

2025 ANNUAL REPORT





Dear Fellow Shareholders,

MEC enters 2026 as a stronger, more diversified, and strategically well-positioned company. We continue to execute with discipline in a challenging end market environment while building the foundation for profitable, sustainable growth in the years ahead. The consistent execution we have demonstrated over the past several years, coupled with our MBX operating framework, has created a more durable business model with greater diversification.

Despite persistent softness across several legacy end markets in 2025, our team acted decisively to protect profitability, tighten cost control, and reallocate capacity and investments toward higher-growth opportunities. Supported by strong free cash flow, this disciplined approach has enabled us to continue advancing our value-creation pillars: commercial expansion, operational excellence, and disciplined capital deployment.

Accu-Fab Acquisition: A Transformative Milestone

One of the most significant achievements of the year was our acquisition of Accu-Fab.

Accu-Fab's key portfolio enhancements:

- It expands our presence in the structurally higher-growth Data Center & Critical Power end market, which we currently estimate will be more than 20% of our revenues in 2026, with additional upside as infrastructure investment continues.
- It creates compelling cross-selling opportunities that we expect to generate between \$40 million and \$50 million of incremental revenue in 2026.
- It is long-term accretive to margins.

Demand momentum within Data Center & Critical Power continues to accelerate. Supported by multi-year infrastructure investment trends, our qualified pipeline in this end market now exceeds \$125 million driving end market diversification and enhancing the Company's earnings profile.

Positioned for Recovery and Multi-Year Growth

While several of MEC's legacy end markets, including Commercial Vehicle, Agriculture, and Powersports, continue to face regulatory and macroeconomic headwinds, we expect conditions to gradually improve later in 2026. The actions we took in 2025 to streamline our cost structure, enhance utilization, and strengthen operating flexibility ensures we are well positioned to capture operating leverage as demand recovers.

At the same time, our customer relationships remain strong across our legacy end markets.

Bidding activity and new project opportunities have remained healthy. New project awards across these end markets totaled more than \$108 million in 2025, exceeding our annual target and providing a strong foundation for multi-year growth.

Disciplined Capital Deployment Anchored in Long-Term Strategy

Our near-term capital priorities remain focused on debt repayment and reducing net leverage toward our long-term target of below 2.5x. Over the longer term, we remain focused on strengthening the balance sheet, sustaining strong free cash flow, and deploying capital toward opportunities that enhance long-term shareholder value, including acquisitions that are both revenue growth and margin accretive.

A Foundation for Sustainable, Higher Margin Growth

The year 2026 represents an important phase in MEC's value-creation journey. We are positioned to benefit from improving end market trends and continued growth in Data Center & Critical Power. With strong free cash generation, disciplined execution, enhanced operating leverage, and the long-term benefits of our MBX value creation framework, we believe MEC is well positioned to deliver durable, profitable growth for years to come.

Thank you to our employees, customers, partners, and shareholders for your continued support. We look forward to building on our momentum in 2026.

Sincerely,

A handwritten signature in black ink that reads "Jag Reddy". The signature is written in a cursive, slightly slanted style.

Jagadeesh (Jag) A. Reddy
President, CEO and Director

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

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE TRANSITION PERIOD FROM TO

Commission File Number 001-38894

Mayville Engineering Company, Inc.

(Exact name of Registrant as specified in its Charter)

Wisconsin
(State or other jurisdiction of
incorporation or organization)

39-0944729
(I.R.S. Employer
Identification No.)

135 S. 84th Street, Suite 300
Milwaukee, Wisconsin
(Address of principal executive offices)

53214
(Zip Code)

Registrant's telephone number, including area code: **(414) 381-2860**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	MEC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES NO

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. YES NO

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

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

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

Large accelerated filer
Non-accelerated filer
Emerging growth company

Accelerated filer
Smaller reporting company

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

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262 (b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the Registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the Registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the Common Stock held by non-affiliates of the Registrant, based on the closing price of the shares of common stock on the New York Stock Exchange on June 30, 2025, was \$315,257,162.

The number of shares of the Registrant's Common Stock outstanding as of February 20, 2026 was 20,318,370.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this report incorporates information by reference to the Registrant's proxy statement for its 2025 annual meeting of shareholders, which proxy statement will be filed with the Securities and Exchange Commission no later than 120 days after the close of the year ended December 31, 2025.

