuer and Affiliated Purchasers

On February 21, 2024, the Company's Board of Directors authorized and the Company publicly announced, a $25.0 million share repurchase program (the "Repurchase Program"). The Repurchase Program authorizes the repurchase of up to $25.0 million of shares of outstanding Class A Common Stock and Class B Common Stock. The aggregate $25.0 million authorized for repurchases under the Repurchase Program has been suballocated for purchases of Class A shares and Class B shares in portions of $4.0 million and $21.0 million, respectively, prorated to take into account the number of outstanding shares of each respective class at the time of such authorization. Shares of Class A Common Stock and Class B Common Stock may be repurchased pursuant to the Repurchase Program in open market, privately negotiated or block transactions or otherwise from time to time, depending upon market conditions and other factors, and in accordance with applicable law and regulations. The Repurchase Program has no expiration date. The Repurchase Program does not obligate the Company to repurchase any dollar amount or number of shares, and the Repurchase Program may be suspended or terminated at any time. As of June 30, 2026 the program-to-date repurchases amounted to 26,326 Class A shares at an aggregate purchase price of $1.9 million and 235,821 Class B shares at an aggregate purchase price of $14.1 million. There were no repurchases of our equity securities during the three months ended June 30, 2026 under the Repurchase Program or otherwise. Under the existing authorization for the Repurchase Program described above, of the aggregate amount initially authorized for repurchases, approximately $2.1 million of Class A Common Stock and $6.9 million of Class B Common Stock remain that may yet be purchased under this program as of June 30, 2026.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Rule 10b5-1 Trading Arrangements and Non-Rule 10b5-1 Trading Arrangements

During the fiscal quarter ended June 30, 2026, none of our officers or directors, as those terms are defined in Rule 16a-1(f), adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as those terms are defined in Item 408 of Regulation S-K.

Item 6. Exhibits

Exhibits:

3.1	(i) Restated Certificate of Incorporation, as amended, is incorporated by reference to Exhibit 3.1 of the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 1998 filed on August 11, 1998 and (ii) the Certificate of Amendment to the Company's Restated Certificate of Incorporation, is incorporated by reference to Exhibit 3.2 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 1999 filed on March 29, 2000.
3.2	Amended and Restated By-Laws of Bel Fuse Inc. (adopted October 25, 2023), are incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on October 25, 2023.
10.1*	Fifth Amendment Agreement, dated June 4, 2026, to Amended and Restated Credit and Security Agreement, dated as of September 2, 2021, by and among Bel Fuse Inc., as the borrower, KeyBank National Association, as administrative agent, swing line lender and issuing lender, and the other lenders identified therein, as amended.
10.2†	Amendment to Employment Agreement, dated as of March 31, 2026, by and between Bel Fuse Inc. and Tom Smelker, is incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on April 6, 2026.
10.3†	Employment Agreement, dated March 31, 2026, between Bel Fuse Inc. and Stephen Dawson, is incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on April 6, 2026.
10.4†	Bel Fuse Inc. 2026 Equity Compensation Plan, is incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed on April 10, 2026.
31.1*	Certification of Principal Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
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 Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibits 101)

* Filed herewith.
** Furnished herewith.
† Management contract or compensatory plan or arrangement.

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.

BEL FUSE INC.
(Registrant)

Date: August 4, 2026

By:/s/ Farouq Tuweiq
Farouq Tuweiq
President and Chief Executive Officer
(*Principal Executive Officer*)

Date: August 4, 2026

By:/s/ Lynn Hutkin
Lynn Hutkin
Chief Financial Officer
(*Principal Financial Officer and Principal Accounting Officer*)

Exhibit 31.1

CERTIFICATION

I, Farouq Tuweiq, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bel Fuse 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 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 the registrant’s board of directors (or persons performing the equivalent functions):

    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

/s/ Farouq Tuweiq
Farouq Tuweiq
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Lynn Hutkin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Bel Fuse 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 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 the registrant’s board of directors (or persons performing the equivalent functions):

    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

/s/ Lynn Hutkin
Lynn Hutkin
Chief Financial Officer and Treasurer
(*Principal Financial Officer and Principal Accounting 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 Bel Fuse Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2026 filed with the Securities and Exchange Commission (the “Report”), I, Farouq Tuweiq, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(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 consolidated financial condition of the Company as of the dates presented and consolidated results of operations of the Company for the periods presented.

