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UNITED STATES SECURITIES AND EXCHANGE COMMISSION WASHINGTON, DC 20549ÂÂ FORM 10-QÂÂ ÂÂÂ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934Â For the quarterly period ended June 30, 2024Â ORÂÂ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934Â For the transition period from toÂ Commission File No.001-15725Â Alpha Pro Tech, Ltd. (Exact Name of Registrant as Specified in Its Charter)Â Delaware, U.S.A. 63-1009183 (State or Other Jurisdiction of Incorporation or Organization) (I.R.S. Employer Identification No.) Â 53 Wellington Street East Aurora, Ontario, Canada L4G 1H6 (Address of Principal Executive Offices) (Zip Code) Â Registrantâs telephone number, including area code: (905) 479-0654Â Securities registered pursuant to Section 12(b) of the Act:Â Title of each class Trading Symbol(s) Name of each exchange on which registered Common Stock, \$0.01 par value APT NYSE American Â 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 Â No ÂÂ 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 (Â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 Â No ÂÂ 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 âlarge accelerated filer,â âaccelerated filer,â âsmaller reporting company,â and âemerging growth companyâ in Rule 12b-2 of the Exchange Act.Â Large accelerated filer Â Accelerated filer Â 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class Outstanding August 2, 2024 Common Stock, \$0.01 par value 11,173,700

Alpha Pro Tech, Ltd.

PART I. FINANCIAL INFORMATION

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2 Condensed Consolidated Statements of Comprehensive Income (Unaudited)

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Alpha Pro Tech, Ltd.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Condensed Consolidated Balance Sheets (Unaudited)

June 30, 2024

Assets

(1) Assets

Current assets:

Cash and cash equivalents \$ 16,207,000

Accounts receivable, net 8,263,000

Accounts receivable, related party 584,000

Inventories, net 20,785,000

Prepaid expenses 6,752,000

6,010,000

Total current assets 52,591,000

53,064,000

Property and equipment, net 5,314,000

5,587,000

Goodwill 55,000

Right-of-use assets 9,179,000

4,810,000

Equity investment in unconsolidated affiliate 5,533,000

5,247,000

Total assets 72,672,000

68,763,000

Liabilities and Shareholders' Equity

Current liabilities:

Accounts payable 343,000

802,000

Accrued liabilities 639,000

1,103,000

Lease liabilities 868,000

661,000

Total current liabilities 1,850,000

2,566,000

Lease liabilities, net of current portion 8,339,000

4,187,000

Deferred income tax liabilities, net 442,000

442,000

Total liabilities 10,631,000

7,195,000

Commitments and contingencies

Shareholders' equity:

Common stock, \$0.01 par value: 50,000,000 shares authorized; 11,127,878 and 11,416,212 shares outstanding as of June 30, 2024 and December 31, 2023, respectively 111,000

114,000

Additional paid-in capital 16,594,000

16,339,000

Retained earnings 46,825,000

46,552,000

Accumulated other comprehensive loss (1,489,000)

(1,437,000)

Total shareholders' equity 62,041,000

61,568,000

Total liabilities and shareholders' equity 72,672,000

68,763,000

(1) The condensed consolidated balance sheet as of December 31, 2023, has been prepared using information from the audited consolidated balance sheet as of that date. See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Alpha Pro Tech, Ltd.

Condensed Consolidated Statements of Income (Unaudited)

For the Three Months Ended June 30, 2024

For the Six Months Ended June 30, 2024

June 30, 2024

June 30, 2023

Net sales \$ 16,115,000

29,772,000

29,914,000

Cost of goods sold, excluding depreciation and amortization 9,448,000

10,009,000

17,513,000

18,826,000

Gross profit 6,841,000

6,106,000

Operating expenses: 12,259,000

11,088,000

4,884,000

4,575,000

9,732,000

8,888,000

Depreciation and amortization 245,000

219,000

489,000

462,000

Total operating expenses 5,129,000

4,794,000

10,221,000

9,350,000

Income from operations 1,712,000

1,312,000

2,038,000

1,738,000

Other income: 200,000

103,000

338,000

212,000

Interest income, net 465,000

327,000

Total other income 407,000

272,000

803,000

539,000

Income before provision for income taxes 2,119,000

1,584,000

2,841,000

2,277,000

Provision for income taxes 475,000

438,000

621,000

579,000

Net income \$ 1,644,000

1,146,000

2,220,000

1,698,000

Basic earnings per common share \$ 0.15

0.10

0.20

0.14

Diluted earnings per common share \$ 0.15

0.10

0.20

0.14

Basic weighted average common shares outstanding 11,137,066

11,997,443

11,281,739

12,072,571

Diluted weighted average common shares outstanding 11,226,341

12,013,845

11,375,701

12,103,419

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Alpha Pro Tech, Ltd.

Condensed Consolidated Statements of Comprehensive Income (Unaudited)

For the Three Months Ended June 30, 2024

For the Six Months Ended June 30, 2024

June 30, 2024

June 30, 2023

Net income \$ 1,644,000

1,146,000

2,220,000

1,698,000

Other comprehensive income - foreign currency translation gain (loss) (58,000)

21,000

(52,000)

158,000

Comprehensive income \$ 1,586,000

1,167,000

2,168,000

1,856,000

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Alpha Pro Tech, Ltd.

Condensed Consolidated Statements of Shareholders' Equity (Unaudited)

For the Six Months Ended June 30, 2024

June 30, 2024

June 30, 2023

Additional

Other

Common Stock

Paid-in

Retained

Comprehensive

Shares

Amount

Capital

Earnings

Income (Loss)

Total

Balance as of December 31, 2023

11,416,212

114,000

16,339,000

46,552,000

(1,437,000)

61,568,000

Net income

(576,000)

576,000

Common stock repurchased and retired

(270,000)

(2,000)

(386,000)

(1,029,000)

(1,417,000)

Treasury stock excise tax

(14,000)

(14,000)

Stock-based compensation expense

109,000

109,000

Options exercised

226,666

2,000

813,000

815,000

Total comprehensive income

(6,000)

Balance as of March 31, 2024

11,372,878

114,000

16,861,000

46,099,000

(1,431,000)

61,643,000

Net income

(245,000)

(3,000)

(363,000)

(918,000)

(1,284,000)

Treasury stock excise tax

(13,000)

(13,000)

Stock-based compensation expense

109,000

109,000

Options exercised

15,000

54,000

54,000

Total comprehensive income

Balance as of June 30, 2023

11,875,556

119,000

17,190,000

62,333,000

(1,331,000)

61,121,000

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

Alpha Pro Tech, Ltd.

Condensed Consolidated Statements of Cash Flows (Unaudited)

For the Six Months Ended June 30, 2024

For the Six Months Ended June 30, 2023

Net income \$ 2,220,000

1,698,000

Adjustments to reconcile net income to net cash and cash equivalents provided by (