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Cautionary Statement Regarding Forward-Looking Statements

Certain matters discussed in this Annual Report on Form 10-K contain forward-looking statements that involve risks and uncertainties, such as statements related to future events, business strategy, future performance, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek,” “anticipate,” “plan,” “continue,” “estimate,” “expect,” “may,” “will,” “project,” “predict,” “potential,” “targeting,” “intend,” “could,” “might,” “should,” “believe” and similar expressions or their negative. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on management’s belief, based on currently available information, as to the outcome and timing of future events. These statements involve estimates, assumptions, known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those expressed in such forward-looking statements. Mayville Engineering Company, Inc. (MEC, the Company, we, our, us or similar terms) believes the expectations reflected in the forward-looking statements contained in this Annual Report on Form 10-K are reasonable, but no assurance can be given that these expectations will prove to be correct. Forward-looking statements should not be unduly relied upon.

Important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements include, but are not limited to, those described in “Risk Factors” in Part I, Item 1A of this Annual Report on Form 10-K for the year ended December 31, 2025, and as such may be amended or supplemented in Part II, Item 1A of our subsequently filed Quarterly Reports on Form 10-Q, and the following:

- Macroeconomic conditions, including inflation, elevated interest rates, labor availability, material cost pressures, trade policy uncertainty and inconsistent customer demand, have had, and may continue to have, a negative impact on our business, financial condition, cash flows and results of operations (including future uncertain impacts);
- risks relating to developments in the industries in which our customers operate;
- risks related to scheduling production accurately and maximizing efficiency;
- our ability to realize net sales represented by our awarded business;
- failure to compete successfully in our markets;
- our ability to maintain our manufacturing, engineering and technological expertise;
- the loss of any of our large customers or the loss of their respective market shares;
- risks related to entering new markets;
- our ability to recruit and retain our key executive officers, managers and trade-skilled personnel;
- macroeconomic conditions impacting data center & critical power end-market demand;
- volatility in the prices or availability of raw materials critical to our business;
- manufacturing risks, including delays and technical problems, issues with third-party suppliers, environmental risks and applicable statutory and regulatory requirements;
- our ability to successfully identify or integrate acquisitions;
- geopolitical and economic developments, including foreign trade relations and associated tariffs;
- our ability to develop new and innovative processes and gain customer acceptance of such processes;

- risks related to our information technology systems and infrastructure;
- results of legal disputes, including product liability, intellectual property infringement and other claims;
- risks associated with our capital-intensive industry;
- risks related to our employee stock ownership plan's treatment as a tax-qualified retirement plan; and
- our ability to satisfy our current obligations under existing indebtedness.

These factors are not necessarily all of the important factors that could cause actual results or events to differ materially from those expressed in forward-looking statements. Other unknown or unpredictable factors could also cause actual results or events to differ materially from those expressed in the forward-looking statements. All forward-looking statements attributable to us are qualified in their entirety by this cautionary statement. Forward-looking statements speak only as of the date hereof. We undertake no obligation to update or revise any forward-looking statements after the date on which any such statement is made, whether as a result of new information, future events or otherwise, except as required by federal securities laws.

PART I

Item 1. Business.

General

Mayville Engineering Company, Inc. (MEC) is a leading U.S.-based, vertically integrated, value-added manufacturing partner providing a full suite of manufacturing solutions from concept to production, including design, prototyping and tooling, fabrication, aluminum extrusion, coating, assembly and aftermarket components. Our customers operate in diverse end markets, including heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, military and other end markets. We have developed long-standing relationships with our blue-chip customers based upon our commitment to "Unmatched Excellence". We provide a diverse set of process offerings and a one-source solution with benefits throughout the entire product lifecycle, including front-end collaboration in design and prototyping, product manufacturing, aftermarket components and ancillary supply chain benefits. Founded as a corporation in 1945 and headquartered in Milwaukee, Wisconsin, we are a leading Tier I U.S. supplier of highly engineered components to original equipment manufacturer (OEM) customers with leading positions in their respective markets. We are focused on producing the highest quality components using complex processes at the lowest cost by working with customers throughout the product design and development process to establish optimal solutions. Our engineering expertise and technical know-how allow us to add value through every product redevelopment cycle (generally every three to five years for our customers). According to The Fabricator magazine, we have been ranked as the largest fabricator in the United States for the past 15 years in a row (2011 – 2025).

