

# Statutory Financial Statements 2025

Aebi Schmidt Holding AG, Frauenfeld  
Year ended December 31, 2025



## Aebi Schmidt Holding AG - Balance sheet as of December 31, 2025

in thousands	Note	2025 (USD)	2024 (CHF)	2025 (indicative CHF)
<b>Assets</b>				
Cash and cash equivalents		5'045	2'179	3'999
Trade accounts receivable - group companies		43'740	6'383	34'672
Other accounts receivable		197'948	77'840	156'910
- <i>Third parties</i>		2'539	1'016	2'013
- <i>Group companies</i>	2.1	195'409	76'824	154'897
Prepaid expenses and accrued income		8'400	9'677	6'659
<b>Total current assets</b>		<b>255'133</b>	<b>96'079</b>	<b>202'239</b>
Financial assets		343'218	283'533	272'062
- <i>Loans to group companies</i>		330'920	280'776	262'314
- <i>Loans to group companies (subordinated)</i>		2'920	1'416	2'315
- <i>Capitalized financing costs</i>	2.3	9'378	1'341	7'434
Investments in subsidiaries	2.2	837'305	357'061	663'716
Tangible assets		1'307	180	1'036
Intangible assets		3'151	4'179	2'498
<b>Total non-current assets</b>		<b>1'184'981</b>	<b>644'953</b>	<b>939'312</b>
<b>Total assets</b>		<b>1'440'114</b>	<b>741'032</b>	<b>1'141'551</b>
<b>Liabilities and Equity</b>				
Trade accounts payable		13'873	5'295	10'997
- <i>Third parties</i>		10'313	4'905	8'175
- <i>Group companies</i>		3'560	390	2'822
Short-term interest-bearing liabilities - third parties	2.3	35'000	18'472	27'744
Other short-term liabilities		60'679	41'486	48'099
- <i>Third parties</i>		743	273	589
- <i>Group companies</i>	2.4	59'936	41'213	47'510
Accrued liabilities		6'161	5'400	4'884
<b>Total short-term liabilities</b>		<b>115'713</b>	<b>70'653</b>	<b>91'723</b>
Long-term interest-bearing liabilities		549'096	325'575	435'258
- <i>Third parties</i>	2.3	489'995	278'482	388'410
- <i>Shareholders (subordinated)</i>	2.5	59'101	47'093	46'848
Long-term provision	2.6	1'629	14'033	1'291
<b>Total long-term liabilities</b>		<b>550'725</b>	<b>339'608</b>	<b>436'549</b>
<b>Total liabilities</b>		<b>666'438</b>	<b>410'261</b>	<b>528'273</b>
<b>Equity</b>				
Share capital	2.7	79'300	53'820	62'860
Capital reserves from tax capital contributions		603'632	182'133	478'488
Reserve for dividends from capital contributions		3'664	-	2'904
Treasury shares	2.8	-22'230	-222	-17'621
Retained earnings		129'566	83'804	102'704
Net profit (loss) for the year		-20'256	11'236	-16'057
<b>Total equity</b>		<b>773'676</b>	<b>330'771</b>	<b>613'278</b>
<b>Total liabilities and equity</b>		<b>1'440'114</b>	<b>741'032</b>	<b>1'141'551</b>

## Aebi Schmidt Holding AG - Income Statement for the year ended December 31, 2025

in thousands	Note	2025 (USD)	2024 (CHF)	2025 (indicative CHF)
Dividend and other income - Group companies	2.9	35'253	36'170	27'944
Financial income - Group companies	2.10	42'283	33'003	33'517
Foreign exchange gains		11'689	12'131	9'266
Other income		2'406	1'415	1'907
<b>Total income</b>		<b>91'631</b>	<b>82'719</b>	<b>72'634</b>
Expense to group companies		-6'141	-3'614	-4'868
Financial expense		-37'336	-29'021	-29'596
- Interest expense to third parties		-32'400	-25'309	-25'683
- Interest expense to shareholders		-1'400	-1'171	-1'110
- Interest expense to group companies		-3'536	-2'541	-2'803
Foreign exchange losses		-23'591	-	-18'700
Personnel costs		-16'172	-13'313	-12'819
Other operating expense		-11'799	-8'578	-9'353
Depreciation and amortization		-1'631	-1'296	-1'293
Extraordinary expense	2.11	-15'138	-15'793	-12'000
<b>Total expense</b>		<b>-111'808</b>	<b>-71'615</b>	<b>-88'628</b>
<b>Profit (loss) before taxes</b>		<b>-20'177</b>	<b>11'104</b>	<b>-15'994</b>
Income taxes		-79	132	-63
<b>Net profit (loss) for the year</b>		<b>-20'256</b>	<b>11'236</b>	<b>-16'057</b>

## Notes to the financial statements

### 1. General

Aebi Schmidt Holding AG, with registered office in Frauenfeld with additional office in Glattpark, is the ultimate holding company of the Aebi Schmidt Group which includes subsidiaries, associated companies and joint ventures around the world. During the reporting period, Aebi Schmidt Holding AG employed fewer than 250 employees (2024: fewer than 250 employees).

These annual financial statements were prepared in accordance with the provisions of the Swiss accounting law (Title 32 of the Swiss Code of Obligations).

#### 1.1 Currency

For the year ended December 31, 2024, and all preceding periods, we maintained our accounting records in Swiss francs for statutory reporting purposes. On February 13, 2025, at our extraordinary shareholders' meeting, shareholders approved the redenomination of the currency of our share capital from Swiss francs to U.S. dollars, effective as of January 1, 2025. Accordingly, we present our share capital and our financial statements in U.S. dollars, our functional currency, as set out in Art. 621 para. 2 SCO in connection with Art. 958d para. 3 SCO. In the year ended December 31, 2025, as part of our adoption of change in reporting currency, we recognized the previously deferred translation gain related to the currency translation and presented as a Foreign exchange gains on our Income Statement.

As required by Art. 958d para. 3 SCO, we have presented the indicative Swiss franc value in a separate column on our financial statements using the exchange rate in effect on December 31, 2025. The column is presented for reference only and is not intended to represent a basis of presentation for the financial statements.

Transactions booked during the year in currencies other than USD were converted at average rates during the year and we recognize currency exchange gains and losses arising from business transactions in current period earnings. At December 31, 2025 and 2024, our principal exchange rates were USD 1 to CHF 0.79 and CHF 0.91, respectively.

#### 1.2 Investments

Investments in affiliated companies are recorded at historical cost less adjustment for impairment of value.

### 2. Information on items of the balance sheet and income statement

#### 2.1 Other short-term account receivables - group companies

The balance sheet item includes short-term loans to group companies and receivables from cash pooling.

#### 2.2 Direct and indirect investments

Company	Country	Participation	
		2025	2024
Aebi & Co. AG Maschinenfabrik, Burgdorf	Switzerland	99.98%	99.98%
Aebi Schmidt International AG, Frauenfeld	Switzerland	100%	100%
Aebi Schmidt Austria GmbH, Inzing	Austria	100%	100%
Aebi Schmidt Deutschland GmbH, St. Blasien	Germany	100%	100%
Aebi Schmidt Polska Sp.z.o.o., Kielce	Poland	100%	100%
Aebi Schmidt Nederland BV, Holten	Netherlands	100%	100%
Aebi Schmidt Italia S.r.l., Merano	Italy	100%	100%
Aebi Schmidt UK Limited, Peterborough	UK	100%	100%
Aebi Schmidt Ibérica S.A., Casarrubio del Monte	Spain	100%	100%
Aebi Schmidt Sweden AB, Skänninge	Sweden	100%	100%
Aebi Schmidt Norge AS, Sundebu	Norway	100%	100%
OOO ASH Rus, Moscow	Russia	100%	100%
ASH Immobilien Deutschland GmbH, St. Blasien	Germany	100%	100%
ASH North America Inc., Dover (Delaware)	USA	100%	100%
Meyer Products LLC, Cleveland (Ohio)	USA	100%	100%
Swenson Spreader LLC, Lindenwood (Illinois)	USA	100%	100%
M-B Companies Inc., New Holstein (Wisconsin)	USA	100%	100%
M-B Global Inc., New Holstein (Wisconsin)	USA	100%	100%
ASH Trading & Services (Beijing) Co., Ltd.	China	85%	100%
Arctic Machine Oy, Iisvesi	Finland	100%	100%
OOO Arctic Machine-R, Moscow	Russia	100%	100%
Arctic Machine AB	Sweden	100%	100%
Aebi Schmidt Holding Canada Inc., Saint-André-Avellin (Quebec)	Canada	100%	100%
Aebi Schmidt Canada Inc., Saint-André-Avellin (Quebec)	Canada	100%	100%
Aebi Schmidt Danmark A/S, Fredericia	Denmark	100%	100%
Monroe Inc., Wilmington (Delaware)	USA	100%	100%
Monroe Towmaster LLC, Wilmington (Delaware)	USA	100%	100%
Monroe Truck Equipment Inc., Monroe (Wisconsin)	USA	100%	100%
Carolina Custom Center Inc., Kernersville (North Carolina)	USA	100%	100%
Autotech Inc. DBA Southern Coach, Browns Summit (North Carolina)	USA	100%	100%
Ladog - Fahrzeugbau u. Vertriebs-GmbH, Zell am Hamersbach	Germany	100%	100%
ASH US Group, LLC, Dover (Delaware)	USA	100%	0%
The Shyft Group, Inc, Novi (Michigan)	USA	100%*	0%
The Shyft Group USA, Inc, South Dakota	USA	100%*	0%
Royal Truck Body LLC, Carson (California)	USA	100%*	0%

\* significant indirect investments

On July 1, 2025 ("Acquisition Date"), the Company closed on the acquisition of all outstanding stock of The Shyft Group, Inc, a niche market leader in specialty vehicle manufacturing and assembly for the commercial and recreational vehicle industries, pursuant to the Merger Agreement. The Company acquired 100% of Shyft's voting equity interests. Shyft provides specialty vehicle solutions in North America. The acquisition of The Shyft Group, Inc was done by the subsidiary ASH US Group, LLC which is a holding entity founded in 2025. The entities The Shyft Group USA, Inc and Royal Truck Body LLC are significant subsidiaries of the acquired The Shyft Group, Inc.

In 2024, ASH Trading & Services (Beijing) Co., Ltd. was converted from a sales representation office into a production & sales entity.

On November 22, 2024 Aebi Schmidt acquired Ladog - Fahrzeugbau u. Vertriebs-GmbH (Zell am Hamersbach, Germany), a leading manufacturer of narrow gauge and compact vehicles for municipalities, industry and agriculture. Aebi Schmidt purchased 100% of the shares of Ladog - Fahrzeugbau u. Vertriebs-GmbH.

## Notes to the financial statements

### 2.3 Short-term / long-term interest bearing liabilities - third parties and capitalized financial costs

On March 10, 2025 Aebi Schmidt Holding AG entered into a syndicated USD 600mio. credit facilities agreement comprising of a Term loan, Facility A (due 2030) and a Revolving Credit facility (due 2030). The new agreement was used to repay and is replacing the old syndicated agreement of USD 394mio.

The financial costs from this syndicate agreement of USD 13'909k (indicative CHF 11'026k) were capitalized and will be amortized over the period of the agreement.

### 2.4 Other short-term liabilities - group companies

The balance sheet item include short-term loans from group companies and payables from cash pooling.

### 2.5 Long-term interest-bearing liabilities - shareholders

Subordinated shareholder loans increased due to changes in the foreign exchange rates.

### 2.6 Long-term provision

The provision is related to unrealized currency gains on long-term balance sheet items.

### 2.7 Equity

	Capital reserves from tax capital contribution			Reserve for dividends from capital contributions	Retained earnings	Treasury shares	Total
	Share Capital	Domestic	Foreign				
<b>Balance as of January 1, 2025 - USD in thousands</b>	59'018	199'722	-	-	104'219	-244	362'715
Release to dividend reserve from capital contribution (2024 dividend)		-7'523		7'523			-
Dividend payments (2024 dividend)		-9'294		-3'859			-13'153
Movement of treasury shares					25'347	-21'986	3'361
Capital reduction due to redenomination	-18'653	18'653					-
Capital increase	38'935		402'074				441'009
Net profit (loss) for the year					-20'256		-20'256
<b>Balance as of December 31, 2025 - USD in thousands</b>	<b>79'300</b>	<b>201'558</b>	<b>402'074</b>	<b>3'664</b>	<b>109'310</b>	<b>-22'230</b>	<b>773'676</b>
<b>Balance as of December 31, 2025 - Indicative CHF in thousands</b>	<b>62'860</b>	<b>159'771</b>	<b>318'716</b>	<b>2'904</b>	<b>86'648</b>	<b>-17'621</b>	<b>613'278</b>

The capital increase resulted in capital contribution reserves of USD 402'074k. The confirmation of the tax authorities on the qualification for capital contribution reserves is pending.

The Swiss Federal Tax Administration confirmed capital contribution reserves of CHF 182'132k as per December 31, 2024. As a result, a reclassification of CHF 1'960'008 from capital contribution reserves to retained earnings was required in relation to the emission fee for the 2022 capital increase in 2024.

### Authorized share capital (Kapitalband)

Under Art. 5 of the Company's Articles of Association, the Board of Directors shall be authorized within the capital band to increase or decrease the share capital until February 12, 2030 or until an earlier expiration of the capital band. The capital increase or decrease may be effected by issuing up to 116'299'384 fully paid-in shares and canceling up to 62'080'000 shares.

### 2.8 Treasury shares

	2025		2025		2024	
	Number of shares	Carrying value (USD in thousands)	Carrying value (indicative CHF in thousands)	Number of shares	Carrying value (CHF in thousands)	
As of January 1	1'805	244	193	-	-	
Consolidating and splitting of shares	11'733	-	-			
Purchases	-	-	-	1'805	222	
Received as part of capital increase	2'237'798	25'347	20'092			
Sales and delivery for remuneration	-284'048	-3'361	-2'664	-	-	
As of December 31	1'967'288	22'230	17'621	1'805	222	

Through the merger with The Shyft Group, Inc a capital increase was performed. This led to the creation of 2'237'798 Treasury shares with a carrying value of USD 11.33 per share.

250'000 shares were granted as retention awards (refer also to note 3.3). The remaining ones were granted to former employees of The Shyft Group.

### 2.9 Dividend and other income - Group companies

This represents dividends and other income from Group companies.

### 2.10 Financial income from group companies

The financial income represent interest which originate from short- and long-term loans to group companies as well as cash pooling.

### 2.11 Extraordinary expense

The expenses of the period under review are mainly in connection with the merger with The Shyft Group including the listing of Aebi Schmidt Holding AG on the Nasdaq. The expenses of the prior period under review are mainly related to an impairment of CHF 12'000k on the investments in Arctic Machine Oy and Aebi Schmidt Sweden AB as well as costs of CHF 3'232k in connection with the merger with The Shyft Group in 2025.

## 3. Additional information

### 3.1 Leasing liabilities not recorded on the balance sheet

	2025	2025	2024
in thousands	(USD)	(indicative CHF)	(CHF)
Maturity up to 5 years	3'079	2'441	2'135
Maturity over 5 years	2'700	2'140	2'287
Total unrecorded leasing liabilities	5'779	4'581	4'422

Leasing liabilities not recorded on the balance sheet relate to rental of premises and vehicles.

### 3.2 Contingent liabilities

	2025	2025	2024
in thousands	(USD)	(indicative CHF)	(CHF)
Guarantees relating to credit and guarantee facilities of group companies	13'780	10'923	5'961
Guarantees relating to rental obligations of group companies	3'056	2'422	2'275

## Notes to the financial statements

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### 3.3 Shares or options on shares allocated to the management, board members and employees.

	2025		2024	
	Allocated shares Number	Value (USD) (indicative CHF)	Allocated shares Number	Value (CHF)
<b>in thousands</b>				
Shares allocated to management <sup>1</sup> , board members and employees	250	2'930'000	2'322'555	-
<sup>1</sup> This also includes management employed at subsidiaries of Aebi Schmidt Holding AG				

The Company granted 250'000 equity classified restricted stock awards ("2025 Retention Awards") with a fair value of USD 11.72 that cliff vest upon the satisfaction of a three-year service condition ending on the June 30, 2028. Related USD 505k (indicative CHF 400k) were expensed in 2025.

### 3.4 Events after the balance sheet date

There are no subsequent events which either warrant a modification of the value of the assets and liabilities or any additional disclosure.

## Appropriation of available earnings

Proposal for the appropriation of available earnings as at December 31, 2025

	2025 USD	2025 (indicative CHF)
Retained earnings carried forward from previous year	129'566'494	102'704'878
Net profit (loss) for the year	-20'256'000	-16'056'543
<b>Total Retained Earnings</b>	<b>109'310'494</b>	<b>86'648'335</b>
<b>Retained earnings to be carried forward</b>	<b>109'310'494</b>	<b>86'648'335</b>

The Board is proposing that all profit at the disposal of the Annual Meeting be carried forward.

<b>Distribution from reserves from capital contributions</b>		
Capital contribution reserves - domestic	201'557'547	159'770'808
Capital contribution reserves - foreign	402'074'484	318'716'744
<b>Total available capital contribution reserves</b>	<b>603'632'031</b>	<b>478'487'552</b>
Proposed distribution from domestic capital reserves from tax capital contributions	-10'000'000	-7'926'809
<b>Capital contribution reserves to be carried forward</b>	<b>593'632'031</b>	<b>470'560'743</b>

The Board proposes that an aggregate amount equal to USD 10'000'000 be released from the capital contribution reserves account, a sub-account of legal reserves, and allocated to a segregated dividend reserve account from capital contribution reserves; and to distribute a dividend to the shareholders up to an aggregate amount totaling USD 0.10 per share from, and limited at a maximum to the amount of, the Dividend Reserve in one or more installments, in such amounts and on such record and payment dates as determined by the Board in its discretion.