2,426,000) Prepaid expenses (742,000) (519,000) Accounts payable and accrued liabilities (923,000) (360,000) Lease liabilities (444,000) (465,000) Net cash and cash equivalents provided by (used in) operating activities (2,042,000) 987,000 Cash Flows From Investing Activities: Purchases of property and equipment (216,000) (390,000) Cash Flows From Financing Activities: Proceeds from exercise of stock options 815,000 403,000 Repurchase of common stock (2,701,000) (1,930,000) Treasury stock excise tax (27,000) (11,000) Net cash and cash equivalents used in financing activities (1,913,000) (1,538,000) Decrease in cash and cash equivalents (4,171,000) (941,000) Cash and cash equivalents, beginning of the period 20,378,000 16,290,000 Cash and cash equivalents, end of the period \$ 16,207,000 \$ 15,349,000 Supplemental disclosure of non-cash transactions: Net non-cash changes to operating leases \$ 4,803,000 \$ - See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited) 5Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited) 1. The Company Alpha Pro Tech, Ltd. ("Alpha Pro Tech," the "Company," "we," "us" or "our") is in the business of protecting people, products and environments. The Company accomplishes this by developing, manufacturing and marketing a line of building supply products for the new home and re-roofing markets and a line of disposable protective apparel for the cleanroom, industrial, pharmaceutical, medical and dental markets. The Building Supply segment consists of construction weatherization products, such as housewrap, housewrap accessories including window and door flashing, and seam tape, synthetic roof underlayment and synthetic roof underlayment accessories, as well as other woven materials. The Disposable Protective Apparel segment consists of a complete line of disposable protective garments (shoecovers, bouffant caps, coveralls, gowns, frocks and lab coats), face masks and face shields. All of our disposable protective apparel products, including face masks and face shields, are sold through similar distribution channels, are single-use and disposable, have the purpose of protecting people, products and environments, and have to be produced in Food and Drug Administration approved facilities, regardless of the market served. The Company's products are sold under the "Alpha Pro Tech" brand name as well as under private label and are predominantly sold in the United States of America ("U.S."). 2. Basis of Presentation and Revenue Recognition Policy The interim financial information included in this report is unaudited; however, the information reflects all adjustments (consisting of normal recurring adjustments) that are, in the opinion of management, necessary for the fair presentation of the consolidated financial position, results of operations and cash flows for the interim periods reflected herein. These interim condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") and, therefore, omit certain information and note disclosures that would be necessary to present the statements in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The interim condensed consolidated financial statements should be read in conjunction with the Company's current year SEC filings, as well as the Company's consolidated financial statements for the year ended December 31, 2023, which are included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K"), filed with the SEC on March 13, 2024. The results of operations for the three and six months ended June 30, 2024, in this Quarterly Report on Form 10-Q are not necessarily indicative of the results to be expected for the full year. The condensed consolidated balance sheet as of December 31, 2023 was prepared using information from the audited consolidated balance sheet contained in the 2023 Form 10-K; however, it does not include all disclosures required by U.S. GAAP for annual consolidated financial statements. Net sales includes revenue from products and shipping and handling charges, net of estimates for product returns and any related sales incentives. Our customer contracts have a single performance obligation: transfer control of products to customers. Revenue is measured as the amount of consideration that we expect to receive in exchange for transferring control of products. All revenue is recognized when we satisfy our performance obligations under the applicable contract. We recognize revenue in connection with transferring control of the promised products to the customer, with revenue being recognized at the point in time when the customer obtains control of the products, which is generally when title passes to the customer upon delivery to a third-party carrier for FOB shipping point arrangements and to the customer for FOB destination arrangements, at which time a receivable is created for the invoice sent to the customer. Shipping and handling activities are performed prior to the customer obtaining control of the goods and are accounted for as fulfillment activities and are not a promised good or service. Shipping and handling charges billed to customers are included in revenue. Shipping and handling costs, associated with the distribution of the Company's product to the customers, are recorded in cost of goods sold and are recognized when control of the product is transferred to the customer, which is generally when title passes to the customer upon delivery to a third-party carrier for FOB shipping point arrangements and to the customer for FOB destination arrangements. We estimate product returns based on historical return rates and estimate rebates based on contractual agreements. Using probability assessments, we estimate sales incentives expected to be paid over the term of the contract. Sales taxes and value added taxes in foreign and domestic jurisdictions that are collected from customers and remitted to governmental authorities are accounted for on a net basis and, therefore, are excluded from net sales. The Company manufactures certain private label goods for customers and has determined that control does not pass to the customer at the time of manufacture, based upon the nature of the private labeling. The Company has determined as of June 30, 2024, that it had no material contract assets, and concluded that its contract liabilities (primarily rebates) had the right of offset against customer receivables. See Note 10 and Note 11 of these Notes to Condensed Consolidated Financial Statements (Unaudited) for information on revenue disaggregated by type and by geographic region. 6Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited) 3. Shareholder's Equity Repurchase Program During the three months ended June 30, 2024, the Company repurchased and retired 245,000 shares of its common stock for \$1,284,000. During the three months ended June 30, 2023, the Company repurchased and retired 275,000 shares of its common stock for \$1,097,000. During the six months ended June 30, 2024, the Company repurchased and retired 515,000 shares of its common stock for \$2,701,000. During the six months ended June 30, 2023, the Company repurchased and retired 475,000 shares of its common stock for \$1,930,000. As of June 30, 2024, the Company had \$1,493,000 available to repurchase common shares under the repurchase program. The excess of repurchase price over par value is allocated between additional paid-in capital and retained earnings. 4Option Activity The Company previously granted stock options to employees and non-employee directors under the 2004 Stock Option Plan (the "2004 Plan"). Options vest and expire according to terms established at the grant date. The 2004 Plan provided for a total of 5,000,000 common shares eligible for issuance. Under the 2004 Plan, approximately 5,009,750 options (taking into account cancelled, forfeited and expired options that were added back to the plan reserve) had been granted as of December 31, 2020. At the Company's 2020 Annual Meeting of Shareholders held on June 9, 2020, the Company's shareholders approved the Alpha Pro Tech, Ltd. 2020 Omnibus Incentive Plan (the "2020 Incentive Plan"). The 2020 Incentive Plan provides for the grant of incentive and nonqualified stock options, stock appreciation rights, awards of restricted stock and restricted stock units, performance share awards, cash awards and other equity-based awards to employees (including officers), consultants and non-employee directors of the Company and its affiliates. A total of 1,800,000 shares of the Company's common stock are reserved for issuance under the 2020 Incentive Plan, plus the number of shares underlying any award granted under the 2004 Option Plan that expires or is cancelled or forfeited under the terms of the 2004 Option Plan. As a result of the approval of the 2020 Incentive Plan, no future equity awards will be made pursuant to the 2004 Option Plan. Although no new awards may be granted under the 2004 Option Plan, all previously granted awards under the 2004 Option Plan will continue to be governed by the terms of the 2004 Option Plan. The Company records compensation expense for the fair value of stock-based awards determined as of the grant date, including employee stock options and restricted stock awards, over the determined requisite service period, which is generally ratably over the vesting term. The following table summarizes restricted stock awards activity for the six months ended June 30, 2024: Weighted Average Grant Date Price \$ 4.21 Shares 10,715 Restricted stock awards Outstanding, December 31, 2023 235,172 \$ 4.21 Granted to employees and non-employee directors 10,715 Vested (8,172) 4.02 Outstanding, June 30, 2024 237,715 4.12 During the six months ended June 30, 2024 and 2023, 10,715 and 0 restricted stock awards were granted under the 2020 Incentive Plan, respectively. The Company recognized \$189,000 and \$37,000 in compensation expense associated with outstanding restricted stock awards for the six months ended June 30, 2024 and 2023, respectively. As of June 30, 2024, \$746,000 of total unrecognized compensation cost related to the restricted stock grants was expected to be recognized over a weighted average remainder period of 2.18 years. 7Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited) For the six months ended June 30, 2024 and 2023, no stock options were granted under the 2020 Incentive Plan. The Company recognized \$29,000 and \$7,000 in stock-based compensation expense for the six months ended June 30, 2024 and 2023, respectively, related to outstanding options previously granted under the 2004 Option Plan. The Company uses the Black-Scholes option-pricing model to value the options. The Company uses historical data to estimate the expected life of the options. The risk-free interest rate for periods within the contractual life of an award is based on the US Treasury yield curve in effect at the time of grant. The estimated volatility is based on historical volatility and management's expectations of future volatility. The Company uses an estimated dividend payout of zero, as the Company has not paid dividends in the past and, at this time, does not expect to do so in the future. The Company accounts for option forfeitures as they occur. The following table summarizes option activity for the six months ended June 30, 2024: Weighted Average Exercise Price \$ 3.71 Options Per Option 1 Options outstanding, December 31, 2023 292,766 \$ 3.71 Exercised (226,666) 3.59 Options outstanding, June 30, 2024 66,100 3.71

4.12 Options exercisable, June 30, 2024 9,899 3.70 As of June 30, 2024, \$117,000 of total unrecognized compensation cost related to the stock option grants was expected to be recognized over a weighted average remainder period of 2.06 years.

4. Recent Accounting Pronouncements In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. These amendments address investor requests for enhanced transparency regarding income tax information. Specifically, they improve income tax disclosures related to rate reconciliation and income taxes paid. ASU 2023-09 is effective for fiscal years beginning after December 31, 2024. The Company is evaluating the impact the adoption of this guidance will have on its consolidated financial statements.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses, and is effective for fiscal years beginning after December 31, 2023 and for interim periods within fiscal years beginning after December 15, 2024 on a retrospective basis. The Company is currently evaluating the impact of this standard on the consolidated financial statements.

