STEEL PARTNERS HOLDINGS L.P

STEEL PARTNERS

DELAWARE
State of Incorporation

590 MADISON AVENUE, 32ND FLOOR NEW YORK, NY 10022
Company Address

Telephone: (212) 520-2300
Corporate Website: www.steelpartners.com

SIC Code: 3390

Quarterly Report

For the period ended March 31, 2025

(the "Reporting Period")

The number of shares outstanding of our Common Units is 19,146,499 as of March 31, 2025
The number of shares outstanding of our Common Units was 19,078,201 as of December 31, 2024

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934): Yes: ☐ No: ☑

Indicate by check mark whether the company's shell status has changed since the previous reporting period: Yes: ☐ No: ☑

Indicate by check mark whether a change in control of the company has occurred over this reporting period: Yes: ☐ No: ☑

Item 1 Exact name of the issuer and the address of its principal executive offices.

Steel Partners Holdings L.P.
590 Madison Avenue, 32nd Floor
New York, NY 10022

Investor Relations Contact

Jennifer Golembeske
(212) 520-2300
jgolembeske@steelpartners.com

Item 2 Shares outstanding.

Common Units	Outstanding at March 31, 2025
no par value	19,146,499

6.0% Series A Preferred Units	Outstanding at March 31, 2025
no par value	5,957,435

As of March 31, 2025, we had approximately 222 unitholders of record of Common Units and 84 unitholders of record of 6.0% Series A Preferred Units.

Item 3 Interim financial statements.

The interim financial statements are attached at the end of this Disclosure Statement.

Item 4 Management's discussion and analysis or plan of operation.

The company's Management's Discussion and Analysis of Financial Condition and Results of Operations are attached at the end of this Disclosure Statement starting on page 33.

Item 5 Legal proceedings.

Please refer to Footnote 14 - Commitments and Contingencies, attached at the end of this Disclosure Statement starting on page 26.

Item 6 Defaults upon senior securities.

None noted.

Item 7 Other information.

None noted.

Item 8 Exhibits.

None noted.

Item 9 Certifications.

I, Warren G. Lichtenstein, certify that:

1. I have reviewed this quarterly disclosure statement of Steel Partners Holdings L.P.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date:

/s/ Warren G. Lichtenstein

Warren G. Lichtenstein
Executive Chairman

I, Ryan O'Herrin, certify that:

1. I have reviewed this quarterly disclosure statement of Steel Partners Holdings L.P.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date:

/s/ Ryan O'Herrin

Ryan O'Herrin
Chief Financial Officer

PART I - FINANCIAL INFORMATION
Item 3. Financial Statements

STEEL PARTNERS HOLDINGS L.P.
Consolidated Balance Sheets
(Unaudited)
(in thousands, except common units)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 341,720	$ 404,442
Trade and other receivables - net of allowance for doubtful accounts of $1,396 and $1,509, respectively	235,291	227,996
Loans receivable, including loans held for sale of $582,114 and $739,822, respectively, net	1,457,168	1,566,981
Inventories, net	204,404	195,617
Prepaid expenses and other current assets	42,013	48,649
Total current assets	2,280,596	2,443,685
Long-term loans receivable, net	270,445	231,262
Goodwill	145,799	145,670
Other intangible assets, net	93,399	97,280
Deferred tax assets	69,007	80,273
Other non-current assets	150,713	149,429
Property, plant and equipment, net	270,974	275,775
Pension asset	6,132	5,903
Operating lease right-of-use assets	66,527	66,297
Long-term investments	153,213	84,693
Total Assets	$ 3,506,805	$ 3,580,267
LIABILITIES AND CAPITAL		
Current liabilities:		
Accounts payable	$ 153,148	$ 131,768
Accrued liabilities	84,815	101,592
Deposits	1,398,732	1,483,241
Short-term preferred unit liability	143,750	—
Other current liabilities	86,458	101,768
Total current liabilities	1,866,903	1,818,369
Long-term deposits	221,665	173,801
Long-term debt	116,870	119,588
Other borrowings	309	1,632
Preferred unit liability	—	155,613
Accrued pension liabilities	17,502	16,447
Deferred tax liabilities	2,604	10,047
Long-term operating lease liabilities	53,960	53,134
Other non-current liabilities	56,268	58,212
Total Liabilities	2,336,081	2,406,843
Commitments and Contingencies		
Capital:		
Partners' capital common units: 19,146,499 and 19,078,201 issued and outstanding (after deducting 20,731,073 and 20,727,941 units held in treasury, at cost of $438,835 and $438,708), respectively	1,271,137	1,234,793
Accumulated other comprehensive loss	(100,767)	(102,381)
Total Partners' Capital	1,170,370	1,132,412
Noncontrolling interests in consolidated entities	354	41,012
Total Capital	1,170,724	1,173,424
Total Liabilities and Capital	$ 3,506,805	$ 3,580,267

See accompanying Notes to Consolidated Financial Statements

STEEL PARTNERS HOLDINGS L.P.
Consolidated Statements of Operations
(Unaudited)
(in thousands, except common units and per common unit data)

	Three Months Ended March 31,	
	2025	**2024**
Revenue:		
Diversified Industrial net sales	$ 302,144	$ 292,440
Energy net revenue	36,022	31,921
Financial Services revenue	117,084	109,955
Supply Chain revenue	43,972	42,030
Total revenue	499,222	476,346
Costs and expenses:		
Cost of goods sold	280,532	274,156
Selling, general and administrative expenses	146,163	135,292
Asset impairment charge	195	—
Finance interest expense	16,653	23,963
Provision for credit losses	3,849	755
Interest expense	3,070	1,394
Realized and unrealized losses (gains) on securities, net	9,955	(4,068)
Other income, net	(990)	(815)
Total costs and expenses	459,427	430,677
Income from operations before income taxes and equity method investments	39,795	45,669
Income tax provision	10,742	10,861
Loss of associated companies, net of taxes	—	7
Net income	29,053	34,801
Net income attributable to noncontrolling interests in consolidated entities	(51)	(570)
Net income attributable to common unitholders	$ 29,002	$ 34,231
Net income per common unit - basic		
Net income attributable to common unitholders	$ 1.52	$ 1.65
Net income per common unit - diluted		
Net income attributable to common unitholders	$ 1.41	$ 1.50
Weighted-average number of common units outstanding - basic	19,029,607	20,762,244
Weighted-average number of common units outstanding - diluted	22,695,950	24,811,176

See accompanying Notes to Consolidated Financial Statements

STEEL PARTNERS HOLDINGS L.P.
Consolidated Statements of Comprehensive Income
(Unaudited)
(in thousands)

	Three Months Ended March 31,	
	2025	**2024**
Net income	$ 29,053	$ 34,801
Other comprehensive income (loss), net of taxes:		
Currency translation adjustments	1,614	(1,110)
Other comprehensive income (loss)	1,614	(1,110)
Comprehensive income	30,667	33,691
Comprehensive (income) loss attributable to noncontrolling interests	(51)	(570)
Comprehensive income attributable to common unitholders	$ 30,616	$ 33,121

See accompanying Notes to Consolidated Financial Statements

STEEL PARTNERS HOLDINGS L.P.
Consolidated Statements of Changes in Capital
(Unaudited)
(in thousands, except common units and treasury units)

	Steel Partners Holdings L.P. Common Unitholders							
	Common Units	Treasury Units		Partners' Capital	Accumulated Other Comprehensive Loss	Total Partners' Capital	Noncontrolling Interests in Consolidated Entities	Total Capital
		Units	Dollars					
Balance as of December 31, 2024	39,806,142	(20,727,941)	$ (438,708)	$ 1,234,793	$ (102,381)	$ 1,132,412	$ 41,012	$ 1,173,424
Net income	—	—	—	29,002	—	29,002	51	29,053
Currency translation adjustments	—	—	—	—	1,614	1,614	—	1,614
Equity compensation - restricted units	72,039	—	—	411	—	411	—	411
Tax withholding related to vesting of restricted units	(609)	—	—	(26)	—	(26)	—	(26)
Purchases of SPLP common units	—	(3,132)	(127)	(127)	—	(127)	—	(127)
Purchases of subsidiary shares from noncontrolling interest	—	—	—	7,198	—	7,198	(41,076)	(33,878)
Adjustment to interest in consolidated subsidiaries	—	—	—	—	—	—	367	367
Other, net	—	—	—	(114)	—	(114)	—	(114)
Balance as of March 31, 2025	39,877,572	(20,731,073)	$ (438,835)	$ 1,271,137	$ (100,767)	$ 1,170,370	$ 354	$ 1,170,724

	Steel Partners Holdings L.P. Common Unitholders							
	Common Units	Treasury Units		Partners' Capital	Accumulated Other Comprehensive Loss	Total Partners' Capital	Noncontrolling Interests in Consolidated Entities	Total Capital
		Units	Dollars					
Balance as of December 31, 2023	39,663,374	(18,367,307)	$ (329,297)	$ 1,079,853	$ (121,223)	$ 958,630	$ 46,778	$ 1,005,408
Net income	—	—	—	34,231	—	34,231	570	34,801
Currency translation adjustments	—	—	—	—	(1,110)	(1,110)	—	(1,110)
Equity compensation - restricted units	2,995	—	—	381	—	381	—	381
Tax withholding related to vesting of restricted units	(609)	—	—	(587)	—	(587)	—	(587)
Share-based long term incentive plan unit awards	27,538	—	—	1,604	—	1,604	—	1,604
Purchases of SPLP common units	—	(933,787)	(39,487)	(39,487)	—	(39,487)	—	(39,487)
Adjustment to interest in consolidated subsidiaries	—	—	—	—	—	—	155	155
Other, net	—	—	—	34	—	34	11	45
Balance as of March 31, 2024	39,693,298	(19,301,094)	$ (368,784)	$ 1,076,029	$ (122,333)	$ 953,696	$ 47,514	$ 1,001,210

See accompanying Notes to Consolidated Financial Statements

STEEL PARTNERS HOLDINGS L.P.
Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Three Months Ended March 31,	
	2025	**2024**
Cash flows from operating activities:		
Net income	$ 29,053	$ 34,801
Adjustments to reconcile net income from operations to net cash (used in) provided by operating activities:		
Provision for credit losses	3,849	755
Loss of associated companies, net of taxes	—	7
Realized and unrealized losses (gains) on securities, net	9,955	(4,068)
Derivative gains on economic interests in loans	—	(1,283)
Non-cash pension expense	706	1,400
Deferred income taxes	3,772	654
Depreciation and amortization	14,994	14,414
Non-cash lease expense	5,814	5,747
Equity-based compensation	411	381
Asset impairment charges	195	—
Other	(385)	340
Net change in operating assets and liabilities:		
Trade and other receivables	(6,869)	(7,371)
Inventories	(8,523)	(2,752)
Prepaid expenses and other assets	5,518	14,335
Accounts payable, accrued and other liabilities	(15,776)	(23,421)
Net decrease in loans held for sale	157,708	163,521
Net cash provided by operating activities	$ 200,422	$ 197,460
Cash flows from investing activities:		
Purchases of investments	(94,740)	(14,083)
Proceeds from sales of investments	2,232	994
Proceeds from maturities of investments	13,401	6,188
Loan originations, net of collections	(91,101)	54,958
Purchases of property, plant and equipment	(5,581)	(10,066)
Proceeds from sale of property, plant and equipment	1,226	1,173
Other	(47)	(15)
Net cash (used in) provided by investing activities	$ (174,610)	$ 39,149
Cash flows from financing activities:		
Net revolver repayments	(2,701)	(98,545)
Repayments of term loans	(16)	(17)
Purchases of the Company's common units	(127)	(39,487)
Purchases of the Company's preferred units	(12,486)	(1,830)
Net decrease in other borrowings	(986)	(6,576)
Distribution to preferred unitholders	(2,234)	(2,380)
Purchase of subsidiary shares from noncontrolling interests	(33,878)	(24)
Tax withholding related to vesting of restricted units	(26)	(587)
Net decrease in deposits	(36,645)	(217,866)
Net cash used in financing activities	$ (89,099)	$ (367,312)
Net change for the period	(63,287)	(130,703)
Effect of exchange rate changes on cash and cash equivalents	565	(557)
Cash, cash equivalents and restricted cash at beginning of period	404,442	577,928
Cash, cash equivalents and restricted cash at end of period	$ 341,720	$ 446,668

See accompanying Notes to Consolidated Financial Statements

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

All amounts used in the Notes to Consolidated Financial Statements are in thousands, except common and preferred units, per common and preferred unit, share and per share data, and price per ounce.

1. NATURE OF THE BUSINESS AND BASIS OF PRESENTATION

Nature of the Business

Steel Partners Holdings L.P. ("we," "our," "SPLP," or "Company") is a diversified global holding company that engages in multiple businesses through consolidated subsidiaries and other interests. It owns and operates businesses and has significant interests in various companies, including diversified industrial products, energy, defense, supply chain management and logistics, banking and youth sports. SPLP operates through the following segments: Diversified Industrial, Energy, Financial Services and Supply Chain, which are managed separately and offer different products and services. For additional details related to the Company's reportable segments, see Note 16 - "Segment Information." Steel Partners Holdings GP Inc. ("SPH GP"), a Delaware corporation, is the general partner of SPLP and is wholly-owned by SPLP. The Company is managed by SP General Services LLC ("Manager"), pursuant to the terms of an amended and restated management agreement (the "Management Agreement") discussed in further detail in Note 15 - "Related Party Transactions."

Basis of Presentation

The accompanying unaudited consolidated financial statements as of March 31, 2025 and for the three month periods ended March 31, 2025 and 2024, which have been prepared by the Company in accordance with the Alternative Reporting Standard: OTCQX U.S. and OTCQB Disclosure Guidelines offered by the OTC Markets Group ("OTC") for interim periods, include the accounts of the Company and its consolidated subsidiaries. In the opinion of management, all adjustments, consisting of normal recurring adjustments, necessary for a fair presentation have been reflected herein. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of the operating results for the full year. The accompanying unaudited consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements included in its Annual Report for the fiscal year ended December 31, 2024 ("Annual Report"), from which the consolidated balance sheet as of December 31, 2024 has been derived.

The Company's fiscal quarter ends on the last day of the calendar quarter; however, for certain subsidiaries of the Company, the fiscal quarter periods end on the Saturday that is closest to the last day of the calendar quarter, except for the last quarterly period of the fiscal year. The Company and all its subsidiaries close their books for fiscal years on December 31. For ease of presentation, the quarterly financial statements included herein are described as ending on the last day of the calendar quarter.