If the Board deems it advisable for Aebi Schmidt, the Board shall be authorized to abstain (in whole or in part) from distributing a dividend in its discretion. The authorization of the Board to distribute the installments from the Dividend Reserve will expire on the date of the 2027 annual general meeting, on which date any balance remaining in the Dividend Reserve will be automatically reallocated to the capital contribution reserves account of legal reserves.



Aebi Schmidt  
Holding AG  
3500 Frauenfeld

**Report of the statutory auditor  
to the General Meeting  
on the financial statements 2025**



# Report of the statutory auditor to the General Meeting of Aebi Schmidt Holding AG, Frauenfeld

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Aebi Schmidt Holding AG (the Company), which comprise the balance sheet as at 31 December 2025, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Company's articles of incorporation.

### Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Our audit approach

#### Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zürich  
+41 58 792 44 00

<b>Overall materiality</b>	USD 14,400,000
<b>Benchmark applied</b>	Total Assets
<b>Rationale for the materiality benchmark applied</b>	We chose total assets as the benchmark because, in our view, it is the benchmark which reflects the actual substance of the entity. This is a generally accepted benchmark for ultimate holding entities.

We agreed with the Audit Committee that we would report to them misstatements above USD 700,000 identified during our audit as well as any misstatements below that amount which, in our view, warranted reporting for qualitative reasons.

#### **Audit scope**

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

#### **Key audit matters**

We have determined that there are no key audit matters to communicate in our report.

#### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the consolidated financial statements, the compensation report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Board of Directors' responsibilities for the financial statements**

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.


From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to article 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Patrick Balkany  
Licensed audit expert  
Auditor in charge



Maja Milasevic-Debenjak  
Licensed audit expert

Zurich, 7 April 2026

Enclosures:

- Financial statements (balance sheet, income statement, and notes)
- Proposal for the appropriation of available earnings as at December 31, 2025

# **Combined Swiss Dual Audit Report**

to the Annual General Meeting 2026  
by the Group's Auditor



# Report of the statutory auditor to the General Meeting of Aebi Schmidt Holding AG, Frauenfeld

## Report on the audit of the consolidated financial statements

### Opinion

We have audited the consolidated balance sheets of Aebi Schmidt Holding AG and its subsidiaries (the “Company”) as of 31 December 2025 and 2024, and the related consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of equity and consolidated statements of cash flows for each of the three years in the period ended 31 December 2025, and the related notes, including a summary of significant accounting policies (collectively referred to as the “consolidated financial statements”).

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025 in conformity with accounting principles generally accepted in the United States of America (US GAAP) and comply with Swiss law.

### Basis for opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB as well as with the provisions of Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with these requirements.

We conducted our audits of these consolidated financial statements in accordance with Swiss law, Swiss Standards on Auditing (SA-CH) and the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zürich  
+41 58 792 44 00

## **Critical Audit Matters**

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the audit committee and that (i) relate to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

### *Acquisition of The Shyft Group, Inc. – Valuation of Customer Relationships and Brand*

As described in Notes 1 and 15 to the consolidated financial statements, on July 1, 2025, the Company acquired all outstanding equity of The Shyft Group, Inc. (“Shyft”) for total purchase consideration of approximately \$443 million. The Shyft acquisition was accounted for using the acquisition method of accounting with the purchase price allocated to the assets purchased and liabilities assumed based upon their estimated fair values at the date of acquisition. The determination of the estimated fair value of assets acquired and liabilities assumed requires management’s judgment and involves the use of significant estimates and assumptions. Of the total fair value of the acquired identifiable intangible assets of \$183 million, approximately \$91 million was assigned to customer relationships and approximately \$61 million was assigned to brand. The fair value of customer relationships was determined using an income approach methodology, specifically the multi-period excess earnings method. The fair value of brand was determined using an income approach methodology, specifically the relief from royalty method. Significant assumptions used in estimating future cash flows included projected revenue growth rates and discount rate for customer relationships and projected revenue growth rates, royalty rate and discount rate for brand.

The principal considerations for our determination that performing procedures relating to the valuation of customer relationships and brand in the acquisition of The Shyft Group, Inc. is a critical audit matter are (i) the significant judgment by management when developing the fair value estimates of the customer relationships and brand acquired, (ii) the high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management’s significant assumptions related to projected revenue growth rates and discount rate for customer relationships and projected revenue growth rates, royalty rate and discount rate for brand; and (iii) the audit effort required, including the involvement of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others (i) reading the merger agreement; (ii) testing management’s process for developing the fair value estimate of the customer relationships and brand acquired; (iii) evaluating the appropriateness of the multi-period excess earnings and relief from royalty valuation methods used by management; (iv) testing the completeness and accuracy of the underlying data used in the valuations; and (v) evaluating the reasonableness of significant assumptions used by management related to projected revenue growth rates and discount rate for customer relationships and projected

revenue growth rates, royalty rate and discount rate for brand. Evaluating management's assumptions related to projected revenue growth rates for customer relationships and brand involved considering the consistency with historical performance, the Company's approved plans, and relevant market information. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the multi-period excess earnings and relief from royalty valuation methods and (ii) the reasonableness of the projected revenue growth rates and discount rate for customer relationships and the projected revenue growth rates, royalty rate and discount rate for brand.

#### *Goodwill Impairment Assessment – North America Reporting Unit*

As described in Notes 1 and 4 to the consolidated financial statements, the Company's goodwill balance associated with the North America reporting unit was \$403 million as of December 31, 2025. Management tests goodwill for impairment at the reporting unit level on an annual basis as of year-end, or whenever an event or change in circumstances occurs that would more likely than not reduce the fair value of a reporting unit below its carrying amount. If the carrying amount of the reporting unit exceeds its estimated fair value, an impairment loss is recognized in an amount equal to the excess, up to the carrying value of the goodwill. The fair value of the reporting unit is determined by estimating the future cash flows of the reporting unit to which the goodwill relates and then discounting the future cash flows at a market-participant-derived weighted-average cost of capital ("WACC"). In determining the estimated future cash flows, management considers current and projected future levels of income based on the plans for that business; business trends, prospects and market and economic conditions; and market-participant considerations. Management's cash flow analyses for the North America reporting unit included significant judgments and assumptions relating to revenue growth rates, EBITDA margins, and the WACC.

The principal considerations for our determination that performing procedures relating to the goodwill impairment assessment of the North America reporting unit is a critical audit matter are (i) the significant judgment by management when developing the fair value estimate of the North America reporting unit; (ii) a high degree of auditor judgment, subjectivity, and effort in performing procedures and evaluating management's significant assumptions related to revenue growth rates, EBITDA margins, and the WACC; and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others (i) testing management's process for developing the fair value estimate of the North America reporting unit; (ii) evaluating the appropriateness of the discounted cash flow model used by management; (iii) testing the completeness and accuracy of underlying data used in the discounted cash flow model; and (iv) evaluating the reasonableness of the significant assumptions used by management related to revenue growth rates, EBITDA margins, and the WACC. Evaluating management's assumptions related to revenue growth rates and EBITDA margins, involved evaluating whether the assumptions used by management were reasonable considering (i) relevant industry forecasts and macroeconomic conditions; (ii) the consistency with external market and industry data; and (iii) whether the assumptions were consistent with evidence obtained in other



areas of the audit. Professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of the discounted cash flow model and (ii) the reasonableness of significant assumptions, including revenue growth rates, EBITDA margins, and the WACC.

### **Other information**

The Board of Directors is responsible for the other information. The other information comprises the 10-K filing on 19 March but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report. Other information also comprises the annual report but does not include the statutory financial statements and the compensation report and our auditor's reports thereon, which is expected to be made available to us after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Board of Directors' responsibilities for the consolidated financial statements**

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America and the provisions of Swiss law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued; to disclose, as applicable, matters related to going concern; and to use the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them regarding all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors or its relevant committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



## Report on other legal and regulatory requirements

In accordance with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the consolidated financial statements.

We recommend that the consolidated financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Patrick Balkanyi  
Licensed audit expert  
Auditor in charge

Maja Milasevic Debenjak  
Licensed audit expert

Zürich, Switzerland  
19 March 2026

We have served as the Company's auditor since 2014.

Enclosure:

- consolidated financial statements (consolidated balance sheets, consolidated statements of operations, consolidated statements of comprehensive income, consolidated statements of equity and consolidated statements of cash flows, and the related notes)

**AEBI SCHMIDT HOLDING AG AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(In thousands, except share data)

	December 31, 2025	December 31, 2024
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 98,512	\$ 65,173
Accounts receivable, less allowance for credit losses of \$505 and \$580	310,755	173,957
Contract assets	82,342	24,145
Inventories	346,423	231,399
Prepaid expense and other current assets	39,698	23,487
<b>Total current assets</b>	<b>877,730</b>	<b>518,161</b>
<b>Property, plant and equipment, net</b>	<b>167,899</b>	<b>68,647</b>
<b>Goodwill</b>	<b>403,147</b>	<b>221,189</b>
<b>Intangible assets, net</b>	<b>334,726</b>	<b>175,324</b>
<b>Deferred tax assets</b>	<b>5,910</b>	<b>5,693</b>
<b>Right of use assets operating leases</b>	<b>167,162</b>	<b>63,066</b>
<b>Other assets</b>	<b>51,705</b>	<b>36,044</b>
<b>TOTAL ASSETS</b>	<b>\$ 2,008,279</b>	<b>\$ 1,088,124</b>

**LIABILITIES AND EQUITY**

**Current liabilities:**

Accounts payable	\$ 234,642	\$ 93,634
Accrued warranty	17,669	8,577
Accrued compensation and related taxes	36,957	23,204
Contract liabilities	19,856	20,044
Operating lease liabilities	18,856	9,241
Other current liabilities and accrued expenses	86,366	89,260
Current portion of long-term debt	46,908	23,259
<b>Total current liabilities</b>	<b>461,254</b>	<b>267,219</b>
<b>Other non-current liabilities</b>	<b>15,308</b>	<b>8,053</b>
<b>Long-term operating lease liabilities</b>	<b>144,401</b>	<b>52,748</b>
<b>Long-term debt, less current portion</b>	<b>488,949</b>	<b>324,612</b>
<b>Long-term loans from shareholders</b>	<b>59,101</b>	<b>51,982</b>
<b>Deferred tax liabilities</b>	<b>24,315</b>	<b>18,335</b>
<b>Total liabilities</b>	<b>1,193,328</b>	<b>722,949</b>

**Commitments and contingent liabilities**

**Shareholders' Equity**

Common stock, \$1.00 par value: 79,300,000 and 40,365,218 shares authorized as of December 31, 2025, and December 31, 2024, respectively; and 76,998,754 and 40,351,680 shares outstanding as of December 31, 2025, and December 31, 2024, respectively.	76,999	40,352
Additional paid-in capital	652,425	232,281

Treasury shares, at cost	(257)	(257)
Retained earnings	57,551	61,247
Accumulated other comprehensive income	28,183	31,469
<b>Total Shareholders' equity attributable to Aebi Schmidt Holding AG</b>	814,901	365,092
Non-controlling interest	50	83
<b>Total Shareholders' equity</b>	814,951	365,175
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 2,008,279</b>	<b>\$ 1,088,124</b>

See accompanying Notes to Consolidated Financial Statements.

(Reflects the retrospective application of the 1-for-7.5 forward stock split effective July 1, 2025; see "Note 1 - Nature of Operations and Basis of Presentation")

**AEBI SCHMIDT HOLDING AG AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)

	Year Ended December 31,		
	2025	2024	2023
Sales	\$ 1,526,625	\$ 1,085,958	\$ 1,015,572
Cost of products sold	(1,222,571)	(857,721)	(808,920)
<b>Gross profit</b>	<b>304,054</b>	<b>228,237</b>	<b>206,652</b>
<b>Operating expenses:</b>			
Research and development	(26,494)	(19,556)	(17,125)
Selling, general and administrative	(180,647)	(124,660)	(117,057)
Amortization of purchased intangibles	(23,316)	(14,088)	(13,892)
Other operating income (expense)	(531)	(1,441)	456
Total operating expenses	(230,988)	(159,745)	(147,618)
<b>Operating income</b>	<b>73,066</b>	<b>68,492</b>	<b>59,034</b>
<b>Other income (expense):</b>			
Interest expense	(41,794)	(34,106)	(38,031)
Other income (expense)	(20,080)	7,278	(3,657)
Total other expense	(61,874)	(26,828)	(41,688)
Income before income taxes	11,192	41,664	17,346
Income tax (expense) benefit	(1,486)	(10,927)	(6,147)
Net income	9,706	30,737	11,199
Less: Net income (loss) attributable to non-controlling interest	(33)	55	0
<b>Net income attributable to Aebi Schmidt Holding AG</b>	<b>\$ 9,739</b>	<b>\$ 30,682</b>	<b>\$ 11,199</b>
<b>Earnings per share</b>			
Basic earnings per share	\$ 0.17	\$ 0.76	\$ 0.28
Diluted earnings per share	\$ 0.17	\$ 0.76	\$ 0.28
Basic weighted average common shares outstanding	58,664	40,364	40,342
Diluted weighted average common shares outstanding	58,784	40,364	40,342

See accompanying Notes to Consolidated Financial Statements.

(Reflects the retrospective application of the 1-for-7.5 forward stock split effective July 1, 2025; see "Note 1 - Nature of Operations and Basis of Presentation")

**AEBI SCHMIDT HOLDING AG AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
Net income	\$ 9,706	\$ 30,737	\$ 11,199
<b>Other comprehensive income:</b>			
Foreign currency translation adjustments	612	3	2,829
Pension (benefit) loss, net of tax	(3,898)	(67)	(3,733)
Other comprehensive income (loss), net of tax	(3,286)	(64)	(904)
Comprehensive income (loss)	6,420	30,673	10,295
Less: Comprehensive income (loss) attributable to non-controlling interests	(33)	55	0
<b>Comprehensive income (loss) attributable to Aebi Schmidt Holding AG</b>	<b>\$ 6,453</b>	<b>\$ 30,618</b>	<b>\$ 10,295</b>

See accompanying Notes to Consolidated Financial Statements.

(Reflects the retrospective application of the 1-for-7.5 forward stock split effective July 1, 2025; see “*Note 1 - Nature of Operations and Basis of Presentation*”)

**AEBI SCHMIDT HOLDING AG AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)

	Year Ended December 31,		
	2025	2024	2023
<b>Cash flows from operating activities:</b>			
Net income	\$ 9,706	\$ 30,737	\$ 11,199
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>			
Depreciation and amortization	44,200	26,414	27,164
Non-cash stock based compensation expense	7,191	—	—
Bargain purchase gain	—	(6,780)	—
Foreign exchange (gains) losses on debt	2,961	(1,647)	1,778
Non-cash financing costs	1,617	—	—
Changes in valuation of liability for employee share plan	(6,377)	3,446	2,562
Deferred taxes	(690)	(4,875)	690
Pension	(2,308)	(2,580)	(6,352)
Other, net	951	(885)	418
<i>Changes in operating assets and liabilities:</i>			
Accounts receivable and contract assets	(53,079)	8,317	(29,353)
Inventories	(4,916)	14,019	(11,115)
Accounts payable	55,356	(3,556)	10,032
Contract liabilities	(11,711)	8,107	7,884
Income tax payable and receivable	(8,339)	3,375	5,278
Accrued compensation and related taxes	16,204	2,189	2,501
Other current liabilities and accrued expenses	(28,719)	(9,479)	1,525
Other assets and liabilities	(13,075)	1,968	5,879
Net cash provided by (used in) operating activities	8,972	68,770	30,090
<b>Cash flows from investing activities:</b>			
Purchases of property, plant and equipment	(14,205)	(13,596)	(11,729)
Purchases of intangible assets	(36)	(17)	(185)
Proceeds from sale of property, plant and equipment	699	63	338
Acquisition of businesses, net of cash acquired	19,366	4,438	(10,052)
Net cash provided by (used in) investing activities	5,824	(9,112)	(21,628)
<b>Cash flows from financing activities:</b>			
Proceeds on long-term debt	612,000	—	—
Payments on long-term debt	(573,182)	(23,892)	(19,457)
Capital increase minority	—	25	—

Deferred payments related to historical transactions	(5,694)	(7,161)	—
Payment of finance lease principal	(1,331)	(918)	(1,047)
Payments of dividends	(13,435)	(3,225)	(2,070)
Exercising and vesting of stock incentive awards	(2,010)	—	—
Purchase and sale of treasury shares	—	(257)	224
Net cash provided by (used in) financing activities	16,348	(35,428)	(22,350)
Effect of exchange rate changes on cash and cash equivalents	2,195	(1,755)	116
Net increase (decrease) in cash and cash equivalents	33,339	22,475	(13,772)
Cash and cash equivalents at beginning of period	65,173	42,698	56,470
Cash and cash equivalents at end of period	\$ 98,512	\$ 65,173	\$ 42,698
<b>Supplemental disclosures of cash flow information</b>			
Cash paid during the period for:			
Interest	40,322	33,799	37,786
Income taxes, net of refunds	16,717	13,400	6,064

On July 1, 2025, the Company reclassified \$9,144 of ESPP-related liabilities to equity under the employee share plan. Prior to reclassification, the liability was revalued to \$9,144, reducing compensation expense by \$6,377. This was a non-cash financing activity.

