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

FORM 10-Q

- Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the Quarterly Period Ended November 1, 2025
or
 Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number 1-14170

NATIONAL BEVERAGE CORP.

(Exact name of registrant as specified in its charter)

Delaware 59-2605822
(State of incorporation) (I.R.S. Employer Identification No.)

8050 SW Tenth Street, Suite 4000, Fort Lauderdale, FL 33324
(Address of principal executive offices including zip code)

(954) 581-0922

(Registrant's telephone number including area code)
Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, par value \$.01 per share	FIZZ	The NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer", "accelerated filer", "smaller reporting company", and "emerging growth company" in Rule 12b-2 of the Exchange Act. Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of registrant's common stock outstanding as of December 8, 2025 was 93,632,102.

**NATIONAL BEVERAGE CORP.
QUARTERLY REPORT ON FORM 10-Q
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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(In thousands, except share data)

	November 1, 2025	May 3, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 269,314	\$ 193,835
Trade receivables, net	93,157	104,157
Inventories	95,869	85,109
Prepaid and other current assets	33,097	23,827
Total current assets	491,437	406,928
Property, plant and equipment, net	173,703	175,586
Operating lease right-of-use assets, net	64,364	70,286
Goodwill	13,145	13,145
Intangible assets	1,615	1,615
Other assets	4,710	5,300
Total assets	<u>\$ 748,974</u>	<u>\$ 672,860</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 63,825	\$ 82,448
Accrued liabilities	35,429	43,521
Operating lease liabilities	15,026	14,533
Income taxes payable	410	-
Total current liabilities	114,690	140,502
Deferred income taxes, net	24,576	23,010
Operating lease liabilities	51,168	57,591
Other liabilities	7,281	7,758
Total liabilities	197,715	228,861
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, \$1 par value - 1,000,000 shares authorized Series C - 150,000 shares issued	150	150
Common stock, \$.01 par value - 200,000,000 shares authorized; 102,006,214 and 101,994,358 shares issued, respectively	1,020	1,020
Additional paid-in capital	44,206	43,708
Retained earnings	519,874	417,750
Accumulated other comprehensive income	10,915	5,604
Treasury stock - at cost:		
Series C preferred stock - 150,000 shares	(5,100)	(5,100)
Common stock - 8,394,112 and 8,374,112 shares, respectively	(19,806)	(19,133)
Total shareholders' equity	551,259	443,999
Total liabilities and shareholders' equity	<u>\$ 748,974</u>	<u>\$ 672,860</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

(In thousands, except per share amounts)

	Three Fiscal Months Ended		Six Fiscal Months Ended	
	November 1, 2025	October 26, 2024	November 1, 2025	October 26, 2024
Net sales	\$ 288,331	\$ 291,202	\$ 618,846	\$ 620,675
Cost of sales	179,146	181,851	384,197	388,892
Gross profit	109,185	109,351	234,649	231,783
Selling, general and administrative expenses	51,139	51,484	105,827	104,401
Operating income	58,046	57,867	128,822	127,382
Other income, net	2,655	1,729	4,892	6,076
Income before income taxes	60,701	59,596	133,714	133,458
Provision for income taxes	14,337	13,959	31,590	31,041
Net income	<u>\$ 46,364</u>	<u>\$ 45,637</u>	<u>\$ 102,124</u>	<u>\$ 102,417</u>
Earnings per common share:				
Basic	<u>\$.50</u>	<u>\$.49</u>	<u>\$ 1.09</u>	<u>\$ 1.09</u>
Diluted	<u>\$.49</u>	<u>\$.49</u>	<u>\$ 1.09</u>	<u>\$ 1.09</u>
Weighted average common shares outstanding:				
Basic	<u>93,623</u>	<u>93,613</u>	<u>93,622</u>	<u>93,596</u>
Diluted	<u>93,684</u>	<u>93,686</u>	<u>93,691</u>	<u>93,682</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

(In thousands)