Certain financial information that is normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"), but is not required for interim reporting purposes, has been condensed or omitted. Management must make estimates and assumptions that affect the consolidated financial statements and the related footnote disclosures. While management uses its best judgment, actual results may differ from those estimates. Certain reclassifications have been made to the prior period financial statements and notes to conform to the current period presentation.

Adoption of New Accounting Standards

In August 2023, the FASB issued ASU 2023-05, *Business Combinations-Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement* ("ASU 2023-05"). ASU 2023-05 applies to the formation of a "joint venture" or a "corporate joint venture" and requires a joint venture to initially measure all contributions received upon its formation at fair value. The new guidance is applicable to joint venture entities with a formation date on or after January 1, 2025, on a prospective basis. The Company adopted ASU 2023-05 on January 1, 2025. The adoption of this ASU had no impact on the Company's consolidated balance sheets or income statements.

Accounting Standards Not Yet Effective

In November 2024, the FASB issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40)* ("ASU 2024-03"), which requires a public business entity to disclose specific information about certain costs and expenses in the notes to its financial statements for interim and annual reporting periods. Additionally, in January 2025, the FASB issued ASU 2025-01, *Income Statement-Reporting Comprehensive Income-Expense*

Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date ("ASU 2025-01"), to clarify the effective date of ASU 2024-03. The objective of the disclosure requirements is to provide disaggregated information about a public business entity's expenses to help investors: (a) better understand the entity's performance, (b) better assess the entity's prospects for future cash flows, and (c) compare an entity's performance over time and with that of other entities. Early adoption is permitted. The new guidance may be applied either on a prospective or retrospective basis. The amendments in this update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. The Company is currently evaluating the impact of this guidance on the Company's consolidated financial statement disclosures; however, adoption is not expected to impact its consolidated balance sheets or income statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"), which is intended to enhance the transparency, decision usefulness and effectiveness of income tax disclosures. The new guidance requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a quantitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption and retrospective application permitted. The Company is currently evaluating this guidance to determine the impact it may have on its consolidated financial statement disclosures; however, adoption will not impact its consolidated balance sheets or income statements.

2. REVENUES

Disaggregation of Revenues

Revenues are disaggregated at the Company's segment level since the segment categories depict how the nature, amount, timing and uncertainty of revenues and cash flows are affected by economic factors. For additional details related to the Company's reportable segments, see Note 16 - "Segment Information."

The following table presents the Company's revenues disaggregated by geography for the three months ended March 31, 2025 and 2024. The Company's revenues are primarily derived domestically. Foreign revenues are based on the country in which the legal subsidiary generating the revenue is domiciled. Revenue from any single foreign country was not material to the Company's consolidated financial statements.

	Three Months Ended March 31,	
	2025	2024
United States	$ 450,346	$ 426,956
Foreign	48,876	49,390
Total revenue	$ 499,222	$ 476,346

Contract Balances

Differences in the timing of revenue recognition, billings and cash collections result in billed trade receivables, unbilled receivables (contract assets) and deferred revenues (contract liabilities) on the consolidated balance sheets.

Contract Assets

Unbilled receivables arise when the timing of billings to customers differs from the timing of revenue recognition, such as when the Company recognizes revenue over time before a customer can be billed. Contract assets are classified as Prepaid expenses and other current assets on the consolidated balance sheets. As of March 31, 2025 and December 31, 2024, the contract asset balance was $5,052 and $3,409, respectively.

Contract Liabilities

The Company records deferred revenues when cash payments are received or due in advance of the Company's performance, including amounts that are refundable, which are recorded as contract liabilities. Contract liabilities are classified as Other current liabilities on the consolidated balance sheets, based on the timing of when the Company expects to recognize revenue.

	Contract Liabilities	
Balance at December 31, 2024	$	6,010
Deferral of revenue		4,735
Recognition of unearned revenue		(4,295)
Balance at March 31, 2025	**$**	**6,450**
Balance at December 31, 2023	$	7,388
Deferral of revenue		5,156
Recognition of unearned revenue		(5,301)
Balance at March 31, 2024	**$**	**7,243**

3. LOANS RECEIVABLE, INCLUDING LOANS HELD FOR SALE

Major classifications of Loans receivable, including loans held for sale, held by WebBank as of March 31, 2025 and December 31, 2024 are as follows:

	Total				Current		Non-current	
	March 31, 2025	%	December 31, 2024	%	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Loans held for sale	$ 582,114		$ 739,822		$ 582,114	$ 739,822	$ —	$ —
Commercial real estate loans	$ 4,540	— %	$ 4,485	—%	$ —	$ —	$ 4,540	$ 4,485
Commercial and industrial	1,054,448	91 %	969,702	90%	800,517	760,125	253,931	209,577
Consumer loans	108,469	9 %	110,697	10%	91,062	88,350	17,407	22,347
Total loans	1,167,457	100 %	1,084,884	100%	891,579	848,475	275,878	236,409
Less:								
Allowance for credit losses	(21,957)		(26,463)		(16,523)	(21,316)	(5,434)	(5,147)
Total loans receivable, net	$ 1,145,500		$ 1,058,421		875,056	827,159	270,444	231,262
Loans receivable, including loans held for sale [(a)]					$ 1,457,170	$ 1,566,981	$ 270,444	$ 231,262

(a) The amortized cost of loans receivable, including loans held for sale, is considered to be representative of fair value because the rates of interest are not significantly different from market interest rates for instruments with similar maturities. The fair value of loans receivable, including loans held for sale, was $1,722,619 and $1,798,486 as of March 31, 2025 and December 31, 2024, respectively.

Loans with an amortized cost of approximately $244,398 and $225,601 were pledged as collateral for potential borrowings as of March 31, 2025 and December 31, 2024, respectively. WebBank serviced $1,699 and $1,744 in loans for others as of March 31, 2025 and December 31, 2024, respectively.

WebBank sold loans classified as loans held for sale of $9,439,313 and $5,676,769 during the three months ended March 31, 2025 and 2024, respectively. The sold loans were derecognized from the consolidated balance sheets. Loans classified as loans held for sale primarily consist of consumer and small business loans. Amounts added to loans held for sale during the same periods were $9,323,180 and $5,513,362, respectively.

WebBank's allowance for credit losses ("ACL") decreased $4,506, or 17.0%, during the three months ended March 31, 2025. The increase in ACL was primarily due to underperformance of collateral on one of WebBank’s asset-based lending loans and reduced collateral on commercial premium finance loans, partially offset by a reduction in loan balances.

Changes in the ACL are summarized as follows:

	Commercial Real Estate Loans	Commercial & Industrial	Consumer Loans	Total
December 31, 2024	$ 252	$ 17,805	$ 8,406	$ 26,463
Charge-offs	—	(7,662)	(1,087)	(8,749)
Recoveries	—	327	86	413
Provision	12	2,515	1,303	3,830
March 31, 2025	$ 264	$ 12,985	$ 8,708	$ 21,957

	Commercial Real Estate Loans	Commercial & Industrial	Consumer Loans	Total
December 31, 2023	$ 75	$ 14,744	$ 10,667	$ 25,486
Charge-offs	—	(2,644)	(2,100)	(4,744)
Recoveries	—	399	164	563
Provision (benefit)	63	946	(194)	815
March 31, 2024	$ 138	$ 13,445	$ 8,537	$ 22,120

The ACL and outstanding loan balances are summarized as follows:

March 31, 2025	Commercial Real Estate Loans	Commercial & Industrial	Consumer Loans	Total
Allowance for credit losses:				
Individually evaluated for impairment	$ —	$ 555	$ —	$ 555
Collectively evaluated for impairment	264	12,430	8,708	21,402
Total	$ 264	$ 12,985	$ 8,708	$ 21,957
Outstanding loan balances:				
Individually evaluated for impairment	$ —	$ 20,513	$ —	$ 20,513
Collectively evaluated for impairment	4,540	1,033,935	108,469	1,146,944
Total	$ 4,540	$ 1,054,448	$ 108,469	$ 1,167,457

December 31, 2024	Commercial Real Estate Loans	Commercial & Industrial	Consumer Loans	Total
Allowance for loan losses:				
Individually evaluated for impairment	$ —	$ 6,360	$ —	$ 6,360
Collectively evaluated for impairment	252	11,445	8,406	20,103
Total	$ 252	$ 17,805	$ 8,406	$ 26,463
Outstanding loan balances:				
Individually evaluated for impairment	$ —	$ 27,798	$ —	$ 27,798
Collectively evaluated for impairment	4,485	941,904	110,697	1,057,086
Total	$ 4,485	$ 969,702	$ 110,697	$ 1,084,884

Nonaccrual and Past Due Loans

Commercial and industrial loans past due 90 days or more and still accruing interest were $3,930 and $8,140 at March 31, 2025 and December 31, 2024, respectively. Consumer loans past due 90 days or more and still accruing interest were $900 and $1,100 at March 31, 2025 and December 31, 2024, respectively. The Company had $19,438 and $26,342 nonaccrual loans at March 31, 2025 and December 31, 2024, respectively.

Past due loans (accruing and nonaccruing) are summarized as follows:

March 31, 2025	Current	30-89 Days Past Due	90+ Days Past Due	Total Past Due	Total Loans	Recorded Investment In Accruing Loans 90+ Days Past Due	Nonaccrual Loans That Are Current [(a)]
Commercial real estate loans	$ 4,540	$ —	$ —	$ —	$ 4,540	$ —	$ —
Commercial and industrial	1,039,528	10,990	3,930	14,920	1,054,448	3,930	19,438
Consumer loans	105,149	2,420	900	3,320	108,469	900	—
Total loans	$ 1,149,217	$ 13,410	$ 4,830	$ 18,240	$ 1,167,457	$ 4,830	$ 19,438

December 31, 2024	Current	30-89 Days Past Due	90+ Days Past Due	Total Past Due	Total Loans	Recorded Investment In Accruing Loans 90+ Days Past Due	Nonaccrual Loans That Are Current [(a)]
Commercial real estate loans	$ 4,485	$ —	$ —	$ —	$ 4,485	$ —	$ —
Commercial and industrial	949,692	11,870	8,140	20,010	969,702	8,140	26,342
Consumer loans	107,327	2,270	1,100	3,370	110,697	1,100	—
Total loans	$ 1,061,504	$ 14,140	$ 9,240	$ 23,380	$ 1,084,884	$ 9,240	$ 26,342

(a) Represents nonaccrual loans that are not past due more than 30 days; however, full payment of principal and interest is still not expected.

Credit Quality Indicators

In addition to the past due and nonaccrual criteria, loans are analyzed using a loan grading system. Generally, internal grades are assigned to commercial loans based on the performance of the loans, financial/statistical models and loan officer judgment. For consumer loans and some commercial and industrial loans, the primary credit quality indicator is payment status. Reviews and grading of loans with unpaid principal balances of $100 or more are performed once per year. Grades follow definitions of Pass, Special Mention, Substandard and Doubtful, which are consistent with published definitions of regulatory risk classifications. The definitions of Pass, Special Mention, Substandard and Doubtful are summarized as follows:

- *Pass*: An asset in this category is a higher quality asset and does not fit any of the other categories described below. The likelihood of loss is considered remote.
- *Special Mention*: An asset in this category has a specific weakness or problem but does not currently present a significant risk of loss or default as to any material term of the loan or financing agreement.
- *Substandard*: An asset in this category has a developing or minor weakness or weaknesses that could result in loss or default if deficiencies are not corrected or adverse conditions arise.
- *Doubtful*: An asset in this category has an existing weakness or weaknesses that have developed into a serious risk of significant loss or default with regard to a material term of the financing agreement.

Outstanding loan balances (accruing and nonaccruing) categorized by these credit quality indicators are summarized as follows:

March 31, 2025	Non - Graded	Pass	Special Mention	Sub-standard	Doubtful	Total Loans
Commercial real estate loans	$ —	$ 4,540	$ —	$ —	$ —	$ 4,540
Commercial and industrial	809,702	224,233	—	20,513	—	1,054,448
Consumer loans	108,469	—	—	—	—	108,469
Total loans	$ 918,171	$ 228,773	$ —	$ 20,513	$ —	$ 1,167,457

December 31, 2024	Non - Graded	Pass	Special Mention	Sub-standard	Doubtful	Total Loans
Commercial real estate loans	$ —	$ 4,485	$ —	$ —	$ —	$ 4,485
Commercial and industrial	731,622	210,282	—	27,798	—	969,702
Consumer loans	110,697	—	—	—	—	110,697
Total loans	$ 842,319	$ 214,767	$ —	$ 27,798	$ —	$ 1,084,884

The following table represents the amortized cost basis loan balances by year of origination and credit quality indicator:

	As of March 31, 2025							
	Amortized Cost Basis by Origination Year						Revolving loans amortized cost basis	Total
	2025	2024	2023	2022	2021	Prior		
Commercial Real Estate Loans								
Risk Rating:								
Pass	$ 72	$ 2,509	$ 1,098	$ 575	$ 96	$ 190	$ —	$ 4,540
Total Commercial Real Estate Loans	$ 72	$ 2,509	$ 1,098	$ 575	$ 96	$ 190	$ —	$ 4,540
Commercial & Industrial								
Risk Rating:								
Pass	$ 17,412	$ 12,394	$ 79,138	$ 65,302	$ 49,987	$ —	$ —	$ 224,233
Non - graded	347,609	295,437	2,359	379	937	1,796	161,185	809,702
Sub-standard	83	935	57	18,694	—	744	—	20,513
Total Commercial & Industrial	$ 365,104	$ 308,766	$ 81,554	$ 84,375	$ 50,924	$ 2,540	$ 161,185	$1,054,448
Current period gross charge-offs	$ —	$ 566	$ 387	$ 4,628	$ 5	$ 1,990	$ 86	$ 7,662
Consumer Loans								
Risk Rating:								
Non - graded	$ 16,244	$ 31,591	$ 27,448	$ 9,341	$ 700	$ 100	$ 23,045	$ 108,469
Total Consumer Loans	$ 16,244	$ 31,591	$ 27,448	$ 9,341	$ 700	$ 100	$ 23,045	$ 108,469
Current period gross charge-offs	$ —	$ 326	$ 538	$ 212	$ 11	$ —	$ —	$ 1,087

	As of December 31, 2024							
	Amortized Cost Basis by Origination Year						Revolving loans amortized cost basis	Total
	2024	2023	2022	2021	2020	Prior		
Commercial Real Estate Loans								
Risk Rating:								
Pass	$ 1,602	$ 1,102	$ 579	$ 97	$ 59	$ 1,046	$ —	$ 4,485
Total Commercial Real Estate Loans	$ 1,602	$ 1,102	$ 579	$ 97	$ 59	$ 1,046	$ —	$ 4,485
Commercial & Industrial								
Risk Rating:								
Pass	$ 12,386	$ 78,722	$ 68,967	$ 49,974	$ 233	$ —	$ —	$ 210,282
Non - graded	562,512	9,193	571	1,712	3,131	5	154,498	731,622
Sub-standard	1,360	96	23,906	—	—	2,436	—	27,798
Total Commercial & Industrial	$ 576,258	$ 88,011	$ 93,444	$ 51,686	$ 3,364	$ 2,441	$ 154,498	$ 969,702
Current period gross charge-offs	$ 3,088	$ 5,196	$ 1,830	$ 112	$ 296	$ 54	$ —	$ 10,576
Consumer Loans								
Risk Rating:								
Non - graded	$ 43,952	$ 34,964	$ 11,688	$ 872	$ 69	$ 96	$ 19,056	$ 110,697
Total Consumer Loans	$ 43,952	$ 34,964	$ 11,688	$ 872	$ 69	$ 96	$ 19,056	$ 110,697
Current period gross charge-offs	$ 303	$ 3,727	$ 1,615	$ 126	$ 33	$ 105	$ —	$ 5,909

Impaired Loans

Loans are considered impaired when, based on current information and events, it is probable that WebBank will be unable to collect all amounts due in accordance with the contractual terms of the loan agreement, including scheduled interest payments. When loans are impaired, WebBank estimates the amount of the balance that is impaired and allocates additional reserves to the loan based on the estimated present value of the loan’s future cash flows discounted at the loan’s effective interest rate, the observable market price of the loan, or the fair value of the loan’s underlying collateral less the cost to sell. When the impairment is based on the fair value of the loan's underlying collateral, the portion of the balance that is impaired is generally charged off.