See accompanying Notes to Consolidated Financial Statements.

(Reflects the retrospective application of the 1-for-7.5 forward stock split effective July 1, 2025; see “*Note 1 - Nature of Operations and Basis of Presentation*”)

**AEBI SCHMIDT HOLDING AG AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(Dollar amounts in thousands, except per share data)

**NOTE 1 – NATURE OF OPERATIONS AND BASIS OF PRESENTATION**

As used herein, the terms the “Company”, “our,” or “Aebi Schmidt” refer to Aebi Schmidt Holding AG and its subsidiaries unless designated or identified otherwise.

***Nature of Operations***

The Company is a provider of innovative technical products for cleaning and clearing traffic areas as well as mowing green spaces in particularly challenging terrain. The range of products include vehicles, attachable and demountable devices for individual vehicle equipment as well as related services. In addition, the Company manufactures and assembles specialty vehicles for commercial and recreational applications, including walk-in vans, truck bodies for last-mile delivery, vocation-specific upfit solutions, and luxury motorhome chassis. It also offers replacement parts, repair, maintenance, and refurbishment services for these vehicles. Aebi Schmidt Holding AG covers the European and North American markets with its own sales organizations while clients outside of these markets are served either directly by the exporting subsidiary or indirectly by the worldwide dealer network.

***The Shyft Merger***

On December 16, 2024, the Company entered into an Agreement and Plan of Merger (the “Merger Agreement”), by and among The Shyft Group, Inc., a Michigan corporation (“Shyft”), the Company, ASH US Group, LLC, a Delaware limited liability company and direct, wholly owned subsidiary of Aebi Schmidt (“Holdco”), and Badger Merger Sub, Inc., a Michigan corporation and direct, wholly owned subsidiary of Holdco (“Merger Sub”), pursuant to which, on the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub merged with and into Shyft (the “Merger”, and the time at which the Merger was effective, the “Effective Time”), with Shyft surviving the Merger as a direct, wholly owned subsidiary of Holdco and as an indirect, wholly owned subsidiary of Aebi Schmidt (the transactions contemplated by the Merger Agreement, the “Transactions”). “Combined Company” refers to Aebi Schmidt as of and following the Effective Time.

At the Effective Time (July 1, 2025), each share of common stock, no par value, of Shyft (“Shyft Common Stock”) that was issued and outstanding as of immediately prior to the Effective Time (other than any shares of Shyft Common Stock that was held as of immediately prior to the Effective Time by Holdco, Aebi Schmidt, Merger Sub or any of their respective subsidiaries) automatically converted into the right to receive 1.040166432 (the “Exchange Ratio”) shares of fully paid and nonassessable shares of common stock, par value \$1.00 per share, of Aebi Schmidt (“Aebi Schmidt Common Stock”), on the terms and subject to the conditions set forth in the Merger Agreement.

Immediately following the Effective Time, the holders of shares of Shyft Common Stock as of immediately prior to the Effective Time owned approximately 48% of the issued and outstanding shares of Aebi Schmidt Common Stock and the holders of shares of Aebi Schmidt Common Stock as of immediately prior to the Effective Time owned approximately 52% of the issued and outstanding shares of Aebi Schmidt Common Stock

Immediately following the Effective Time, the Board of Directors of the Combined Company was comprised of eleven members, six of whom were designated by Aebi Schmidt and five of whom were designated by Shyft. James A. Sharman, the Chairman of the Shyft Board of Directors as of immediately prior to the Effective Time, serves as the Chairman of the Board of Directors of the Combined Company (the “Combined Company Board”) following the Effective Time. Barend Fruithof, current Chief Executive Officer of Aebi Schmidt, serves as Vice Chairman and Peter Spuhler, former Chairman of Aebi Schmidt, serves on the Combined Company Board.

The Merger is accounted for as a forward merger using the acquisition method of accounting, pursuant to Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 805, Business Combinations (“ASC 805”), with Aebi Schmidt treated as the legal and accounting acquirer and Shyft treated as the legal and accounting acquiree. For further information regarding the Shyft Transaction please refer to “*Note 15 - Business Combination.*”

***Basis of Presentation and Consolidation***

The accompanying consolidated financial statements include the accounts of Aebi Schmidt Holding AG and its subsidiaries and have been prepared in accordance with accounting principles generally accepted (“GAAP”) in the United

States (“U.S.”) and include the accounts of Aebi Schmidt Holding AG and its subsidiaries. All inter-company transactions and balances have been eliminated.

Non-Controlling Interest. At December 31, 2025, the Company held an 85% share in ASH Trading & Services (Beijing) Co., Ltd. and a 99.98% share in Aebi & Co. AG Maschinenfabrik, Burgdorf. Accordingly, each was reported as a consolidated subsidiary of Aebi Schmidt Holding AG and the portion of the equity of each of these subsidiaries not owned by the Company is presented as non-controlling interest.

Use of Estimates. Management must make decisions that impact the reported amounts of assets, liabilities, revenues, expenses, and the related disclosures, including disclosures of contingent assets and liabilities. Such decisions include the selection of the appropriate accounting principles to be applied and the assumptions on which to base accounting estimates. Certain of these estimates including warranty expense, intangible asset valuation and useful life, impairment assessments of tangible and intangible assets, provisions of income taxes, the allowance for credit losses, pension benefit obligations, and incremental borrowing rate in right of use assets and lease liabilities are particularly sensitive. These estimates and assumptions are based on management’s best estimates and judgments at the time they are made and are generally derived from management’s understanding and analysis of the relevant and current circumstances, historical experience, and actuarial and other independent external third-party specialist valuations, when applicable. Management adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with certainty, actual amounts could differ significantly from those estimated at the time the Consolidated Financial Statements are prepared. Changes in those estimates will be reflected in the Consolidated Financial Statements in future periods.

Forward Stock Split. On July 1, 2025, the Company effected a forward stock split of its issued and outstanding common stock, par value \$1.00 per share, at a ratio of 1-for-7.5 (the “2025 Forward Stock Split”). Shares of common stock were proportionately increased.

All of the Company’s historical share and per share information related to issued and outstanding common stock in these consolidated financial statements have been adjusted, on a retroactive basis, to reflect the 2025 Forward Stock Split.

Revenue Recognition. A contract exists when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of the consideration is probable. Revenue is recognized when performance obligations under the terms of the contract with a customer are satisfied. Essentially all revenue is generated through contracts with the customers. The Company may recognize revenue over time or at a point in time when or as obligations under the terms of a contract with the customer are satisfied, depending on the terms and features of the contract and the products supplied. Our contracts generally do not have any significant variable consideration. The collectability of consideration on the contract is reasonably assured before revenue is recognized. On certain vehicles, payment may be received in advance of the Company’s satisfying the performance obligations. Such payments are recorded within Contract liabilities on the Consolidated Balance Sheets. The corresponding performance obligations are generally satisfied within one year of the contract inception. In such cases, the Company has elected to apply the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component. The financing impact on contracts that contain performance obligations that are not expected to be satisfied within one year are expected to be immaterial to the Consolidated Financial Statements.

The Company has elected to utilize the practical expedient to recognize the incremental costs of obtaining a contract as an expense when incurred because the amortization period for the prepaid costs that would have otherwise been deferred and amortized is one year or less. The Company use an observable price to allocate the stand-alone selling price to separate performance obligations within a contract or a cost-plus margin approach when an observable price is not available. The estimated costs to fulfil the base warranties are recognized as expense when the products are sold (see “Note 8 – *Commitments and Contingent Liabilities*” for further information on warranties). Once the customer accepts the products there is no right of return, therefore the contracts with customers do not contain an accrual for product returns, except for contracts related to certain parts sales.

Revenue for parts sales for all segments is recognized at the time that control and risk of ownership has passed to the customer. Historically, return rates on parts sales have been immaterial. Our receivables are generally collected in less than three months, in accordance with the underlying payment terms.

Distinct revenue recognition policies for sales channels are as follows:

### ***New Business***

New Business revenues arise from the sale of equipment and attachments, including the initial delivery of spare parts if sold in the same contract as the equipment.

Certain equipment is built on a chassis that is owned and controlled by the customer. Due to the customer ownership of the chassis, the performance obligation is satisfied as the vehicles are built. Accordingly, the revenue and corresponding cost of products sold associated with these contracts are recognized over time based on the inputs completed for a given performance obligation during the reporting period.

Certain contracts include equipment built on a chassis that the Company purchases and subsequently sells to the customer. The revenue for these contracts is recognized at the time that the performance obligation is satisfied, and control and risk of ownership has passed to the customer, which is generally upon shipment of the vehicle from the manufacturing facility to the customer or receipt of the vehicle by the customer, depending on contract terms. The Company has elected to account for shipping and handling costs after control has been transferred as fulfillment costs which are recognized in cost of products sold.

### *After Sales*

After Sales revenues arise from the sales of spare parts, providing of repair and maintenance services, and proceeds from fixed maintenance and service contracts. The Company recognizes revenue from the rendering of repair and maintenance services when the services are performed, and control of the service is transferred to the customer. Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for those services.

For fixed maintenance and services contracts, the Company recognizes revenue over the term of the contract on a straight-line basis, consistent with the pattern of the service being provided. The Company assesses the contract terms and conditions to determine the appropriate period and pattern for revenue recognition. Any payments received in advance of service performance are recorded as contract liabilities and recognized over the period of service delivery.

Revenues from spare parts sales are recognized at the time that the performance obligation is satisfied, and control is transferred to the customer, depending on contract terms. Revenues from repair and maintenance services are recognized over time, based on the inputs completed for a given performance obligation, as repairs and maintenance services enhance an asset that the customer controls.

Revenues from fixed maintenance and service contracts are recognized over the contract term, based on the inputs completed for a given performance obligation, as the customer consumes the benefits of the contract as the Company perform.

Revenues from transactions with external customers for each of the Company's products would be impracticable to disclose and management does not view its business by product line. For revenue disaggregated by geographic area refer to "Note 2 - Revenue" and "Note 17 - Segments."

Cost of Products Sold. Costs of products sold represent costs directly related to the manufacture and distribution of the Company's products. Such costs include labor, raw materials, manufacturing costs, packaging, shipping and handling, and depreciation of manufacturing and distribution equipment and amortization of leasehold improvements.

Business Combinations. When acquiring other businesses, the Company recognizes identifiable assets acquired and liabilities assumed at their acquisition date estimated fair values and separately from any goodwill that may be required to be recognized. Goodwill, when recognizable, is measured as the excess amount of any consideration transferred, which is measured at fair value, over the acquisition date fair values of the identifiable assets acquired and liabilities assumed. Amounts recorded in a business combination may change during the measurement period, which is a period not to exceed one year from the date of acquisition, as additional information about conditions existing at the acquisition date becomes available.

Accounting for such acquisitions requires the Company to make significant assumptions and estimates and such amounts are adjusted during the measurement period. Acquired businesses are accounted for using the acquisition method of accounting, which requires, among other things, that most assets acquired, and liabilities assumed be recognized at their estimated fair values as of the acquisition date. The determination of the estimated fair value of assets acquired and liabilities assumed requires management's judgment and involves the use of significant estimates and assumptions. Costs incurred to effect an acquisition, such as legal, accounting, valuation or other third-party costs, as well as internal general and administrative costs incurred are charged to expense in the periods incurred.

Refer to "Note 15 - Business Combinations" for additional information regarding the Company's accounting for recent business combinations.

Shipping and Handling of Products. Costs incurred related to the shipment and handling of products are classified in cost of products sold. Amounts billed to customers for shipping and handling of products are included in sales.

Cash and Cash Equivalents. Cash and cash equivalents include cash on hand, cash on deposit, treasuries and money market funds. The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Certain operating agreements require the Company to post cash as collateral.

Accounts Receivable. Our receivables are subject to credit risk, and the Company does not typically require collateral on its accounts receivable. The Company performs periodic credit evaluations of their customers' financial condition and generally require a security interest in the products sold. Receivables generally are due within 30 to 90 days. The Company maintains an allowance for customer credit losses that reduces receivables to amounts that are expected to be collected. In estimating the allowance for credit losses consistent with it reflecting related lifetime expected credit losses, management considers relevant information about past events, current conditions and reasonable and supportable forecasts that affect the collectability of financial assets.

Inventories. The Company utilizes two inventory methods to account for and value its inventories depending upon the business, resulting in inventories that are recorded at the lower of cost or market or net realizable value, as appropriate.

- Aebi Schmidt - Inventories are stated at the lower of weighted average cost or net realizable value.
- Shyft - Inventories are stated at the lower of first-in, first-out cost or net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business less cost to sell and considers the current assessment of general market and economic conditions, slow-moving inventory, and future demands. The acquisition cost includes the purchase price (material costs) and other directly attributable acquisition costs, such as procurement department expenses, transportation costs, import duties, packaging materials, material overhead cost for sourcing, less any reductions in acquisition costs. Refer to "Note 3 - *Inventories*" for additional information regarding the Company's inventory.

Contract Assets. Contract assets arise upon the transfer of goods or services to a customer before the customer pays consideration. The Company presents the contract as either a contract asset or as a receivable, depending on the nature of the entity's right to consideration for its performance. Contract assets are a right to consideration in exchange for goods or services that the Company has transferred to a customer, when the right is conditioned on something other than the passage of time. Refer to "Note 2 - *Revenue*" for additional information regarding the Company's contract assets.

Property, Plant and Equipment. Property, plant and equipment is stated at cost and the related assets are depreciated over their estimated useful lives on a straight-line basis. Estimated useful lives range from 15-40 years for buildings, 3-8 years for plant and office equipment and 5-12 years for technical installation and machinery. Leasehold improvements are depreciated over the shorter of the lease term or the estimated useful life of the asset. Maintenance and repair costs are charged to earnings, while expenditures that increase asset lives are capitalized. The Company reviews its property, plant and equipment, along with all other long-lived assets that have finite lives, including finite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. See "Note 5 - *Property, Plant and Equipment*" for further information on its property and equipment.

Goodwill and Other Intangible Assets. Goodwill represents the excess of the cost of a business combination over the fair value of the net assets acquired. Goodwill is not amortized but is subject to impairment tests on an annual basis, or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Goodwill is allocated to the reporting unit from which it was created. A reporting unit is an operating segment or sub-segment to which goodwill is assigned when initially recorded.

Other intangible assets with finite lives are amortized over their estimated useful lives and are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

During the fourth quarter of 2025, the Company changed its financial reporting structure following the completion of the Merger with Shyft, to align with the executive structure following the Merger. The acquisition of Shyft impacted only the Company's North America business and did not affect the Europe and Rest of World ("ROW") operations accordingly, the Company's two operating segments: (i) North America and (ii) Europe and ROW remain unchanged. This aligns with the approach of the Chief Operating Decision Make ("CODM"), which was determined to be the Board of Directors, in allocating resources and evaluating performance in relation to the Company's key growth strategies. However, the reporting units with Goodwill (Monroe, MB Group, and Shyft), have been aggregated into one reporting unit North America. These reporting units were determined based on the level at which the performance is measured and reviewed by segment management. The North America reporting unit components have been aggregated into a single reporting unit because they have similar economic characteristics, including similarities in financial performance, nature of products or services, nature of production processes and types of customers. If the composition of the Company's reporting changes, goodwill is reassigned using the relative fair value allocation approach. As such, prior period reporting units and related disclosures

have been conformed to reflect the Company's current reporting units. Refer to "Note 4 - Goodwill and Other Intangible Assets" for additional information regarding this change.

The Company performs the annual goodwill and indefinite lived intangible assets impairment test as of year-end and monitor for interim triggering events on an ongoing basis. For goodwill, the Company first assesses qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount. Under authoritative guidance, the Company is not required to calculate the fair value of a reporting unit unless the Company determines that it is more likely than not that the fair value of the reporting unit is less than its carrying amount. The Company has the option to bypass the qualitative assessment and proceed to a quantitative impairment test.

If the Company elects to bypass the qualitative assessment for a reporting unit, or if after completing the assessment the Company determines that it is more likely than not that the fair value of a reporting unit is less than its carrying value, the Company performs a quantitative impairment test, whereby the Company compares the fair value of a reporting unit with its carrying amount, including goodwill. The fair value of the reporting unit is determined by estimating the future cash flows of the reporting unit to which the goodwill relates and then discounting the future cash flows at a market-participant-derived weighted-average cost of capital ("WACC"). In determining the estimated future cash flows, the Company considers current and projected future levels of income based on their plans for that business; business trends, prospects and market and economic conditions; and market-participant considerations. If the fair value of a reporting unit exceeds its carrying amount, goodwill of the reporting unit is considered to not be impaired. If the carrying amount of the reporting unit exceeds its estimated fair value, an impairment loss is recognized in an amount equal to the excess, up to the carrying value of the goodwill.

Significant judgments inherent in these assessments and analyses include assumptions relating to revenue growth rates, EBITDA margins and WACC. The judgments and assumptions used in the estimate of fair value are generally consistent with the projections and assumptions that are used in current operating plans. Such assumptions are subject to change because of changing economic and competitive conditions. The determination of fair value is highly sensitive to differences between estimated and actual cash flows and changes in the related discount rate used to evaluate the fair value of the reporting units. See "Note 4 - Goodwill and Other Intangible Assets" for further details on goodwill and other intangible assets.