Our customers' complex products require a unique combination of our capabilities that allow us to achieve a customized offering to satisfy our customers' desired outcomes. Our capabilities, which include, but are not limited to: metal fabrication, metal stamping, aluminum extrusion and fabrication, tube bending and forming, robotic part forming, robotic welding, resistance welding, five-axis tube and fiber laser cutting and custom coatings, including high heat and chemical agent resistant coating (CARC) painting, are used in a variety of applications and represent the building blocks of what we produce.

Our key customers have globally recognized brands and demand the highest product quality and expertise. Over our 80-year history, we have developed capabilities and provided solutions that result in customer loyalty and long-standing relationships, which we call "The MEC Advantage". We have a diverse and market-leading customer base that serves broad end markets representing favorable near- and long-term growth prospects for us. We have a track record of growth and are well-positioned to increase our market share and benefit from the growth in customer demand as well as the secular trends of reshoring and outsourcing across the end markets that we serve. To help pursue our strategic mission, we have approximately 2,400 employees who are tactically aligned around our core values. We are led by an experienced management team that has contributed to our growth by establishing deep and long-standing relationships with key customers and has worked to expand the customer base both organically and through strategic acquisitions.

We maintain an established base of long-standing customers comprised of leading, blue-chip OEM manufacturers across the United States. Our broad capabilities offering and track record of producing the highest quality solutions have allowed us to establish, and subsequently deepen, relationships with additional products and platforms over time. For example, our more than 40-year relationship with Deere & Company (John Deere) began with a small order of simple stamped parts for a farm tractor in its agricultural segment that expanded over time and represented 2025 sales in excess of \$54 million across five market segments, representing over 65 model platforms. We have also been successful in winning customers and rapidly expanding relationships with high-growth customers by utilizing our complete product lifecycle management offering. For instance, we began our relationship with a powersports company less than ten years ago, starting with our expertise in performance structure suspension components, and we have been able to expand our relationships into tubes, fabrications and finished goods assemblies. Through this expansion, with product shipping from multiple facilities, we have been able to deepen our relationship and expand our market position through each of their new product updates, solidifying us as a strategic partner.

We serve our customers through 27 strategically located U.S. facilities, of which 25 are in operation, across nine states, with approximately three and a half million square feet of manufacturing capacity. Our expansive footprint enables us to service and maintain strong relationships with existing key customers across the United States with a “local” presence, as well as target new customer opportunities. Coupled with our focus on market alignment and execution, we constantly strive to improve and refine capabilities, capacities and reduce our carbon footprint. In addition, the ongoing investment in flexible, re-deployable automation allows us to expand output while reducing cost and improving quality, productivity and consistency for margin enhancement and market leading competitiveness.

Our historical success is a function of our engineering expertise, extensive manufacturing capabilities, limited commodity exposure, investment in automation and relationships with the contractual ability to pass through variability in commodity prices. We believe we are poised to grow through economic cycles due to our:

- market positioning and reputation;
- product breadth;
- flexible and re-deployable capital investment in automation and process capabilities; and
- our geographic, end market and product diversification.

Our diversified profile today best positions us for stability and leading market performance through all phases of an economic cycle.

Our Industry

We compete in the highly fragmented market of contract manufacturers, the majority of which are small local players that are limited in scale, capabilities and technology. Many of these local manufacturers have single or limited production capabilities and provide niche components in specific geographic markets. Accordingly, there are a limited number of competitors in the value-added manufacturing market in which we operate with the capacity and expertise to deliver the complete product lifecycle of solutions we offer. For example, our diverse manufacturing capabilities across product lines have contributed to us being selected the Largest Fabricator by The Fabricator magazine’s “FAB 40” listing in the desirable U.S. markets for the past 15 years in a row (2011 – 2025). While we compete with certain manufacturers across selected product lines, we believe that no single manufacturer directly competes with us across our full offering and end market applications.

Our end market diversification coupled with our extensive product breadth allows us to maintain financial stability as individual end markets fluctuate. The primary end markets we serve include heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture and military, among others. As markets strengthen or weaken, our output is redirected and realigned to support ongoing change.