Management periodically reviews new accounting standards that are issued. Management has not identified any other new standards that it believes merit further discussion at this time.

8Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited)

5. Inventories As of June 30, 2024 and December 31, 2023, inventories net of reserves consisted of the following:

	June 30, 2024	December 31, 2023
Raw materials	\$ 10,462,000	\$ 10,470,000
Work in process	2,430,000	2,236,000
Finished goods	7,893,000	7,425,000
	\$ 20,785,000	\$ 20,131,000

6. Equity Investment in Unconsolidated Affiliate In 2005, Alpha ProTech Engineered Products, Inc. (a subsidiary of Alpha Pro Tech, Ltd.) entered into a joint venture with a manufacturer in India, Maple Industries and associates, for the production of building products. Under the terms of the joint venture agreement, a private company, Harmony Plastics Private Limited (Harmony), was created with ownership interests of 41.7% owned by Alpha ProTech Engineered Products, Inc. and 58.3% owned by Maple Industries and associates. This joint venture positions Alpha ProTech Engineered Products, Inc. to respond to current and expected increased product demand for housewrap and synthetic roof underlayment and provides future capacity for sales of specialty roofing component products and custom products for industrial applications requiring high quality extrusion coated fabrics. In addition, the joint venture now supplies products for the Company's Disposable Protective Apparel segment.

The capital from the initial funding and a bank loan, which is guaranteed exclusively by the individual shareholders of Maple Industries and associates and collateralized by the assets of Harmony, were utilized to purchase the original manufacturing facility in India. Harmony currently has four facilities in India (three owned and one rented), consisting of: (1) a 139,000 square foot building for manufacturing building products; (2) a 121,000 square foot building for manufacturing coated material and sewing proprietary disposable protective apparel; (3) a 23,000 square foot facility for sewing proprietary disposable protective apparel; and (4) a 159,000 square foot facility (rented) for manufacturing Building Supply segment products. All additions have been financed by Harmony with no guarantees from the Company.

In accordance with ASC 810, Consolidation, the Company assesses whether or not related entities are variable interest entities (VIEs). For those related entities that qualify as VIEs, ASC 810 requires the Company to determine whether the Company is the primary beneficiary of the VIE, and, if so, to consolidate the VIE. The Company has determined that Harmony is not a VIE and is, therefore, considered to be an unconsolidated affiliate.

The Company records its investment in Harmony as equity investment in unconsolidated affiliate in the accompanying consolidated balance sheets. The Company records its equity interest in Harmony's results of operations as equity in income of unconsolidated affiliate in the accompanying consolidated statements of income. The Company periodically reviews its investment in Harmony for impairment. Management has determined that no impairment was required as of June 30, 2024, or December 31, 2023. Under the equity method, since the Company's reporting currency is different from Harmony's reporting currency, the Company is required to translate our proportionate share of equity for effects of translations in foreign currency and adjust the investment accordingly and accrue the adjustment as a component of Accumulated other comprehensive loss (AOCL).

For the three months ended June 30, 2024 and 2023, the Company purchased \$5,849,000 and \$4,834,000 of inventories, respectively, from Harmony. For the six months ended June 30, 2024 and 2023, the Company purchased \$11,179,000 and \$9,870,000 of inventories, respectively, from Harmony. For the three months ended June 30, 2024 and 2023, the Company sold \$240,000 and \$200,000 of inventories, respectively, to Harmony. For the six months ended June 30, 2024 and 2023, the Company sold \$240,000 and \$200,000 of inventories, respectively, to Harmony. For the three months ended June 30, 2024 and 2023, the Company recorded equity in income of unconsolidated affiliate of \$200,000 and \$103,000, respectively, related to Harmony. For the six months ended June 30, 2024 and 2023, the Company recorded equity in income of unconsolidated affiliate of \$338,000 and \$212,000, respectively, related to Harmony.

9Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited)

As of June 30, 2024, the Company's investment in Harmony was \$5,533,000, which consisted of its original \$1,450,000 investment and cumulative equity in income of unconsolidated affiliate of \$6,591,000, less \$942,000 in repayments of an advance, \$77,000 in payments of dividends, and \$1,489,000 in AOCL on foreign currency translations.

7. Accrued Liabilities As of June 30, 2024 and December 31, 2023, accrued liabilities consisted of the following:

	June 30, 2024	December 31, 2023
Payroll expenses and taxes payable	\$ 161,000	\$ 157,000
Commissions and bonuses payable and general accrued liabilities	478,000	946,000
Total accrued liabilities	\$ 639,000	\$ 1,103,000

8. Basic and Diluted Earnings Per Common Share The following table provides a reconciliation of both net income and the number of shares used in the computation of basic earnings per common share (EPS), which utilizes the weighted average number of common shares outstanding without regard to dilutive shares, and diluted EPS, which includes all such dilutive shares, for the three and six months ended June 30, 2024 and 2023:

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Net income (numerator)	\$ 1,644,000	\$ 1,146,000	\$ 2,220,000	\$ 1,698,000
Shares (denominator)	11,137,066	11,997,443	11,281,739	12,072,571
Add: dilutive effect of common stock options	85,090	16,402	93,962	30,848
Diluted weighted average common shares outstanding	11,226,341	12,013,845	11,375,701	12,103,419
Earnings per common share:				
Basic	\$ 0.15	\$ 0.10	\$ 0.20	\$ 0.14
Diluted	\$ 0.15	\$ 0.10	\$ 0.20	\$ 0.14

9. Accumulated Other Comprehensive Loss Accumulated other comprehensive loss (AOCL), a component of shareholders' equity, consists of foreign currency translation adjustments related to foreign currency gains or losses on our unconsolidated affiliate as its functional currency is other than the U.S. dollar. The resulting foreign currency translation gains or losses are deferred as AOCL and reclassified to earnings only upon sale or liquidation of that business. The AOCL on equity in unconsolidated affiliate was \$1,489,000 and \$1,437,000 as of June 30, 2024 and December 31, 2023, respectively.

10. Activity of Business Segments The Company operates through two business segments:

(1) Building Supply: consisting of construction weatherization products, such as housewrap, housewrap accessories including window and door flashing, and seam tape, synthetic roof underlayment and synthetic roof underlayment accessories, as well as other woven materials. The majority of the Company's equity in income of unconsolidated affiliate (Harmony) is included in the total segment income for the Building Supply segment.

10Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited)

(2) Disposable Protective Apparel: consisting of a complete line of disposable protective garments, including shoe covers (including the Aqua Trak® and spunbond shoe covers), bouffant caps, coveralls, frocks, lab coats, gowns and hoods, as well as face masks and face shields for the pharmaceutical, cleanroom, industrial, medical and dental markets. A portion of the Company's equity in income of unconsolidated affiliate (Harmony) is included in the total segment income for the Disposable Protective Apparel segment.

Segment data excludes charges allocated to the principal executive office and other unallocated corporate overhead expenses and income tax. The Company evaluates the performance of its segments and allocates resources to them based primarily on net sales. The accounting policies of the segments are the same as those described previously under Summary of Significant Accounting Policies (see Note 3 in the notes to our consolidated financial statements in Item 8 of the 2023 Form 10-K).