Warranties. Our policy is to record an accrual for the estimated cost of warranty-related claims at the time of the sale and periodically adjust the warranty liability to reflect actual experience. The amount of warranty liability accrued reflects management's best estimate of the expected future cost of honoring their obligations under the warranty agreements. Expense related to warranty liabilities accrued for product sales, as well as adjustments to pre-existing warranty liabilities, are reflected within Cost of products sold on the Consolidated Statements of Operations. The estimates are based on historical experience, the number of units involved, and the extent of features and components included in product models. See "Note 8 - Commitments and Contingent Liabilities" for further information regarding warranties.

Contract Liabilities. The Company sometimes receives advance payments from customers for product orders and records these amounts as liabilities. The Company accepts such deposits when presented by customers seeking improved pricing in connection with orders that are placed for products to be manufactured and sold at a future date. Sales associated with these deposits are recognized over time based on the inputs completed for a given performance obligation during the reporting period or deferred and recognized upon shipment of the related product to the customer depending on the terms of the contract. Refer to "Note 2 - Revenue" for additional information regarding the Company's contract liabilities.

Research and Development. Our research and development costs, which consist of compensation costs, materials, external support services and overheads related to new product and technology development, are expensed as incurred.

Taxes on Income. The Company recognizes deferred income tax assets and liabilities using enacted tax rates for the effect of temporary differences between the book and tax bases of recorded assets and liabilities. Deferred tax liabilities or assets are recognized for the estimated future tax effects attributable to temporary differences and carry forwards that result from events that have been recognized in either the financial statements or the tax returns, but not both. The Company's domestic tax rates are between 13.9% and 22.4% and the applicable foreign tax rates are between 19% and 30%.

The Company establishes valuation allowances for deferred income tax assets in accordance with U.S. GAAP, which provides that such valuation allowances shall be established unless realization of the income tax benefits is more likely than not. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. At each reporting period, the Company considers the scheduled reversal of deferred tax liabilities, available taxes in carry back periods, tax planning strategies and projected future taxable income in making this assessment.

The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. The determination is based on the technical merits of

the position and presumes that each uncertain tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information. Although the Company believes the estimates are reasonable, no assurance can be given that the final outcome of these matters will not be different than what is reflected in the historical income tax accruals.

Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company also records interest and penalties related to unrecognized tax benefits within income tax expense. Interest and penalties attributable to income taxes are recorded as a component of income taxes. See “*Note 7 - Income Taxes*” for further details on income taxes.

**Earnings Per Share.** Basic earnings per share is based on the weighted average number of common shares outstanding during the period. Basic earnings per share represents net earnings divided by basic weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by dividing net earnings by the weighted average number of common shares used in the basic earnings per share calculation plus the number of common shares that would be issued assuming exercise or conversion of all potentially dilutive instruments. Equity instruments are excluded from the calculation of diluted earnings per share if the effect of including such instruments is antidilutive.

**Stock-Based Compensation.** Stock based compensation cost for equity-based awards is measured at fair value on the grant date, and is recognized over the requisite service period, net of estimated forfeitures. For cost for service-based awards with graded vesting, the company has elected a policy to recognize the expense straight line. The grant date fair value of restricted stock awards and restricted stock units is based upon the quoted market price of the common stock on the date of grant. Our stock-based compensation plans are described in more detail in “*Note 13 – Stock Based Compensation*”.

**Fair Value.** A three-level valuation hierarchy, based upon observable and unobservable inputs, is used for fair value measurements. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect market assumptions based on the best evidence available. These two types of inputs create the following fair value hierarchy:

Level 1 – Quoted prices for identical instruments in active markets.

Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations whose significant inputs are observable.

Level 3 – Instruments whose significant inputs are unobservable.

The Company is required to disclose the estimated fair value of its financial instruments. The carrying value at December 31, 2025 and 2024 of cash and cash equivalents, accounts receivable and accounts payable approximate their fair value due to their short-term nature. The carrying value of variable rate debt instruments approximate their fair value based on their relative terms and market rates.

**Segment Reporting.** The Company identifies its reportable segments based on the management structure and the financial data utilized by the chief operating decision maker, which was determined to be the Board of Directors, to assess segment performance and allocate resources among their operating segments. The Company has two reportable segments: (i) North America and (ii) Europe and ROW. More detailed information about the reportable segments can be found in “*Note 17 - Segments*”.

**Foreign Currency Translation.** The functional currency of the Company’s foreign operations is generally the applicable local currency. The functional currency is translated into U.S. dollars using the respective current exchange rate in effect as of the balance sheet date for assets and liabilities and the respective weighted-average exchange rate during the fiscal year for revenue and expense accounts. Equity is translated at historical rates. The resulting translation adjustments are deferred as a component of other comprehensive income within the Consolidated Statements of Comprehensive Income and the Consolidated Statements of Equity. Gains or losses resulting from transactions denominated in foreign currencies are included in Other income (expense), net in the Consolidated Statements of Operations.

**Leases.** The Company enters contracts that are, or contain, lease agreements that convey the Company’s right to direct the use of, and obtain substantially all of the economic benefits from, an identified asset for a defined period of time in exchange for consideration. The lease term begins and is determined upon lease commencement, which is the point in time when the Company takes possession of the identified asset and includes all non-cancellable periods. Renewal and extension options are considered in the lease term to the extent that is reasonably certain that those will be exercised.

Lease payments are determined at lease commencement and represent fixed lease payments as defined within the respective lease agreement or, in the case of certain lease agreements, variable lease payments that are measured as of the lease commencement date based on the prevailing index or market rate. Future adjustments to variable lease payments are

defined and scheduled within the respective lease agreement and are determined based upon the prevailing market or index rate at the time of the adjustment relative to the market or index rate determined at lease commencement. Certain other lease agreements contain variable lease payments that are determined based upon actual utilization of the identified asset. Such future adjustments to variable lease payments and variable lease payments based upon actual utilization of the identified asset are not included within the determination of lease payments at commencement but rather, are recorded as variable lease expense in the period in which the variable lease cost is incurred. For purposes of determining lease payments, the Company combines lease components and non-lease components. Minimum remaining lease payments are discounted to present value based on the estimated incremental borrowing rate at lease commencement.

Right of use assets represent the Company's right to use an underlying asset throughout the lease term and are measured as the amount of the corresponding lease liability for the respective operating lease agreement, adjusted for prepaid or accrued lease payments, the remaining balance of any lease incentives received, unamortized initial direct costs, and impairment of the operating lease right of use asset, as applicable.

Lease expense for the Company's operating leases is recognized on a straight-line basis over the lease term and is recorded within either cost of products sold or selling, general and administrative expense in the Consolidated Statements of Operations depending on the nature and use of the identified asset underlying the respective operating lease arrangement. For short-term operating leases which have a lease term of 12 months or less and do not include an option to purchase the underlying asset, the Company does not recognize right of use assets and lease liabilities but does recognize lease expense on a straight-line basis.

Finance Leases: Finance leases are initially recorded at the net present value of future minimum lease payments, which includes certain lease and non-lease components. A lease is classified as a finance lease if any one of the following criteria are met: the lease transfers ownership of the asset by the end of the lease term, the lease contains an option to purchase the asset that is reasonably certain to be exercised, the lease term is for a major part of the remaining useful life of the asset or the present value of the lease payments equals or exceeds substantially all of the fair value of the asset. Finance Lease Assets are presented separately on the Consolidated Balance Sheets. The Company depreciates Finance Lease Assets consistent with its useful life policy within Property, plant and equipment.

Sale and Leaseback transactions: The Company accounts for sale and leaseback transactions by evaluating whether control of the asset has been transferred to the buyer-lessor, thus qualifying as a sale. Upon a sale being recognized, the seller-lessee derecognizes the asset, records any gain or loss on the sale, and recognizes a lease liability and right of use asset for the leaseback arrangement, with subsequent expense recognition depending on whether the leaseback is classified as an operating or finance lease. If the sale criteria are not met, the transaction is accounted for as a financing arrangement.

Refer to "Note 6 - Leases" for additional information regarding the Company's leases.

#### Defined Benefit Pension Plan.

*Attribution, Methods and Assumptions:* The cost of benefits provided by defined benefit pension plans is recorded in the period employees provide service. The cost of pension plan amendments that provide for benefits already earned by plan participants is amortized over the expected period of benefit which may be the duration of the applicable collective bargaining agreement specific to the plan, the expected future working lifetime or the life expectancy of the plan participants.

Expected return on plan assets represents the portion of net benefit cost attributable to the expected increase in the value of plan assets over the course of the year. The discount rate assumption is established for each of the defined benefit plans at their respective measurement dates. It results from a sample set of cash-flows and a yield curve fitted from a bond basket in the currency of the defined benefit plan. The cash-flows are modelled to match the duration of plan liabilities.

*Plan Asset Valuation:* Plan assets are measured at fair value on the measurement date.

Refer to "Note 10 - Defined Benefit Pension Plans" for additional information regarding the Company's defined benefit pension plans.

#### New Accounting Standards.

Recently Adopted Accounting Pronouncements:

In December 2023, the FASB issued ASU 2023-09, *Improvements to Income Tax Disclosures*. The Company adopted ASU 2023-09 as of January 1, 2025 on a prospective basis. Adoption did not impact the Company's consolidated results of operations, financial position, or cash flows, but resulted in expanded disclosures, including disaggregation of the effective tax rate reconciliation and additional information regarding income taxes paid (e.g., by jurisdiction). The enhanced annual disclosures are included in these Consolidated Financial Statements; related interim disclosures will begin in 2026.

#### Recently Issued Accounting Pronouncements Not Yet Adopted:

In November 2024, the FASB issued ASU No. 2024-03, *Disaggregation of Income Statement Expenses (Subtopic 220-40)* (“ASU 2024-03”). The ASU requires the disaggregated disclosure of specific expense categories, including purchases of inventory, employee compensation, depreciation, and amortization, within relevant income statement captions. This ASU also requires disclosure of the total amount of selling expenses along with the definition of selling expenses. The ASU is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Adoption of this ASU can either be applied prospectively to Consolidated Financial Statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the Consolidated Financial Statements. Early adoption is also permitted. This ASU will result in the required additional disclosures being included in the Consolidated Financial Statements, once adopted. The Company is currently evaluating the impact of the adoption of ASU 2024-03 on the Consolidated Financial Statements.

In January 2025, the FASB issued ASU 2025-01, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date* (“ASU 2025-01”). ASU 2024-03 requires additional disclosure of the nature of expenses included in the income statement as well as disclosures about specific types of expenses included in the expense captions presented in the income statement. ASU 2024-03, as clarified by ASU 2025-01, is effective for the fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of these statements on the Consolidated Financial Statements.

In July 2025, the FASB issued ASU 2025-05, *Financial Instruments—Credit Losses (Topic 326): Measurements of Credit Losses for Accounts Receivable and Contract Assets* (“ASU 2025-05”). The amendments in this update provide a practical expedient related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. Under ASU 2025-05, an entity is required to disclose whether it has elected to use the practical expedient. An entity that makes the accounting policy election is required to disclose the date through which subsequent cash collections are evaluated. ASU 2025-05 is effective for the Company beginning in the fiscal year ending December 31, 2026. The Company is currently evaluating the impacts of the adoption of ASU 2025-05 on the Consolidated Financial Statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40), Targeted Improvements to the Accounting for Internal-Use Software* (“ASU 2025-06”). ASU 2025-06 clarified and modernizes the accounting for costs related to internal-use software. The amendments in ASU 2025-06 remove all references to project stages throughout Subtopic 350-40 and clarify the threshold entities apply to begin capitalizing costs. Entities must evaluate whether there is “significant development uncertainty,” such as unresolved novel functionality or substantially revised performance requirements, before meeting this capitalization threshold. ASU 2025-06 is effective for the Company for fiscal years beginning after December 15, 2027 and interim periods within those fiscal years. The Company is currently evaluating the impact of adoption of ASU 2025-06 on the consolidated Financial Statements.

## NOTE 2 – REVENUE

### Contract Assets and Liabilities

The tables below disclose changes in contract assets and liabilities for the years ended December 31, 2025 and 2024.

Contract Assets	December 31, 2025	December 31, 2024
Contract assets, beginning of period	\$ 24,145	\$ 9,654
Reclassification of contract assets to receivables, as the result of rights to consideration becoming unconditional <sup>(1)</sup>	(60,527)	(8,263)
Contract assets recognized, net of reclassification to receivables <sup>(1)</sup>	118,724	22,754
Contract assets, end of period	<u>\$ 82,342</u>	<u>\$ 24,145</u>
<b>Contract Liabilities</b>		
Contract liabilities, beginning of period	\$ 20,044	\$ 12,979
Reclassification of contract liabilities to revenue, as the result of performance obligations satisfied <sup>(2)</sup>	(14,619)	(4,689)
Cash received in advance and not recognized in revenue <sup>(2)</sup>	14,431	11,754
Contract liabilities, end of period	<u>\$ 19,856</u>	<u>\$ 20,044</u>

<sup>(1)</sup> Includes contract assets acquired in the Merger with Shyft in 2025. Refer to “*Note 15 - Business Combination.*”

<sup>(2)</sup> Includes contract liabilities acquired in the Merger with Shyft in 2025. Refer to “*Note 15 - Business Combination.*”

The aggregate amount of the transaction price allocated to remaining performance obligations in existing contracts that are yet to be completed in the North America and Europe and ROW segments are \$1,031,200 and \$180,600 respectively, with substantially all revenue expected to be recognized within one year as of December 31, 2025.

For performance obligations that are satisfied over time, revenue is expected to be recognized over the period to complete the contract. For performance obligations that are satisfied at a point in time, revenue is expected to be recognized when the customer obtains control of the product, which is generally upon shipment from our facility. No amounts have been excluded from the transaction prices above related to the guidance on constraining estimates of variable consideration.

In the following tables, revenue is disaggregated by primary geographical market and timing of revenue recognition. The tables also include a reconciliation of the disaggregated revenue with the reportable segments.

	Year Ended December 31, 2025		
	New Business	After Sales	Total
<b><u>Primary geographical markets</u></b>			
North America	\$ 876,108	\$ 98,994	\$ 975,102
Europe and ROW	428,874	122,649	551,523
Total Sales	<u>\$ 1,304,982</u>	<u>\$ 221,643</u>	<u>\$ 1,526,625</u>
<b><u>Timing of revenue recognition</u></b>			
Products transferred at a point in time	\$ 703,797	\$ 194,044	\$ 897,841
Products and services transferred over time	601,185	27,599	628,784
Total Sales	<u>\$ 1,304,982</u>	<u>\$ 221,643</u>	<u>\$ 1,526,625</u>

	Year Ended December 31, 2024		
	New Business	After Sales	Total
<u>Primary geographical markets</u>			
North America	\$ 538,576	\$ 54,865	\$ 593,441
Europe and ROW	380,157	112,360	492,517
Total Sales	\$ 918,733	\$ 167,225	\$ 1,085,958

<u>Timing of revenue recognition</u>			
Products transferred at a point in time	\$ 674,207	\$ 142,629	\$ 816,836
Products and services transferred over time	244,526	24,596	269,122
Total Sales	\$ 918,733	\$ 167,225	\$ 1,085,958

	Year Ended December 31, 2023		
	New Business	After Sales	Total
<u>Primary geographical markets</u>			
North America	\$ 493,931	\$ 47,938	\$ 541,869
Europe and ROW	365,173	108,530	473,703
Total Sales	\$ 859,104	\$ 156,468	\$ 1,015,572

<u>Timing of revenue recognition</u>			
Products transferred at a point in time	\$ 667,431	\$ 132,988	\$ 800,419
Products and services transferred over time	191,673	23,480	215,153
Total Sales	\$ 859,104	\$ 156,468	\$ 1,015,572

### NOTE 3 – INVENTORIES

Inventories are summarized as follows:

	As of December 31,	
	2025	2024
Finished goods	\$ 113,716	\$ 105,481
Work in process	49,713	34,334
Raw materials and purchased components	182,994	91,584
Total Inventories	\$ 346,423	\$ 231,399

### NOTE 4 – GOODWILL AND OTHER INTANGIBLE ASSETS

#### Goodwill

The Company tests goodwill for impairment at the reporting unit level on an annual basis as of year-end, or whenever an event or change in circumstances occurs that would more likely than not reduce the fair value of a reporting unit below its carrying amount. See “Goodwill and Other Intangible Assets” within “*Note 1 - Nature of Operations and Basis of Presentation*” for a description of the accounting policies regarding goodwill and other intangible assets and “*Note 15 - Business Combination*” for additional information regarding the assets acquired and liabilities assumed from the Shyft Transaction.

During the fourth quarter of 2025, the Company changed its reporting units. Under accounting standards, the Company is required to perform an impairment assessment of its prior reporting units immediately prior to the change and immediately after the change on its new reporting units. To the extent that a prior reporting unit was separated into more than one reporting unit, the allocation of goodwill between the components of the old reporting units was determined based on their relative fair value.

As of December 31, 2025, the most recent annual goodwill impairment assessment date, the Company performed a quantitative assessment of the fair value of its prior and new reporting units and concluded there was no impairment. As discussed in “*Note 1 - Nature of Operations and Basis of Presentation*,” there are significant judgments inherent in the impairment assessments and discounted cash flow analyses. These discounted cash flow analyses for the North America reporting unit included significant judgment and assumptions relating to revenue growth rates, EBITDA margins, and the WACC.