Date: August 4, 2026

/s/ Farouq Tuweiq
Farouq Tuweiq
President and Chief Executive Officer
(*Principal Executive Officer*)

Exhibit 32.2

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 Bel Fuse Inc. (the “Company”) on Form 10-Q for the quarter ended June 30, 2026 filed with the Securities and Exchange Commission (the “Report”), I, Lynn Hutkin, Chief Financial Officer (principal financial officer and principal accounting officer) and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

(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 consolidated financial condition of the Company as of the dates presented and consolidated results of operations of the Company for the periods presented.

Date: August 4, 2026

/s/ Lynn Hutkin
Lynn Hutkin
Chief Financial Officer and Treasurer
(*Principal Financial Officer and Principal Accounting Officer*)

Exhibit 10.1

LIMITED CONSENT AND FIFTH AMENDMENT AGREEMENT

This LIMITED CONSENT AND FIFTH AMENDMENT AGREEMENT (this "Fifth Amendment") is made as of the 4th day of June, 2026 among:

a. BEL FUSE INC., a New Jersey corporation (the "Borrower");

b. the Required Lenders (as hereinafter defined);

c. KEYBANK NATIONAL ASSOCIATION, a national banking association, as the administrative agent for the Lenders under the Credit Agreement (the "Administrative Agent").

WHEREAS, the Borrower, the Administrative Agent and the Lenders party hereto are parties to that certain Amended and Restated Credit and Security Agreement, dated as of September 2, 2021 (as amended by the First Amendment Agreement, dated as of January 12, 2023, the Second Amendment Agreement, dated as of September 18, 2024, the Third Amendment Agreement, dated as of November 14, 2024, and the Fourth Amendment Agreement, dated as of May 2, 2025 (the "Existing Credit Agreement", and as amended by this Fifth Amendment, the "Credit Agreement");

WHEREAS, the Borrower has requested that the Lenders party hereto (a) consent to the Borrower maintaining Indebtedness currently outstanding and incurred under (i) that certain hedge agreement, dated as of November 16, 2021, by and between the Borrower and KeyBank National Association and (ii) that certain hedge agreement, dated as of November 10, 2021, by and between the Borrower and PNC Bank National Association (collectively, the "Speculative Hedge Agreements" and each individually, a "Speculative Hedge Agreement"), for speculative purposes

notwithstanding Section 5.8(e) of the Existing Credit Agreement (the "Consent") and (b) eliminate the requirement to maintain Control Agreements over the Deposit Accounts and Securities Accounts of any Company (the "Amendment");

WHEREAS, the Lenders party hereto, constituting the "Required Lenders" under the Credit Agreement (such Lenders, the "Required Lenders"), have agreed, subject to the terms and conditions set forth herein, to (a) provide the Consent and (b) consent to the Amendment;

WHEREAS, each capitalized term used herein and defined in the Credit Agreement, but not otherwise defined herein, shall have the meaning given such term in the Credit Agreement; and

WHEREAS, unless otherwise specifically provided herein, the provisions of the Credit Agreement revised herein are amended effective as of the date of this Fifth Amendment.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein and for other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrower, the Administrative Agent and the Required Lenders agree as follows:

1. Limited Consent. Subject solely to the satisfaction (or waiver) of the conditions precedent set forth in Section 3 hereof, the Required Lenders hereby provide their one-time limited consent to the Borrower's departure from the requirements of Section 5.8(e) of the Existing Credit Agreement until each Speculative Hedge Agreement, each as in effect on the date hereof, respectively terminates in accordance with its terms. Nothing herein shall be deemed a consent (except as expressly set forth herein) or waiver with respect to any Defaults or Events of Default or any failure of any Credit Party to comply fully with any provision of the Credit Agreement or any other Loan Document and, in no event shall the limited consent contained in this Fifth Amendment, by implication or otherwise, limit, impair, constitute a waiver of enforcement of any rights, powers or remedies of the Administrative Agent or the Lenders under the Credit Agreement or any other Loan Document or otherwise constitute a course of conduct or dealing as between the Administrative Agent, the Lenders and Credit Parties.