The following table presents consolidated net sales for each segment for the three and six months ended June 30, 2024 and 2023:

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Building Supply	\$ 9,941,000	\$ 10,537,000	\$ 18,181,000	\$ 19,167,000
Disposable Protective Apparel	6,348,000	5,578,000	11,591,000	10,747,000
Consolidated net sales	\$ 16,289,000	\$ 16,115,000	\$ 29,772,000	\$ 29,914,000

The following table presents the reconciliation of consolidated segment income to consolidated net income for the three and six months ended June 30, 2024 and 2023:

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Building Supply	\$ 1,828,000	\$ 1,527,000	\$ 2,792,000	\$ 2,483,000
Disposable Protective Apparel	1,841,000	1,324,000	2,872,000	2,108,000
Total segment income	\$ 3,669,000	\$ 2,851,000	\$ 5,664,000	\$ 4,591,000
Unallocated corporate overhead expenses	1,550,000	1,267,000	2,823,000	2,314,000
Provision for income taxes	475,000	438,000	621,000	579,000
Consolidated net income	\$ 1,644,000	\$ 1,146,000	\$ 2,220,000	\$ 1,698,000

11Alpha Pro Tech, Ltd. Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table presents the consolidated net property and equipment, goodwill and definite-lived intangible assets (consolidated assets) by segment as of June 30, 2024 and December 31, 2023:

	June 30, 2024	December 31, 2023
Building Supply	\$ 3,176,000	\$ 3,389,000
Disposable		

Protective Apparel Â 1,197,000 Â 1,213,000 Â Total segment assets Â 4,373,000 Â 4,602,000 Â 11. Financial Unallocated corporate assets Â 996,000 Â 1,040,000 Â Total consolidated assets Â \$ 5,369,000 Â \$ 5,642,000 Â 11. Financial Information about Geographic Areas Â The following table summarizes the Company's net sales by geographic region for the three and six months ended June 30, 2024 and 2023: Â For the Three Months Ended Â June 30, 2024 Â June 30, 2023 Â Net sales by geographic region Â United States Â \$ 16,128,000 Â \$ 16,061,000 Â \$ 29,427,000 Â \$ 29,754,000 Â International Â 161,000 Â 54,000 Â 345,000 Â 160,000 Â Consolidated net sales Â \$ 16,289,000 Â \$ 16,115,000 Â \$ 29,772,000 Â \$ 29,914,000 Â Net sales by geographic region are based on the countries in which our customers are located. For the six months ended June 30, 2024 and 2023, the Company did not generate sales from any single country, other than the United States, that were significant to the Company's consolidated net sales. Â The following table summarizes the locations of the Company's long-lived assets by geographic region as of June 30, 2024 and December 31, 2023: Â June 30, 2024 Â December 31, 2023 Â Long-lived assets by geographic region Â United States Â \$ 4,148,000 Â \$ 4,340,000 Â International Â 1,166,000 Â 1,247,000 Â Consolidated total long-lived assets Â \$ 5,314,000 Â \$ 5,587,000 Â 12. Related Party Transactions Â As of June 30, 2024, the Company had no related party transactions, other than the Company's transactions with its unconsolidated affiliate, Harmony. See Note 6 of these Notes to Condensed Consolidated Financial Statements (Unaudited). Â 13. Leases Â The Company has operating leases for the Company's corporate office and manufacturing facilities, which expire at various dates through 2034. The Company's primary operating lease commitments as of June 30, 2024, related to the Company's manufacturing facilities in Valdosta, Georgia, Nogales, Arizona and Salt Lake City, Utah, as well as the Company's corporate headquarters in Aurora, Ontario, Canada. Â 12Alpha Pro Tech, Ltd. Â Notes to Condensed Consolidated Financial Statements (Unaudited) Â As of June 30, 2024, the Company had operating lease right-of-use assets of \$9,179,000 and operating lease liabilities of \$9,207,000. As of June 30, 2024, we did not have any finance leases recorded on the Company's consolidated balance sheet. Â Operating lease expense was approximately \$853,000 during the six months ended June 30, 2024. Â The aggregate future minimum lease payments and reconciliation to lease liabilities as of June 30, 2024 were as follows: Â June 30, 2024 Â 2024 Â Remaining six months of 2024 Â \$ 724,000 Â 2025 Â 1,471,000 Â 2026 Â 1,477,000 Â 2027 Â 1,459,000 Â 2028 Â 1,489,000 Â 2029 Â 1,520,000 Â Thereafter Â 4,856,000 Â Total future minimum lease payments Â 12,996,000 Â Less imputed interest Â (3,789,000) Total lease liabilities Â \$ 9,207,000 Â As of June 30, 2024, the weighted average remaining lease term of the Company's operating leases was 10.40 years. During the six months ended June 30, 2024, the weighted average discount rate with respect to these leases was 7.0%. Â 14. Income taxes Â The Company accounts for income taxes using the asset and liability method. A valuation allowance is recorded to reduce the carrying amounts of deferred income tax assets unless it is more likely than not that such assets will be realized. The Company's policy is to record any interest and penalties assessed by the Internal Revenue Service as a component of the provision for income taxes. The Company provides allowances for uncertain income tax positions when it is more likely than not that the position will not be sustained upon examination by the tax authority. Â Alpha Pro Tech, Ltd. and its subsidiaries file income tax returns in the U.S. federal jurisdiction, and in various state and foreign jurisdictions. An employer generally does not claim a corporate income tax deduction (which would be in an amount equal to the amount of income recognized by the employee) upon the exercise of its employee's incentive stock options (ISOs) unless the employee does not meet the holding period requirements and sells early, making a disqualifying disposition, or if the options otherwise do not qualify as ISOs under applicable tax laws. With non-qualified stock options (NQSOs), on the other hand, the employer is typically eligible to claim a deduction upon its employee's exercise of the NQSOs. Â 15. Contingencies Â On June 7, 2022, the Company filed a lawsuit (the Lawsuit) in Utah naming as defendants the vendors from which the Company ordered equipment for its facility in Utah (collectively the Defendants). The Lawsuit relates to certain equipment ordered from Defendants and paid for by the Company, which Defendants never delivered. In the Lawsuit the Company is seeking the following relief: compensatory damages in the amount \$490,000, representing the money the Company paid for the machines it never received, lost profits in the form of mask sales it could have made if Defendants had delivered the machines on the promised date, and other monetary and equitable relief. In 2022, the Company wrote off the \$490,000 balance of the deposit paid for the equipment, pending any recovery in the Lawsuit. As of the date hereof, no counterclaims have been asserted against the Company. The Company believes there would not be any meritorious claims against the Company in the Lawsuit. The final outcome of the Lawsuit, including the potential amount of any recovery for the Company's claims, is uncertain. Any potential recovery represents a gain contingency in accordance with ASC 450, Contingencies, that has not been recorded as the matter was not resolved as of June 30, 2024. Any recovery will be recorded when received. Â 13Alpha Pro Tech, Ltd. Â Notes to Condensed Consolidated Financial Statements (Unaudited) Â The Company is subject to various pending and threatened litigation actions in the ordinary course of business. Although it is not possible to determine with certainty at this point in time what liability, if any, the Company will have as a result of such litigation, based on consultation with legal counsel, management does not anticipate that the ultimate liability, if any, resulting from such litigation will have a material effect on the Company's financial condition and results of operations. Â 16. Subsequent Events Â The Company has reviewed and evaluated whether subsequent events have occurred from the condensed consolidated balance sheet date of June 30, 2024 through the filing date of this Quarterly Report on Form 10-Q that would require accounting or disclosure and has concluded that there are no such subsequent events. Â 14Alpha Pro Tech, Ltd. Â ITEM 2. Â MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS Â You should read the following discussion and analysis together with our unaudited condensed consolidated financial statements and the notes to our unaudited condensed consolidated financial statements, which appear elsewhere in this report, as well as our Annual Report on Form 10-K for year ended December 31, 2023, filed with the SEC on March 13, 2024 (the 2023 Form 10-K). Â Special Note Regarding Forward-Looking Statements Â Certain information set forth in this Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of federal securities laws. Forward-looking statements include statements concerning our plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions, including, without limitation, our expected orders, production levels and sales in 2024 and 2025, and other information that is not historical information. When used in this report, the words estimates, expects, anticipates, forecasts, plans, intends, believes and variations of such words or similar expressions are intended to identify forward-looking statements. We may make additional forward-looking statements from time to time. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future developments or otherwise. All forward-looking statements, whether written or oral and whether made by us or on our behalf, are expressly qualified by this special note. Â The following are some of the risks that could affect our financial performance or that could cause actual results to differ materially from those expressed or implied in our forward-looking statements: Â — We are exposed to foreign currency exchange risks related to our unconsolidated affiliate operations in India. Â — We are subject to risks associated with our joint venture. Â — The loss of any large customer or a reduction in orders from any large customer could reduce our net sales and harm our operating results. Â — We rely on suppliers and contractors, and our business could be seriously harmed if these suppliers and contractors are not able to meet our requirements. Â — Risks associated with international manufacturing could have a significant effect on our business. Â — Our success depends in part on protection of our intellectual property, and our failure to protect our intellectual property could adversely affect our competitive advantage, our brand recognition and our business. Â — Our industry is highly competitive, which may negatively affect our ability to grow our customer base and generate sales. Â — The Company's results are affected by competitive conditions and customer preferences. Â — The Company's growth objectives are largely dependent on the timing and market acceptance of our new product offerings, including our ability to continually renew our pipeline of new products and to bring those products to market. Â — Global economic conditions could adversely affect the Company's business and financial results. Â — We are subject to risks related to climate change and natural disasters or other events beyond our control. Â — Security breaches and other disruptions to the Company's information technology infrastructure could interfere with the Company's operations, compromise information belonging to the Company and our customers and suppliers and expose the Company to liability, which could adversely impact the Company's business and reputation. Â — The Company's future results may be affected by various legal and regulatory proceedings and legal compliance risks. Â — Our common stock price is volatile, which could result in substantial losses for individual shareholders. Â The foregoing list of risks is not exclusive. For a more detailed discussion of the risk factors associated with our business, see the risks described in Part I, Item 1A, Risk Factors, in the 2023 Form 10-K. These and many other factors could affect the Company's future operating results and financial condition and could cause actual results to differ materially from expectations based on forward-looking statements made in this document or elsewhere by the Company or on its behalf. Â 15Alpha Pro Tech, Ltd. Â Special Note Regarding Smaller Reporting Company Status Â We are filing this report as a smaller reporting company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934, as amended). As a result of being a smaller reporting company, we are allowed and have elected to omit certain information from this Management's Discussion and Analysis of Financial Condition and Results of Operations; however, we have provided all information for the periods presented that we believe to be appropriate. Â Where to find more information about us. We make available, free of charge, on our website (<http://www.alphaprotech.com>) our most recent Annual Report on Form 10-K, any Current Reports on Form 8-K furnished or filed since our most recent Annual Report on Form 10-K.