No goodwill impairment was recorded in connection with the Company's annual impairment assessment as of December 31, 2025.

The changes in the carrying amount of goodwill by reportable segment for years ended December 31, 2025 and 2024, were as follows (in thousands):

	North America	Europe and ROW	Total
Balance at December 31, 2023	\$ 221,189	\$ —	\$ 221,189
Acquisition and measurement period adjustment	—	—	—
Balance at December 31, 2024	\$ 221,189	\$ —	\$ 221,189
Acquisition and measurement period adjustment	181,958	—	181,958
Balance at December 31, 2025	\$ 403,147	\$ —	\$ 403,147

#### Other Intangible Assets

As of December 31, 2025 and 2024, the Company had other intangible assets for the following: Concessions, rights and licenses, Customer relationships, Brands, Technology and Order backlog. These other intangible assets are amortized utilizing a straight-line approach over the estimated useful lives.

The following table provides information regarding other intangible assets:

	December 31, 2025			December 31, 2024		
	Gross carrying amount	Accumulated amortization	Net	Gross carrying amount	Accumulated amortization	Net
Concessions, rights, and licenses	\$ 895	\$ (390)	\$ 505	\$ 602	\$ (305)	\$ 297
Customer relationships	249,129	(53,568)	195,561	158,637	(39,901)	118,736
Brands	126,505	(17,292)	109,213	65,612	(11,799)	53,813
Technology	30,945	(3,973)	26,972	4,549	(2,071)	2,478
Order backlog	4,949	(2,474)	2,475	—	—	—
Total intangible assets	\$ 412,423	\$ (77,697)	\$ 334,726	\$ 229,400	\$ (54,076)	\$ 175,324

The Company recorded intangible asset amortization expense of \$23,621, \$14,325, and \$14,285 during the years ended December 31, 2025, 2024 and 2023, respectively..

The estimated remaining amortization associated with finite-lived intangible assets is expected to be expensed as follows:

	<u>Amount</u>
2026	\$ 30,081
2027	27,607
2028	27,436
2029	27,236
2030	25,440
Thereafter	196,926
<b>Total intangible assets</b>	<b><u>\$ 334,726</u></b>

#### **NOTE 5 – PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are summarized by major classifications as follows:

	<u>As of December 31,</u>	
	<u>2025</u>	<u>2024</u>
Land and Building	\$ 135,760	\$ 69,119
Technical installation and machinery	91,843	53,851
Plant and office equipment	55,871	44,395
Assets under construction	8,474	2,346
Subtotal	291,948	169,711
Less: accumulated depreciation	(124,049)	(101,064)
<b>Total Property, plant and equipment, net</b>	<b><u>\$ 167,899</u></b>	<b><u>\$ 68,647</u></b>

The Company recorded depreciation expense of \$19,903, \$12,089, and \$12,879 during the years ended December 31, 2025, 2024 and 2023, respectively.

#### **NOTE 6 – LEASES**

The Company has both operating and finance leases for land, buildings, machinery, vehicles and certain equipment. Our leases have remaining lease terms of 1 to 25 years, some of which include options to extend the lease agreements for up to 12 years. Our leases do not contain residual value guarantees. As of December 31, 2025, and 2024, assets recorded under finance leases were immaterial. Lease expense totaled \$22,790, \$13,180 and \$11,343 for the years ended December 31, 2025, 2024 and 2023, respectively.

Operating lease expenses are classified as cost of products sold and selling, general and administrative on the Consolidated Statements of Operations. The components of lease expense were as follows:

	Years Ended December 31,		
	2025	2024	2023
Operating leases	\$ 22,805	\$ 12,777	\$ 11,290
Finance leases			
Amortization of right of use assets	676	436	441
Interest on lease liabilities	61	33	32
Short-term leases	622	213	61
Variable lease expense	467	579	314
Sublease income	(1,841)	(858)	(795)
Total lease expense	<u>\$ 22,790</u>	<u>\$ 13,180</u>	<u>\$ 11,343</u>

The weighted average remaining lease term and weighted average discount rate were as follows:

	Years Ended December 31,	
	2025	2024
Weighted average remaining lease term (in years)		
Finance leases	3	3
Operating leases	11	12
Weighted average discount rate		
Finance leases	3.62%	1.47%
Operating leases	5.86%	5.49%

Supplemental cash flow information related to leases was as follows:

	Years Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:			
Finance leases - Financing cash flows	\$ 1,331	\$ 918	\$ 1,047
Finance leases - Operating cash flows	61	33	32
Operating leases - Operating cash flows	22,090	12,178	11,060
Right of use assets obtained in exchange for lease obligations:			
Operating leases	112,507	5,887	27,338
Finance leases	1,380	212	179
	<u>\$ 113,887</u>	<u>\$ 6,099</u>	<u>\$ 27,517</u>

Maturities of lease liabilities as of December 31, 2025, are as follows:

Years ending December 31:	Finance	Operating
2026	\$ 1,275	\$ 27,496
2027	467	24,390
2028	343	21,573
2029	257	19,650
2030	119	17,757
Thereafter	41	121,569
<b>Total lease payments</b>	<b>2,502</b>	<b>232,435</b>
Less: imputed interest	(148)	(69,178)
<b>Total lease liabilities</b>	<b>\$ 2,354</b>	<b>\$ 163,257</b>

#### NOTE 7 – INCOME TAXES

Income from continuing operations before income taxes for Swiss and foreign operations are as follows:

	Year Ended December 31,		
	2025	2024	2023
Swiss income	\$ (7,871)	\$ 9,977	\$ 11,639
Foreign income	19,063	31,687	5,707
	<b>\$ 11,192</b>	<b>\$ 41,664</b>	<b>\$ 17,346</b>

Income taxes (expense) benefit from continuing operations consist of the following:

	Year Ended December 31,		
	2025	2024	2023
<b>Current tax:</b>			
Swiss - Federal	\$ 193	\$ 117	\$ 239
Swiss - Cantonal	273	292	318
Foreign	650	15,381	6,875
<b>Total current</b>	<b>\$ 1,116</b>	<b>\$ 15,790</b>	<b>\$ 7,432</b>
<b>Deferred tax (benefit):</b>			
Swiss - Federal	\$ (709)	\$ (74)	\$ 658
Swiss - Cantonal	625	654	999
Foreign	454	(5,443)	(2,942)
<b>Total deferred</b>	<b>370</b>	<b>(4,863)</b>	<b>(1,285)</b>
<b>Total taxes on income</b>	<b>\$ 1,486</b>	<b>\$ 10,927</b>	<b>\$ 6,147</b>

A reconciliation of income tax expense computed at the statutory Swiss federal corporate income tax rate of 7.83% to the effective income tax rate after the adoption of ASU 2023-09 for the year ended December 31, 2025 is as follows (amounts in thousands):

	Year Ended December 31,	
	2025	%
Profit before tax	\$ 11,192	
Swiss federal statutory income tax rate	876	7.8 %
Increase (decrease) in income taxes resulting from:		
Cantonal and communal income taxes, net of federal income tax effect	871	7.8 %
Foreign tax effects:		
<u>United States</u>		
US state taxes	1,553	13.9 %
Non-deductible executive compensation charges	786	7.0 %
Non-deductible transaction costs	617	5.5 %
R&D tax credits	(620)	(5.5) %
Changes in unrecognized tax benefits	(1,322)	(11.8) %
Return-to-provision	573	5.1 %
Other	(291)	(2.6) %
<u>Germany</u>		
Statutory tax rate difference between Germany and Switzerland	555	5.0 %
German trade tax	(1,871)	(16.7) %
Changes in unrecognized tax benefits	(3,188)	(28.5) %
Other	109	1.0 %
<u>Netherlands</u>		
Statutory tax rate difference between the Netherlands and Switzerland	766	6.8 %
Other	(115)	(1.0) %
<u>United Kingdom</u>		
Statutory tax rate difference between the UK and Switzerland	481	4.3 %
Other	(2)	— %
<u>Italy</u>		
Statutory tax rate difference between Italy and Switzerland	326	2.9 %
Other	237	2.1 %
<u>Other jurisdictions*</u>	703	6.3 %
Changes in valuation allowances (Switzerland)	1,012	9.0 %
Change of applicable tax rate	(354)	(3.2) %
Tax impacts relating to different functional statutory currency	(797)	(7.1) %
Other	581	5.2 %
<b>Total tax expense / (benefit)</b>	<b>\$ 1,486</b>	<b>13.3 %</b>

\* This line item predominantly includes tax rate differences between the statutory Swiss federal corporate income tax rate of 7.83% and the national income tax rate of the corresponding jurisdiction. On an individual jurisdictional basis, the differences are immaterial.

The Company is subject to cantonal and communal taxes in Berne, Thurgovia and Zurich. The majority of cantonal and communal income taxes are due in the canton of Zurich.

A reconciliation of income tax expense computed at the statutory corporate income tax rate of 13.9% to the effective income tax rate prior to the adoption of ASU 2023-09 for the years ended December 31, 2024 and 2023 is as follows:

	<b>Year Ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
Income tax expense computed at the Swiss statutory rate of 13.9%	\$ 5,791	\$ 2,411
<b>Increase (decrease) in income taxes resulting from:</b>		
Tax rate differences	3,778	2,255
Change in valuation allowance	1,789	959
Non-deductible expenses	155	1,509
U.S. state taxes	553	(506)
Foreign exchange impacts	1,044	561
Tax credits	(60)	(60)
Tax deductible impairment of subsidiaries	(2,363)	—
Other impacts	240	(982)
Total	<u>\$ 10,927</u>	<u>\$ 6,147</u>

Temporary differences which give rise to deferred income tax assets (liabilities) are as follows:

	As of December 31,	
	2025	2024
<b>Deferred income tax assets:</b>		
Current assets	\$ 11,850	\$ 1,746
Net pension liabilities	—	1,438
Short-term liabilities and accruals	14,452	7,227
Long-term liabilities	6,533	4,428
Property, plant and equipment	1,935	127
Lease liabilities	39,892	15,721
Intangible assets	10,307	12,766
Inventories	18,324	3,793
Capitalized R&D costs	15,701	—
Carry-forwards	8,064	—
Tax losses	18,352	6,970
Other items	4,094	9,831
Total deferred income tax assets	<u>\$ 149,504</u>	<u>\$ 64,047</u>
Less: Valuation allowance	(14,274)	(8,916)
Total deferred income tax assets	135,230	55,131
Netting of DTA and DTLs	(129,320)	(49,438)
Total deferred income tax assets after valuation allowance	<u>\$ 5,910</u>	<u>\$ 5,693</u>
<b>Deferred income tax liabilities:</b>		
Property, plant and equipment	\$ 16,236	\$ 5,186
Right of use assets	41,786	15,721
Short-term liabilities	14,007	1,344
Other liabilities	287	1,859
Current assets	6,782	—
Net pension assets	7,257	6,245
Intangible assets	67,280	37,418
Total deferred income tax liabilities	<u>\$ 153,635</u>	<u>\$ 67,773</u>
Netting of DTAs and DTLs	(129,320)	(49,438)
Total deferred income tax liabilities	24,315	18,335
Net deferred tax liability	<u>\$ 18,405</u>	<u>\$ 12,642</u>

The following table presents the changes in the valuation allowance for deferred tax assets for the periods indicated:

	As of December 31,		
	2025	2024	2023
<b>Changes in the valuation allowance of deferred tax assets:</b>			
Balance at beginning of period	\$ (8,916)	\$ (8,135)	\$ (7,596)
Charged to income tax provision	\$ (3,758)	(1,789)	(959)
Charged to other accounts	(1,600)	1,008	420
Balance at end of period	<u>\$ (14,274)</u>	<u>\$ (8,916)</u>	<u>\$ (8,135)</u>

As of December 31, 2025 and 2024, the Company had Swiss tax loss carry-forwards of \$39,720 and \$11,787, respectively, which expire between years 2026 to 2032. As of December 31, 2025 and 2024, the Company had foreign tax loss carry forwards of \$36,649 and \$18,633, respectively, which expire starting in year 2029.

No income taxes have been provided on indefinitely reinvested earnings of foreign subsidiaries at December 31, 2025. Only dividend payments from the United States and Canada to the Swiss parent company would lead to material income tax consequences. As of December 31, 2025, undistributed earnings in Canada and the United States are planned to be reinvested indefinitely. Quantification of the deferred tax liability, if any, associated with indefinitely reinvested earnings is not practicable.

The Organization for Economic Co-operation and Development (the “OECD”) Pillar Two global corporate minimum tax rate of 15% has been in effect since 2024 and applies for companies with revenues of at least €750 million. The Company is subject to the Pillar Two regulations. The Company has continued to evaluate the effect of this through the year-end 2025 and determined that it did not have any material impacts for 2025. The Company will continue to assess the impact of the Pillar Two minimum tax regulations, including the impact from additional clarifications that are published by OECD and local tax authorities.

A reconciliation of the change in the unrecognized tax benefits (“UTB”) for the years ended December 31, 2025 and 2024 is as follows:

	Year Ended December 31,	
	2025	2024
Balance at beginning of year	\$ 6,101	\$ 6,490
Increase due to tax positions taken during the current year	1,089	—
Increase due to tax positions taken during a prior year	88	—
Decrease due to settlements with the tax authorities	(6,900)	—
Reduction as a result of a lapse of the applicable statute of limitations	(1,955)	—
Increase due to change of scope of consolidation	5,364	—
Foreign exchange implications	858	(389)
Balance at end of year	<u>\$ 4,645</u>	<u>\$ 6,101</u>

As of December 31, 2025, the Company had an ending UTB balance of \$4,645 along with \$1,131 of interest and penalties, for a total liability of \$5,776 which \$5,062 is recorded as a non-current liability and \$714 as a reduction of deferred tax assets. The change in interest and penalties amounted to a decrease of \$667 in 2025 and an increase of \$113 in 2024 and an increase of \$103 in 2023, which were reflected in interest expense within the Consolidated Statements of Operations.

A summary of income taxes paid by jurisdiction, net of refunds, after the adoption of ASU 2023-09 for the year ended December 31, 2025 is as follows (in thousands):

	Year Ended December 31,	
	2025	
Swiss federal taxes	\$	726
Cantonal taxes		565
<b>Foreign</b>		
United States - Federal and State		9,281
Germany - Federal and Trade tax		4,039
Netherlands		1,331
Other		775
Total Foreign		15,426
<b>Total income tax payments</b>	<b>\$</b>	<b>16,717</b>

The cantonal taxes were predominantly paid in the canton of Zurich.

On July 4, 2025, the United States enacted the One Big Beautiful Bill Act of 2025 (the "OBBBA") into law. The OBBBA includes provisions allowing accelerated tax deductions for qualified property and research expenditures and limitations on business interest deductions. The OBBBA has multiple effective dates, with certain provisions effective in 2025 and others being implemented through 2027. The enactment of the OBBBA did not have a material impact on the Company's effective tax rate for the year ended December 31, 2025. Administrative guidance interpreting the OBBBA will be released, which the Company will continue to monitor.

## NOTE 8 – COMMITMENTS AND CONTINGENT LIABILITIES

### *Warranty Related*

We provide limited warranties against assembly or construction defects. These warranties generally provide for the replacement or repair of defective parts or workmanship for a specified period following the date of sale. The end users also may receive limited warranties from suppliers of components that are incorporated into our chassis and vehicles.

Certain warranty and other related claims involve matters of dispute that ultimately are resolved by negotiation, arbitration or litigation. Infrequently, a material warranty issue can arise which is beyond the scope of our historical experience. We provide for any such warranty issues as they become known and are estimable. It is reasonably possible that additional warranty and other related claims could arise from disputes or other matters beyond the scope of our historical experience. An estimate of possible penalty or loss, if any, cannot be made at this time.

Changes in the warranty liability during the years ended December 31, 2025 and 2024 were as follows:

	2025	2024
Balance of warranty liability, beginning of period	\$ 10,205	\$ 8,022
Accruals for current period sales	7,191	5,875
Cash settlements	(4,643)	(3,226)
Changes in liability for pre-existing warranties	(244)	(293)
Acquisition	6,782	278
Translation adjustment	1,012	(451)
Balance of warranty liability, end of period	<u>\$ 20,303</u>	<u>\$ 10,205</u>

Long-term warranty provision amounting to \$2,634 and \$1,628 as of December 31, 2025 and 2024 respectively is included within the Other non-current liabilities in the Consolidated Balance Sheets.

### **Chassis Pool Agreements**

The Company has relationships with chassis manufacturers to obtain vehicle chassis for its walk-in vans, service bodies and specialty vehicles under chassis or bailment pool agreements. Chassis are obtained directly from the

manufacturers based on orders from customers, and in some cases, for unallocated orders. The Company receives an allocation of chassis and pays interest expense on the allocated value of chassis based on the duration of the time they are on the Company's premises. Bailment, which is the non-ownership transfer of chassis from the manufacturer to the Company, ends when the chassis is sold to an authorized dealer, or upon authorized return of the chassis to the manufacturer. The manufacturer transfers the chassis to the Company on a "restricted basis", with the condition that the Company will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. In addition, the manufacturer typically retains the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to the manufacturer's dealers. The manufacturer also does not transfer the certificate of origin to the Company nor permit the Company to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer).

As the Company does not control the chassis and does not pay a cash deposit to obtain the chassis, it does not recognize an asset, or a liability related to these chassis. Interest payments made to manufacturer-affiliated finance companies are classified as operating activities in the Consolidated Statements of Cash Flows.