4. INVENTORIES, NET

A summary of Inventories, net is as follows:

	March 31, 2025	December 31, 2024
Finished products	$ 61,818	$ 63,667
In-process	34,139	32,744
Raw materials	57,263	60,149
Fine and fabricated precious metal in various stages of completion	51,232	38,745
	204,452	195,305
LIFO reserve	(48)	312
Total	$ 204,404	$ 195,617

Fine and Fabricated Precious Metal Inventory

In order to produce certain of its products, the Company purchases, maintains and utilizes precious metal inventory. The Company records certain precious metal inventory at the lower of last-in-first-out ("LIFO") cost or market value, with any adjustments recorded through Cost of goods sold. Remaining precious metal inventory is accounted for primarily at fair value.

The Company obtains certain precious metals under a fee consignment agreement. As of March 31, 2025 and December 31, 2024, the Company had approximately $42,461 and $36,117, respectively, of precious metals, principally silver, under consignment, which are recorded at fair value in Inventories, net with a corresponding liability for the same amount recorded in Accounts payable on the Company's consolidated balance sheets. Fees charged under the consignment agreement are recorded in Interest expense in the Company's consolidated statements of operations.

	March 31, 2025	December 31, 2024
Supplemental inventory information:		
Precious metals stated at LIFO cost	$ 4,559	$ 1,472
Precious metals stated under non-LIFO cost methods, primarily at fair value	$ 46,625	$ 37,585
Market price per ounce:		
Silver	$ 34.03	$ 28.92
Gold	$ 3,088.44	$ 2,633.92
Platinum	$ 978.39	$ 907.78
Palladium	$ 979.79	$ 915.20

5. GOODWILL AND OTHER INTANGIBLE ASSETS, NET

A summary of the change in the carrying amount of goodwill by reportable segment is as follows:

	Diversified Industrial	Energy	Financial Services	Supply Chain	Corporate and Other	Total
Balance as of December 31, 2024						
Gross goodwill	$ 155,337	$ 67,143	$ 9,474	$ 19,703	$ 81	$ 251,738
Accumulated impairments	(41,278)	(64,790)	—	—	—	(106,068)
Net goodwill	114,059	2,353	9,474	19,703	81	145,670
Currency translation adjustments	129	—	—	—	—	129
Balance as of March 31, 2025						
Gross goodwill	155,466	67,143	9,474	19,703	81	251,867
Accumulated impairments	(41,278)	(64,790)	—	—	—	(106,068)
Net goodwill	$ 114,188	$ 2,353	$ 9,474	$ 19,703	$ 81	$ 145,799

As of March 31, 2025 and December 31, 2024, the Electrical Products reporting unit, which is included within the Diversified Industrial segment, had goodwill of $46,732 and $46,611, respectively. As of December 1, 2024 the Electrical Products reporting unit's fair value exceeded its net book value by 13%. As of March 31, 2025, the Company did not identify indicators of impairment for the Electrical Products reporting unit. The fair value of the Electrical Products reporting unit can be significantly impacted by the reporting unit's performance, the amount and timing of expected future cash flows, decreased customer demand for Electrical Products' services, management's ability to execute its business strategies, and general market conditions, such as economic downturns, and changes in interest rates, including discount rates. Future cash flow estimates are, by their nature, subjective, and actual results may differ materially from the Company's estimates. Based on our assessment of these circumstances, we have determined that goodwill at our Electrical Products reporting unit is at risk for future impairment if the Company's ongoing cash flow projections are not met or if market factors utilized in the impairment test deteriorate, including an unfavorable change in the terminal growth rate or the weighted-average cost of capital, the Company may have to record impairment charges in future periods.

A summary of Other intangible assets, net is as follows:

	March 31, 2025			December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net	Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	$ 216,971	$ 161,242	$ 55,729	$ 216,675	$ 157,854	$ 58,821
Trademarks, trade names and brand names	57,140	25,543	31,597	57,116	25,121	31,995
Developed technology, patents and patent applications	33,384	27,311	6,073	33,312	26,848	6,464
Other	16,621	16,621	—	16,610	16,610	—
Total	$ 324,116	$ 230,717	$ 93,399	$ 323,713	$ 226,433	$ 97,280

Trademarks with indefinite lives as of March 31, 2025 and December 31, 2024 were $22,190 and $22,165, respectively. Amortization expense related to intangible assets was $3,994 and $4,303 for the three months ended March 31, 2025 and 2024.

Based on gross carrying amounts at March 31, 2025, the Company's estimate of amortization expense for identifiable intangible assets for the years ending December 31, 2025 through 2029 is presented in the table below.

	Year Ending December 31,				
	2025	2026	2027	2028	2029
Estimated amortization expense	$ 15,704	$ 13,694	$ 13,014	$ 12,767	$ 10,518

6. INVESTMENTS

The following table summarizes the Company's long-term investments as of March 31, 2025 and December 31, 2024.

	Ownership %		Long-Term Investments Balance	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
PCS-Mosaic [(a)]	58.3 %	58.3 %	11,671	11,671
Other long-term investments [(b)]			141,542	73,022
Total			$ 153,213	$ 84,693

a) Represents the Company's investment in PCS-Mosaic, which is accounted for under the equity method of accounting.
b) The balance consists of multiple common stock investments of public and non-public companies and available for sale securities.

The Loss of associated companies, net of taxes, for the three months ended March 31, 2025 and 2024, respectively, are as follows:

	Three Months Ended March 31,	
	2025	2024
PCS-Mosaic	—	7
Loss of associated companies, net of taxes	$ —	$ 7

The amounts of unrealized (gains) losses for the three months ended March 31, 2025 and 2024 that relate to equity securities still held as of March 31, 2025 and 2024, respectively, are as follows:

	Three Months Ended March 31,	
	2025	2024
Net losses (gains) recognized during the period on equity securities	$ 9,955	$ (4,068)
Less: Net losses recognized during the period on equity securities sold during the period	283	167
Unrealized losses (gains) recognized during the period on equity securities still held at the end of the period	$ 9,672	$ (4,235)

Equity Method Investments

As of March 31, 2025, the Company's investments in associated companies includes PCS-Mosaic and Trinity, which are accounted for under the equity method of accounting. PCS-Mosaic is a private investment fund primarily invested in specialized software development and training services. PCS-Mosaic is carried at cost, plus or minus the Company’s share of net earnings or losses of the investment. Associated companies are included in the Corporate and Other segment. Trinity is a real estate holding, investment, development and asset management company.

On February 5, 2025 (the "SPA Effective Date"), Steel IP Investments, LLC (the "Purchaser"), a wholly-owned subsidiary of SPLP, entered into a Stock Purchase Agreement (the "Stock Purchase Agreement") with Trinity Place Holdings Inc. ("Trinity" or "TPHS") and TPHS Lender LLC (the "Seller"), pursuant to which the Purchaser purchased from the Seller, and the Seller sold to the Purchaser, 25,862,245 shares of common stock (the "TPHS Common Stock"), par value $0.01 per share of TPHS (such shares are referred to collectively herein as the "TPHS Shares"), representing approximately 40% of the outstanding common stock of TPHS, in accordance with the terms and conditions of the Stock Purchase Agreement. The aggregate consideration paid to the Seller was $2,586 for the TPHS Shares and certain agreements pursuant to the Stock Purchase Agreement.

Other Investments

WebBank has held-to-maturity ("HTM") debt securities which are carried at amortized cost and included in Other non-current assets on the Company's consolidated balance sheets. The amount and contractual maturities of HTM debt securities are noted in the tables below. Actual maturities may differ from expected or contractual maturities because borrowers may have the right to call or prepay obligations with or without penalties. The securities are collateralized by unsecured consumer loans.

	March 31, 2025			
	Amortized Cost	Gross Unrealized Gains	Estimated Fair Value	Carrying Value
Collateralized securities	$ 128,455	$ 1,834	$ 130,289	$ 128,455
Contractual maturities within:				
Less than five years				122,443
Five years to ten years				314
After ten years				5,698
Total				$ 128,455

	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Estimated Fair Value	Carrying Value
Collateralized securities	$ 127,647	$ 2,005	$ 129,652	$ 127,647
Contractual maturities within:				
Less than five years				121,427
Five years to ten years				314
After ten years				5,906
Total				$ 127,647

WebBank regularly evaluates each HTM debt security whose value has declined below amortized cost to assess whether the decline in fair value is other-than-temporary. If there is an other-than-temporary impairment in the fair value of any individual security classified as HTM, WebBank writes down the security to fair value with a corresponding credit loss portion charged to earnings, and the corresponding non-credit portion charged to accumulated other comprehensive income. The ACL for HTM debt securities of $1,132 and $1,306 at March 31, 2025 and December 31, 2024, respectively, is included in the net amortized cost balance of the securities. For the three months ended March 31, 2025, WebBank recorded a provision for credit losses on HTM debt securities of $19.

7. DEBT

The current portion of long-term debt is included in Other current liabilities on the Company's consolidated balance sheets. The components of debt and a reconciliation to the carrying amount of long-term debt is presented in the table below:

	March 31, 2025	December 31, 2024
Long-term debt:		
Credit Agreement	$ 116,100	$ 118,800
Other debt - domestic	838	855
Subtotal	116,938	119,655
Less: portion due within one year	67	67
Long-term debt	116,871	119,588
Total debt	$ 116,938	$ 119,655

Long-term debt as of March 31, 2025 matures in each of the next five years as follows:

	Total	2025	2026	2027	2028	2029	Thereafter
Long-term debt	$ 116,938	$ 51	$ 116,167	$ 720	$ —	$ —	$ —

As of March 31, 2025, the Company's senior credit agreement, as amended and restated ("Credit Agreement") covers substantially all of the Company's subsidiaries, with the exception of WebBank and Steel Connect, and provides for a senior secured revolving credit facility in an aggregate principal amount not to exceed $600,000 (the "Revolving Credit Loans"), which includes a $50,000 subfacility for swing line loans, a $50,000 subfacility for standby letters of credit and a foreign currency sublimit (available in euros and pounds sterling) equal to the lesser of $75,000 and the total amount of the Revolving Credit Commitment. The Credit Agreement permits, under certain circumstances, to increase the aggregate principal amount of revolving credit commitments under the Credit Agreement by $300,000 plus additional amounts so long as the Leverage Ratio (as defined in the Credit Agreement) would not exceed 3.50:1. Borrowings bear interest, at annual rates of either Base Rate, SOFR Rate or Term RFR (each as defined in the Credit Agreement), at the borrowers' option, plus an applicable margin, as set forth in the Credit Agreement. As of March 31, 2025, the Credit Agreement also provides for a commitment fee of 0.150% to be paid on unused borrowings.

The Credit Agreement contains financial covenants, including: (i) a Leverage Ratio not to exceed 4.25 to 1.00 for quarterly periods as of the end of each fiscal quarter; provided, however, that notwithstanding the foregoing, following a Material Acquisition (as defined in the Credit Agreement), Borrowers shall not permit the Leverage Ratio, calculated as of the end of each of the four (4) fiscal quarters immediately following such Material Acquisition (which, for the avoidance of doubt, shall commence with the fiscal quarter in which such Material Acquisition is consummated), to exceed 4.50 to 1.00 and (ii) an Interest Coverage Ratio, calculated as of the end of each fiscal quarter, not less than 3.00 to 1.00. The Credit Agreement also contains standard representations, warranties and covenants for a transaction of this nature, including, among other things, covenants relating to: (i) financial reporting and notification; (ii) payment of obligations; (iii) compliance with law; (iv) maintenance of insurance; and (v) maintenance of properties. As of March 31, 2025, the Company was in compliance with all financial and nonfinancial covenants under the Credit Agreement. The Company believes it will remain in compliance with the Credit Agreements covenants for the next twelve months. The Credit Agreement will expire on December 29, 2026.

The weighted average interest rate on the Credit Agreement was 5.69% at March 31, 2025. As of March 31, 2025, letters of credit totaling $10,531 had been issued under the Credit Agreement. The primary use of the Company's letters of credit are to support the performance and financial obligations related to certain environmental matters, insurance programs and real estate leases. The Credit Agreement permits the Company to borrow for the dividends on its preferred units, pension contributions, investments, acquisitions and other general corporate expenses. Based on financial results as of March 31, 2025, the Company's total availability under the Credit Agreement, which is based upon Consolidated Adjusted EBITDA (as defined in the Credit Agreement) and certain covenants as described in the Credit Agreement, was approximately $473,000 as of March 31, 2025.

Steel Connect Revolving Credit Facility

Steel Connect's wholly-owned subsidiary, ModusLink Corporation ("ModusLink"), has a revolving credit agreement (the "Umpqua Revolver") with Umpqua Bank which provides for a maximum credit commitment of $12,500 and a sub-limit of

$5,000 for letters of credit and expires on March 31, 2026. As of March 31, 2025, ModusLink was in compliance with the Umpqua Revolver's covenants and believes it will remain in compliance with the Umpqua Revolver’s covenants for the next twelve months. As of March 31, 2025, ModusLink had available borrowing capacity of $11,890 and there was $610 outstanding for letters of credit.