and any amendments to such reports, as soon as reasonably practicable following the electronic filing of such reports with the SEC. In addition, in accordance with SEC rules, we provide paper copies of our filings free of charge upon request. Critical Accounting Policies and Estimates

The preparation of our financial statements in conformity with U.S. generally accepted accounting principles (“GAAP”) requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of net sales and expenses during the periods reported. We base estimates on past experience and on various other assumptions that are believed to be reasonable under the circumstances. The application of these accounting policies on a consistent basis enables us to provide timely and reliable financial information. Our significant accounting policies and estimates are more fully described in Note 3 “Summary of Significant Accounting Policies” in the notes to our consolidated financial statements in Item 8 of the 2023 Form 10-K. Since December 31, 2023, there have been no material changes to our critical accounting policies and estimates as described in the 2023 Form 10-K.

OVERVIEW

Alpha Pro Tech is in the business of protecting people, products and environments. We accomplish this by developing, manufacturing and marketing a line of high-value, disposable protective apparel and infection control products for the cleanroom, industrial, pharmaceutical, medical and dental markets through our wholly-owned subsidiary, Alpha Pro Tech, Inc. We also manufacture a line of building supply construction weatherization products through our wholly-owned subsidiary, Alpha ProTech Engineered Products, Inc. Our products are sold under the Alpha Pro Tech brand name, as well as under private label. Our products are grouped into two business segments: (1) the Building Supply segment, consisting of construction weatherization products, such as housewrap, housewrap accessories including window and door flashing, and seam tape, synthetic roof underlayment and synthetic roof underlayment accessories, as well as other woven materials; and (2) the Disposable Protective Apparel segment, consisting of disposable protective garments (including shoe covers, bouffant caps, coveralls, gowns, frocks and lab coats), face masks and face shields. All financial information presented in this report reflects the current segmentation.

Our target markets include pharmaceutical manufacturing, biopharmaceutical manufacturing and medical device manufacturing, lab animal research, high technology electronics manufacturing (which includes the semi-conductor market), medical and dental distributors, and construction, building supply and roofing distributors. Our products are used primarily in cleanrooms, industrial safety manufacturing environments, health care facilities, such as hospitals, laboratories and dental offices, and building and re-roofing sites. Our products are distributed principally in the United States through a network consisting of purchasing groups, national distributors, local distributors, independent sales representatives and our own sales and marketing force.

Alpha Pro Tech, Ltd. RESULTS OF OPERATIONS

The following table sets forth certain operational data as a percentage of net sales for the periods indicated:

	For the Three Months Ended June 30, 2024	For the Six Months Ended June 30, 2024	For the Three Months Ended June 30, 2023	For the Six Months Ended June 30, 2023
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Gross profit	42.0 %	37.9 %	41.2 %	37.1 %
Selling, general and administrative expenses	30.0 %	28.4 %	32.7 %	29.7 %
Income from operations	10.5 %	8.1 %	6.8 %	5.8 %
Income before provision for income taxes	13.0 %	9.8 %	9.5 %	7.6 %
Net income	10.1 %	7.1 %	7.5 %	5.7 %

Three and Six months ended June 30, 2024 compared to Three and Six months ended June 30, 2023

Sales. Consolidated sales for the three months ended June 30, 2024, increased to \$16,289,000, from \$16,115,000 for the three months ended June 30, 2023, representing an increase of \$174,000, or 1.1%. This increase consisted of increased sales in the Disposable Protective Apparel segment of \$770,000, partially offset by decreased sales in the Building Supply segment of \$596,000. Building Supply segment sales for the three months ended June 30, 2024 decreased by \$596,000, or 5.7%, to \$9,941,000 compared to \$10,537,000 for the three months ended June 30, 2023. The Building Supply segment decrease during the three months ended June 30, 2024, was primarily due to a 6.0% decrease in sales of synthetic roof underlayment and a 9.0% decrease in sales of housewrap, partially offset by an increase in sales of other woven material of 12.3%, compared to the same period of 2023. The sales mix of the Building Supply segment for the three months ended June 30, 2024, was approximately 40% for synthetic roof underlayment, 48% for housewrap and 12% for other woven material. This compared to approximately 40% for synthetic roof underlayment, 50% for housewrap and 10% for other woven material for the three months ended June 30, 2023. Our synthetic roof underlayment product line primarily includes REX SynFelt®, REX TECHNOply® TECHNO SB and our housewrap product line primarily consists of REX Wrap®, REX Wrap Plus® and REX®,[†] Wrap Fortis. Housewrap accessories consist of REXTREME Window and Door Flashing and REX®,[†] Premium Seam Tape and our synthetic roof underlayment accessories consist of our new self-adhered TECHNOplus and REX Ultra HT. The housing market continues to show weakness, with housing starts down 7.4% in the second quarter of 2024 compared to the prior year period. Sales of our core building products, which include housewrap and synthetic roof underlayment, were down due to the decrease in housing starts in the second quarter of 2024 compared to the prior year period. Our housewrap and accessories sales were down 9.0% in the second quarter compared to the prior year period, which were negatively affected by our premium housewrap line (REX®,[†] Wrap Fortis) which was down 15.3% in the second quarter of 2024, because of a sharp decline in the multi-family building sector. The synthetic roof underlayment market has also been affected by lower housing starts, uncertain economic conditions, more offshore competition and a push in the market to reduce product selling prices. Despite these pressures, our synthetic roof underlayment sales performed reasonably well, with our economy underlayment, which makes up approximately 90% of our total underlayment sales, down only 0.5% in the second quarter of 2024 compared to the prior year period. Our premium underlayment was down in the second quarter, as the market continues to move away from expensive premium underlayment products. We launched our new line of self-adhered roofing products in late 2023, and we expect continued revenue growth from this new product line. Self-adhered roof underlayment has proven to be a good addition to our roof category, and we expect these products will lead to additional conversions of our full line of mechanically fastened products. Management is currently exploring the possibility of offering additional products such as roof deck flashing.