Although the Company is party to related finance agreements with manufacturers, the Company has not historically settled related obligations in cash, except as required under the credit agreement. Instead, the obligation is settled by the manufacturer upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by the manufacturer. Accordingly, the Company accounts for the chassis as consigned inventory belonging to the manufacturer. As of December 31, 2025 and 2024, chassis consigned inventory was approximately \$119,091 and \$36,573, respectively. The Company incurred \$2,436, \$1,847 and \$2,209 of interest expense related to the chassis on hand during the years ended December 31, 2025, 2024 and 2023 respectively.

#### **NOTE 9 – DEFINED CONTRIBUTION PLANS**

The Company sponsors defined contribution retirement plans that cover all employees who meet length of service and minimum age requirements or are entitled based on the applicable legal regulations. Our matching contributions were \$12,476, \$8,381 and \$7,701 for the years ended December 31, 2025, 2024 and 2023, respectively. These amounts are expensed as incurred.

#### **NOTE 10 – DEFINED BENEFIT PENSION PLANS**

The Company has various defined benefit pension plans covering personnel being based largely in Switzerland. These plans provide benefits in the event of retirement, death, disability or termination of employment. Retirement benefits under the plans depend on age, contributions and salary. For its employees in Switzerland the Company sponsors defined benefit plans (the "Swiss Plans") for retirement, death and long-term disability benefits, whereby the employee and the Company contribute a portion of the employee's compensation to the plan. The Swiss Plans are set up in two independent pension foundations - "BVG Kasse der Firma Aebi & Co. AG" and "Vorsorgefonds für die Mitarbeiter der Firma Aebi & Co. AG" - and in one collective pension foundation - "Sammelstiftung Zusatzvorsorge Swiss Life". The Company-owned pension foundations are autonomous pension foundations. The underlying investment, longevity, disability and death risks are born by the pension foundations themselves. The collective pension foundation (Sammelstiftung Zusatzvorsorge Swiss Life) is fully reinsured. All risks of this foundation are reinsured with a life insurer.

The Company's liability in respect of the Swiss Plans is the projected benefit obligation ("PBO") calculated using the projected unit credit method. The PBO as of December 31, 2025, represents the actuarial present value of the estimated future payments required to settle the obligation that is attributable to employee service rendered before that date. The assets of the Swiss Plans are recorded at fair value. Pension expenses are presented in payroll expenses in the various functions in which the employees are engaged. Actuarial gains and losses arising from differences between the actual and the expected return on the Swiss Plans' assets are recognized in accumulated other comprehensive income and amortized over the average remaining service period.

The Company's defined benefit plans outside Switzerland are located in the United Kingdom, Germany, Italy and Austria. A reconciliation of the benefit obligations, plan assets, accrued benefit cost and the amounts recognized in the Consolidated Financial Statements for pension plans is as follows:

	Year Ended December 31,	
	2025	2024
<b>Change in Benefit Obligation:</b>		
Benefit Obligation at beginning of year	\$ 122,663	\$ 129,849
Net service cost	2,625	2,561
Employee contributions	1,815	1,747
Interest cost	1,550	1,932
Benefits paid	(12,756)	(12,315)
Employer direct benefit payments	(10)	(9)
Past service cost	—	1
Actuarial loss projected benefit obligation	3,905	7,053
Currency translation adjustment	16,856	(8,156)
Benefit Obligation at end of year	<u>\$ 136,648</u>	<u>\$ 122,663</u>
<b>Change in plan assets:</b>		
Fair value of plan assets at beginning of year	\$ 152,173	\$ 157,821
Employer contributions	3,988	3,789
Employer direct benefit payments	157	144
Employee contributions	1,815	1,747
Interest income	4,344	3,873
Benefits paid	(12,756)	(12,315)
Administration expenses	(248)	(225)
Return on assets excl. interest income	1,945	8,808
Currency translation adjustment	21,321	(11,469)
Fair value of plan assets at end of year	<u>172,739</u>	<u>152,173</u>
Funded Status at end of year	<u>\$ 36,091</u>	<u>\$ 29,510</u>
Total amount recognized:		
Assets	38,604	32,430
Liabilities	2,513	2,920
Net amount recognized in the Consolidated Balance Sheets	<u>\$ 36,091</u>	<u>\$ 29,510</u>
Accumulated Benefit Obligation at end of year (excluding estimated future salary increases)	<u>\$ 133,757</u>	<u>\$ 120,519</u>

The net actuarial loss included in the PBO for 2025 was primarily due to changes in insured population. The net actuarial loss included in the PBOs for 2024 was primarily due to lower discount rates. Net pension assets are recorded within Other assets in the Consolidated Balance Sheets. The unfunded plans are not material.

The following table summarizes the changes in accumulated other comprehensive income:

	Year Ended December 31,		
	2025	2024	2023
Balance at beginning of year	\$ (21,830)	\$ (24,703)	\$ (32,352)
Net actuarial gain amortized during the year	959	1,088	2,244
Effect of settlement	1,456	1,709	—
Net prior service cost	—	1	—
Net actuarial loss/(gain)	1,960	(1,756)	8,535
Currency translation adjustment	(3,076)	1,831	(3,130)
Balance at end of year	<u>\$ (20,531)</u>	<u>\$ (21,830)</u>	<u>\$ (24,703)</u>

Net periodic pension costs include the following components:

	Year Ended December 31,		
	2025	2024	2023
Service cost	\$ 2,625	\$ 2,561	\$ 1,891
Interest cost	1,578	1,932	2,542
Interest income	(4,344)	(3,873)	(3,622)
Amortization of net gain	(959)	(1,088)	(2,244)
Administrative expenses	248	225	230
Gain due to settlement <sup>1</sup>	(1,456)	(1,709)	—
Total Benefit cost	<u>\$ (2,308)</u>	<u>\$ (1,952)</u>	<u>\$ (1,203)</u>

<sup>1</sup> The settlement gain results from benefit payments, excluding pension payments, and primarily relates to employee turnover in Switzerland where savings accruals are transferred from the current pension foundation to the pension foundation of the new employer.

Net periodic pension cost for 2025 included a settlement gain of \$1,456 due to benefit payments in Switzerland that exceeded the threshold values in accordance with ASC 715-30-35-82 (sum of Service cost and Interest cost). Net periodic pension cost for 2024 included a settlement gain of \$1,709 due to benefit payments in Switzerland that exceeded the threshold values in accordance with ASC 715-30-35-82 (sum of Service cost and Interest cost).

The weighted average assumptions used in the valuation of pension benefits were as follows:

Assumptions used to determine benefit obligations as of December 31:	2025	2024	2023
Discount rate	1.50%	1.00%	1.45%
Expected return on assets	2.74%	2.60%	2.60%
Salary increase	0.69%	0.80%	0.80%
Pension increase	0.12%	0.00%	0.00%

Prior service cost is initially deferred and subsequently amortized as a component of net periodic pension cost. The amortization of prior service cost is determined using a straight-line amortization of the cost over the average remaining Service period of employees expected to receive benefits under the plans.

The discount rate reflects the current rate at which pension liabilities could be effectively settled at the end of the year. The discount rate used considers a yield derived from matching projected pension payments with maturities of a portfolio of available bonds that receive the highest rating given from recognized investments ratings agencies. The changes in the discount rates in 2025 and 2024 are due to changes in yields for these types of investments as a result of the economic environment.

In determining the expected return on plan assets using the calculated value of plan assets, the Company considers both historical performance and an estimate of future long-term rates of return on assets similar to those in the plans. The Company consults with and consider the opinions of financial and other professionals in developing appropriate return assumptions. The rate of salary increase is based on management's estimates using historical experience and expected increases in rates.

Net actuarial gains or losses are amortized to expense when exceeding the accounting corridor, which is set at 10 percent of the greater of the plan assets or benefit obligations. Gains or losses within the corridor remain in other comprehensive income and are retested in subsequent measurements. Gains or losses outside of the corridor are subject to amortization over the average remaining service period.

**The allocation of pension plan assets as of December 31, 2025 and 2024 is as follows:**

	2025	2024
Asset category:		
Equity	23.76%	23.76%
Bonds	43.49%	43.57%
Liquidity	5.91%	5.83%
Real estate	26.14%	26.14%
Other	0.70%	0.70%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

**The fair values of the pension plan assets at December 31, 2025 and 2024, by asset category are in the table below:**

	2025				2024			
	\$ Total	Level 1	Level 2	Level 3	\$ Total	Level 1	Level 2	Level 3
Equities	41,050	41,050	—	—	36,160	36,160	—	—
Bonds	75,127	—	75,127	—	66,300	—	66,300	—
Liquidity	10,216	10,216	—	—	8,874	8,874	—	—
Other	1,191	—	1,191	—	1,066	—	1,066	—
Real estate collective funds	45,155	—	—	45,155	39,773	—	—	39,773
<b>Total</b>	<b>\$ 172,739</b>	<b>51,266</b>	<b>76,318</b>	<b>45,155</b>	<b>\$ 152,173</b>	<b>45,034</b>	<b>67,366</b>	<b>39,773</b>

The following valuation methodologies were used to measure these assets:

- (1) Equity securities (equities) - Common Stocks and mutual funds are valued at the closing price reported on the active market on which the individual securities are traded and are classified as Level 1.
- (2) Fixed income securities (bonds)- Debt securities include government and corporate bonds which are generally quoted in active markets or as units in mutual funds are classified as Level 1. Debt securities for which market prices are not available are valued based on yields reflecting the perceived risk of the issuer and the maturity of the security, recent disposals in the market or other modelling techniques, which may involve judgment. Units in mutual funds which are not directly quoted on a public stock exchange and/or for which a fair value is not readily determinable are measured at fair value using NAV. They are therefore classified as Level 2.
- (3) Cash and cash equivalents (liquidity) - Cash and cash equivalents include money market instruments and commingled funds. Valuations are generally based on observable inputs. They are categorized as Level 1.
- (4) Real estate – Real estate investments are classified as Level 2 and are measured at fair value using discounted cash flow.

The change in the fair value of the Company's Level 3 pension assets for the years ended December 31, 2025 and 2024 was as follows:

	<b>Real estate collective funds</b>	
Balance at January 1, 2024	\$	41,175
Unrealized gains/(losses)		1,663
Impact of foreign currency		(3,065)
Balance at December 31, 2024	\$	39,773
Unrealized gains/(losses)		(264)
Impact of foreign currency		5,646
Balance at December 31, 2025	\$	45,155

Contributions to pension plans for 2026 are estimated to be approximately \$3,321.

Retiree pension benefit payments, which include expected future service, are anticipated to be paid as follows:

	<b>Amount</b>
2026	\$ 4,267
2027	4,711
2028	5,010
2029	3,549
2030	4,151
2031 - 2035	23,480

#### **NOTE 11— DEBT**

Debt consists of the following:

	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
Revolving credit facility, due 2030	\$ 191,819	\$ —
Term loan, Facility A, due 2030	328,377	—
Revolving credit facility, due 2026	—	152,787
Term loan:		
Facility A, due 2026	—	20,778
Facility B, due 2026	—	40,000
Facility C, due 2026	—	119,715
Shareholder loan	59,101	51,982
Other debt	15,661	14,591
Total debt	594,958	399,853
Less current portion of long-term debt	(46,908)	(23,259)
Total long-term debt	\$ 548,050	\$ 376,594

#### **Refinancing Transaction**

On March 10, 2025, the Company entered into the New Credit Facilities Agreement comprising:

- Term loan, Facility A, due 2030
- Revolving Credit Facility, due 2030

The New Credit Facilities Agreement became effective with the closing of the Merger. As of July 1, 2025, the proceeds obtained (\$572,050) were utilized to fully repay the outstanding amounts of:

- Term loan, Facility A, B and C, due 2026 (\$186,961)
- Revolving Credit Facility, due 2026 (\$185,639)
- Bilateral Credit Lines (\$21,096)
- Revolving Credit Facility of Shyft (\$120,000)

Following a creditor-by-creditor assessment, the Company determined that the New Credit Facilities Agreement constitutes a modification for continuing creditors and an extinguishment for leaving creditors, in accordance with ASC 470-50.

#### **Term Loan Facility A, due 2030**

Term Loan, Facility A is a multicurrency senior secured amortizing term loan facility with a total commitment amount of \$350,000. The interest rate is variable defined based on the applicable reference rate (SOFR, SARON, EURIBOR), plus a margin. The margin increases with the Company's leverage ratio. The average interest rate for the six months ended December 31, 2025 was 6.633%.

As of December 31, 2025, debt issuance costs of \$4,800 are deferred and amortized based on the effective interest method and \$1,161 have been written off in the year ended December 31, 2025 due to the debt modification accounting.

The Company is subject to certain customary covenants that prohibit the Company from incurring additional indebtedness, limit certain acquisitions, investments, advances or loans and restrict substantial asset sales (all subject to certain exceptions and baskets). In addition, the New Credit Facilities Agreement also requires the Company to maintain certain financial ratios. For the period ended December 31, 2025, the Company was required to maintain a leverage ratio that did not exceed 3.25x. The Company was in compliance with all covenants as of December 31, 2025.

#### **Revolving Credit Facility, due 2030**

The revolving credit facility is a multicurrency senior secured revolving loan facility with a total commitment amount of up to \$250,000. The interest rate is variable and based on the applicable reference rate (SOFR, SARON, EURIBOR), plus a margin. The margin increases with the Company's leverage ratio. The average interest rate for the six months ended December 31, 2025 was 6.496%.

As of December 31, 2025, debt issuance costs of \$3,428 are deferred and amortized based on a straight-line basis over the term of the debt and \$829 have been written off for the year ended December 31, 2025 due to the debt modification accounting.

The Company is subject to certain customary covenants that prohibit the Company from incurring additional indebtedness, limit certain acquisitions, investments, advances or loans and restrict substantial asset sales (all subject to certain exceptions and baskets). In addition, the New Credit Facilities Agreement also requires the Company to maintain certain financial ratios. For the period ended December 31, 2025, the Company was required to maintain a leverage ratio that did not exceed 3.25x. The Company was in compliance with all covenants as of December 31, 2025.

#### **Term Loan**

In November 2021, the Company entered a syndicated loan agreement with various banks for financing acquisitions. The prior term loan was split into the following facilities:

Facility A - A senior amortizing term loan facility with a total commitment of EUR45,000 (\$52,875).

Facility B - A senior amortizing term loan facility with a total commitment of \$60,000.

Facility C - A senior non-amortizing term loan facility with a total commitment of \$90,000 and EUR28,602 (\$33,607).

The interest rate was variable defined based on EURIBOR (EUR) compounded with SOFR (USD) plus a given interest margin. The average interest margin of Facility A and B was 2.183% for the six months ended June 30, 2025, and 2.300% and 3.688% during the years ended December 31, 2024 and 2023, respectively. The average interest rate margin for Facility C was 2.675% for six months ended June 30, 2025, and 2.800% and 3.688% for the years ended December 31, 2024 and 2023, respectively. On July 1, 2025, the Company repaid the outstanding amount of \$186,961 with the proceeds obtained under the Term loan, Facility A, due 2030 and each of Facility A, Facility B and Facility C were terminated.

The Company has been committed to fulfill certain financial covenants throughout the credit contract period and was in compliance with all covenants.

### Revolving Credit Facility, due 2026

The aggregate of the revolving credit facility commitment of EUR165,000 (\$193,875) was primarily used for refinancing existing debt obligations, excluding those related to Facility A. In addition, the revolving credit facility supported the broader financial needs of the Company, including general corporate purposes and working capital requirements, as well as funding permissible acquisitions aligned with the Company's strategic objectives.

On July 1, 2025, the Company repaid the outstanding amount of \$185,639 with the proceeds obtained under the revolving credit facility, and the revolving credit facility was terminated.

### Shareholder loans

As of December 31, 2025, and December 31, 2024, there were subordinated shareholder loans totaling CHF13,563 (2025: \$17,110, 2024: \$14,970) and EUR15,000 (2025: \$17,626, 2024: \$15,584) from PCS Holding AG, as well as subordinated shareholder loans totaling CHF10,000 (2025: \$12,615, 2024: \$11,038) and EUR10,000 (2025: \$11,750, 2024: \$10,390) from Gebuka AG. The loans are originally granted for a fixed term, but the term will be extended if the loan agreement is not terminated 90 days prior to the end date or if an extension agreement is signed. The change in the loan balance as of December 31, 2025, and 2024 is solely due to foreign exchange rate fluctuations. These shareholder loans were renewed and amended in connection with the New Credit Facilities Agreement.

### Total principal payments by maturity

Scheduled maturities of the Company's debt portfolio are summarized below:

Succeeding fiscal year	Principal payments
2026	\$ 46,908
2027	36,121
2028	35,444
2029	36,366
2030	380,318
Thereafter	59,801
Total principal payments	<u>\$ 594,958</u>

### Off-balance sheet arrangements

The contingent liabilities include guarantees amounting to \$20,246 and \$13,202 as of December 31, 2025, and 2024, respectively. Through the normal course of bidding for and executing certain projects, the Company has entered into bid/performance bonds and surety bonds (collectively "performance bonds") with various financial institutions. Customers can draw on such performance bonds if the Company does not fulfil its contractual obligations. If a performance bond is drawn the Company would have an obligation to reimburse the financial institution for amounts paid. There have been no significant amounts reimbursed to financial institutions under these types of arrangements for the years ended December 31, 2025 and 2024.