We have also experienced, and benefitted from, OEM trends seeking to improve their strategy execution and simplify their business through outsourcing and reshoring. Based on our history, OEMs pursue a strategy that focuses on core component market differentiation, such as structural frames and complete powertrain assemblies, and prefer to outsource the remaining product

components to third parties rather than manufacturing them in-house. This is done in order to maintain their strategic focus, drive cost savings and reduce their own investment in manufacturing, thereby allowing them to focus on the most important aspects of their value creation process, namely product design and development, final product assembly and testing, branding, sales, marketing and distribution. While each specific OEM differs in its strategy, we see these trends continuing as customers deal with workforce constraints and look for optimum return on investments while improving cash flow. Moreover, our OEM customers focus on the production of the core components of their products, which leads them to rely on outsourced providers like us for the remaining components of their finished product needs. OEMs are also continuing to bring production back to the US and simplifying their supply chain processes. We believe we will benefit from this continued shift in our customers' focus and ongoing desire for OEMs to improve efficiencies, reduce costs and simplify supply chains. Our established and embedded relationships, breadth of capabilities and scalability will allow us to streamline the supply chain process for our customers by acting as a single point of contact in the supply chain. In addition, we believe OEMs are increasingly favoring platforms supported by larger, more sophisticated and financially stable suppliers with the ability to serve large national and international operations all while maintaining a local touch. Our extensive manufacturing footprint, competitive cost structure and integrated design, engineering, production planning and quality program management capabilities position us favorably to take advantage of these opportunities and trends.

Our Competitive Strengths

As an industry-leading value-added manufacturing partner, our commitment to "Unmatched Excellence" is the cornerstone that attracts our customers. We thrive on strategic collaboration, actively engaging with our customers to create alignment and become an integral part of their product development and manufacturing processes. Leveraging our deep engineering expertise, we support prototype, production, and aftermarket needs, delivering cost-effective and robust solutions. With the industry's most expansive process capabilities, we embody agility, speed, and unmatched capability, allowing us to efficiently support a diverse range of products and solutions. "The MEC Advantage" is not just a concept; it's the driving force behind our operations, ensuring that every project benefits from our manufacturing expertise and customer-centric approach. Focusing on forward-thinking innovation, reliability, and excellence, our engineering expertise and technical know-how allow us to add value through every product redevelopment cycle, typically occurring every three to five years for our customers. Positioned as the go-to partner, we are dedicated to building long-lasting partnerships and delivering solutions that consistently exceed our customers' expectations.

Value-Added Supply Chain Partner with Embedded Relationships. Our embedded relationships with our large and diverse customer base are driven by the commitment to excellence our employees take in their work, which emphasizes the highest quality and performance in all facets of our business, including our ability to partner with our customers and deliver to them complex solutions across a wide range of products. Our unique, end-to-end offering provides solutions throughout the lifecycle of a product, including upfront product manufacturability advice and prototyping, production volumes and aftermarket components. We strive to maintain operation alignment (and continuous re-alignment) with our customers' strategy and production activities as they evolve, allowing us to remain agile in response to market changes, while enabling our customers to be successful, and remain adaptable to changes to retain flexibility and adjust appropriately. Our focus on collaboration with our customers and our breadth of capabilities also generates strategic alignment with our customers, resulting in deep-rooted relationships, driving vendor reduction and providing other ancillary benefits such as optimization of working capital investments. Our track record of engineering expertise has resulted in our consistent inclusion in customer design and prototyping activities, enabling customers to view us as an invaluable extension of their own teams. In turn, this collaboration allows our customers to focus on the development of their core technologies and products. Our position as a deeply embedded supply chain partner of scale allows us to provide a multitude of solutions, driving strong customer relationships with high switching costs.