On May 1, 2024, ModusLink entered into a Second Amendment to Credit Agreement (the "Second Amendment"), amending the Umpqua Revolver. Among other things, the Second Amendment extended the maturity date with respect to revolving loans from March 31, 2025 to March 31, 2026, removed certain adjustments in the definition of "Adjusted EBITDA" as set forth in the Umpqua Revolver, increased the minimum Adjusted Tangible Net Worth and removed certain caps and conditions on ModusLink's ability to pay dividends.

8. FINANCIAL INSTRUMENTS

WebBank - Economic Interests in Loans

WebBank's derivative financial instruments represent on-going economic interests in loans made after they are sold. These derivatives are carried at fair value on a gross basis in Other non-current assets on the Company's consolidated balance sheets and are classified within Level 3 in the fair value hierarchy (see Note 13 - "Fair Value Measurements"). As of March 31, 2025, outstanding derivatives mature within three to five years. Gains and losses resulting from changes in the fair value of derivative instruments are accounted for in the Company's consolidated statements of operations in Financial Services revenue. Fair value represents the estimated amounts that WebBank would receive or pay to terminate the contracts at the reporting date based on a discounted cash flow model for the same or similar instruments. WebBank does not enter into derivative contracts for speculative or trading purposes.

Precious Metal and Commodity Inventories

As of March 31, 2025, the Company had the following outstanding forward contracts with settlement dates through April 30, 2025. There were no futures contracts outstanding as of March 31, 2025.

Commodity	Amount (in whole units)	Notional Value
Silver	(18,691) ounces	$ (632)
Gold	362 ounces	$ 1,096
Palladium	461 ounces	$ 446
Platinum	49 ounces	$ 48
Copper	259,000 pounds	$ 1,078
Tin	19 metric tons	$ 674

Fair Value Hedges. Certain forward contracts are accounted for as fair value hedges under ASC 815 for the Company's precious metal inventory carried at fair value. These contracts hedge 872 ounces (in whole units) of silver and a majority of the Company's pounds of copper. The fair values of these derivatives are recognized as derivative assets and liabilities on the Company's consolidated balance sheets. The net changes in fair value of the derivative assets and liabilities, and the changes in the fair value of the underlying hedged inventory, are recognized in the Company's consolidated statements of operations, and such amounts principally offset each other due to the effectiveness of the hedges.

Economic Hedges. The remaining outstanding forward contracts for silver, and all the contracts for gold, palladium, platinum and tin, are accounted for as economic hedges. As these derivatives are not designated as accounting hedges under ASC 815, they are accounted for as derivatives with no hedge designation. The derivatives are marked to market with gains and losses recorded in earnings in the Company's consolidated statements of operations. The economic hedges are associated primarily with the Company's precious metal inventory valued using the LIFO method.

The forward contracts were made with a counterparty rated Aa2 by Moody's. Accordingly, management evaluated counterparty risk and believes that there is minimal credit risk of default. The Company estimates the fair value of its derivative contracts based on the counterparty's statement. The Company maintains collateral on account with the third-party broker which varies in amount depending on the value of open contracts and the current market price.

The fair value and carrying amount of derivative instruments on the Company's consolidated balance sheets are as follows:

	Fair Value of Derivative Assets (Liabilities)			
	March 31, 2025		December 31, 2024	
	Balance Sheet Location	Fair Value	Balance Sheet Location	Fair Value
Derivatives designated as ASC 815 hedges				
Commodity contracts	Other liabilities	$ (249)	Prepaid expenses and other current assets	$ 82
Derivatives not designated as ASC 815 hedges				
Commodity contracts	Other liabilities	$ (35)	Prepaid expenses and other current assets	$ 28
Economic interests in loans	Other non-current assets	$ 5,822	Other non-current assets	$ 5,410

The effects of fair value hedge accounting on the consolidated statements of operations for the three months ended March 31, 2025 and 2024 was losses of $289 and $57, respectively. The effects of derivatives not designated as ASC 815 hedging instruments on the consolidated statements of operations for the three months ended March 31, 2025 and 2024 are as follows:

		Amount of Gain (Loss) Recognized in Income	
		Three Months Ended March 31,	
Derivatives Not Designated as Hedging Instruments:	**Location of Gain (Loss) Recognized in Income**	**2025**	**2024**
Commodity contracts	Other expense	$ (206)	$ (83)
Economic interests in loans	Financial Services revenue	1,711	1,283
Total		$ 1,505	$ 1,200

Financial Instruments with Off-Balance Sheet Risk

WebBank is a party to financial instruments with off-balance sheet risk. In the normal course of business, these financial instruments include commitments to extend credit in the form of loans as part of WebBank's lending arrangements. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized on the Company's consolidated balance sheets. The contractual amounts of those instruments reflect the extent of involvement WebBank has in particular classes of financial instruments.

As of March 31, 2025 and December 31, 2024, WebBank's undisbursed loan commitments totaled $534,060 and $430,960, respectively. Commitments to extend credit are agreements to lend to a borrower who meets the lending criteria through one of WebBank's lending agreements, provided there is no violation of any condition established in the contract with the counterparty to the lending arrangement.

Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since certain of the commitments are expected to expire without the credit being extended, the total commitment amounts do not necessarily represent future cash requirements. WebBank evaluates each prospective borrower's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by WebBank upon extension of credit, is based on management's credit evaluation of the borrower and WebBank's counterparty.

WebBank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. WebBank uses the same credit policy in making commitments and conditional obligations as it does for on balance sheet instruments.

9. PENSION AND OTHER POST-RETIREMENT BENEFITS

The Company maintains several qualified and non-qualified pension plans and other post-retirement benefit plans. The following table presents the components of pension expense for the Company's significant pension plans. The Company's other pension and post-retirement benefit plans are not significant individually or in the aggregate.

	Three Months Ended March 31,	
	2025	2024
Interest cost	$ 3,987	$ 4,199
Expected return on plan assets	(5,056)	(5,010)
Amortization of actuarial loss	1,751	2,185
Total net pension expense	$ 682	$ 1,374

Net pension expense is included in Selling, general and administrative expenses in the consolidated statements of operations. During the three months ended March 31, 2025, the Company did not contribute to its pension plans. Required future pension contributions are estimated based upon assumptions such as discount rates on future obligations, assumed rates of return on plan assets and legislative changes. Actual future pension costs and required funding obligations will be affected by changes in the factors and assumptions described in the previous sentence, including the impact of declines in pension plan assets and interest rates, as well as other changes such as any plan termination or other acceleration events. The Company currently estimates it will contribute $6,030 to its pension plans during the remainder of 2025.

10. CAPITAL AND ACCUMULATED OTHER COMPREHENSIVE LOSS

As of March 31, 2025, the Company had 19,146,499 Class A units (regular common units) outstanding.

Common Unit Repurchase Program

The Board of Directors of SPH GP, the general partner of SPLP, (the "Board of SPH GP") has approved the repurchase of up to an aggregate of 9,520,240 of the Company's common units (the "Repurchase Program"). The Repurchase Program, which was announced on December 7, 2016, supersedes and cancels, to the extent any amounts remain available, all previously approved repurchase programs. Any purchases made under the Repurchase Program will be made from time to time on the open market or in negotiated transactions off the market, in compliance with applicable laws and regulations. The timing, manner, price and amount of any repurchase will depend on economic and market conditions, share price, trading volume, applicable legal requirements and other factors. In connection with the Repurchase Program, the Company may enter into a stock purchase plan. The Repurchase Program has no termination date. The Company repurchased, under the Repurchase Program, 3,132 common units for an aggregate purchase price of $127 during the three months ended March 31, 2025. From the inception of the Repurchase Program the Company has purchased 8,904,583 common units for an aggregate price of approximately $210,545. As of March 31, 2025, there remained 615,657 common units that may yet be purchased under the Repurchase Program.

Incentive Award Plan

The Company's 2018 Incentive Award Plan (the "2018 Plan") provides equity-based compensation through the grant of options to purchase the Company's limited partnership units, unit appreciation rights, restricted units, phantom units, substitute awards, performance awards, other unit-based awards, and, as appropriate, any tandem distribution equivalent rights granted with respect to an award (collectively, "LP Units"). On May 18, 2020, the Company's unitholders approved the Amended and Restated 2018 Incentive Award Plan, which increased the number of LP Units issuable under the 2018 Plan by 500,000 to a total of 1,000,000 LP Units. On June 9, 2021, the Company's unitholders approved the Second Amended and Restated 2018 Incentive Award Plan ("Second A&R 2018 Plan"), which increased the number of LP Units issuable under the 2018 Plan by 1,000,000 to a total of 2,000,000 LP Units. The Company did not grant any restricted LP Units under the Second A&R 2018 Plan during the three months ended March 31, 2025.

Preferred Units

The Company's 6.0% Series A preferred units, no par value (the "SPLP Preferred Units") entitle the holders to a cumulative quarterly cash or in-kind (or a combination thereof) distribution. The Company declared cash distributions of approximately $2,234 and $2,380 to preferred unitholders for the three months ended March 31, 2025, and 2024, respectively. The SPLP Preferred Units have a term of nine years, ending February 2026, and are redeemable at any time at the Company's option at a $25 liquidation value per unit, plus any accrued and unpaid distributions (payable in cash or SPLP common units, or a combination of both, at the Company's discretion). If redeemed in common units, the number of common units to be issued will be equal to the liquidation value per unit divided by the volume weighted-average price of the common units for 60 days prior to the redemption. The Board of SPH GP has approved the repurchase of up to an aggregate of 1,400,000 of the SPLP Preferred Units, which is inclusive of 1,000,000 SPLP Preferred Units approved in February 2025. For the three months ended March 31, 2025, the Company repurchased 508,812 SPLP Preferred Units for $12,486.

The SPLP Preferred Units have no voting rights, except that holders have certain voting rights in limited circumstances relating to the election of directors following the failure to pay six quarterly distributions. The SPLP Preferred Units are recorded as current liabilities and non-current liabilities, including accrued interest expense, on the Company's consolidated balance sheets as of March 31, 2025 and December 31, 2024, respectively, because they have an unconditional obligation to be redeemed for cash or by issuing a variable number of SPLP common units for a monetary value that is fixed and known at inception. Because the SPLP Preferred Units are classified as liabilities, distributions thereon are recorded as a component of Interest expense in the Company's consolidated statements of operations. As of March 31, 2025 and December 31, 2024, there were 5,957,435 and 6,341,247 SPLP Preferred Units outstanding, respectively. From April 1, 2025 through May 2, 2025, the Company repurchased 29,999 preferred units for $715.

On May 12, 2025, the Board of SPH GP declared a regular quarterly cash distribution of $0.375 per unit, payable June 15, 2025, to unitholders of record as of June 1, 2025, on its SPLP Preferred Units.

Accumulated Other Comprehensive Loss

Changes, net of tax, where applicable, in AOCI are as follows:

	Unrealized loss on available-for-sale debt securities	Cumulative translation adjustments	Change in net pension and other benefit obligations	Total
Balance at December 31, 2024	$ (92)	$ (18,643)	$ (83,646)	$ (102,381)
Net other comprehensive income attributable to common unitholders	—	1,614	—	1,614
Balance at March 31, 2025	$ (92)	$ (17,029)	$ (83,646)	$ (100,767)

	Unrealized loss on available-for-sale securities	Cumulative translation adjustments	Change in net pension and other benefit obligations	Total
Balance at December 31, 2023	$ (92)	$ (14,993)	$ (106,138)	$ (121,223)
Net other comprehensive loss attributable to common unitholders	—	(1,110)	—	(1,110)
Balance at March 31, 2024	$ (92)	$ (16,103)	$ (106,138)	$ (122,333)

Incentive Unit Awards

In 2012, SPLP issued to the Manager partnership profits interests in the form of Incentive Units which entitle the holder generally to share in 15% of the increase in the equity value of the Company, based on the volume weighted average price of the Company’s common units for the 20 trading days prior to the year-end measurement date. In 2015, the Manager assigned its rights to Incentive Units to a related party, SPH SPV-I LLC ("SPH SPV-I") pursuant to an Incentive Unit Agreement. Vesting in Incentive Units is measured annually on the last day of the Company’s fiscal year and is based upon exceeding a baseline equity value per common unit which is currently $42.97 and was determined when the most recent award vested on December 31, 2024. The number of outstanding Incentive Units is equal to 100% of the common units outstanding, including common units held by non-wholly-owned subsidiaries. The measurement date equity value per common unit is determined by calculating the volume weighted average price of the Company’s common units for 20 trading days prior to a measurement date. If an Incentive Unit award vests as of an annual measurement date they will be issued as Class C units.

Upon vesting in Incentive Units, the baseline equity value will be recalculated as the new baseline equity value to be assessed at the next annual measurement date. If the baseline equity value is not exceeded as of an annual measurement date, then no portion of annual Incentive Units will be classified as Class C common units for that year and the baseline equity value per common unit will be the same amount as determined upon the prior vesting. The Class C units have the same rights as the LP Units, including, without limitation, with respect to partnership distributions and allocations of income, gain, loss and deduction, in all respects, except that liquidating distributions made by the Company to such holder may not exceed the amount of its capital account allocable to such Class C units and such Class C units may not be sold in the public market, until they have converted into LP Units. At such time that the amount of the capital account allocable to a Class C unit is equal to the amount of the capital account allocable to an LP Unit, such Class C unit shall convert automatically into an LP Unit.

If March 31, 2025 was the annual measurement date, no Incentive Units would vest or be issued as Class C common units based upon the volume weighted-average price of the Company's common units for 20 trading days prior to March 31, 2025. Pursuant to the terms to the Incentive Unit Agreement, vesting of the Incentive Units only occurs based on the value of the

Company's common units at the annual measurement date on December 31, and therefore, more, fewer or no Incentive Units may vest for 2025.

11. INCOME TAXES

The Company's income tax provision represents the income tax expense of its consolidated subsidiaries that are taxable entities. The income tax provision fluctuates based on, among other factors, where income is earned and the level of income relative to tax attributes. The Company recorded income tax provisions of $10,742 and $10,861 for the three months ended March 31, 2025 and 2024, respectively. Provisions have been made for federal, state, local, and foreign income taxes on the results of operations generated by our consolidated subsidiaries that are taxable entities. Significant differences between the statutory rate and the effective tax rate include the effect of state and local income taxes, partnership losses for which no tax benefit is recognized, the effect of tax credits and incentives, and other permanent differences. The Company's consolidated subsidiaries have recorded deferred tax valuation allowances to the extent that they believe it is more likely than not that the benefits of certain deferred tax assets will not be realized in future periods.