### NOTE 12 – ACCUMULATED OTHER COMPREHENSIVE INCOME

The components of AOCI, net of tax are as follows:

	As of December 31,	
	2025	2024
Foreign currency translation adjustments	\$ 9,676	\$ 9,064
Pension benefits	18,507	22,405
Total accumulated other comprehensive income	<u>\$ 28,183</u>	<u>\$ 31,469</u>

## NOTE 13 – STOCK BASED COMPENSATION AND EQUITY

We assumed the Shyft Stock Incentive Plan in connection with the Merger with Shyft. There were outstanding awards under that plan, and we may make additional awards under that plan to certain employees and non-employee directors. In addition, shortly prior to our acquisition of Shyft we made restricted stock grants in the form of “Retention Awards” to certain employees and non-employee directors as described below. Shares reserved for outstanding awards under these plans total 5,856,250. Total shares remaining for stock incentive grants under these plans totaled 1,073,984 at December 31, 2025.

### *Restricted Stock - Retention Awards*

On June 24, 2025, the Company granted 250,000 equity classified restricted stock awards (“2025 Retention Awards”) with a grant date fair value of \$11.72 that cliff vest upon the satisfaction of both a three-year service condition and a performance condition based upon the Merger, which was satisfied at the Effective Time. At the Effective Time, the Company recorded a cumulative catch-up adjustment and will recognize remaining cost over the remaining requisite service period. The grant date fair value of Aebi's stock was calculated using the Shyft share price on June 24, 2025, adjusted by the Exchange Ratio. The 2025 Retention Award expense, net of forfeitures, and associated tax benefit for all outstanding awards for the year ended December 31, 2025 was \$505 and \$0, respectively, for the year ended December 31, 2024, was \$0 and \$0, respectively and for the year ended December 31, 2023 was \$0 and \$0, respectively.

	Total Number of Non-vested Shares (000)	Weighted-Average Grant Date Fair Value per Award
Non-vested as of December 31, 2024	—	\$ —
Granted	250	11.72
Vested	—	—
Forfeited	—	—
Non-vested as of December 31, 2025	250	\$ 11.72

As of December 31, 2025, there was \$2,425 of remaining unrecognized compensation cost related to non-vested RSAs, which is expected to be recognized over a weighted-average period of 2.5 years.

### *2025 Restricted Stock Awards and Restricted Stock Units*

At the Effective Time, each Shyft restricted stock award (“Shyft RSA”) and each Shyft restricted stock unit (“Shyft RSU”) that was held by an employee and did not vest on or prior to the Effective Time by its terms, was assumed by Aebi Schmidt and exchanged for a time-vested Aebi Schmidt restricted stock award (“Aebi Schmidt RSAs”) or a time-vesting Aebi Schmidt restricted stock unit (“Aebi Schmidt RSU”) of equivalent value and subject to substantially the same terms and conditions, including vesting and settlement terms, as applied to the corresponding Shyft RSA or Shyft RSU immediately prior to the Effective Time. The number of shares of Aebi Schmidt Common Stock subject to such Aebi Schmidt RSAs or Aebi Schmidt RSUs was equal to the product of (i) the total number of shares of Shyft Common Stock underlying each Shyft RSA or Shyft RSU prior to the Effective Time, multiplied by (ii) the Exchange Ratio. Pursuant to ASC 805, the acquisition date fair-value-based measure of the Shyft RSA or Shyft RSU being replaced was allocated to consideration transferred based on the ratio of pre-combination service over the greater of the total service period or the original service period. Post-combination compensation cost, which will be recognized straight line over the remaining requisite service period of the replacement awards following the Transactions, was calculated as the difference between the acquisition date fair-value-based measure of the replacement Aebi Schmidt RSAs and Aebi Schmidt RSUs and the amount allocated to consideration transferred. Each Shyft performance stock unit (“Shyft PSU”) was similarly converted to an Aebi Schmidt equity classified RSU at the Effective Time based on the Exchange Ratio.

Shares awarded entitle the shareholder to all rights of common stock ownership except for RSU's, which do not entitle the shareholder the right to vote and dividends are accrued, and all shares are subject to the risk of forfeiture and may not be sold, transferred, pledged, exchanged or otherwise disposed of during the vesting period, which is three years.

We received tax deductions during the period the restricted shares vested. The excess tax benefit (or tax shortfall) is determined by the excess (shortfall) of the market price of the stock on date of vesting over (under) the acquisition date fair value used to amortize the awards to compensation expense. As required, any excess tax benefits or shortfalls are reported in the Consolidated Statements of Cash Flows as operating cash flows.

The Aebi Schmidt RSA expense, net of forfeitures, and associated tax benefit for all outstanding awards for the year ended December 31, 2025, was \$1,702 and \$0, respectively, for the year ended December 31, 2024 was \$0 and \$0, respectively, and for the year ended December 31, 2023, was \$0 and \$0, respectively.

The Aebi Schmidt RSU expense, net of forfeitures, and associated tax benefit for all outstanding awards for the year ended December 31, 2025 was \$4,984 and \$1,086, respectively, for the year ended December 31, 2024 was \$0 and \$0, respectively, and for the year ended December 31, 2023, was \$0 and \$0, respectively.

The Aebi Schmidt RSA activity for the year ended December 31, 2025, is as follows:

	Total Number of Non-vested Shares (000)	Weighted-Average Grant Date Fair Value per share Award
Non-vested as of December 31, 2024	—	\$ —
Granted	336	12.06
Vested	(148)	12.06
Forfeited	(94)	12.06
Non-vested as of December 31, 2025	94	\$ 12.06

As of December 31, 2025, there was \$715 of remaining unrecognized compensation cost related to Aebi Schmidt RSAs, which is expected to be recognized over a weighted-average period of 2.5 years.

The Aebi Schmidt RSU activity for the year ended December 31, 2025, is as follows:

	Total Number of Non-vested RSUs (000)	Weighted-Average Grant Date Fair Value per Unit
Non-vested as of December 31, 2024	—	\$ —
Granted	1,170	12.06
Vested	(680)	12.06
Forfeited	(49)	12.06
Non-vested as of December 31, 2025	441	\$ 12.06

As of December 31, 2025, there was \$3,482 of remaining unrecognized compensation cost related to Aebi Schmidt RSUs, which is expected to be recognized over a weighted-average period of 1.7 years.

#### ***Aebi Schmidt Historical Employee Share Plan***

Prior to the Transaction, we offered an employee share plan (the “Aebi Schmidt Historical Employee Share Plan”) whereby certain employees who met certain service requirements could purchase shares of the Company. Under the Aebi Schmidt Historical Employee Share Plan, the Human Resources and Compensation Committee granted participants stock awards (2025: —, 2024: —, 2023: 13,424). Awards of shares of the Company were granted and vested under the plan in exchange for consideration and the shares carried dividend and voting rights effective as of the grant date of the awards. The Human Resources and Compensation Committee had sole discretion in determining whether any shares were allocated to the Plan for purchase in any given year. In a year where the Human Resources and Compensation Committee had allocated shares for the Plan, plan participants purchased shares in the Company at a discount of 40% to the fair value. As there are no post-purchase service requirements, the Company historically recognized the compensation cost for the awards at the time the participant purchased the shares, because the discount made it compensatory in nature, in scope of ASC 718. The final purchase window for the Aebi Schmidt Historical Employee Share Plan ended on July 1, 2025, and the plan is no longer in effect.

Under the Aebi Schmidt Historical Employee Share Plan, the Company, prior to its Common Stock being listed on an active stock exchange, had the right to repurchase all shares held by the participant using the last fair value calculated prior to termination if a participant terminated for any reason other than death or retirement. Therefore, the Company historically recognized a liability based on the repurchase provisions of the award. Upon successful completion of the Transaction, the repurchase right terminated, accordingly the awards under the employee share plan were re-valued using the share price of \$12.06 on July 1, 2025 to fair value and reclassified from liability to equity. The liability as of June 30, 2025 was \$13,734,

representing 757,140 shares following the 2025 Forward Stock Split; refer to “*Note 1 – Nature of Operations and Basis of Presentation*” for further information regarding the forward stock split. The revaluation of the liability, immediately prior to reclassification to equity, resulted in a reduction in compensation cost of \$6,377 recognized in selling, general and administrative in our Consolidated Statement of Operations.

### Treasury shares

Treasury shares generally consist of shares of the Company’s common stock repurchased under the Company’s Board authorized stock repurchase program. As of December 31, 2025, the Company had a total of 13,538 treasury shares at a total average cost of \$257. As of December 31, 2024, the Company had a total of 13,538 treasury shares at a total average cost of \$257.

### NOTE 14– EARNINGS PER SHARE

Basic earnings per share is computed using the weighted-average number of outstanding shares of common stock during the period. Diluted earnings per share is computed using the weighted-average number of outstanding shares of common stock and, when dilutive, potential outstanding shares of common stock during the period. Potential shares of common stock are calculated using the treasury-stock method and consist of incremental shares issuable upon the vesting of the 2025 Retention Awards, Aebi Schmidt RSAs and the Aebi Schmidt RSUs. The computation of both earnings per share is as follows:

	Year Ended December 31,		
	2025	2024	2023
	( in thousands, except per share data)		
Basic earnings per share:			
Net income	\$ 9,739	\$ 30,682	\$ 11,199
Shares used in computation:			
Weighted-average shares of common stock outstanding	58,664	40,364	40,342
Basic earnings per share	<u>\$ 0.17</u>	<u>\$ 0.76</u>	<u>\$ 0.28</u>
Diluted earnings per share:			
Net income	\$ 9,739	\$ 30,682	\$ 11,199
Shares used in computations:			
Weighted-average share of common stock outstanding	58,664	40,364	40,342
Effect of dilutive stock-based awards	120	—	—
Weighted-average number of shares	58,784	40,364	40,342
Diluted earnings per share	\$ 0.17	\$ 0.76	\$ 0.28

### NOTE 15 – BUSINESS COMBINATION

#### 2025 Acquisition

On July 1, 2025 (the “Acquisition Date”), the Company acquired all outstanding equity of Shyft, a niche market leader in specialty vehicle manufacturing and assembly for the commercial and recreational vehicle industries, pursuant to the Merger Agreement. For further information regarding the Merger, please refer to “*Note 1- Nature of Operations and Basis of Presentation.*”

The Company acquired 100% of Shyft’s voting equity interests, with the primary motivation being to enhance the Company’s product offerings in specialty vehicle solutions, expand market share in North America, and leverage Shyft’s innovative design and manufacturing capabilities. Shyft will expand the Company’s ability to provide customized vehicle solutions, including walk-in vans, truck bodies, and luxury Class A diesel motorhome custom chassis to a diverse clientele, including commercial users, original equipment manufacturers, dealers, and governmental entities, thereby providing a

diversified portfolio that mitigates risk across various market cycles. Shyft was headquartered in Novi, Michigan, and is integrated into the North America Segment. Shyft’s annual sales in 2024 were \$786,176.

The total consideration transferred was approximately \$443,103. The Company will record the assets acquired and liabilities assumed at their fair values as of the Acquisition Date. The Shyft acquisition was accounted for using the acquisition method of accounting with the purchase price allocated to the assets purchased and liabilities assumed based upon their estimated fair values at the date of acquisition. Identifiable intangible assets include Brand, Technology, Customer relationships and Order backlog. The excess of the purchase price over the estimated fair values of assets acquired and liabilities assumed was recorded as goodwill. In accordance with ASC 805-30-50-1(a), the goodwill recognized in this acquisition is attributed to several qualitative factors, including expected synergies from the integration of the operations of the acquiree and the acquirer, intangible assets that do not qualify for separate recognition, and other relevant factors. All of the goodwill has been provisionally assigned to the Shyft reporting unit, which has been recognized as part of the acquisition, and is included in the North America reportable segment. Goodwill totaled \$181,958 and is not deductible for tax purposes.

In accordance with ASC 805, the allocation of the purchase price for the acquisition of Shyft is preliminary and subject to adjustment during the measurement period, which may extend up to one year from the Acquisition Date. The initial allocation of assets acquired and liabilities assumed is based on preliminary estimates and assumptions, and as such, the values assigned to certain working capital balances, identifiable intangible assets, property, plant and equipment, taxes, and contingent liabilities may be adjusted as additional information becomes available. These adjustments could result in changes to the amounts recognized in the Consolidated Financial Statements, including potential adjustments to the goodwill recognized. The Company will continue to refine its estimates and assumptions as it obtains more information, and any adjustments identified during the measurement period will be recognized in the reporting period in which the adjustments are determined.

The Company (i) issued and delivered to Shyft shareholders an aggregate of 36,350,634 shares of Aebi Schmidt Common Stock at \$12.06 per share, (ii) paid to Shyft fractional shareholders an aggregate amount in cash equal to \$2 (the “Cash Consideration”) and (iii) replaced Shyft equity awards amounting to \$4,866 that are allocated to consideration transferred as they relate to the pre-acquisition period. The \$443,103 of common stock was entirely comprised of Aebi Schmidt Common Stock, par value \$1.00.

The purchase price was comprised of the following:

Purchase price:

Aebi shares issued to Shyft shareholders on July 01, 2025 <sup>(1)</sup>	36,350,634
Shyft stock price on June 30, 2025 <sup>(2)</sup>	\$ 12.54
Exchange ratio	1.04
Share consideration (36,350,634 number of shares issued at the Fair Value of \$12.06 per share)	\$ 438,235
Add: Cash paid for fractional shares	2
Add: Fair value of Shyft Equity awards allocated to pre-acquisition period <sup>(3)</sup>	4,866
<b>Total purchase price</b>	<b>\$ 443,103</b>

<sup>(1)</sup> Includes vested Shyft Director RSU awards.

<sup>(2)</sup> The fair value of the share consideration and the replacement awards issued to Shyft employees was determined using Shyft's stock price, as it was considered more reliably measurable than the stock price of Aebi Schmidt. The measurement was based on Shyft's stock price as of June 30, 2025, the last trading day prior to delisting, which occurred on the Acquisition Date.

<sup>(3)</sup> Represents the estimated fair value of Shyft RSAs, Shyft RSUs (other than Shyft Director RSUs), and Shyft PSUs attributable to pre-combination services. \$501 of Shyft RSAs, \$1,585 of Shyft RSUs, and \$2,780 of Shyft PSUs are attributed to pre-combination service.

The total number of shares of Aebi Schmidt Common Stock issued as consideration, after adjusting for unvested RSAs, vested Director RSUs, and excluding fractional shares settled in cash, was 36,696,981 shares. This total comprises 36,350,634 shares issued to Shyft shareholders, of which 105,874 relating to Aebi Schmidt RSA exchanged for Shyft RSA that have not fully vested, and 346,347 shares that accelerated vesting upon a termination and change in control (double trigger provision). For further information regarding stock based compensation please refer to “*Note 13 - Stock Based Compensation and Equity.*”

Acquisition costs in connection with the Merger incurred by the Company include acquisition-related legal and other professional fees in the total amount of \$19,169 as of the Acquisition Date, which are recognized as \$14,765 and \$4,404 in the income statement for the year ended December 31, 2025 and 2024, respectively. All amounts were recorded within other income (expense) for the respective periods.

The table below presents the preliminary purchase price allocation to the estimated fair value of identifiable assets acquired and liabilities assumed as of the Acquisition Date. Measurement period adjustments were based upon information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the measurement of the amounts recognized at that date. In the fourth quarter of 2025, the Company recorded measurement period adjustments to cash and cash equivalents, other current liabilities and accrued expenses, and intangible assets. We also adjusted deferred tax liabilities to reflect measurement-period refinements to our estimated deferred tax calculation. The offset to these adjustments were recorded as a net decrease to goodwill.

The purchase price allocation to the fair value of assets acquired and liabilities assumed is as follows:

	Purchase Price Allocation	Measurement Period Adjustments	Purchase Price Allocation (As Adjusted)
Fair value of identifiable assets and liabilities:			
Cash and cash equivalents	\$ 19,905	\$ (539)	\$ 19,366
Accounts receivable	84,121		84,121
Contract assets	44,559		44,559
Inventories	91,117		91,117
Prepaid expenses and other current assets	8,191		8,191
<b>Total current assets</b>	<b>247,893</b>	<b>(539)</b>	<b>247,354</b>
Property, plant and equipment	101,832		101,832
Goodwill	193,960	(12,002)	181,958
Intangible assets	181,104	1,682	182,786
Right of use assets operating leases	47,347		47,347
Other assets	1,317		1,317
<b>Total Assets</b>	<b>\$ 773,453</b>	<b>\$ (10,859)</b>	<b>\$ 762,594</b>
Accounts payable	\$ 80,844		\$ 80,844
Accrued warranty	6,782		6,782
Accrued compensation and related taxes	11,174		11,174
Contract liabilities	9,123		9,123
Operating lease liability	9,221		9,221
Other current liabilities and accrued expenses	25,574	3,511	29,085
Current portion of long-term debt	452		452
<b>Current liabilities</b>	<b>\$ 143,170</b>	<b>\$ 3,511</b>	<b>\$ 146,681</b>
Other non-current liabilities	12,205		12,205
Long-term operating lease liability	34,346		34,346
Long-term debt, less current portion	120,344		120,344
Deferred tax liabilities	20,285	(14,370)	5,915
Total liabilities	330,350	(10,859)	319,491
<b>Total fair value allocation of purchase price</b>	<b>\$ 443,103</b>	<b>—</b>	<b>\$ 443,103</b>

The value of accounts receivables acquired approximates the gross contractual amount of accounts receivable. The contractual amount not expected to be collected is immaterial.