Other woven material sales increased by 12.3% in the second quarter of 2024 compared to the same period of 2023, due to increased sales to our major customer. The Company is pursuing new opportunities for other woven material sales that may improve sales, but management does not expect other woven material sales to be a growth driver in 2024. Management expects the remainder of 2024 to be challenging from a sales standpoint as single family and multi-family housing starts are both projected to finish lower than 2023. We expect growth in the building supply segment when uncertainty in the housing market abates.

Disposable Protective Apparel segment sales for the three months ended June 30, 2024 increased by \$770,000, or 13.8%, to \$6,348,000, representing the highest quarter in two years, compared to \$5,578,000 for the same period of 2023. This segment increase was due to a 9.2% increase in sales of disposable protective garments, an 81.0% increase in sales of face masks and a 64.1% increase in sales of face shields. The sales mix of the Disposable Protective Apparel segment for the three months ended June 30, 2024, was approximately 90% for disposable protective garments, 7% for face masks and 3% for face shields. This sales mix is compared to approximately 93% for disposable protective garments, 5% for face masks and 2% for face shields for the three months ended June 30, 2023. Sales of disposable protective garments in the second quarter of 2024 were up by 9.2%, primarily due to increased sales to our major international supply chain partner, as well as increased sales to regional and national distributors. We expect continued growth for disposable protective garments in the remainder of 2024. Face mask and face shield sales are still suffering from the post COVID-19 residual excess inventories at the distributor level, but sales in the second quarter of 2024 and year to date 2024 are showing signs of improvement. The market continues to be saturated with products, but we are cautiously optimistic that face mask and face shield sales will continue to show growth in 2024.

Consolidated sales for the six months ended June 30, 2024 decreased to \$29,772,000 from \$29,914,000 for the six months ended June 30, 2023, representing a decrease of \$142,000, or 0.5%. This decrease consisted of decreased sales in the Building Supply segment of \$986,000, partially offset by increased sales in the Disposable Protective Apparel segment of \$844,000. Building Supply segment sales for the six months ended June 30, 2024 decreased by \$986,000, or 5.1%, to \$18,181,000, compared to \$19,167,000 for the same period of 2023. Sales of synthetic roof underlayment decreased by 5.7%, sales of other woven material decreased by 31.9% and sales of housewrap increased by 4.9% compared to the same period of 2023. The sales mix of the Building Supply segment for the six months ended June 30, 2024 was 40% for synthetic roof underlayment, 52% for housewrap and 8% for other woven material. This compared to 41% for synthetic roof underlayment, 48% for housewrap and 11% for other woven material for the six months ended June 30, 2023. Management is encouraged by the 4.9% increase in housewrap sales, especially since housing starts are down 2.5% year to date. Although synthetic roof underlayment sales are compared to the same period of 2023, our economy and self-adhered roof underlayment, which comprised approximately 95% of total underlayment sales were up approximately 1% compared to the prior year period. Our premium underlayment, which accounts for only approximately 5% of roof underlayment sales, was down as the market has been moving away from expensive roof underlayment. Sales of other woven material is down compared to the prior year period primarily due to one of our customers being acquired and deciding to go in a different direction. The Company is pursuing new opportunities for other woven materials sales that may improve sales, but management does not expect other woven material sales to be a growth driver in 2024.

Disposable Protective Apparel segment sales for the six months ended June 30, 2024 increased by \$844,000, or 7.9%, to \$11,591,000, compared to \$10,747,000 for the same period of 2023. This segment increase was due to a 29.8% increase in sales of face masks, a 28.6% increase in sales of face shields and a 5.2% increase in sales of disposable protective garments. The sales mix of the Disposable Protective Apparel segment for the six months ended June 30, 2024 was 87% for disposable protective garments, 9% for face masks and 4% for face shields. This sales mix is compared to 89% for disposable protective garments, 8% for face masks and 3% for face shields for the six months ended June 30, 2023.

Alpha Pro Tech, Ltd. Sales of disposable protective garments for the six months ended June 30, 2024 were up 5.2%, for the reasons as discussed above in the three months ended June 30, 2024 section. Face