2. Amendment to Existing Credit Agreement. Subject to the satisfaction (or waiver) of the conditions set forth in Section 3 hereof, as of the Fifth Amendment Effective Date, the Existing Credit Agreement is hereby amended as follows:

(a) The following definitions in Section 1.1 of the Existing Credit Agreement are hereby deleted: “Control Agreement”, “Deposit Account Control Agreement” and “Securities Account Control Agreement.”

(b) The definition of “Security Document” in Section 1.1 of the Existing Credit Agreement is hereby amended to remove the reference to “each Control Agreement.”

(c) Section 5.21(c) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

(c) [reserved];

(d) Section 5.21(g) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

(g) deliver to the Administrative Agent, to hold as security for the Secured Obligations, all certificated Investment Property owned by the Borrower, in suitable form for transfer by delivery, or accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to the Administrative Agent;

(e) Section 9.4(b) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

(b) Notwithstanding anything in this Agreement to the contrary, if a Lender acts as a Securities Intermediary or a depository institution for a Credit Party, then such Lender agrees that such accounts are subject to the Lien of the Administrative Agent (to the extent granted pursuant to the Security Documents) and it will not set off against or appropriate toward the payment of, any Indebtedness owing to such Lender that does not constitute Obligations (other than Customary Setoffs with respect to such Deposit Accounts or Securities Accounts).

3. Amendment Effective Date. This Fifth Amendment shall become effective as of the first date (such date, the "Fifth Amendment Effective Date") on which the following conditions have been satisfied (or waived by the Administrative Agent):

(a) The Administrative Agent shall have received duly executed counterparts hereof that, when taken together, bear the signatures of (i) the Borrower, (ii) the Administrative Agent and (iii) the Required Lenders; and

(b) The Administrative Agent and the Lenders (or their affiliates, as applicable) shall have received payment of all reasonable and documented out-of-pocket expenses to the extent invoiced in reasonable detail at least one Business Day prior to the Fifth Amendment Effective Date.

4. Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and the Lenders that (a) the Borrower has the legal power and authority to execute and deliver this Fifth Amendment; (b) the officers executing this Fifth Amendment have been duly authorized to execute and deliver the same and bind the Borrower with respect to the provisions hereof; (c) the execution and delivery hereof by the Borrower and the performance and observance by the Borrower of the provisions hereof do not violate or conflict with the Organizational Documents of the Borrower or any law applicable to the Borrower or result in a breach of any provision of or constitute a default under any other agreement, instrument or document binding upon or enforceable against the Borrower; (d) no Default or Event of Default exists, nor will any occur immediately after the execution and delivery of this Fifth Amendment or by the performance or observance of any provision hereof; (e) each of the representations and warranties contained in the Loan Documents is true and correct in all material respects as of the date hereof as if made on the date hereof, except to the extent that any such representation or warranty expressly states that it relates to an earlier date (in which case such representation or warranty is true and correct in all material respects as of such earlier date); (f) the Borrower is not aware of any claim or offset against, or defense or counterclaim to, the Borrower's obligations or liabilities under the Credit Agreement or any other Related Writing; and (g) this Fifth Amendment constitutes a valid and binding obligation of the Borrower in every respect, enforceable in accordance with its terms.

5. Waiver and Release. The Borrower, by signing below, hereby waives and releases the Administrative Agent, and each of the Lenders, and their respective directors, officers, employees, attorneys, affiliates and subsidiaries, from any and all claims, offsets, defenses and counterclaims, such waiver and release being with full knowledge and understanding of the circumstances and effect thereof and after having consulted legal counsel with respect thereto.

6. References to Credit Agreement and Ratification. Each reference to the Credit Agreement that is made in the Credit Agreement or any other Related Writing shall hereafter be construed as a reference to the Credit Agreement as amended hereby. Except as otherwise specifically provided herein, all terms and provisions of the Credit Agreement are confirmed and ratified and shall remain in full force and effect and be unaffected hereby. This Fifth Amendment is a Loan Document.

7. Counterparts. This Fifth Amendment may be executed in any number of counterparts, by different parties hereto in separate counterparts and by facsimile or other electronic signature, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement.

8. Headings. The headings, captions and arrangements used in this Fifth Amendment are for convenience only and shall not affect the interpretation of this Fifth Amendment.