	Three Fiscal Months Ended		Six Fiscal Months Ended	
	November 1, 2025	October 26, 2024	November 1, 2025	October 26, 2024
Net income	\$ 46,364	\$ 45,637	\$ 102,124	\$ 102,417
Other comprehensive income, net of tax:				
Cash flow hedges	1,072	7,648	5,311	1,595
Comprehensive income	<u>\$ 47,436</u>	<u>\$ 53,285</u>	<u>\$ 107,435</u>	<u>\$ 104,012</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (UNAUDITED)

(In thousands)

	Three Fiscal Months Ended				Six Fiscal Months Ended			
	November 1, 2025		October 26, 2024		November 1, 2025		October 26, 2024	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
Series C Preferred Stock								
Beginning and end of period	150	\$ 150	150	\$ 150	150	\$ 150	150	\$ 150
Common Stock								
Beginning of period	101,994	1,020	101,985	1,020	101,994	1,020	101,942	1,019
Stock options exercised	12	-	4	-	12	-	47	1
End of Period	102,006	1,020	101,989	1,020	102,006	1,020	101,989	1,020
Additional Paid-In Capital								
Beginning of period		43,843		43,092		43,708		42,588
Stock options exercised		251		112		251		456
Stock-based compensation expense		112		151		247		311
End of period		44,206		43,355		44,206		43,355
Retained Earnings								
Beginning of period		473,510		287,709		417,750		535,077
Net income		46,364		45,637		102,124		102,417
Common stock cash dividend		-		-		-		(304,148)
End of period		519,874		333,346		519,874		333,346
Accumulated Other Comprehensive Income (Loss)								
Beginning of period		9,843		(1,142)		5,604		4,911
Cash flow hedges, net of tax		1,072		7,648		5,311		1,595
End of period		10,915		6,506		10,915		6,506
Treasury Stock - Series C Preferred								
Beginning and end of period	150	(5,100)	150	(5,100)	150	(5,100)	150	(5,100)
Treasury Stock - Common								
Beginning of Period	8,374	(19,133)	8,374	(19,133)	8,374	(19,133)	8,374	(19,133)
Repurchase of common stock	20	(673)	-	-	20	(673)	-	-
End of period	8,394	(19,806)	8,374	(19,133)	8,394	(19,806)	8,374	(19,133)
Total Shareholders' Equity		<u>\$ 551,259</u>		<u>\$ 360,144</u>		<u>\$ 551,259</u>		<u>\$ 360,144</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)

(In thousands)

	Six Fiscal Months Ended	
	November 1, 2025	October 26, 2024
Operating Activities:		
Net income	\$ 102,124	\$ 102,417
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,991	10,533
Non-cash operating lease expense	7,664	7,141
Deferred income taxes	(75)	(146)
Stock-based compensation expense	247	311
Other, net	566	7
Changes in assets and liabilities:		
Trade receivables	11,000	3,232
Inventories	(10,760)	(6,445)
Prepaid and other assets	(3,453)	(332)
Accounts payable	(18,622)	(8,637)
Accrued and other liabilities	(7,209)	(764)
Operating lease liabilities	(7,672)	(7,227)
Net cash provided by operating activities	<u>84,801</u>	<u>100,090</u>
Investing Activities:		
Purchases of property, plant and equipment	(8,902)	(10,611)
Proceeds from sale of property, plant and equipment	2	2
Net cash used in investing activities	<u>(8,900)</u>	<u>(10,609)</u>
Financing Activities:		
Proceeds from stock options exercised	251	457
Repurchase of common stock	(673)	-
Dividends paid on common stock	-	(304,148)
Net cash used in financing activities	<u>(422)</u>	<u>(303,691)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	75,479	(214,210)
Cash and Cash Equivalents - Beginning of Period	193,835	327,047
Cash and Cash Equivalents - End of Period	<u>\$ 269,314</u>	<u>\$ 112,837</u>
Supplemental Cash Flow Information:		
Interest paid	<u>\$ 127</u>	<u>\$ 14</u>
Income taxes paid	<u>\$ 33,089</u>	<u>\$ 31,084</u>
Non-Cash Activities:		
Right-of-use assets obtained in exchange for lease liabilities	<u>\$ 1,742</u>	<u>\$ 2,943</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

National Beverage Corp. develops, produces, markets and sells a distinctive portfolio of sparkling waters, juices, energy drinks and carbonated soft drinks primarily in the United States. Incorporated in Delaware in 1985, National Beverage Corp. is a holding company for various operating subsidiaries. When used in this report, the terms “we,” “us,” “our,” “Company” and “National Beverage” mean National Beverage Corp. and its subsidiaries.