Each year, the Company files many tax returns given the number of national, state and local tax jurisdictions in which the Company operates. These tax returns are subject to examination by the tax authorities. As a result, there is an uncertainty in income taxes recognized in the financial statements in accordance with accounting for income taxes and accounting for uncertainty in income taxes. The ultimate resolution of such uncertainties is not expected to have a material impact on the Company's results of operations.

12. NET INCOME PER COMMON UNIT

The following data was used in computing net income per common unit shown in the Company's consolidated statements of operations:

	Three Months Ended March 31,	
	2025	**2024**
Net income	$ 29,053	$ 34,801
Net income attributable to noncontrolling interests in consolidated entities	(51)	(570)
Net income attributable to common unitholders	29,002	34,231
Effect of dilutive securities:		
Interest expense from SPLP Preferred Units [(a)]	3,050	3,101
Net income attributable to common unitholders – assuming dilution	$ 32,052	$ 37,332
Net income per common unit – basic		
Net income attributable to common unitholders	$ 1.52	$ 1.65
Net income per common unit – diluted		
Net income attributable to common unitholders	$ 1.41	$ 1.50
Denominator for net income per common unit – basic	19,029,607	20,762,244
Effect of dilutive securities:		
Unvested restricted common units	42,678	28,212
SPLP Preferred Units	3,623,665	4,020,720
Denominator for net income per common unit – diluted	22,695,950	24,811,176

(a) Assumes the SPLP Preferred Units were redeemed in common units as described in Note 10 - "Capital and Accumulated Other Comprehensive Loss."

13. FAIR VALUE MEASUREMENTS

Financial assets and liabilities measured at fair value on a recurring basis in the Company's consolidated financial statements as of March 31, 2025 and December 31, 2024 are summarized by type of inputs applicable to the fair value measurements as follows:

March 31, 2025	Level 1		Level 2		Level 3		Total	
Assets:								
Long-term investments [(a)]	$	127,895	$	6,103	$	4,942	$	138,940
Precious metal and commodity inventories recorded at fair value		48,579		—		—		48,579
Economic interests in loans [(b)]		—		—		5,822		5,822
Warrants [(c)]		—		—		1,182		1,182
Total	$	176,474	$	6,103	$	11,946	$	194,523
Liabilities:								
Commodity contracts on precious metal and commodity inventories	$	—	$	284	$	—	$	284
Other precious metal liabilities	$	44,782	$	—	$	—	$	44,782
Total	$	44,782	$	284	$	—	$	45,066

December 31, 2024	Level 1		Level 2		Level 3		Total	
Assets:								
Long-term investments [(a)]	$	67,667	$	411	$	4,944	$	73,022
Precious metal and commodity inventories recorded at fair value		41,202		—		—		41,202
Economic interests in loans [(b)]		—		—		5,410		5,410
Commodity contracts on precious metal and commodity inventories		—		110		—		110
Warrants [(c)]		—		—		1,182		1,182
Total	$	108,869	$	521	$	11,536	$	120,926
Liabilities:								
Commodity contracts on precious metal and commodity inventories	$	—	$	—	$	—	$	—
Other precious metal liabilities		37,067		—		—		37,067
Total	$	37,067	$	—	$	—	$	37,067

(a) For additional details of the long-term investments, see Note 6 – "Investments." The investments in PCS-Mosaic of $11,671 at both March 31, 2025 and December 31, 2024 and in Trinity of $2,586 at March 31, 2025 are not included in the fair value leveling tables as both are valued at cost.

(b) For additional details of the economic interests in loans, see Note 8 – "Financial Instruments".

(c) Included within Other non-current assets in the Company's consolidated balance sheets.

There were no transfers of securities among the various measurement input levels during the three months ended March 31, 2024 or 2023.

Level 1 inputs are quoted prices in active markets for identical assets or liabilities as of the measurement date ("Level 1").

Level 2 inputs may include quoted prices in active markets for similar assets or liabilities, quoted prices in a market that is not active for identical assets or liabilities, or other inputs that can be corroborated by observable market data ("Level 2").

Level 3 inputs are unobservable for the asset or liability when there is little, if any, market activity for the asset or liability. Level 3 inputs are based on the best information available and may include data developed by the Company ("Level 3").

The fair value of the Company's financial instruments, such as cash and cash equivalents, trade and other receivables and accounts payable, approximates carrying value due to the short-term maturities of these assets and liabilities. Carrying cost approximates fair value for long-term debt, which has variable interest rates.

The precious metal and commodity inventories associated with the Company's fair value hedges (see Note 8 - "Financial Instruments") are reported at fair value. Fair values of these inventories are based on quoted market prices on commodity exchanges and are considered Level 1 measurements. The derivative instruments that the Company purchases in connection with its precious metal and commodity inventories, specifically commodity futures and forward contracts, are also valued at fair value. The futures contracts are Level 1 measurements since they are traded on a commodity exchange. The forward contracts are entered into with a counterparty and are considered Level 2 measurements.

Following is a summary of changes in financial assets measured using Level 3 inputs:

	Long Term Investments [(a)]	Economic Interests in Loans [(b)]	Warrants [(b)]	Total
Balance as of December 31, 2024	$ 4,944	$ 5,410	$ 1,182	$ 11,536
Sales, cash collections, and eliminations	(2)	(1,299)	—	(1,301)
Realized gains	—	1,711	—	1,711
Balance as of March 31, 2025	$ 4,942	$ 5,822	$ 1,182	$ 11,946
Balance as of December 31, 2023	$ 5,746	$ 4,903	$ 1,436	$ 12,085
Purchases	373	—	—	373
Sales, cash collections, and eliminations	12	(1,247)	—	(1,235)
Realized gains	(13)	1,283	—	1,270
Unrealized gains	6	—	—	6
Unrealized losses	(1,228)	—	—	(1,228)
Balance as of March 31, 2024	$ 4,896	$ 4,939	$ 1,436	$ 11,271

(a) Unrealized gains and losses are recorded in Loss of associated companies, net of taxes in the Company's consolidated statements of operations.

(b) Realized and unrealized gains and losses are recorded in Realized and unrealized losses (gains) on securities, net or Financial Services revenue in the Company's consolidated statements of operations.

Marketable Securities and Other - Valuation Techniques

The Company determines the fair value of certain corporate securities and corporate obligations by incorporating and reviewing prices provided by third-party pricing services based on the specific features of the underlying securities.

The Company uses the net asset value included in quarterly statements it receives in arrears from a venture capital fund to determine the fair value of such fund and determines the fair value of certain corporate securities and corporate obligations by incorporating and reviewing prices provided by third-party pricing services based on the specific features of the underlying securities. The fair value of the derivatives held by WebBank (see Note 8 - "Financial Instruments") represent the estimated amounts that WebBank would receive or pay to terminate the contracts at the reporting date and is based on discounted cash flow analyses that consider credit, performance and prepayment. Unobservable inputs used in the discounted cash flow analyses are: a constant prepayment rate of 8.57% to 35.36%, a constant default rate of 1.72% to 21.50% and a discount rate of 1.82% to 25.50%.

Assets Measured at Fair Value on a Nonrecurring Basis

The Company's non-financial assets and liabilities measured at fair value on a non-recurring basis, include goodwill and other intangible assets, any assets and liabilities acquired in a business combination, or its long-lived assets written down to fair value. To measure fair value for such assets and liabilities, the Company uses techniques including an income approach, a market approach and/or appraisals (Level 3 inputs). The income approach is based on a discounted cash flow analysis ("DCF") and calculates the fair value by estimating the after-tax cash flows attributable to an asset or liability and then discounting the after-tax cash flows to a present value using a risk-adjusted discount rate. Assumptions used in the DCF require the exercise of significant judgment, including judgment about appropriate discount rates and terminal values, growth rates and the amount and timing of expected future cash flows. The discount rates, which are intended to reflect the risks inherent in future cash flow projections, used in the DCF are based on estimates of the weighted-average cost of capital of a market participant. Such estimates are derived from analysis of peer companies and consider the industry weighted-average return on debt and equity from a market participant perspective. A market approach values a business by considering the prices at which shares of capital stock, or related underlying assets, of reasonably comparable companies are trading in the public market or the transaction price at which similar companies have been acquired. If comparable companies are not available, the market approach is not used.

14. COMMITMENTS AND CONTINGENCIES

Environmental and Litigation Matters

The Company and certain of the Company's subsidiaries are defendants in certain legal proceedings and environmental investigations and have been designated as potentially responsible parties ("PRPs") by federal and state agencies with respect to certain sites with which they may have had direct or indirect involvement. Most of such legal proceedings and environmental investigations involve unspecified amounts of potential damage claims or awards, are in an initial procedural phase, involve significant uncertainty as to the outcome or involve significant factual issues that need to be resolved, such that it is not possible for the Company to estimate a range of possible loss. For matters that have progressed sufficiently through the investigative process such that the Company is able to reasonably estimate a range of possible loss, an estimated range of possible loss, in excess of the accrued liability (if any) for such matters, is provided. Any estimated range of possible loss is or will be based on currently available information and involves elements of judgment and significant uncertainties and may not represent the Company's maximum possible loss exposure. The circumstances of such legal proceedings and environmental investigations will change from time to time, and actual results may vary significantly from the current estimate. For current proceedings not specifically reported below, management does not anticipate that the liabilities, if any, arising from such legal proceedings and environmental investigations would have a material effect on the financial position, results of operations or cash flows of the Company.

The legal proceedings and environmental investigations are in various stages of administrative or judicial proceedings and include demands for recovery of past governmental costs, and for future investigations and remedial actions. In some cases, the dollar amounts of the claims have not been specified and, with respect to a number of the PRP claims, have been asserted against a number of other entities for the same cost recovery or other relief as was asserted against certain of the Company's subsidiaries. The Company accrues liabilities associated with environmental and litigation matters on an undiscounted basis, when they become probable and reasonably estimable. As of March 31, 2025, on a consolidated basis, the Company recorded liabilities of $1,972 and $25,634 in Accrued liabilities and Other non-current liabilities, respectively, on the consolidated balance sheet. As of December 31, 2024, on a consolidated basis, the Company recorded liabilities of $1,995 and $25,625 in Accrued Liabilities and Other non-current liabilities, respectively, on the consolidated balance sheet, which represent the current estimate of environmental remediation liabilities as well as reserves related to the litigation matters discussed below. Expenses relating to these costs, and any recoveries, are included in Selling, general and administrative expenses in the Company's consolidated statements of operations. Estimates of the Company's liability for remediation of a particular site and the method and ultimate cost of remediation require a number of assumptions that are inherently difficult to make, and the ultimate outcome may be materially different from current estimates.

Environmental Matters

Certain subsidiaries of the Company have existing and contingent liabilities relating to environmental matters, including costs of remediation, capital expenditures, and potential fines and penalties relating to possible violations of federal and state environmental laws. Such existing and contingent liabilities are continually being readjusted based upon the emergence of new findings, techniques and alternative remediation methods.

Included among these liabilities, certain of the Company's subsidiaries have been identified as PRPs under the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA") or similar state statutes at sites and are parties to administrative consent orders in connection with certain properties. Those subsidiaries may be subject to joint and several liabilities imposed by CERCLA on PRPs. Due to the technical and regulatory complexity of remedial activities and the difficulties attendant in identifying PRPs and allocating or determining liability among them, the subsidiaries are unable to reasonably estimate the ultimate cost of compliance with such laws at some of the sites at which the Company's subsidiaries are PRP's.

Based upon information currently available, the Company's subsidiaries do not expect that their respective environmental costs, including the incurrence of additional fines and penalties, if any, will have a material adverse effect on them or that the resolution of these environmental matters will have a material adverse effect on the financial position, results of operations or cash flows of such subsidiaries or the Company, but there can be no such assurances. The Company anticipates that the subsidiaries will pay any such amounts out of their respective working capital, although there is no assurance that they will have sufficient funds to pay them. In the event that a subsidiary is unable to fund its liabilities, claims could be made against its respective parent companies for payment of such liabilities.

The sites where certain of the Company's subsidiaries have environmental liabilities include the following:

The Company has been working with the Connecticut Department of Energy and Environmental Protection ("CTDEEP") with respect to its obligations under a 1989 consent order that applies to a former manufacturing facility located in Fairfield, Connecticut. A preliminary ecological risk assessment of the wetlands portion was submitted in 2016 to the CTDEEP for their review and approval. The CTDEEP required an additional assessment of the wetlands and Company officials continue to meet with CTDEEP representatives to agree on a workplan for the additional assessment. Additional investigation of the wetlands is expected in 2024 and 2025 and remediation will likely start in 2027, pending approval of a mutually acceptable wetlands work plan. A work plan to investigate the upland portion of the parcel was prepared by the Company and approved by the CTDEEP in March 2018 and implemented from 2019 through 2023. Additional upland investigatory work will be required to fully define the areas requiring remediation and is also dependent upon CTDEEP requirements and approval. Based on currently known information, the Company reasonably estimates that it may incur aggregate losses over a period of multiple years of between $10,500 and $17,500. The Company has a reserve of $14,460 recorded for future remediation costs, which is our best estimate within this range of potential losses. Due to the uncertainties, there can be no assurance that the final resolution of this matter will not be material to the financial position, results of operations or cash flows of the Company.

In 1986, a subsidiary of the Company entered into an administrative consent order ("ACO") with the New Jersey Department of Environmental Protection ("NJDEP") to investigate and remediate property in Montvale, New Jersey that it purchased in 1984. The ACO required investigation and remediation activities to be performed with regard to soil and groundwater contamination. The Company has been actively investigating and remediating the soil and groundwater since that time and has completed the implementation of the groundwater treatment system in operation at the property. Pursuant to a settlement agreement with the former owner/operator's of the site, the responsibility for site investigation and remediation costs and other related costs are contractually allocated 75% to the former owner/operator and 25% jointly to the Company, all after having the first $1,000 paid by the former owner/operator. Additionally, the Company had been reimbursed indirectly through insurance coverage for a portion of the costs for which it is responsible. There is no assurance that the former owner/operator or guarantors will continue to timely reimburse the Company for expenditures and/or will be financially capable of fulfilling their obligations under the settlement agreement and the guaranties. There is no assurance that there will be any additional insurance reimbursement. A reserve of approximately $817 has been established for the Company's expected 25% share of anticipated costs at this site, which is based upon the recent selection of a final remedy, on-going operations and maintenance, additional investigations and monitored natural attenuation testing over the next 30 years. Also, a reserve and related receivable of approximately $2,452 has been established for the former owner/operator's expected share of anticipated costs at this site.