9. Severability. Any provision of this Fifth Amendment that shall be prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

10. Governing Law. The rights and obligations of all parties hereto shall be governed by the laws of the State of New York.

11. JURY TRIAL WAIVER. THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS, TO THE EXTENT PERMITTED BY LAW, EACH HEREBY WAIVES ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE BORROWER, THE ADMINISTRATIVE AGENT AND THE LENDERS, OR ANY THEREOF, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS FIFTH AMENDMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED THERETO.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed and delivered this Fifth Amendment as of the date first set forth above.

BEL FUSE INC.

By:/s/ Farouq Tuweiq
Name: Farouq Tuweiq
Title: President and Chief Executive Officer

Signature Page to
Fifth Amendment Agreement

KEYBANK NATIONAL ASSOCIATION, as
the Administrative Agent and as a Lender

By: /s/ J. E. Fowler
Name: J. E. Fowler
Title: Managing Director

Signature Page to
Fifth Amendment Agreement

BANK OF AMERICA, N.A., as a Lender

By: /s/ Dilcia P. Hill
Name: Dilcia P. Hill
Title: Senior Vice President

Signature Page to
Fifth Amendment Agreement

BMO BANK N.A., as a Lender

By:/s/ Ryan Howard
Name: Ryan Howard
Title: Vice President

Signature Page to
Fifth Amendment Agreement

HSBC Bank USA, National Association, as a Lender

By:/s/ Laurie Niles
Name: Laurie Niles
Title: Director

PNC BANK, NATIONAL ASSOCIATION, as a Lender

By: /s/ Christina Scaglione
Name: Christina Scaglione
Title: Senior Vice President

Signature Page to
Fifth Amendment Agreement

WELLS FARGO BANK, N.A., as a Lender

By:/s/ Greg Polgar
Name: Greg Polgar
Title: Executive Director

Signature Page to
Fifth Amendment Agreement

GUARANTOR ACKNOWLEDGMENT AND AGREEMENT

The undersigned consent and agree to and acknowledge the terms of the foregoing Fifth Amendment Agreement. The undersigned further agree that the obligations of the undersigned pursuant to the Guaranty of Payment executed by the undersigned are hereby ratified and shall remain in full force and effect and be unaffected hereby.

The undersigned hereby waive and release the Administrative Agent and the Lenders and their respective directors, officers, employees, attorneys, affiliates and subsidiaries from any and all claims, offsets, defenses and counterclaims of any kind or nature, absolute and contingent, of which the undersigned are aware or should be aware, such waiver and release being with full knowledge and understanding of the circumstances and effect thereof and after having consulted legal counsel with respect thereto.

JURY TRIAL WAIVER. THE UNDERSIGNED, TO THE EXTENT PERMITTED BY LAW, HEREBY WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE BORROWER, THE ADMINISTRATIVE AGENT, THE LENDERS AND THE UNDERSIGNED, OR ANY THEREOF, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH THIS GUARANTOR ACKNOWLEDGMENT AND AGREEMENT, THE FIFTH AMENDMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED THERETO.

BEL CONNECTOR INC.
BEL POWER SOLUTIONS INC.
BEL TRANSFORMER INC.
BEL VENTURES INC.
CINCH CONNECTIVITY SOLUTIONS INC.
TROMPETER ELECTRONICS, INC.

By:/s/ Farouq Tuweiq
Name: Farouq Tuweiq
Title: Treasurer and Secretary

BEL WORKSOP LLC
CONNECTOR OWNERSHIP LLC

By: Bel Fuse Inc., its sole member

By:/s/ Farouq Tuweiq
Name: Farouq Tuweiq
Title: President and Chief Executive Officer

Signature Page to
Guarantor Acknowledgment and Agreement

STRATOS INTERNATIONAL, LLC

By: Cinch Connectivity Solutions Inc., its sole member

By:/s/ Farouq Tuweiq
Name: Farouq Tuweiq
Title: Treasurer and Secretary

STRATOS LIGHTWAVE LLC
STRATOS LIGHTWAVE-FLORIDA LLC

By: Stratos International, LLC, its sole member

By:/s/ Farouq Tuweiq
Name: Farouq Tuweiq
Title: Treasurer and Secretary

Signature Page to
Guarantor Acknowledgment and Agreement