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The condensed consolidated financial statements include the accounts of National Beverage Corp. and its subsidiaries. All significant intercompany transactions and accounts have been eliminated.

The accompanying interim unaudited condensed consolidated financial statements have been prepared in accordance with United States Generally Accepted Accounting Principles and rules and regulations of the Securities and Exchange Commission for interim financial reporting. Accordingly, they do not include all information and notes presented in the annual consolidated financial statements. The condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements and accompanying notes included in our Annual Report on Form 10-K for the fiscal year ended May 3, 2025. The accounting policies used in these interim unaudited condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements.

Segment Reporting

The Company operates as a single operating segment for purposes of presenting financial information and evaluating performance. As such, the accompanying consolidated financial statements present financial information in a format that is consistent with the internal financial information used by management. See Note 7- Segment Information.

Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the interim unaudited condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates. In our opinion, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included. Results for the interim periods presented are not necessarily indicative of results which might be expected for the entire fiscal year.

Fair Value of Financial Instruments

The carrying values of the Company’s financial instruments, including cash and cash equivalents, accounts receivable and accounts payable, approximate fair value due to the relatively short maturity of the respective instruments. As of November 1, 2025 and May 3, 2025, cash and cash equivalents included money-market instruments of \$126.6 million and \$109.1 million, respectively. These financial instruments are Level 1 as defined by the fair value hierarchy since they are based on quoted prices in active markets for identical assets and liabilities. Derivative financial instruments which are used to partially mitigate the Company’s exposure to changes in certain raw material costs are recorded at fair value. Derivative financial instruments are not used for trading or speculative purposes. Credit risk related to derivative financial instruments is managed by requiring high credit standards for counterparties and frequent cash settlements. The estimated fair values of derivative financial instruments are calculated based on market rates to settle the instruments. See Note 5-Derivative Financial Instruments.

Trade Receivables, Net

The Company's estimated allowances for credit losses as of both November 1, 2025 and May 3, 2025 were \$1.2 million. The Company's trade receivable, net balances as of October 26, 2024 and April 27, 2024 were \$99.6 million and \$102.8 million, respectively.

Inventories

Inventories are stated at the lower of first-in, first-out cost or net realizable value. Adjustments, if required, to reduce the cost of the inventory to net realizable value are made for estimated excess, obsolete or impaired balances. Inventories at November 1, 2025 were comprised of finished goods of \$58.3 million and raw materials of \$37.6 million. Inventories at May 3, 2025 were comprised of finished goods of \$44.0 million and raw materials of \$41.1 million.

Shipping and Handling Costs

Shipping and handling costs are reported in selling, general and administrative expenses in the accompanying condensed consolidated statements of income. Such costs were \$18.3 million for both the three fiscal months ended November 1, 2025 and October 26, 2024. Shipping and handling costs were \$38.1 million and \$38.0 million for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively. Although our classification is consistent with many beverage companies, our gross margin may not be comparable to companies that include shipping and handling costs in cost of sales.

Marketing Costs

The Company utilizes a variety of marketing programs, including cooperative advertising programs with customers, to advertise and promote its beverages to consumers. Marketing costs are expensed when incurred, except for prepaid advertising and production costs, which are expensed when the advertising takes place. Marketing costs, which are included in selling, general and administrative expenses, were \$11.0 million and \$11.6 million for the three fiscal months ended November 1, 2025 and October 26, 2024, respectively. Marketing costs were \$24.6 million and \$23.1 million for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively.

Earnings Per Common Share

Basic earnings per common share is computed by dividing earnings available to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per common share is calculated in a similar manner, but includes the dilutive effect of stock options that amounted to 61,000 and 73,000 shares for the three fiscal months ended November 1, 2025 and October 26, 2024, respectively. The dilutive effect of stock options amounted to 69,000 and 86,000 shares for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which requires disclosure of specific categories in the rate reconciliation, including additional information for reconciling items that meet a quantitative threshold and specific disaggregation of income taxes paid and tax expense. The amendment is effective for annual reporting periods beginning after December 15, 2024. The Company will adopt ASU 2023-09 on a prospective basis and anticipates the adoption will not have a material effect on its consolidated financial statements for its fiscal year ended May 2, 2026.