mask and face shield sales, although up significantly compared to 2023, continue to be affected by excess inventories at the distributor level and in the marketplace. A Gross Profit. Gross profit increased by \$735,000, or 12.0%, to \$6,841,000 for the three months ended June 30, 2024, from \$6,106,000 for the three months ended June 30, 2023. The gross profit margin was 42.0% for the three months ended June 30, 2024, compared to 37.9% for the three months ended June 30, 2023. A Gross profit increased by \$1,171,000, or 10.6%, to \$12,259,000 for the six months ended June 30, 2024, from \$11,088,000 for the six months ended June 30, 2023. The gross profit margin was 41.2% for the six months ended June 30, 2024, compared to 37.1% for the six months ended June 30, 2023. A The gross profit margin in 2024 was positively affected by a margin increase in both the Disposable Protective Apparel and Building Supply segments. However, management expects the gross profit margin could be negatively affected by recent significant increases in ocean freight rates. A Selling, General and Administrative Expenses. Selling, general and administrative expenses increased by \$309,000, or 6.8%, to \$4,884,000 for the three months ended June 30, 2024, from \$4,575,000 for the three months ended June 30, 2023. As a percentage of net sales, selling, general and administrative expenses increased to 30.0% for the three months ended June 30, 2024, from 28.4% for 2023. A The change in expenses by segment for the three months ended June 30, 2024, was as follows: Disposable Protective Apparel expenses were up by \$197,000, or 16.5%; Building Supply expenses were down by \$208,000, or 10.5%; and corporate unallocated expenses were up by \$320,000, or 22.7%. The increase in the Disposable Protective Apparel segment expenses was primarily related to increased employee compensation and rent expenses. The decrease in the Building Supply segment expenses was related to decreased employee compensation, marketing expenses, travel expenses and insurance. The increase in corporate unallocated expenses was primarily due to increased employee compensation, stock option and restricted stock expenses and reorganization costs. The reorganization costs were incurred in connection with moving our face mask manufacturing facility from Utah to Arizona. As of the third quarter of 2024, the Disposable Protective Apparel segment, which includes disposable protective garments, face masks and face shields, will all be in Arizona. This move is expected to result in lower costs. A Selling, general and administrative expenses increased by \$844,000, or 9.5%, to \$9,732,000 for the six months ended June 30, 2024, from \$8,888,000 for the six months ended June 30, 2023. As a percentage of net sales, selling, general and administrative expenses increased to 32.7% for the six months ended June 30, 2024, from 29.7% for 2023. A The change in expenses by segment for the six months ended June 30, 2024, was as follows: Disposable Protective Apparel expenses were up by \$305,000, or 12.5%; Building Supply expenses were down by \$108,000, or 2.8%; and corporate unallocated expenses were up by \$647,000, or 25.0%. The increase in the Disposable Protective Apparel segment expenses was primarily related to increased employee compensation and rent expenses. The decrease in the Building Supply segment expenses was related to decreased travel and insurance expenses, partially offset by an increase in employee compensation and sales commission. The increase in corporate unallocated expenses was primarily due to increased employee compensation, stock option and restricted stock expenses, reorganization costs, professional fees, insurance expenses and general office expenses. A In accordance with the terms of his employment agreement, the Company's current President and Chief Executive Officer is entitled to an annual bonus equal to 5% of the pre-tax profits of the Company, excluding bonus expense, up to a maximum of \$1.0 million. A bonus amount of \$111,000 was accrued for the three months ended June 30, 2024, compared to \$83,000 for the three months ended June 30, 2023. A bonus amount of \$149,000 was accrued for the six months ended June 30, 2024, compared to \$120,000 for the six months ended June 30, 2023. A Depreciation and Amortization. Depreciation and amortization expenses increased by \$26,000, or 11.9%, to \$245,000 for the three months ended June 30, 2024, from \$219,000 for the three months ended June 30, 2023. A Depreciation and amortization expenses increased by \$27,000, or 5.8%, to \$489,000 for the six months ended June 30, 2024, from \$462,000 for the six months ended June 30, 2023. A 19Alpha Pro Tech, Ltd. A The increase in depreciation and amortization for the three and six months ended June 30, 2024 was primarily due to an increase in depreciation on the Building Supply segment. A Income from Operations. Income from operations increased by \$400,000, or 30.5%, to \$1,712,000 for the three months ended June 30, 2024, compared to \$1,312,000 for the three months ended June 30, 2023. The increased income from operations was primarily due to an increase in gross profit of \$735,000, partially offset by an increase in selling, general and administrative expenses of \$309,000 and an increase in depreciation and amortization expenses of \$26,000. Income from operations as a percentage of net sales for the three months ended June 30, 2024, was 10.5%, compared to 8.1% for the same period of 2023. A Income from operations increased by \$300,000, or 17.3%, to \$2,038,000 for the six months ended June 30, 2024, compared to \$1,738,000 for the six months ended June 30, 2023. The increased income from operations was primarily due to an increase in gross profit of \$1,171,000, partially offset by an increase in selling, general and administrative expenses of \$844,000 and an increase in depreciation and amortization expenses of \$27,000. Income from operations as a percentage of net sales for the six months ended June 30, 2024, was 6.8%, compared to 5.8% for the same period of 2023. A Other Income. Other income increased by \$135,000 to income of \$407,000 for the three months ended June 30, 2024, compared to \$272,000 for the same period of 2023. The increase was primarily due to an increase in equity in income of unconsolidated affiliate of \$97,000 and an increase in interest income of \$38,000. A Other income increased by \$264,000 to income of \$803,000 for the six months ended June 30, 2024, compared to \$539,000 for the same period of 2023. The increase was primarily due to an increase in equity in income of unconsolidated affiliate of \$126,000 and an increase in interest income of \$138,000. A Income before Provision for Income Taxes. Income before provision for income taxes for the three months ended June 30, 2024, was \$2,119,000, compared to income before provision for income taxes of \$1,584,000 for the same period of 2023, representing an increase of \$535,000, or 33.8%. This increase in income before provision for income taxes was due to an increase in income from operations of \$400,000 and an increase in other income of \$135,000. A Income before provision for income taxes for the six months ended June 30, 2024, was \$2,841,000, compared to income before provision for income taxes of \$2,277,000 for the same period of 2023, representing an increase of \$564,000, or 24.8%. This increase in income before provision for income taxes was due to an increase in income from operations of \$300,000 and an increase in other income of \$264,000. A Provision for Income Taxes. The provision for income taxes for the three months ended June 30, 2024, was \$475,000, compared to \$438,000 for the same period of 2023. The estimated effective tax rate was 22.4% for the three months ended June 30, 2024, compared to 27.7% for the three months ended June 30, 2023. A The provision for income taxes for the six months ended June 30, 2024, was \$621,000, compared to \$579,000 for the same period of 2023. The estimated effective tax rate was 21.9% for the six months ended June 30, 2024, compared to 25.4% for the six months ended June 30, 2023. A The Company does not record a tax provision on equity in income of unconsolidated affiliate, which reduces the effective tax rate. A Net Income. Net income for the three months ended June 30, 2024, was \$1,644,000 compared to net income of \$1,146,000 for the same period of 2023, representing an increase of \$498,000, or 43.5%. The net income increase between 2024 and 2023 was due to an increase in income before provision for income taxes of \$535,000, partially offset by an increase in provision for income taxes of \$37,000. Net income as a percentage of net sales for the three months ended June 30, 2024, was 10.1%, and net income as a percentage of net sales for the same period of 2023 was 7.1%. Basic and diluted earnings per common share for each of the three months ended June 30, 2024 and 2023, was \$0.15 and \$0.10, respectively. A Net income for the six months ended June 30, 2024, was \$2,220,000 compared to net income of \$1,698,000 for the same period of 2023, representing an increase of \$522,000, or 30.7%. The net income increase between 2024 and 2023 was due to an increase in income before provision for income taxes of \$564,000, partially offset by an increase in provision for income taxes of \$42,000. Net income as a percentage of net sales for the six months ended June 30, 2024, was 7.5%, and net income as a percentage of net sales for the same period of 2023 was 5.7%. Basic and diluted earnings per common share for each of the six months ended June 30, 2024 and 2023, was \$0.20 and \$0.14, respectively. A 20Alpha Pro Tech, Ltd. A LIQUIDITY AND CAPITAL RESOURCES A As of June 30, 2024, the Company had cash and cash equivalents ("cash") of \$16,207,000 and working capital of \$50,741,000. As of June 30, 2024, the Company's current ratio (current assets/current liabilities) was 28:1, compared to a current ratio of 21:1 as of December 31, 2023. Cash decreased by 20.5%, or \$4,171,000, to \$16,207,000 as of June 30, 2024, compared to \$20,378,000 as of December 31, 2023, and working capital increased by \$243,000 from \$50,498,000 as of December 31, 2023. The decrease in cash from December 31, 2023, was due to cash used in operating activities of \$2,042,000, cash used in investing activities of \$218,000 and cash used in financing activities of \$1,913,000. A Net cash used in operating activities of \$2,042,000 for the six months ended June 30, 2024, was due to net income of \$2,220,000, as adjusted primarily by the following: stock-based compensation expense of \$218,000, depreciation and amortization expense of \$489,000, equity in income of unconsolidated affiliate of \$338,000, operating lease asset amortization of \$434,000, an increase in accounts receivable of \$2,302,000, a decrease in prepaid expenses of \$740,000, an increase in inventory of \$654,000, a decrease in accounts payable and accrued liabilities of \$923,000, and an decrease in lease liabilities of \$444,000, all compared to December 31, 2023. A Accounts receivable increased by \$2,302,000, or 35.2%, to \$8,847,000 as of June 30, 2024, from \$6,545,000 as of December 31, 2023. The increase in accounts receivable was primarily related to higher sales in the second quarter of 2024 compared to the quarter ending December 2023. The number of days that sales remained outstanding as of June 30, 2024, calculated by using an average of accounts receivable outstanding and annual revenue, was 43 days, compared to 40 days as of December 31, 2023. The increase in days was due to higher sales in the last month of the first quarter of 2024 compared to the last month of 2023. A Inventory increased by \$654,000, or 3.2%, to \$20,785,000 as of June 30, 2024, from \$20,131,000 as of December 31, 2023. The increase was due to an increase in inventory for the Building Supply segment of \$1,874,000, or 26.9%, to \$8,844,000, partially offset by a decrease in inventory for the Disposable Protective Apparel segment of \$1,220,000, or 9.3%, to \$11,941,000. A Prepaid expenses increased by \$742,000, or 12.3%, to \$6,752,000 as of June 30, 2024, from \$6,010,000 as of December 31, 2023. The increase was primarily due to increased prepaid equipment and inventory. A Right-of-use assets as of June 30, 2024, increased by \$4,369,000 to \$9,179,000 from \$4,810,000 as of December 31, 2023, primarily as a result of our new Nogales, Arizona lease, partially offset by amortization of the right of use asset. A Lease liabilities as of June