The Company's subsidiary, SL Industries, Inc. ("SLI"), may incur environmental costs in the future as a result of the past activities of its former subsidiary, SL Surface Technologies, Inc. ("SurfTech"), in Pennsauken, New Jersey ("Pennsauken Site") and in Camden, New Jersey and at its former subsidiary, SGL Printed Circuits in Wayne, New Jersey. At the Pennsauken Site, SLI entered into a consent decree with both the U.S. Department of Justice and the U.S. Environmental Protection Agency ("EPA") in 2013 and has since completed the remediation required by the consent decree and has paid the EPA a fixed sum for its past oversight costs. Separate from the consent decree, in December 2012, the NJDEP made a settlement demand of $1,800 for past and future cleanup and removal costs and natural resource damages ("NRD"). To avoid the time and expense of litigating the matter, SLI offered to pay approximately $300 to fully resolve the claim presented by the State. SLI's settlement offer was rejected. On December 6, 2018, the State filed a complaint against SLI related to the Pennsauken Site. The State is seeking treble damages and attorneys' fees, NRD for loss of use of groundwater, as well as a request that SLI pay all cleanup and removal costs that the State has incurred and will incur at the Pennsauken Site. The parties have substantially completed the fact and expert discovery, including the exchange of competing expert reports. The Company has a reserve of $2,582. SLI intends to assert all legal and procedural defenses available to it. Accordingly, there can be no assurance that the resolution of this matter will not be material to the financial position, results of operations or cash flows of the Company.

SLI reported soil contamination and groundwater contamination in 2003 from the SurfTech site located in Camden, New Jersey. Substantial investigation and remediation work has been completed under the direction of the licensed site remediation professional for the site. Additional investigations related to certain compounds have been initiated and have delayed remediation actions. Remediation actions, including soil excavation and groundwater bioremediation, are expected to start in the first half of 2025 pending completion of the investigations. Post-remediation groundwater monitoring will be conducted following completion of soil excavation. A reserve of $2,862 has been established for anticipated costs at this site, but there can be no assurance that there will not be potential additional costs associated with the site, which cannot be reasonably estimated at this time. Accordingly, there can be no assurance that the resolution of this matter will not be material to the financial position, results of operations or cash flows of the Company.

SLI is currently participating in environmental assessment and cleanup at a commercial facility located in Wayne, New Jersey. Contaminated soil and groundwater have undergone remediation with the NJDEP and LSRP oversight, but contaminants of concern in groundwater and surface water, which extend off-site, remain above applicable NJDEP remediation standards. A reserve of approximately $1,027 has been established for anticipated costs, but there can be no assurance that there will not be potential additional costs associated with the site which cannot be reasonably estimated at this time. Accordingly, there can be no assurance that the resolution of this matter will not be material to the financial position, results of operations or cash flows of SLI, HNH or the Company.

Litigation Matters

Reith v. Lichtenstein, et al. On April 13, 2018, a purported shareholder of STCN, Donald Reith (the "plaintiff"), filed a verified complaint, Reith v. Lichtenstein, et al., C.A. No. 2018-0277-MTZ (Del. Ch.) (the "Reith litigation") in the Delaware Court of Chancery. The plaintiff sought to assert class action and derivative claims against the Company and several of its affiliated companies, together with certain members of STCN's board of directors, as well as other named defendants in connection with the acquisition of $35,000 of STCN's Series C Preferred Stock by an affiliate of the Company and equity grants made to three individual defendants. The complaint included claims for breach of fiduciary duty against all the individual defendants as STCN directors; claims for aiding and abetting breach of fiduciary duty against the Company; a claim for breach of fiduciary duty as controlling stockholder against the Company; and a derivative claim for unjust enrichment against the Company and the three individuals who received equity grants. The complaint demanded damages in an unspecified amount for STCN and its stockholders, together with rescission, disgorgement and other equitable relief. On August 13, 2021, the Company and the remaining Reith litigation defendants ("defendants") entered into a memorandum of understanding ("MOU") with the plaintiff in connection with the settlement of the Reith litigation. The Court of Chancery declined to approve the proposed settlement on September 23, 2022.

On April 8, 2024, STCN, the defendants and Mr. Reith entered into a new memorandum of understanding contemplating the settlement of the Reith litigation.

On October 18, 2024, the defendants and Mr. Reith entered into a Stipulation and Agreement of Compromise, Settlement and Release (the "Settlement Agreement") to resolve the Reith litigation (the "Settlement"). Among other things, the Second Proposed Settlement Agreement requires that defendants shall cause their insurers to make a cash payment of $6,000 to STCN (the "Settlement Payment") and, after deducting any Court-approved award of attorneys' fees and certain litigation expenses, STCN shall distribute the balance of the cash payment to the holders of STCN common stock pursuant to the allocation provisions set forth in the previously disclosed Stockholders Agreement dated April 30, 2023 by and among the Company, STCN, and other stockholders signatory thereto (the "Stockholders' Agreement") as amended by the Settlement Agreement.

On December 13, 2024, the Court approved the Settlement and approved an award of $1,154 in fees and expenses to plaintiff's counsel, and granted a mootness fee to plaintiff's counsel of $463 (collectively, "Counsel's Awards"). The Court also approved the requirement in the Second Proposed Settlement Agreement that STCN adopt (i) certain amendments to the Stockholders' Agreement relating to the allocation of the Reith Net Litigation Proceeds (as defined in the Stockholders' Agreement) and (ii) certain corporate governance policies and practices, including a formal review process for compensation clawbacks, enhancing the process for granting equity awards and keeping records of equity awards granted under STCN's stock plans, further enhancing board committee independence, and reducing the materiality threshold for review of related party transactions under the Stockholders' Agreement. The Stockholders' Agreement terminated in connection with the consummation of the Short-Form Merger.

On December 16, 2024, the Court entered an order and final judgment memorializing its approval of the Settlement (the "Judgment"). The Judgment became effective on January 15, 2025. On January 2, 2025, the Company entered into a Contingent Value Rights Agreement (the "CVR Agreement") with Equiniti Trust Company, LLC, as rights agent. Pursuant to the CVR Agreement, at the effective time of the Short-Form Merger, eligible holders of Steel Connect Common Stock received contingent value rights to receive a portion of the Reith Net Litigation Proceeds (as defined in the CVR Agreement), if any, pursuant to the terms of the CVR Agreement (such right, a "Reith CVR"). Payment of the Reith CVR Per Share Payment Amount (as defined in the CVR Agreement) due to the Holders (as defined in the CVR Agreement) was made in accordance with the CVR Agreement and the timeline established in Section 2.4 thereof. By February 5, 2025, STCN had received all funds associated with the Settlement Payment from the insurers. On February 6, 2025, the Company paid the full amount owed plaintiff's counsel under Counsel's Awards.

BNS Claims. A subsidiary of BNS Holdings Liquidating Trust ("BNS Sub") has been named as a defendant in multiple alleged asbestos-related toxic-tort claims filed over a period beginning in 1994 through March 31, 2025. In many cases these claims involved more than 100 defendants. There remained approximately 62 pending asbestos claims as of March 31, 2025.

BNS Sub believes it has significant defenses to any liability for toxic-tort claims on the merits. None of these toxic-tort claims has gone to trial and, therefore, there can be no assurance that these defenses will prevail. BNS Sub has insurance policies covering asbestos-related claims for years beginning 1974 through 1988. BNS Sub annually receives retroactive billings or credits from its insurance carriers for any increase or decrease in claims accruals as claims are filed, settled or dismissed, or as estimates of the ultimate settlement costs for the then-existing claims are revised. As of both March 31, 2025 and December 31, 2024, BNS Sub has accrued $1,348 and $1,339 respectively, relating to the open and active claims against BNS Sub. This accrual includes the amount of unpaid retroactive billings submitted to the Company by the insurance carriers and also the Company's best estimate of the likely costs for BNS Sub to settle these claims outside the amounts funded by insurance. There can be no assurance that the number of future claims and the related costs of defense, settlements or judgments will be consistent with the experience to-date of existing claims and that BNS Sub will not need to significantly increase its estimated liability for the costs to settle these claims to an amount that could have a material effect on the consolidated financial statements.

*Emhart Industries, Inc. v. New England Container Company Inc., et al.*BNS Sub is one of seven remaining defendants related to the Centredale Manor Superfund Site in North Providence (the "Centradale Site") pending in the United States District Court for the District of Rhode Island. A third-party plaintiff, Emhart Industries ("Emhart"), is seeking contribution pursuant to CERCLA from BNS Sub and the six other defendants for remediation costs incurred and to be incurred by Emhart at the Centredale Site. Emhart seeks contribution damages from BNS Sub in an amount to be determined at trial. A trial was held in the fall of 2024. In the event BNS is held liable a separate proceeding in 2025 will be held to determine the allocation of any liability. A reserve of $100 has been established. The possible liability, if any, with respect to this dispute cannot be determined at this time.

In the ordinary course of our business, the Company is subject to other periodic lawsuits, investigations, claims and proceedings, including, but not limited to, contractual disputes, employment, environmental, health and safety matters, as well as claims associated with our historical acquisitions and divestitures. There is insurance coverage available for certain of the foregoing actions. Although the Company cannot predict with certainty the ultimate resolution of lawsuits, investigations, claims and proceedings asserted against the Company, it does not believe any currently pending legal proceeding to which it is a party will have a material adverse effect on its business, prospects, financial condition,, results of operations or cash flows.

15. RELATED PARTY TRANSACTIONS

The receivables from related parties and payables to related parties are included in Prepaid expenses and other current assets and Other current liabilities, respectively, on the Company's consolidated balance sheets. The components of receivables from related parties and payables to related parties for the years ended March 31, 2025 and December 31, 2024 are presented below:

	March 31, 2025	December 31, 2024
Receivable from related parties:		
Receivable from other related parties	$ 1,963	$ 587
Payables to related parties:		
Accrued management fees	$ 447	$ —
Payables to other related parties	585	1,288
Total	$ 1,032	$ 1,288

Management Agreement with SP General Services LLC

SPLP is managed by the Manager, pursuant to the terms of the Management Agreement, which receives a fee at an annual rate of 1.5% of total Partners' capital ("Management Fee"), payable on the first day of each quarter and subject to a quarterly adjustment. In addition, SPLP may issue to the Manager partnership profits interests in the form of incentive units, which will be classified as Class C common units of SPLP, upon exceeding a baseline equity value per common unit, which is determined as of the last day of each fiscal year (see Note 10 - "Capital and Accumulated Other Comprehensive Loss" for additional information on the incentive units).

The Management Agreement is automatically renewed each December 31 for successive one-year terms unless otherwise determined at least 60 days prior to each renewal date by a majority of the Company's independent directors. The Management Fee was $4,223 and $3,588 for the three months ended March 31, 2025 and 2024, respectively, and net of reimbursement for use of Company assets of $23 and $7 for the three months ended March 31, 2025 and 2024, respectively. The Management Fee is included in Selling, general and administrative expenses in the Company's consolidated statements of operations. Unpaid amounts for management fees included in Other current liabilities on the Company's consolidated balance sheet were $447 and $0 as of March 31, 2025 and December 31, 2024, respectively. Prepaid amounts for management fees included in Prepaid expenses and other current assets on the Company's consolidated balance sheets were $0 and $3,800 at March 31, 2025 and December 31, 2024, respectively.

SPLP will bear (or reimburse the Manager with respect to) all its reasonable costs and expenses of the managed entities, the Manager, SPH GP or their affiliates, including but not limited to: travel, legal, tax, accounting, auditing, consulting, administrative, compliance, investor relations costs related to being a public entity rendered for SPLP or SPH GP, as well as expenses incurred by the Manager and SPH GP which are reasonably necessary for the performance by the Manager of its duties and functions under the Management Agreement and certain other expenses incurred by managers, officers, employees and agents of the Manager or its affiliates on behalf of SPLP. Reimbursable expenses incurred by the Manager in connection with its provision of services under the Management Agreement, the substantial majority of which was for business-related air travel, were approximately $502 and $930 for the three months ended March 31, 2025 and 2024. Unpaid amounts for reimbursable expenses were approximately $438 and $1,131 as of March 31, 2025 and December 31, 2024, respectively, and are included in Other current liabilities on the Company's consolidated balance sheets. The Manager will reimburse SPLP for costs associated with the use of Company assets not related to the duties and functions under the Management Agreement. Reimbursable expenses incurred by SPLP in connection with the use of Company assets by the Manager were approximately $297 and $0 during the three months ended March 31, 2025 and 2024, respectively. Unpaid amounts for reimbursable expenses were approximately $758 and $461 as of March 31, 2025 and December 31, 2024, respectively, and are included in Prepaid expenses and other current assets on the Company's consolidated balance sheets.

Corporate Services

The Company's subsidiary, Steel Services Ltd. ("Steel Services") provides services, which include assignment of C-level management personnel, legal, tax, accounting, treasury, consulting, auditing, administrative, compliance, environmental health and safety, human resources, marketing, investor relations, operating group management and other similar services. Steel Services has management services agreements with other companies considered to be related parties, including J. Howard Inc. and Steel Partners, Ltd. and affiliates. In total, Steel Services currently charges approximately $8 annually to these companies, and such fees are payable to Steel Services quarterly. All amounts billed under these service agreements are classified as a reduction of Selling, general and administrative expenses.

As of March 19, 2025, Steel Services and TPHS entered into a management services agreement (the "Steel MSA") pursuant to which Steel Services agreed to provide certain managerial services to TPHS. Pursuant to the Steel MSA, for a period of one-year (which shall renew automatically for additional one-year terms unless otherwise terminated), Steel Services shall provide certain managerial services to TPHS, including general assistance with legal, finance & treasury, internal audit, human resources, IT and tax functions and obligations. In consideration for the services rendered under the Steel MSA, TPHS shall pay Steel Services $10 monthly.

Mutual Securities, Inc.

Pursuant to the Management Agreement, the Manager is responsible for selecting executing brokers. Securities transactions for SPLP are allocated to brokers on the basis of reliability, price and execution. The Manager has selected Mutual Securities, Inc. as an introducing broker and may direct a substantial portion of the managed entities' trades to such firm, among others. An officer of the Manager and SPH GP is affiliated with Mutual Securities, Inc. The commissions paid by SPLP to Mutual Securities, Inc. were $169 and $81 for the three months ended March 31, 2025 and 2024, respectively.

Other

At March 31, 2025 and December 31, 2024, several related parties and consolidated subsidiaries had deposits totaling $27 and $27, respectively, at WebBank. Approximately $27 of these deposits, including interest which was not significant, have been eliminated in consolidation as of both March 31, 2025 and December 31, 2024.

On the SPA Effective Date, the Purchaser and TPHS entered into a shareholder rights agreement, pursuant to which SPLP will make a loan in the aggregate amount of up to $5,000 to TPHS. As of March 31, 2025 TPHS borrowed $1,000.