In November 2024, the FASB issued ASU 2024-03, “Income Statement–Reporting Comprehensive Income–Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,” which requires entities to disaggregate operating expenses into specific categories such as employee compensation, depreciation and intangible asset amortization, by relevant expense caption on the statement of operations. The standard is effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted on either a prospective or retrospective basis. The Company is currently evaluating the impact of adopting ASU 2024-03 on its consolidated financial statements and related disclosures.

In July 2025, the FASB issued ASU 2025-05, “Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets,” which requires disclosure of the election of a practical expedient that assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset when estimating expected credit losses. The election of the practical expedient is permitted on a prospective basis. The amendment is effective for annual reporting periods beginning after December 15, 2025, and interim reporting periods within those annual reporting periods. The Company does not expect a material impact upon adoption.

2. PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consist of the following:

	(In thousands)	
	November 1, 2025	May 3, 2025
Land	\$ 9,835	\$ 9,835
Buildings and improvements	82,349	81,764
Machinery and equipment	336,272	328,172
Total	428,456	419,771
Less: accumulated depreciation	(254,753)	(244,185)
Property, plant and equipment, net	\$ 173,703	\$ 175,586

Machinery and equipment included construction-in-progress in the amounts of \$34.5 million and \$37.7 million as of November 1, 2025 and May 3, 2025, respectively. Depreciation expense was \$5.5 million and \$5.0 million for the three fiscal months ended November 1, 2025 and October 26, 2024, respectively. Depreciation expense was \$10.8 million and \$10.0 million for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively. Depreciation expense is recorded in cost of sales and selling, general and administrative expenses.

3. LEASES

The Company has entered into various non-cancelable operating lease agreements for certain offices, buildings and machinery and equipment which expire at various dates through June 2037. The Company does not assume renewals in the determination of the lease term unless the renewals are deemed to be reasonably assured at lease commencement. Lease agreements generally do not contain material residual value guarantees or material restrictive covenants. Operating lease costs were \$4.6 million and \$4.1 million for the three fiscal months ended November 1, 2025 and October 26, 2024, respectively. Operating lease costs were \$9.2 million and \$8.3 million for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively. As of November 1, 2025, the weighted-average remaining lease term and weighted average discount rate of operating leases was 5.62 years and 4.56%, respectively. As of May 3, 2025, the weighted-average remaining lease term and weighted average discount rate of operating leases was 5.92 years and 4.52%, respectively. Cash payments were \$4.6 million and \$4.3 million for operating leases for the three fiscal months ended November 1, 2025 and October 26, 2024, respectively. Cash payments were \$9.2 million and \$8.4 million for operating leases for the six fiscal months ended November 1, 2025 and October 26, 2024, respectively.

The following is a summary of future minimum lease payments and related liabilities for all non-cancelable operating leases as of November 1, 2025:

	(In thousands)
Fiscal 2026 – Remaining 2 quarters	\$ 8,700
Fiscal 2027	16,734
Fiscal 2028	11,935
Fiscal 2029	10,800
Fiscal 2030	10,218
Thereafter	17,134
Total minimum lease payments including interest	75,521
Less: amounts representing interest	(9,327)
Present value of minimum lease payments	66,194
Less: current portion of lease obligations	(15,026)
Non-current portion of lease obligations	\$ 51,168

4. DEBT

At November 1, 2025, a subsidiary of the Company maintained unsecured revolving credit facilities with banks aggregating \$100 million (the “Credit Facilities”). The Credit Facilities expire from September 10, 2027 to May 30, 2028 and any borrowings would currently bear interest at 1.15% above the Secured Overnight Financing Rate (“SOFR”). There were no borrowings outstanding under the Credit Facilities at November 1, 2025 or May 3, 2025. At November 1, 2025, \$2.7 million of the Credit Facilities was reserved for standby letters of credit and \$97.3 million was available for borrowings.