As part of the business combination, the Company recognized contingent liabilities of \$7,535 related to certain commitments. The Company measured these contingencies at fair value and the liabilities reflect management's best estimate of future payments related to these arrangements, which depends on final negotiated terms following the acquisition. The valuation incorporates probability-weighted scenarios based on expected outcomes. The Company continues to monitor these arrangements and will adjust the fair value as necessary in future reporting periods.

Intangible assets totaling \$182,786 have provisionally been assigned to Brand, Technology, Customer relationships and Order backlog as a result of the acquisition. The fair value of Customer relationships was determined using an income approach methodology, specifically the multi-period excess earnings method. The fair value of Brand and Technology was determined using an income approach methodology, specifically the relief from royalty method. Significant assumptions used in estimating future cash flows included projected revenue growth rates and discount rate for customer relationships and projected revenue growth rates, royalty rate and discount rate for brand. Intangible assets consist of the following (in thousands):

	Amount	Useful life (in years)	Weighted average amortization period (in years)
Brand	\$ 60,858	5 - 20	18
Technology	26,097	10	10
Customer relationships	90,882	15	15
Order backlog	4,949	1	1
	<u>\$ 182,786</u>		<u>15</u>

The Company amortizes the Brand, Technology, Customer relationships and Order backlog utilizing a straight-line approach.

Shyft had revenue of \$377,983 and generated an operating loss of (\$2,202) for the period from the Acquisition Date through December 31, 2025, which is included in the accompanying consolidated financial statements.

The Company has applied the practical expedient in ASC 805-20-30-29 for contract assets and contract liabilities acquired in the business combination. Acquired contract assets and liabilities in the scope of ASC 606 are an exception to the ASC 805 fair value measurement principle and were measured as if Aebi Schmidt had originated the acquired contract. For each contract Aebi Schmidt reassessed the identification of performance obligations, determination of transaction price, allocation of transaction price, and measure of progress for each performance obligation as if Aebi Schmidt has been party to the original contract and recognized the resulting contract asset or liability as an asset acquired or a liability assumed. The application of this expedient aligns with the acquiree's historical accounting and is not expected to materially affect the consolidated financial statements. The Company continues to evaluate the impact of these items in subsequent periods as part of its ongoing revenue recognition processes.

#### Supplemental Pro Forma (unaudited)

The following table summarizes the unaudited supplemental pro forma financial information for the years ended December 31, 2025 and 2024, as if the acquisition was completed on January 1, 2024. The unaudited pro forma information was prepared in accordance with the requirements of ASC 805. Pro forma adjustments have been made to reflect the impact of incremental non-recurring acquisition-related adjustments, including transaction costs of \$14,765, cash retention awards of \$1,465, share-based compensation of \$6,674, employee severance of \$15,140 and adjustment related to fair value step-up to inventory of \$936. The adjustments also include the interest expense related to the debt modification, amortization of acquired intangible assets and lease remeasurement, depreciation of the fair-valued tangible assets, and the related tax effects of these adjustments.

(In thousands amounts)

	Year Ended December 31,	
	2025	2024
Revenue	\$ 1,905,316	\$ 1,868,039
Net income (loss)	\$ 19,688	\$ (9,317)

The unaudited supplemental pro forma financial information is presented for illustration purposes only and is not necessarily indicative of the operating results that would have occurred had the transaction been completed on January 1, 2024, nor is it necessarily indicative of future operating results of the combined entity. The unaudited pro forma financial information for years ended December 31, 2025 and 2024, is a result of combining the consolidated income statement of the Company with the results of the net assets acquired from Shyft. The pro forma results do not include any cost savings and synergies anticipated as a result of the transaction. We believe the estimates and assumptions are reasonable, and the relative effects of the transaction are properly reflected.

### **2024 Acquisition**

On November 21, 2024, the Company acquired 100% of the outstanding membership interests of LADOG - Fahrzeugbau- und Vertriebs-GmbH (“Ladog”) for cash consideration of EUR5,000 (\$5,441) and up to an additional EUR3,400 (\$3,700) earn-out amount subject to Ladog shareholders remaining as employees of the Company for two- and three-years post-acquisition. In the event the Ladog shareholders do not remain with the Company, the amount would be forfeited for the respective employee that leaves before the contractual vesting date. Accordingly, the Company has classified the earn-out amount as compensation expense for post-combination services. Ladog is a manufacturer of municipal narrow-track vehicles and commercial vehicles based in Germany with \$15,474 in revenue for 2023. Ladog’s products seamlessly fit into the Company’s product portfolio and expands the Companies business in Germany.

The Ladog acquisition was accounted for using the acquisition method of accounting with the purchase price allocated to the assets purchased and liabilities assumed based upon their estimated fair values at the date of acquisition. Identifiable intangible assets include brands, customer relationships and technology. The excess of the estimated fair values of assets acquired and liabilities assumed over the purchase price of \$6,780 was recorded as bargain purchase within Other income (expense) in the 2024 Consolidated Statements of Operations. Major factors leading to the bargain purchase include the Acquiree’s motivation for a strategic business partner rather than to maximize price and the lack of consideration for intangible assets in negotiations. These elements collectively support the recognition of a bargain purchase gain.

The purchase price was comprised of the following:

Purchase price:	
Cash paid	\$ 5,441
<b>Total purchase price</b>	<b>\$ 5,441</b>

The Company did not record a contingent consideration liability for the earn out at the opening balance sheet date. Instead, the Company will recognize compensation expense over the two- and three-year period in which the amounts are earned.

As of December 31, 2025, the purchase price allocation to the fair value of assets acquired and liabilities assumed is as follows:

Fair value of identifiable assets and liabilities:	
Cash and cash equivalents	\$ 9,879
Accounts receivable	2,191
Prepaid expenses and other current assets	8
Inventories	9,544
Intangible assets	1,369
Property, plant and equipment	506
<b>Total Assets</b>	<b>\$ 23,497</b>
Accounts payable	430
Other current liabilities and accrued expenses	8,859
Accrued compensation and related taxes	119
Accrued warranty	287
Other non-current liabilities	1,128
Deferred tax liabilities	407
<b>Total Liabilities</b>	<b>\$ 11,230</b>
<b>Total fair value allocation of purchase price</b>	<b>\$ 12,267</b>

Intangible assets totaling \$1,369 have provisionally been assigned to Brands, Concessions, rights and licenses, Technology and Customer relationships, as a result of the acquisition, and consist of the following:

	Amount	Useful life (in years)	Weighted average amortization period (in years)
Brands	\$ 420	5	5
Concessions, rights and licenses	79	5	5
Technology	235	10	10
Customer relationships	635	5	5
	<u>\$ 1,369</u>		<u>5.86</u>

The Company amortizes the brands, concessions, rights and licenses, customer relationships and technology utilizing a straight-line approach. Amortization expense, as a part of Amortization of purchased intangibles as presented on the Consolidated Statements of Operations, was \$248 and \$24 for 2025 and 2024, respectively.

Ladog had revenue of \$23,085 and generated operating income of \$1,754 for the year ended December 31, 2025, which is included in the accompanying consolidated financial statements.

Due to its insignificant size relative to the Company, supplemental pro forma financial information of the combined entity for the prior reporting period is not provided. Furthermore, the Company evaluated the revenues generated by Ladog from the acquisition date through December 31, 2024, and concluded that these revenues were not material.

## NOTE 16 – RELATED PARTY TRANSACTIONS

The tables below show the financial statement line items and amounts included in the Consolidated Statements of Operations and on the Consolidated Balance Sheets under various related party agreements or relationships:

	Year Ended December 31,	
	2025	2024
<b>Assets:</b>		
Accounts receivable on account of sales to related party	\$ 358	\$ 64
<b>Liabilities:</b>		
Accounts payable of related party	\$ 254	\$ 143
Long-term shareholder loans (subordinated)	\$ 59,101	\$ 51,982

	Year Ended December 31,		
	2025	2024	2023
Sales:	\$ 6,794	\$ 4,156	\$ 5,421
Sales to related parties			
Other expense:			
Interest expense from shareholder loans	\$ 1,420	\$ 1,359	\$ 1,341
Other expenses	\$ 915	\$ 608	\$ 305

### Terms and conditions of transactions with related parties

Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

### Subordinated Shareholder Loans

As of December 31, 2025, and 2024, there were subordinated shareholder loans totaling CHF13,563 (2025: \$17,110, 2024:\$14,970) and EUR15,000 (2025: \$17,626, 2024: \$15,584) from PCS Holding AG, as well as subordinated shareholder loans totaling CHF10,000 (2025: \$12,615, 2024: \$11,038) and EUR10,000 (2025: \$11,750, 2024: \$10,390) from Gebuka AG with a fixed interest rate of 2.5% per annum. The change in the loan balance as of December 31, 2025, and 2024 is solely due to foreign exchange rate fluctuations.

## NOTE 17– SEGMENTS

The Company identifies their operating and reportable segments based on the management structure and the financial data utilized by the CODM, which was determined to be the Board of Directors, to assess segment performance and allocate resources among the operating units.

The Company's segment reporting policy identifies two operating segments, North America and Europe and ROW as reportable segments. Financial results for each segment are presented separately to provide transparency and insight into the performance and resources of each geographic area, consistent with how the CODM reviews and assesses the Company's operations.

The CODM evaluates the performance of their reportable segments based on Segment Adjusted EBITDA (earnings before interest, taxes, depreciation and amortization), which is defined as net income before interest, taxes, depreciation and amortization, adjusted for non-recurring or unusual foreign exchange gains and losses on external debt, restructuring and other related expenses, transaction related expenses, bargain purchase gains on acquisitions, changes in repurchase liabilities for Aebi Schmidt's employee share plan, non-service cost related pension expenses, legacy legal matters, sales executive transition costs, changes in provisions for contingencies, and other non-recurring items.

Interest expense and taxes on income are not included in the information utilized by the CODM to assess segment performance and allocate resources, and accordingly, are excluded from the segment results presented below.

The Company's Board of Directors assesses the Segment Adjusted EBITDA to compare to historical trends and the forecast to assess segment results, allocate capital, make strategic decisions and identify areas of opportunity.

Sales and other financial information by reportable segment are as follows:

Year Ended December 31, 2025

	North America	Europe and ROW	Total
New Business	\$ 876,108	\$ 428,874	\$ 1,304,982
After Sales	98,994	122,649	221,643
Segment sales	<u>\$ 975,102</u>	<u>\$ 551,523</u>	<u>\$ 1,526,625</u>
Depreciation and amortization expense	\$ 37,923	\$ 6,277	\$ 44,200
Segment assets	\$1,524,478	\$ 483,801	\$ 2,008,279
Capital expenditures	\$ 9,690	\$ 4,551	\$ 14,241

Segment Adjusted EBITDA for the year ended December 31, 2025, is as follows:

	North America	Europe and ROW
Sales	\$ 975,102	\$ 551,523
Cost of products sold	786,813	435,758
Research and development	7,753	18,741
Selling, general and administrative	117,618	63,029
Other segment items <sup>1</sup>	<u>(36,473)</u>	<u>546</u>
Adjusted EBITDA	<u>\$ 99,391</u>	<u>\$ 33,449</u>

1. Other segment items include, other operating income and expenses, other income and expenses, depreciation and amortization, transaction related expenses, non-service cost related pension expense and legacy plan, foreign exchange gain on external debts and other non-recurring items.

The reconciliation of total Segment Adjusted EBITDA to income before income taxes for the year ended December 31, 2025, is as follows:

Total Segment Adjusted EBITDA	\$ 132,840
Interest expense	(41,794)
Foreign exchange gains/losses on external debt	(2,961)
Depreciation and amortization	(44,200)
Restructuring and other related expenses	(17,725)
Transaction related expenses	(14,765)
Integration costs	(3,856)
Settlement of acquisition	(1,697)
Changes in valuation of liability for legacy Aebi Schmidt employee share plan	6,377
Non-service cost related pension expense and legacy plan	5,055
Legal matters	(1,281)
Change in provision for contingencies	1,291
Non-cash stock-based compensation expenses	(1,473)
Other non-operating one-off items	(4,619)
Income before income taxes	<u>\$ 11,192</u>

Year Ended December 31, 2024

	North America	Europe and ROW	Total
New Business	\$ 538,576	\$ 380,157	\$ 918,733
After Sales	54,865	112,360	167,225
Segment sales	<u>\$ 593,441</u>	<u>\$ 492,517</u>	<u>\$ 1,085,958</u>
Depreciation and amortization expense	\$ 20,702	\$ 5,712	\$ 26,414
Segment assets	\$ 695,715	\$ 392,409	\$1,088,124
Capital expenditures	\$ 7,445	\$ 6,168	\$ 13,613

Segment Adjusted EBITDA for the year ended December 31, 2024, is as follows:

	North America	Europe and ROW
Sales	\$ 593,441	\$ 492,517
Cost of products sold	472,217	385,504
Research and development	2,979	16,577
Selling, general and administrative	55,253	69,407
Other segment items <sup>1</sup>	(5,708)	(9,268)
Segment Adjusted EBITDA	<u>\$ 68,700</u>	<u>\$ 30,297</u>

1. Other segment items include, other operating income and expenses, other income and expenses, depreciation and amortization, transaction related expenses, non-service cost related pension expense and legacy plan, foreign exchange gain on external debts and other non-recurring items.

The reconciliation of total Segment Adjusted EBITDA to income before income taxes for the year ended December 31, 2024, is as follows:

Total Segment Adjusted EBITDA	\$ 98,997
Interest expense	(34,106)
Foreign exchange gains/losses on external debt	1,647
Depreciation and amortization	(26,414)
Restructuring and other related expenses	(819)
Transaction related expenses	(4,404)
Bargain purchase gain on acquisition	6,780
Settlement of acquisition	—
Changes in evaluation of liability for legacy Aebi Schmidt employee share plan	(3,446)
Non-service cost related pension expense and legacy plan	4,290
Legal matters	(180)
Sales executive transition	(266)
Change in provision for contingencies	98
Non-cash stock-based compensation expenses	—
Other non-operating one-off items	(513)
Income before income taxes	<u>\$ 41,664</u>

Year Ended December 31, 2023

	North America	Europe and ROW	Total
New Business	\$ 493,931	\$ 365,173	\$ 859,104
After Sales	47,938	108,530	156,468
Segment sales	<u>\$ 541,869</u>	<u>\$ 473,703</u>	<u>\$1,015,572</u>
Depreciation and amortization expense	\$ 21,017	\$ 6,147	\$ 27,164
Segment assets	\$ 701,842	\$ 408,941	\$1,110,783
Capital expenditures	\$ 4,850	\$ 7,064	\$ 11,914

Segment Adjusted EBITDA for the year ended December 31, 2023, is as follows:

	North America	Europe and ROW
Sales	\$ 541,869	\$ 473,703
Cost of products sold	436,987	371,933
Research and development	2,268	14,857
Selling, general and administrative	51,880	65,177
Other segment items <sup>1</sup>	(3,647)	(10,291)
Segment Adjusted EBITDA	<u>\$ 54,381</u>	<u>\$ 32,027</u>

1. Other segment items include, other operating income and expenses, other income and expenses, depreciation and amortization, transaction related expenses, non-service cost related pension expense and legacy plan, foreign exchange gain on external debts and other non-recurring items.

The reconciliation of total Segment Adjusted EBITDA to income before income taxes for the year ended December 31, 2023, is as follows:

Total Segment Adjusted EBITDA	\$ 86,408
Interest expense	(38,031)
Foreign exchange gains/losses on external debt	(1,778)
Depreciation and amortization	(27,164)
Restructuring and other related expenses	253
Transaction related expenses	—
Bargain purchase gain on acquisition	—
Settlement of acquisition	—
Changes in evaluation of liability for legacy Aebi Schmidt employee share plan	(2,562)
Non-service cost related pension expense and legacy plan	2,502
Legal matters	(501)
Sales executive transition	—
Change in provision for contingencies	(1,569)
Non-cash stock-based compensation expenses	—
Other non-operating one-off items	(212)
Income before income taxes	<u>\$ 17,346</u>

The following table presents sales disaggregated by geography that exceed 10% of total sales:

	Years Ended December 31,		
	2025	2024	2023
U.S.	\$ 934,137	\$ 549,492	\$ 500,522
Switzerland	54,304	59,451	63,809
Other	538,184	477,015	451,241
Total sales	\$ 1,526,625	\$ 1,085,958	\$ 1,015,572

	Years Ended December 31,		
	2025	2024	2023
U.S.	61.2 %	50.6 %	49.3 %
Switzerland	3.6 %	5.5 %	6.3 %
Other	35.3 %	43.9 %	44.4 %
Total sales	100.0 %	100.0 %	100.0 %

The following table presents assets disaggregated by geography that exceeds 10% of total assets:

	As of December 31,	
	2025	2024
U.S.	\$ 1,495,145	\$ 669,230
Switzerland	177,549	140,528
Other	335,585	278,366
Total assets	\$ 2,008,279	\$ 1,088,124

	As of December 31,	
	2025	2024
U.S.	74.4 %	61.5 %
Switzerland	8.8 %	12.9 %
Other	16.8 %	25.6 %
Total assets	100.0 %	100.0 %



 **aebi schmidt**  
group

**Aebi Schmidt Holding AG**  
Schulstrasse 4  
CH-8500 Frauenfeld  
Tel +41 71 626 91 10  
[www.aebi-schmidt.com](http://www.aebi-schmidt.com)