16. SEGMENT INFORMATION

SPLP operates through the following segments: Diversified Industrial, Energy, Financial Services, and Supply Chain, which are managed separately and offer different products and services. The Diversified Industrial segment is comprised of manufacturers of engineered niche industrial products, including joining materials, tubing, building materials, performance materials, electrical products, cutting replacement products and services, and a packaging business. The Energy segment provides drilling and production services to the oil & gas industry and owns a youth sports business. The Financial Services segment consists primarily of the operations of WebBank, a Utah chartered industrial bank, which engages in a full range of banking activities. The Supply Chain segment is comprised of the operations of Steel Connect's wholly-owned subsidiary, ModusLink, which provides supply chain management and logistics services.

Corporate and Other consists of several consolidated subsidiaries, including Steel Services, equity method and other investments, and cash and cash equivalents. Its income or loss includes certain unallocated general corporate expenses.

Steel Services has management services agreements with its consolidated subsidiaries and other related companies as further discussed in Note 15 - "Related Party Transactions." Previously, the service fees charged by Steel Services to the Diversified Industrial, Energy, Financial Services, and Supply Chain segments related to the Management Services Agreements were approximately $13,699, $2,373, $540 and $630, respectively, for the three months ended March 31, 2024 and were reflected as expenses in the segment income (loss) below, but were eliminated in consolidation. Due to certain changes to the entity structure, we revised internal reporting provided to our Chief Operating Decision Maker (“CODM”) and there is no further need to allocate the fees related to the Management Services Agreements to the four reportable segments. Accordingly, prior period information has been recast to conform with the current period presentation.

Segment information is presented below:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Revenue:		
Diversified Industrial	$ 302,144	$ 292,440
Energy	36,022	31,921
Financial Services	117,084	109,955
Supply Chain	43,972	42,030
Total revenue	$ 499,222	$ 476,346
Income (loss) before interest expense and income taxes:		
Diversified Industrial	$ 32,795	$ 24,429
Energy	4,057	3,963
Financial Services	29,256	28,757
Supply Chain	3,330	2,361
Corporate and Other	(26,573)	(12,454)
Income before interest expense and income taxes	42,865	47,056
Interest expense	3,070	1,394
Income tax provision	10,742	10,861
Net income	$ 29,053	$ 34,801
Loss of associated companies, net of taxes:		
Corporate and Other	$ —	$ 7
Total	$ —	$ 7
Segment depreciation and amortization:		
Diversified Industrial	$ 10,528	$ 10,573
Energy	1,965	2,163
Financial Services	198	194
Supply Chain	1,551	1,326
Corporate and Other	752	158
Total depreciation and amortization	$ 14,994	$ 14,414

March 31, 2025	Diversified Industrial	Energy	Financial Services	Supply Chain	Total
Revenue	$ 302,144	$ 36,022	$ 117,084	$ 43,972	$ 499,222
Less:					
Cost of goods sold	222,371	28,042	—	30,118	
Selling, general and administrative expenses	46,651	5,015	67,326	10,350	
Finance interest expense	—	—	16,653	—	
Provision for credit losses	—	—	3,849	—	
Other segment items [a]	327	(1,092)	—	174	
Segment income	32,795	4,057	29,256	3,330	$ 69,438
Reconciliation of profit & loss					
Realized and unrealized gains on securities, net					9,955
Unallocated corporate expense					16,618
Interest expense					3,070
Income from operations before income taxes and equity method investments					$ 39,795

[a] Other segment items includes asset impairment charges, gain on disposal of fixed assets and certain overhead expenses.

March 31, 2024	Diversified Industrial	Energy	Financial Services	Supply Chain	Total
Revenue	$ 292,440	$ 31,921	$ 109,955	$ 42,030	$ 476,346
Less:					
Cost of goods sold	219,412	24,759	—	29,985	
Selling, general and administrative expenses	48,533	4,329	56,480	9,382	
Finance interest expense	—	—	23,963	—	
Provision for credit losses	—	—	755	—	
Other segment items [a]	66	(1,130)	—	302	
Segment income	24,429	3,963	28,757	2,361	$ 59,510
Reconciliation of profit & loss					
Realized and unrealized gains on securities, net					(4,068)
Unallocated corporate expense					16,515
Interest expense					1,394
Income from operations before income taxes and equity method investments					$ 45,669

[a] Other segment items includes gains on disposal of fixed assets, foreign currency exchange losses, and certain overhead expenses.

17. REGULATORY MATTERS

WebBank is subject to various regulatory capital requirements administered by federal banking agencies. Failure to meet minimum capital requirements can initiate certain actions by regulators that, if undertaken, could have a direct material effect on WebBank's financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, WebBank must meet specific capital guidelines that involve quantitative measures of its assets, liabilities and certain off-balance sheet items as calculated under regulatory accounting practices. WebBank's capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk weightings and other factors.

As a result of Basel III becoming fully implemented as of January 1, 2019, WebBank's minimum requirements increased for both the quantity and quality of capital held by WebBank. The rules include a new common equity Tier 1 capital to risk-weighted assets ratio ("CET1 Ratio") of 4.5% and a capital conservation buffer of 2.5% of risk-weighted assets, which, as fully phased-in, effectively results in a minimum CET1 Ratio of 7.0%. Basel III raised the minimum ratio of Tier 1 capital to risk-weighted assets from 4.0% to 6.0% (which, with the capital conservation buffer, effectively results in a minimum Tier 1 capital ratio of 8.5% as fully phased-in) and effectively results in a minimum total capital to risk-weighted assets ratio of 10.5% (with the capital conservation buffer fully phased-in), and requires a minimum leverage ratio of 4.0%. Basel III also made changes to risk weights for certain assets and off-balance sheet exposures. WebBank expects that its capital ratios under Basel III will continue to exceed the well-capitalized minimum capital requirements and such amounts are disclosed in the table below:

	Actual		For Capital Adequacy Purposes		Minimum Capital Adequacy With Capital Buffer		To Be Well Capitalized Under Prompt Corrective Provisions	
			Amount of Capital Required					
	Amount	**Ratio**	**Amount**	**Ratio**	**Amount**	**Ratio**	**Amount**	**Ratio**
As of March 31, 2025								
Total Capital								
(to risk-weighted assets)	$ 409,604	19.40 %	$ 169,100	8.00 %	$ 221,944	10.50 %	$ 211,375	10.00 %
Tier 1 Capital								
(to risk-weighted assets)	$ 385,778	18.30 %	$ 126,825	6.00 %	$ 179,669	8.50 %	$ 169,100	8.00 %
Common Equity Tier 1 Capital								
(to risk-weighted assets)	$ 385,778	18.30 %	$ 95,119	4.50 %	$ 147,963	7.00 %	$ 137,394	6.50 %
Tier 1 Capital								
(to average assets)	$ 385,778	18.90 %	$ 81,759	4.00 %	n/a	n/a	$ 102,198	5.00 %
As of December 31, 2024								
Total Capital								
(to risk-weighted assets)	$ 401,792	18.70 %	$ 172,332	8.00 %	$ 226,186	10.50 %	$ 215,416	10.00 %
Tier 1 Capital								
(to risk-weighted assets)	$ 374,865	17.40 %	$ 129,249	6.00 %	$ 183,103	8.50 %	$ 172,332	8.00 %
Common Equity Tier 1 Capital								
(to risk-weighted assets)	$ 374,865	17.40 %	$ 96,937	4.50 %	$ 150,791	7.00 %	$ 140,020	6.50 %
Tier 1 Capital								
(to average assets)	$ 374,865	17.90 %	$ 83,913	4.00 %	n/a	n/a	$ 104,892	5.00 %

The Federal Reserve, Office of the Comptroller of Currency and Federal Deposit Insurance Corporation issued an interim final rule that excludes loans pledged as collateral to the Federal Reserve's PPP Lending Facility from supplementary leverage ratio exposure and average total consolidated assets. Additionally, PPP loans will receive a zero percent risk weight under the risk-based capital rules of the federal banking agencies.

18. SUPPLEMENTAL CASH FLOW INFORMATION

A summary of supplemental cash flow information for the three months ended March 31, 2025 and 2024 is presented in the following table:

	Three Months Ended March 31,	
	2025	**2024**
Cash paid during the period for:		
Interest	$ 21,405	$ 29,816
Taxes	$ 1,312	$ 1,387

Item 4. Management's Discussion and Analysis of Financial Condition and Results of Operations

As used in this Quarterly Report, unless the context otherwise requires, the terms "we," "our," "SPLP" and the "Company" refer to Steel Partners Holdings L.P.

The following discussion is intended to assist you in understanding our present business and the results of operations, together with our present financial condition. This section should be read in conjunction with our Consolidated Financial Statements and the accompanying Notes contained in this Quarterly Report, along with the Annual Report for the fiscal year ended December 31, 2024 (the "2024 Annual Report"). All monetary amounts used in this discussion are in thousands.

Cautionary Statement Regarding Forward-Looking Statements

This Quarterly Report includes "forward-looking statements" within the meaning of federal and state securities laws. These statements appear in a number of places in this report and include statements regarding the Company's intent, belief or current expectations with respect to, among other things, (i) its financing plans, (ii) trends affecting its financial condition or results of operations, (iii) the impact of legal claims and related contingencies, (iv) expectations and estimates regarding certain tax and accounting matters, including the impact on our financial statements, (v) WebBank, including its debt securities, credit risk and minimum capital requirements, (vi) cash flows from operations for the next twelve months, (vii) full-year capital expenditures, and (viii) the impact of competition. The words "expect," "anticipate," "intend," "plan," "believe," "seek," "estimate" and similar expressions are intended to identify such forward-looking statements; however, this report also contains other forward-looking statements in addition to historical information.

Forward-looking statements are only predictions based upon the Company's current expectations and projections about future events. There are important factors that could cause our actual results, levels of activity, performance or achievements to differ materially from those expressed or implied by the statements. Factors that could cause actual results or conditions to differ from those anticipated by these and other forward-looking statements include: disruptions to the Company's business as a result of economic downturns; the negative impact of inflation and supply chain disruptions; the significant volatility of crude oil and commodity prices, including from the ongoing Russia-Ukraine war or the disruptions caused by the ongoing conflict between Israel and Hamas; the effects of rising interest rates; the Company's subsidiaries' sponsor defined pension plans, which could subject the Company to future cash flow requirements; the ability to comply with legal and regulatory requirements, including environmental, health and safety laws and regulations, banking regulations and other extensive requirements to which the Company and its businesses are subject; risks associated with the Company’s wholly-owned subsidiary, WebBank, as a result of its Federal Deposit Insurance Corporation ("FDIC") status, highly-regulated lending programs, and capital requirements; the ability to meet obligations under the Company's senior credit facility through future cash flows or financings; the risk of recent events affecting the financial services industry, including the closures or other failures of several large banks; the risk of management diversion, increased costs and expenses, and impact on profitability in connection with the Company's business strategy to make acquisitions, including in connection with the Company's recent majority investment in the Supply Chain segment; the impact of losses in the Company's investment portfolio; the Company's ability to protect its intellectual property rights and obtain or retain licenses to use others' intellectual property on which the Company relies; the Company's exposure to risks inherent to conducting business outside of the U.S.; the impact of any changes in U.S. trade policies; the adverse impact of litigation or compliance failures on the Company's profitability; a significant disruption in, or breach in security of, the Company's technology systems or protection of personal data; the loss of any significant customer contracts; the Company's ability to maintain effective internal control over financial reporting; the rights of unitholders with respect to voting and maintaining actions against the Company or its affiliates; potential conflicts of interest arising from certain interlocking relationships amount us and affiliates of the Company's Executive Chairman; the Company's dependence on the Manager and impact of the management fee on the Company's total partners’ capital; the impact to the development of an active market for the Company's units due to transfer restrictions and other factors; the Company's tax treatment and its subsidiaries’ ability to fully utilize their tax benefits; the potential negative impact on our operations of changes in tax rates, laws or regulations, including U.S. government tax reform; the loss of essential employees; and other factors described in the "Risk Factors" in Part I, Item 1A of the Company's Annual Report that could affect the Company's results. Any forward-looking statement made in this Quarterly Report speaks only as of the date hereof, and investors should not rely upon forward-looking statements as predictions of future events. Except as otherwise required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason.

OVERVIEW

SPLP, together with its subsidiaries, is a diversified global holding company that owns and operates businesses and has significant interests in various companies, including diversified industrial products, energy, defense, supply chain management and logistics, banking and youth sports. SPLP operates through the following segments: Diversified Industrial, Energy, Financial Services and Supply Chain. Each of our companies has its own management team with significant experience in their respective industries.

The Diversified Industrial segment is comprised of manufacturers of engineered niche industrial products, with leading market positions in many of the markets they serve. The businesses in this segment distribute products to customers through their sales personnel, outside sales representatives and distributors in North and South America, Europe, Australia, Asia and several other international markets. Its manufacturing operations encompass joining materials, tubing, building materials, performance materials, electrical products, cutting replacement products and services, and metallized films.

The Energy segment provides drilling and production services to the oil & gas industry and owns a youth sports business. The operations of the sports business are not material to the Company. The profitability of the energy business is highly sensitive to changes in the price of crude oil. Any future decline in oil prices will negatively impact this business.

The Financial Services segment consists primarily of the operations of WebBank, of which we own 100% through our subsidiary WebFinancial Holding Corporation. WebBank is an FDIC-insured state chartered industrial bank headquartered in Utah. WebBank is subject to comprehensive regulation, examination and supervision of the FDIC and the State of Utah Department of Financial Institutions ("UDFI"). WebBank is not considered a "bank" for Bank Holding Company Act purposes and, as such, SPLP is not regulated as a bank holding company. WebBank engages in a full range of banking activities, including originating loans, issuing credit cards and taking deposits that are federally insured. WebBank originates and funds consumer and small business loans through lending programs with unaffiliated companies that market and service the programs ("Marketing Partners"), where the Marketing Partners subsequently purchase the loans (or interests in the loans) that are originated by WebBank. WebBank retains a portion of the loans it originates for its Marketing Partners. WebBank also has private-label financing programs that are branded for a specific retailer, manufacturer, dealer channel, proprietary network or bank card program. WebBank participates in syndicated commercial and industrial as well as asset-based credit facilities and asset-based securitizations through relationships with other financial institutions. Through its subsidiary, National Partners PFco, LLC ("National Partners"), WebBank provides commercial premium finance solutions for national insurance brokerages, independent insurance agencies and insureds in key markets throughout the U.S.