A subsidiary of the Company also maintains an unsecured revolving term loan facility with a national bank aggregating \$50 million (the “Loan Facility”). There were no borrowings outstanding under the Loan Facility at November 1, 2025 or May 3, 2025. The Loan Facility expires December 31, 2027 and borrowings would bear interest at 1.15% above the adjusted daily SOFR.

The Credit Facilities and Loan Facility require the subsidiary to maintain certain financial ratios, including debt to net worth and debt to EBITDA (as defined in the credit agreements) and contain other restrictions, none of which are expected to have a material effect on the Company’s operations or financial position. At November 1, 2025, the subsidiary was in compliance with all loan covenants.

5. DERIVATIVE FINANCIAL INSTRUMENTS

From time to time, the Company enters into aluminum swap contracts to partially mitigate our exposure to changes in the cost of aluminum containers. Such financial instruments are designated and accounted for as cash flow hedges. Accordingly, gains or losses attributable to the effective portion of the cash flow hedge are reported in accumulated other comprehensive income (loss) (“AOCI”) and reclassified into cost of sales in the period in which the hedged transaction affects earnings. The ineffective portion of the change in fair value of our cash flow hedge was immaterial. The following summarizes the gains (losses) recognized in the Condensed Consolidated Statements of Income and AOCI:

	(In thousands)			
	Three Fiscal Months Ended		Six Fiscal Months Ended	
	November 1, 2025	October 26, 2024	November 1, 2025	October 26, 2024
Recognized in AOCI:				
Income before income taxes	\$ 8,275	\$ 10,420	\$ 18,927	\$ 3,222
Less: income tax provision	1,953	2,460	4,467	755
Net	<u>6,322</u>	<u>7,960</u>	<u>14,460</u>	<u>2,467</u>
Reclassified from AOCI to cost of sales:				
Gain (loss) before income taxes	6,870	(409)	11,974	(1,141)
Less: income tax provision (benefit)	1,620	(97)	2,825	(269)
Net	<u>5,250</u>	<u>(312)</u>	<u>9,149</u>	<u>(872)</u>
Net change to AOCI	<u>\$ 1,072</u>	<u>\$ 7,648</u>	<u>\$ 5,311</u>	<u>\$ 1,595</u>

As of November 1, 2025, the notional amount of our outstanding aluminum swap contracts was \$17.5 million and, assuming no change in commodity prices, \$13.4 million of unrealized gain before tax will be reclassified from AOCI and recognized in earnings over the next 12 fiscal months. The Company’s policy for the maximum length of time for which it hedges exposure to the variability of future cash flows is three years.

The Company is not subject to any legally enforceable master netting arrangements and does not offset fair value amounts recognized for derivative instruments. As of November 1, 2025, the fair value of the derivative asset was \$13.4 million, which was included in prepaid and other current assets. As of May 3, 2025, the fair value of the derivative asset was \$7.4 million, which was included in prepaid and other current assets. The fair value of the derivative liability was \$1.0 million, which was included in accrued liabilities. Such valuation does not entail a significant amount of judgment and the inputs that are significant to the fair value measurement are Level 2 as defined by the fair value hierarchy as they are observable market based inputs or unobservable inputs that are corroborated by market data.

6. RELATED PARTIES

The Company is a party to a management agreement with Corporate Management Advisors, Inc. (CMA), a corporation owned by our Chairman and Chief Executive Officer. The management agreement provides that the Company will pay CMA an annual base fee equal to one percent of the consolidated net sales of the Company. Management fees to CMA were \$2.9 million for both the three fiscal months ended November 1, 2025 and October 26, 2024. Management fees to CMA were \$6.2 million for both the six fiscal months ended November 1, 2025 and October 26, 2024. At November 1, 2025 and May 3, 2025, accounts payable included amounts due to CMA of \$1.8 million and \$2.1 million, respectively.

7. SEGMENT INFORMATION

The Company operates as a single operating and reportable segment that encompasses the development, production, marketing and sale of beverages. The Company manages its business on a consolidated basis utilizing vertically integrated production facilities and a centralized supply chain infrastructure.