30, 2024, increased by \$4,359,000 to \$9,207,000 from \$4,848,000 as of December 31, 2023. The increase in the lease liabilities was primarily the result of our new Nogales, Arizona lease in March 2024 and the assumption we will lease that facility for at least 5 years, partially offset by lease payments made during the year. Accounts payable and accrued liabilities as of June 30, 2024, decreased by \$923,000, or 48.5%, to \$982,000, from \$1,905,000 as of December 31, 2023. The decrease was primarily due to a decrease in accrued bonuses. Net cash used in investing activities was \$216,000 for the six months ended June 30, 2024, compared to net cash used in investing activities of \$390,000 for the same period of 2023. Investing activities for the six months ended June 30, 2024 and 2023, consisted of the purchase of property and equipment. Net cash used in financing activities was \$1,913,000 for the six months ended June 30, 2024, compared to net cash used in financing activities of \$1,538,000 for the same period of 2023. Net cash used in financing activities for the six months ended June 30, 2024, resulted from the payment of \$2,701,000 for the repurchase of common stock and \$27,000 for treasury stock excise tax, partially offset by \$815,000 in proceeds from the exercise of stock options. Net cash used in financing activities for the six months ended June 30, 2023, resulted from the payment of \$1,930,000 for the repurchase of common stock and \$11,000 for treasury stock excise tax, partially offset by \$403,000 in proceeds from the exercise of stock options. Alpha Pro Tech, Ltd. As of June 30, 2024, we had \$1,493,000 available for stock purchases under our stock repurchase program. During the six months ended June 30, 2024, we repurchased 515,000 shares of common stock at a cost of \$2,701,000. As of June 30, 2024, we had repurchased a total of 20,926,627 shares of common stock at a cost of approximately \$53,027,000 through our repurchase program which commenced in 1999. We retire all stock upon repurchase. Future repurchases are expected to be funded from cash on hand and cash flows from operating activities. We believe that our current cash balance and expected cash flow from operations will be sufficient to satisfy our projected working capital and planned capital expenditures for the foreseeable future. Recent Accounting Pronouncements In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. These amendments address investor requests for enhanced transparency regarding income tax information. Specifically, they improve income tax disclosures related to rate reconciliation and income taxes paid. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024. The Company is evaluating the impact the adoption of this guidance will have on its consolidated financial statements. In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. This ASU improves reportable segment disclosure requirements, primarily through enhanced disclosures about significant expenses, and is effective for fiscal years beginning after December 31, 2023 and for interim periods within fiscal years beginning after December 15, 2024 on a retrospective basis. The Company is currently evaluating the impact of this standard on the consolidated financial statements. Management periodically reviews new accounting standards that are issued. Management has not identified any other new standards that it believes merit further discussion at this time. ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK As a smaller reporting company, we are not required to provide the information otherwise required by this Item. ITEM 4. CONTROLS AND PROCEDURES Evaluation of Disclosure Controls and Procedures. Under the supervision and with the participation of our management, including our President and Chief Executive Officer (principal executive officer) and our Chief Financial Officer (principal financial officer), we evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")) as of June 30, 2024, pursuant to the evaluation of these controls and procedures required by Rule 13a-15 of the Exchange Act. Disclosure controls and procedures are the controls and other procedures that we have designed to ensure that we record, process, summarize and report in a timely manner the information that we must disclose in reports that we file with or submit to the SEC under the Exchange Act, and such controls include, without limitation, controls and procedures designed to ensure that information required to be disclosed is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow for timely decisions regarding required disclosure. In designing and evaluating our disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives and that we are required to apply our judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of the end of the period covered by this report. Changes in Internal Control Over Financial Reporting During the quarter to which this report relates, there was no change in our internal control over financial reporting (as such term is defined in Rule 13a-15(f) and Rule 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. Alpha Pro Tech, Ltd. PART II. OTHER INFORMATION ITEM 1. LEGAL PROCEEDINGS On June 7, 2022, the Company filed a lawsuit (the "Lawsuit") in Utah naming as defendants the vendors from which the Company ordered equipment for its facility in Utah (collectively the "Defendants"). The Lawsuit relates to certain equipment ordered from Defendants and paid for by the Company, which Defendants never delivered. In the Lawsuit the Company is seeking the following relief: compensatory damages in the amount \$490,000, representing the money the Company paid for the machines it never received, lost profits in the form of mask sales it could have made if Defendants had delivered the machines on the promised date, and other monetary and equitable relief. In 2022, the Company wrote off the \$490,000 balance of the deposit paid for the equipment, pending any recovery in the Lawsuit. As of the date hereof, no counterclaims have been asserted against the Company. The Company believes there would not be any meritorious claims against the Company in the Lawsuit. The final outcome of the Lawsuit, including the potential amount of any recovery for the Company's claims, is uncertain. Any potential recovery represents a gain contingency in accordance with ASC 450, Contingencies, that has not been recorded as the matter was not resolved as of June 30, 2024. Any recovery will be recorded when received. The Company is subject to various pending and threatened litigation actions in the ordinary course of business. Although it is not possible to determine with certainty at this point in time what liability, if any, the Company will have as a result of such litigation, based on consultation with legal counsel, management does not anticipate that the ultimate liability, if any, resulting from such litigation will have a material effect on the Company's financial condition and results of operations. ITEM 1A. RISK FACTORS A list of factors that could materially affect our business, financial condition or operating results is described in Part I, Item 1A, "Risk Factors" in the 2023 Form 10-K. There have been no material changes to our risk factors from those disclosed in Part I, Item 1A, "Risk Factors" in the 2023 Form 10-K. ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS ISSUER PURCHASES OF EQUITY SECURITIES The following table sets forth purchases made by or on behalf of the Company or any affiliated purchaser, as defined in Rule 10b-18(a)(3) of the Exchange Act: Average Price Paid per Share Total Number of Shares Purchased as Part of Publicly Announced Program (1) April 1 - 30, 2024 30,700 \$5.94 30,700 May 1 - 31, 2024 145,800 5.10 145,800 June 1 - 30, 2024 68,500 5.08 68,500 245,000 5.20 245,000 (1) In April 2024, the Company announced that the Board of Directors had authorized a \$2,000,000 expansion of the Company's existing share repurchase program. All of the shares included in this table were purchased pursuant to this program. Since the inception of the share repurchase program in 1999, the Company has authorized the repurchase of \$54,402,000 of common stock, of which \$1,493,000 was available for repurchase as of June 30, 2024. The stock repurchase plan expires on December 15, 2024. Alpha Pro Tech, Ltd. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS We did not sell any unregistered equity securities during the periods covered by this Quarterly Report on Form 10-Q. ITEM 5. OTHER INFORMATION (b) None. (c) During the period covered by this report, none of the Company's directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended). Alpha Pro Tech, Ltd. ITEM 6. EXHIBITS 3.1.1(P) Certificate of Incorporation of Alpha Pro Tech, Ltd., incorporated by reference to Exhibit 3(f) to Form 10-K for the year ended December 31, 1994, filed on March 31, 1995 (File No. 000-19893). 3.1.2(P) Certificate of Amendment of Certificate of Incorporation of Alpha Pro Tech, Ltd., incorporated by reference to Exhibit 3(j) to Form 10-K for the year ended December 31, 1994, filed on March 31, 1995 (File No. 000-19893). 3.1.3(P) Certificate of Ownership and Merger (BFD Industries, Inc. into Alpha Pro Tech, Ltd.), incorporated by reference to Exhibit 3(l) to Form 10-K for the year ended December 31, 1994, filed on March 31, 1995 (File No. 000-19893). 3.2 Amended and Restated Bylaws of Alpha Pro Tech, Ltd., incorporated by reference to Exhibit 3.1 to Form 8-K, filed on December 19, 2022 (File No. 001-15725). 31.1 Certification of President and Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. 31.2 Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Securities Exchange Act, as amended. 32.1 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 "A President and Chief Executive Officer." 32.2 Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 "A Chief Financial Officer." 101 Interactive Data Files for Alpha Pro Tech, Ltd.'s Form 10-Q for the period ended June 30, 2024, formatted in Inline XBRL. 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101). (P) Indicates a paper filing with the SEC. Alpha Pro Tech, Ltd. SIGNATURES Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized. ALPHA PRO TECH, LTD. DATE: August 8, 2024 BY: /s/ Lloyd Hoffman Lloyd Hoffman President and Chief Executive Officer DATE: August 8, 2024 BY: /s/ Colleen McDonald Colleen McDonald Chief Financial Officer 26 0001437749-24-025421ex_708108.htm Certification Under Exchange Act Rules 13a-14(a) and 15d-

14(a) EXHIBIT 31.1. I, Lloyd Hoffman, certify that: 1. I have reviewed this Quarterly Report on Form 10-Q of Alpha Pro Tech, Ltd.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have: a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting. DATE: August 8, 2024 BY: /s/ Lloyd Hoffman

I, Colleen McDonald, certify that: 1. I have reviewed this Quarterly Report on Form 10-Q of Alpha Pro Tech, Ltd.; 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report; 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report; 4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have: a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared; b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles; c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and 5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions): a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting. DATE: August 8, 2024 BY: /s/ Colleen McDonald

I, Lloyd Hoffman, President and Chief Executive Officer, and Colleen McDonald, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that: (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. DATE: August 8, 2024 BY: /s/ Lloyd Hoffman

I, Colleen McDonald, Chief Financial Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that: (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company. DATE: August 8, 2024 BY: /s/ Colleen McDonald