The Supply Chain segment consists primarily of the operations of Steel Connect, Inc.'s ("Steel Connect" or "STCN") wholly-owned subsidiary, ModusLink Corporation ("ModusLink" or "Supply Chain"), which serves the supply chain management market. ModusLink provides digital and physical supply chain solutions to many of the world's leading brands across a diverse range of industries, including consumer electronics, telecommunications, computing and storage, software and content, consumer packaged goods, health and personal care products, retail and luxury and connected devices. These solutions are delivered through a combination of industry expertise, innovative service solutions, and integrated operations, proven business processes, an expansive global footprint and world-class technology. With a global footprint spanning North America, Europe and the Asia Pacific region, ModusLink's solutions and services are designed to improve end-to-end supply chains in order to drive growth, lower costs, and improve profitability.

Corporate and Other consists of several consolidated subsidiaries, including our subsidiary, Steel Services Ltd ("Steel Services"), equity method and other investments, and cash and cash equivalents. Its income or loss includes certain unallocated general corporate expenses. Steel Services has management services agreements with our consolidated subsidiaries and other related companies. Steel Services provides assignment of C-Level management personnel, legal, tax, accounting, treasury, consulting, auditing, administrative, compliance, environmental health and safety, human resources, marketing, investor relations, operating group management and other similar services. For additional information on these service agreements, see Note 15 - "Related Party Transactions" to the SPLP consolidated financial statements found elsewhere in this Quarterly Report.

Significant Developments

Common Unit Repurchase Program

During the three months ended March 31, 2025, the Company repurchased 3,132 common units for an aggregate purchase price of $127 under the Repurchase Program. From the inception of the Repurchase Program the Company has purchased 8,904,583 common units for an aggregate price of approximately $210,545. As of March 31, 2025, there remained 615,657 common units that may yet be purchased under the Repurchase Program.

Preferred Unit Repurchase Program

The Board of SPH GP has approved the repurchase of up to an aggregate of 1,400,000 of the SPLP Preferred Units, which is inclusive of 1,000,000 SPLP Preferred Units approved in February 2025. For the three months ended March 31, 2025, the Company repurchased 508,812 SPLP Preferred Units for $12,486.

RESULTS OF OPERATIONS

Comparison of the Three Months Ended March 31, 2025 and 2024

	Three Months Ended March 31,	
	2025	2024
Revenue	$ 499,222	$ 476,346
Cost of goods sold	280,532	274,156
Selling, general and administrative expenses	146,163	135,292
Asset impairment charge	195	—
Interest expense	3,070	1,394
Realized and unrealized losses (gains) on securities, net	9,955	(4,068)
All other expense, net *	19,512	23,903
Total costs and expenses	459,427	430,677
Income from operations before income taxes and equity method investments	39,795	45,669
Income tax provision	10,742	10,861
Loss of associated companies, net of taxes	—	7
Net income	$ 29,053	$ 34,801

* Includes Finance interest expense, Provision for credit losses, and Other income, net from the Consolidated Statements of Operations

Revenue

Revenue for the three months ended March 31, 2025 increased $22,876, or 4.8%, as compared to the same period last year. This increase was due to $9,704 or 3.3%, higher net sales from the Diversified Industrial segment, $7,129, or 6.5% higher revenue from the Financial Services segment, $4,101 or 12.8%, higher net revenue from the Energy segment, and $1,942, or 4.6% higher revenue from the Supply Chain segment.

Cost of Goods Sold

Cost of goods sold for the three months ended March 31, 2025 increased $6,376, or 2.3%, as compared to the same period last year, resulting from higher net sales from the Diversified Industrial segment and higher net revenue from the Energy segment.

Selling, General and Administrative Expenses

Selling, general and administrative expenses ("SG&A") for the three months ended March 31, 2025 increased $10,871, or 8.0%, as compared to the same period last year. The increase was primarily due to higher expenses from the Financial Services segment of $11,200, primarily due to higher credit performance fees driven by higher credit risk transfer ("CRT") balances.

Interest Expense

Interest expense increased $1,676, or 120.2% for the three months ended March 31, 2025 , as compared to the same period last year. The increase was primarily due to higher average interest rates and lower money market interest income driven by lower cash investment balances, as compared to the same period last year.

Realized and Unrealized Losses (Gains) on Securities, Net

The Company recorded losses of $9,955 for the three months ended March 31, 2025, as compared to gains of $4,068 for the three months ended March 31, 2024. These losses and gains were due to unrealized losses and gains related to the mark-to-market adjustments on the Company's portfolio of securities.

All Other Expense, Net

All other expense, net totaled $19,512 for the three months ended March 31, 2025, as compared to $23,903 in the same period of 2024. Lower all other expense, net for the three months ended March 31, 2025 was primarily due to $7,310 lower finance interest expense, partially offset by $3,094 higher provisions for credit losses related to the Financial Services segment, as compared to the same period of 2024.

Income Tax Provision

The Company recorded income tax provisions of $10,742 and $10,861 for the three months ended March 31, 2025 and 2024, respectively. As a limited partnership, the Company is generally not directly subject to federal and state income taxes, and instead its profits and losses are passed directly to its limited partners for inclusion in their respective income tax returns. Provisions have been made for federal, state, local, and foreign income taxes on the results of operations generated by our consolidated subsidiaries that are taxable entities. The Company's effective tax rate was 27.0% and 23.8% for the three months ended March 31, 2025 and 2024, respectively. The higher effective tax rate for the three months ended March 31, 2025, is primarily due to the impact of unrealized gains and losses on investments and the reduction in the valuation allowance against deferred tax assets reflected in the prior year. Significant differences between the statutory rate and the effective tax rate include the effect of state and local income taxes, partnership losses for which no tax benefit is recognized, and other permanent differences.

DISCUSSION OF CONSOLIDATED CASH FLOWS

The following table provides a summary of the Company's consolidated cash flows from operations for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Net cash provided by operating activities	$ 200,422	$ 197,460
Net cash (used in) provided by investing activities	(174,610)	39,149
Net cash (used in) by financing activities	(89,099)	(367,312)
Net change for the period	$ (63,287)	$ (130,703)

Cash Flows from Operating Activities

During the three months ended March 31, 2025, the Company generated $200,422 of cash from operating activities, which was primarily due to a net decrease in loans held for sale of $157,708, operating income of $29,053, and depreciation and amortization of $14,994. During the three months ended March 31, 2024, the Company generated $197,460 of cash, which was primarily due to a net decrease in loans held for sale of $163,521 and operating income of $34,801.

Cash Flows from Investing Activities

During the three months ended March 31, 2025, the Company used $174,610 of cash from investing activities, which was primarily due to purchases of investments of $94,740 and loan originations, net of collections, of $91,101, partially offset by maturities of investments of $13,401. During the three months ended March 31, 2024, the Company generated $39,149 of cash, which was primarily due to loan originations, net of collections, of $54,958 and proceeds from maturities of marketable securities of $6,188, partially offset by purchases of investments of $14,083, and capital expenditures of $10,066.

Cash Flows from Financing Activities

During the three months ended March 31, 2025, the Company used $89,099 of cash from financing activities, which was primarily due to a decrease in deposits of $36,645, the purchase of subsidiary shares from noncontrolling interests of $33,878, and purchases of the Company's preferred units of $12,486. During the three months ended March 31, 2024, the Company used $367,312 of cash, which was primarily due to a decrease in deposits of $217,866, net revolver repayments of $98,545 and common unit repurchases of $39,487.

LIQUIDITY AND CAPITAL RESOURCES

SPLP (excluding its operating subsidiaries, the "Holding Company") is a diversified global holding company with assets that principally consist of the stock of its direct subsidiaries, equity method and other investments, and cash and cash equivalents. The Company works with its businesses to enhance their liquidity and operations and increase long-term value for its unitholders and stakeholders through working capital improvements, capital allocation policies, and operational and growth initiatives. Management plans to use the following strategies to continue to enhance liquidity: (1) continuing to implement improvements using the *Steel Business System* throughout all the Company's operations to increase sales and operating efficiencies; (2) supporting profitable sales growth both internally and potentially through acquisitions; and (3) evaluating from time to time and as appropriate, strategic alternatives with respect to its businesses and/or assets. The Company continues to examine all of its options and strategies, including acquisitions, divestitures and other corporate transactions, to increase cash flow and stakeholder value.

The Company's senior credit facility, as amended and restated, (the "Credit Agreement") consists of a senior secured revolving credit facility in an aggregate principal amount not to exceed $600,000 (the "Revolving Credit Loans"), which includes a $50,000 subfacility for swing line loans, a $50,000 subfacility for standby letters of credit and a currency sublimit (available in euros and pounds sterling) equal to the lesser of $75,000 and the total amount of the Revolving Credit Commitment. The Credit Agreement covers substantially all of the Company's subsidiaries, with the exception of WebBank and Steel Connect. Availability under the Credit Agreement is based upon earnings and certain covenants, including a maximum ratio limit on Total Leverage and a minimum ratio limit on Interest Coverage, each as defined in the Credit Agreement. The Credit Agreement is subject to certain mandatory prepayment provisions and restrictive and financial covenants, primarily the leverage ratios described above. The Company was in compliance with all financial and nonfinancial covenants as of March 31, 2025. The Company believes it will remain in compliance with the Credit Agreement's covenants for the next twelve months. If the Company does not meet its financial covenants, and if it is unable to secure necessary waivers or other amendments from its lenders on terms acceptable to management, its ability to access available lines of credit could be limited, its debt obligations could be accelerated and liquidity could be adversely affected. The Credit Agreement will expire on December 29, 2026, and all outstanding amounts will be due and payable.

The Holding Company and its operating subsidiaries believe that they have access to adequate resources to meet their needs for normal operating costs, capital expenditures, pension payments, debt obligations and working capital for their existing business, as well as to fund its taxes, legal and environmental matters, for at least the next twelve months. These resources include cash and cash equivalents, investments, cash provided by operating activities and unused lines of credit. The Holding Company and its operating businesses' ability to satisfy their debt service obligations, to fund planned capital expenditures and required pension payments, and to make acquisitions or repurchase units under its common unit repurchase program will depend upon their future operating performance, which will be affected by prevailing economic conditions in the markets in which they operate, as well as financial, business and other factors, some of which are beyond their control. As indicated above, there can be no assurances that the Holding Company and its operating businesses will continue to have access to their lines of credit if their financial performance does not satisfy the financial covenants set forth in their respective financing agreements, which could also result in the acceleration of their debt obligations by their respective lenders, adversely affecting liquidity.

As of March 31, 2025, the Company's working capital was $413,693, as compared to working capital of $625,316 as of December 31, 2024. The Company's total availability under the Credit Agreement was approximately $473,000 as of March 31, 2025. During the three months ended March 31, 2025, capital expenditures were $5,581, as compared to $10,066 for the same period of 2024. The Company and its subsidiaries have ongoing commitments, which include funding of the minimum requirements of its subsidiaries' pension plans. During the three months ended March 31, 2025, the Company did not contribute to its pension plans. The Company currently estimates it will contribute $6,030 to its pension plans during the remainder of 2025. Required future pension contributions are estimated based upon assumptions such as discount rates on future obligations, assumed rates of return on plan assets and legislative changes. Actual future pension costs and required funding obligations will be affected by changes in the factors and assumptions described in the previous sentence, including the impact of declines in pension plan assets and interest rates, as well as other changes such as any plan termination or other acceleration events.

WebBank manages its liquidity to provide adequate funds to meet anticipated financial obligations, such as certificate of deposit maturities and to fund customer credit needs. WebBank had $176,667 and $141,092 in cash and cash equivalents, time deposits placed at other institutions and federal funds sold as of March 31, 2025 and December 31, 2024, respectively. WebBank had $65,000 and $65,000 in lines of credit from its correspondent banks as of March 31, 2025 and December 31, 2024, respectively. WebBank had $219,572 and $204,748 available from the Federal Reserve discount window as of March 31, 2025 and December 31, 2024, respectively. Therefore, WebBank had a total of $461,239 and $410,840 in cash, lines of credit and access to the Federal Reserve Bank discount window as of March 31, 2025 and December 31, 2024, respectively, which represents approximately 22.2% and 19.5%, respectively, of WebBank's total assets, excluding PPP loans.

Steel Connect's wholly-owned subsidiary, ModusLink, has a revolving credit agreement (the "Umpqua Revolver") with Umpqua Bank which provides for a maximum credit commitment of $12,500 and a sub-limit of $5,000 for letters of credit and expires on March 31, 2026. As of March 31, 2025, ModusLink was in compliance with the Umpqua Revolver's covenants, and believes it will remain in compliance with the Umpqua Revolver’s covenants for the next twelve months. As of March 31, 2025, ModusLink had available borrowing capacity of $11,890 and there was $610 outstanding for letters of credit.

On May 1, 2024, ModusLink entered into a Second Amendment to Credit Agreement (the "Second Amendment"), amending the Umpqua Revolver. Among other things, the Second Amendment extended the maturity date with respect to revolving loans from March 31, 2025 to March 31, 2026, removed certain adjustments in the definition of "Adjusted EBITDA" as set forth in the Umpqua Revolver, increased the minimum Adjusted Tangible Net Worth and removed certain caps and conditions on ModusLink's ability to pay dividends.

Off-Balance Sheet Arrangements

It is not the Company's usual business practice to enter into off-balance sheet arrangements such as guarantees on loans and financial commitments, indemnification arrangements and retained interests in assets transferred to an unconsolidated entity for securitization purposes. SPLP uses the same credit policy in making commitments and conditional obligations as it does for on-balance sheet instruments.

WebBank is a party to financial instruments with off-balance sheet risk. In the normal course of business, these financial instruments include commitments to extend credit in the form of loans as part of WebBank's lending arrangements with Marketing Partners. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized on the Company's consolidated balance sheets. The contractual amounts of those instruments reflect the extent of involvement WebBank has in particular classes of financial instruments.

At March 31, 2025 and December 31, 2024, WebBank's undisbursed commitments under these instruments totaled $534,060 and $430,960, respectively. Commitments to extend credit are agreements to lend to a borrower who meets the lending criteria established by WebBank through one of WebBank's lending agreements with its Marketing Partners, provided there is no violation of any condition established in the contract with the counterparty to the lending arrangement. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee, and in some cases are subject to ongoing adjustment by WebBank. Since certain of the commitments are expected to expire without the credit being extended, the total commitment amounts do not necessarily represent future cash requirements. WebBank evaluates each prospective borrower's credit worthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by WebBank upon extension of credit, is based on management's credit evaluation of the borrower and WebBank's Marketing Partner.

WebBank's exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit is represented by the contractual amount of those instruments. WebBank uses the same credit policy in making commitments and conditional obligations as it does for on-balance sheet instruments.