The Chief Operating Decision Maker (“CODM”) makes operating decisions, allocates resources and assesses financial performance based primarily upon consolidated operating income and net income as reported in the consolidated statements of income. The CODM also regularly reviews cost of sales, shipping and handling costs, and marketing costs. These costs represent significant segment expenses and are reported elsewhere in the consolidated financial statements. Other segment items include other selling and general administrative costs (primarily consisting of compensation-related and other overhead costs), other income (expense), net which includes interest income and interest expense, and provision for income taxes. Depreciation and amortization expense is reported in the consolidated statements of cash flow.

8. COMMON STOCK

The Board of Directors has authorized the Company to repurchase up to 3.2 million shares of its common stock. During the fiscal month October 5, 2025 through November 1, 2025, the Company repurchased 20,000 shares of its common stock at an average price per share of \$33.65 for a total cost of \$0.7 million. As of November 1, 2025, 1,333,144 common shares were purchased under the program and 1,866,856 common shares were available for repurchase.

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

OVERVIEW

National Beverage Corp. innovatively refreshes America with a distinctive portfolio of sparkling waters, juices, energy drinks (Power+ Brands) and, to a lesser extent, carbonated soft drinks. We believe our creative product designs, innovative packaging and imaginative flavors, along with our corporate culture and philosophy, make National Beverage unique as a stand-alone entity in the beverage industry.

The majority of our brands are geared to the active and health-conscious consumer including sparkling waters, energy drinks and juices. Our portfolio of Power+ Brands includes LaCroix® sparkling water; Clear Fruit® non-carbonated water beverages enhanced with fruit flavor; Rip It® energy drinks and shots; and Everfresh®, Everfresh Premier Varietals™ and Mr. Pure® 100% juice and juice-based products. Additionally, we produce and distribute carbonated soft drinks including Shasta® and Faygo®, iconic brands whose consumer loyalty spans more than 135 years.

Our strategy seeks the profitable growth of our products by (i) developing healthier beverages in response to the global shift in consumer buying habits and tailoring our beverage portfolio to the preferences of a diverse mix of ‘crossover consumers’ – a growing group desiring a healthier alternative to artificially sweetened and high-caloric beverages; (ii) emphasizing unique flavor development and variety throughout our brands that appeal to multiple demographic groups; (iii) maintaining points of difference through innovative marketing, packaging and consumer engagement and (iv) responding faster and more creatively to changing consumer trends than larger competitors who are burdened by legacy production and distribution complexity and costs.

Presently, our primary market focus is the United States. Certain of our beverages are also distributed on a limited basis in other countries and options to expand distribution to other regions are being pursued. To service a diverse customer base that includes numerous national retailers, as well as thousands of smaller “up-and-down-the-street” accounts, we utilize a hybrid distribution system consisting of warehouse and direct-store delivery. The warehouse delivery system allows our retail partners to further maximize their assets by utilizing their ability to pick up beverages at our warehouses, further lowering their/our product costs.

Our operating results are affected by numerous factors, including fluctuations in the costs of raw materials, supply chain disruptions, holiday and seasonal programming and weather conditions. Beverage sales are seasonal with higher sales volume realized during the summer months when outdoor activities are more prevalent.

RESULTS OF OPERATIONS

Three Fiscal Months Ended November 1, 2025 (second quarter of fiscal 2026) compared to Three Fiscal Months Ended October 26, 2024 (second quarter of fiscal 2025)

Net sales for the second quarter of fiscal 2026 decreased 1.0% to \$288.3 million from \$291.2 million for the second quarter of fiscal 2025. The decrease in sales resulted primarily from a 6.0% decrease in case volume, partially offset by a 5.3% increase in average selling price per case. The decrease in case volume impacted both Power + Brands and carbonated soft drink brands.

Gross profit for the second quarter of fiscal 2026 was \$109.2 million compared to \$109.4 million for the second quarter of fiscal 2025 and gross margin increased to 37.9% from 37.6%. The increase in gross margin was primarily due to the increase in average selling price per case, partially offset by increased packaging and ingredient costs and the effects of reduced case volume. The average cost of sales per case increased 4.7%.

Selling, general and administrative expenses for the second quarter of fiscal 2026 decreased \$0.3 million to \$51.2 million from \$51.5 million for the second quarter of fiscal 2025. The decrease was primarily due to a decrease in marketing costs. As a percentage of net sales, selling, general and administrative expenses remained constant at 17.7% for the second quarter of fiscal 2026 and fiscal 2025.

Other income, net includes interest income of \$2.8 million for the second quarter of fiscal 2026 and \$1.7 million for the second quarter of fiscal 2025. The increase in interest income is due primarily to increased average invested balances.

The Company’s effective income tax rate, based upon estimated annual income tax rates, was 23.6% for the second quarter of fiscal 2026 and 23.4% for the second quarter of fiscal 2025. The difference between the effective rate and the federal statutory rate of 21% was primarily due to the effects of state income taxes.

Six Fiscal Months Ended November 1, 2025 (first six months of fiscal 2026) compared to Six Fiscal Months Ended October 26, 2024 (first six months of fiscal 2025)

Net sales for the first six months of fiscal 2026 decreased \$1.8 million to \$618.8 million from \$620.7 million for the first six months of fiscal 2025. The decrease in sales resulted primarily from a 4.9% decrease in case volume, partially offset by a 4.8% increase in average selling price per case. The decrease in case volume impacted both Power + Brands and carbonated soft drink brands.

Gross profit for the first six months of fiscal 2026 increased to \$234.6 million from \$231.8 million for the first six months of fiscal 2025 and gross margin increased to 37.9% from 37.3%. The increase in gross margin was primarily due to the increase in average selling price per case, partially offset by an increase in packaging and ingredient costs and the effects of reduced case volume. The average cost of sales per case increased 3.7%

Selling, general and administrative expenses for the first six months of fiscal 2026 increased \$1.4 million to \$105.8 million from \$104.4 million for the first six months of fiscal 2025. The increase was primarily due to an increase in marketing costs. As a percentage of net sales, selling, general and administrative expenses increased to 17.1% for the first six months of fiscal 2026 compared to 16.8% for the first six months of fiscal 2025.

Other income, net includes interest income of \$5.0 million for the first six months of fiscal 2026 and \$6.0 million for the first six months of fiscal 2025. The decrease in interest income is due primarily to decreased average invested balances.

The Company's effective income tax rate, based upon estimated annual income tax rates, was 23.6% for the first six months of fiscal 2026 and 23.3% for the first six months of fiscal 2025. The difference between the effective rate and the federal statutory rate of 21% was primarily due to the effects of state income taxes.

LIQUIDITY AND FINANCIAL CONDITION

Liquidity and Capital Resources

The Company's principal sources of liquidity are its existing cash and cash-equivalents, cash generated from operating activities and borrowing capacity. At November 1, 2025, we maintained unsecured revolving Credit Facilities and the Loan Facility totaling \$150 million, under which no borrowings were outstanding and \$2.7 million was reserved for standby letters of credit. We believe existing capital resources will be sufficient to meet our liquidity and capital requirements for the next twelve months.

Cash Flows

The Company's cash position increased \$75.5 million for the first six months of fiscal 2026 compared to a decrease of \$214.2 million for the first six months of fiscal 2025 primarily due to the special cash dividend of \$304.1 million paid on July 24, 2024.

Net cash provided by operating activities for the first six months of fiscal 2026 was \$84.8 million compared to \$100.1 million for the first six months of fiscal 2025. For the first six months of fiscal 2026, cash flow provided by operating activities decreased primarily due to a net increase in working capital, excluding cash.

Net cash used in investing activities for the first six months of fiscal 2026 reflects capital expenditures of \$8.9 million, compared to capital expenditures of \$10.6 million for the first six months of fiscal 2025. Certain production capacity and efficiency improvement projects are in progress and we anticipate fiscal 2026 capital expenditures will not exceed fiscal 2025 capital spending.

Net cash used in financing activities for the first six months of fiscal 2026 primarily reflects the repurchase of common shares for \$0.7 million.

Financial Position

At November 1, 2025, working capital increased to \$376.7 million from \$266.4 million at May 3, 2025. The current ratio was 4.3 to 1 at November 1, 2025 compared to 2.9 to 1 at May 3, 2025. The increase in working capital and current ratio was due primarily to an increase in cash and cash equivalents of \$75.5 million, a decrease in accounts payable and accrued liabilities of \$26.7 million, and other net working capital increases of \$8.1 million. Trade receivables decreased \$11.0 million and days sales outstanding decreased to 29.4 days from 32.5 days. Inventories increased \$10.8 million and inventory turns decreased to 8.1 times from 8.7 times.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no material changes in market risks from those reported in our Annual Report on Form 10-K for the fiscal year ended May 3, 2025.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of the Company's management, including our Chief Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our "disclosure controls and procedures" (as defined in Rule 13a-15(e) of the Securities Exchange Act of 1934). Based upon that evaluation, the Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective to ensure information required to be disclosed by us in reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (2) accumulated and communicated to our management, including our Chief Executive Officer and Principal Financial Officer, to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

FORWARD-LOOKING STATEMENTS

National Beverage Corp. and its representatives may make written or oral statements relating to future events or results relative to our financial, operational and business performance, achievements, objectives and strategies. These statements are "forward-looking" within the meaning of the Private Securities Litigation Reform Act of 1995 and include statements contained in this report and other filings with the Securities and Exchange Commission and in reports to our stockholders. Certain statements including, without limitation, statements containing the words "believes," "anticipates," "intends," "plans," "expects," "estimates," "may," "will," "should," "could," and similar expressions constitute "forward-looking statements" and involve known and unknown risk, uncertainties and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Such factors include, but are not limited to, the following: general economic and business conditions, pricing of competitive products, success of new product and flavor introductions, fluctuations in the costs and availability of raw materials and packaging supplies, including effects of tariffs, ability to recover cost increases, labor strikes or work stoppages or other interruptions in the employment of labor, continued retailer support for our products, changes in brand image, consumer demand and preferences and our success in creating products geared toward consumers' tastes, success in implementing business strategies, changes in business strategy or development plans, technology failures or cyberattacks on our technology systems or our effective response to technology failures or cyberattacks on our customers', suppliers' or other third parties' technology systems, government regulations, taxes or fees imposed on the sale of our products, unfavorable weather conditions, changing weather patterns and natural disasters, climate change or legislative or regulatory responses to such change and other factors referenced in this report, filings with the Securities and Exchange Commission and other reports to our stockholders. We disclaim any obligation to update any such factors or to publicly announce the results of any revisions to any forward- looking statements contained herein to reflect future events or developments.

PART II - OTHER INFORMATION**ITEM 1A. RISK FACTORS**

There have been no material changes in risk factors from those reported in our Annual Report on Form 10-K for the fiscal year ended May 3, 2025.

ITEM 5. OTHER INFORMATION

During the three fiscal months ended November 1, 2025, no director or Section 16 officer adopted, modified, or terminated any “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement” (in each case, as defined in Item 408(a) of Regulation S-K).

ITEM 6. EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from National Beverage Corp. Quarterly Report on Form 10-Q for the quarterly period ended November 1, 2025, formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets (Unaudited); (ii) Condensed Consolidated Statements of Income (Unaudited); (iii) Condensed Consolidated Statements of Comprehensive Income (Unaudited); (iv) Condensed Consolidated Statements of Shareholders' Equity (Unaudited); (v) Condensed Consolidated Statements of Cash Flows (Unaudited); and (vi) the Notes to Condensed Consolidated Financial Statements (Unaudited).
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: December 11, 2025

National Beverage Corp.
(Registrant)

By: /s/ George R. Bracken
George R. Bracken
Executive Vice President – Finance
(Principal Financial Officer)

CERTIFICATION

I, Nick A. Caporella, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 11, 2025

/s/ Nick A. Caporella

Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

CERTIFICATION

I, George R. Bracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 11, 2025

/s/ George R. Bracken

George R. Bracken

Executive Vice President – Finance

(Principal Financial Officer)

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended November 1, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nick A. Caporella, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 11, 2025

/s/ Nick A. Caporella
Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended November 1, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, George R. Bracken, Executive Vice President - Finance of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: December 11, 2025

/s/ George R. Bracken

George R. Bracken

Executive Vice President – Finance

(Principal Financial Officer)