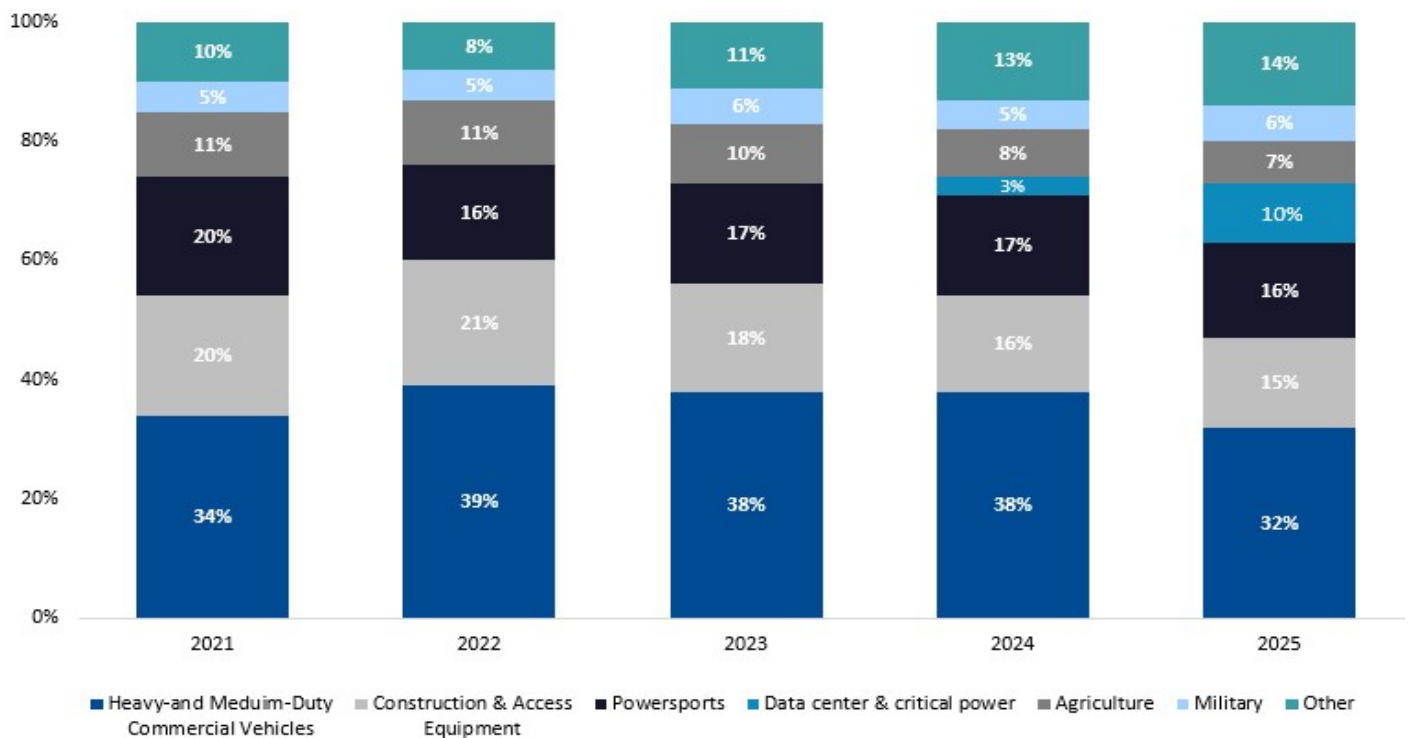
Leading and Defendable Market Position in Attractive North American Market. According to the Fabricator magazine, we have been ranked as the largest fabricator in the United States for the past 15 years in a row (2011 – 2025). The market is highly fragmented and characterized by high barriers to entry given the complex nature of the work, established relationships and high customer switching costs. While there are numerous competitors in the markets in which we operate, few maintain the product breadth, manufacturing capabilities, scale or engineering expertise that we do. Our depth of capabilities allows us to offer our customers:

- low volume production capability;
- customized and sophisticated solutions;

- unique engineering and manufacturing capabilities throughout the product lifecycle;
- critical scale to service large national and regional customers as well as local customers; and
- the ability to act as a single point of contact and offer seamless customer service.

End Market and Customer Diversification. Our value-added manufacturing focus enables us to remain diversified across a variety of customer end markets, including heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, and military, among others. These end markets are representative of our globally recognized customers, which are comprised of large OEM manufacturers. In 2025, our top customer and top ten customers accounted for 13.6% and 62.3% of net sales, respectively, which collectively represents hundreds of platforms that we serve across a variety of end markets and customer operating segments. Our access to a multitude of end markets allows us to strategically shift focus to sell into current opportunities as end market demand evolves. In addition to customer and end market diversification, our customers themselves are also diversified across multiple end markets. For example, we provide John Deere, a leading customer, with 2025 net sales accounting for 10.0% of our total revenue, with over 3,000 SKUs across over 65 individual John Deere platforms including the agriculture, forestry, turf care, power systems and construction & access equipment end markets. Our increasingly stable performance is a direct result of our intentional business design of agility and adaptability to realign manufacturing capacities to serve diversified and ever-changing end markets.

End Market Diversification
(% of Net Sales)



Breadth of Capabilities Appealing to a Variety of Applications. We have many manufacturing capabilities that together represent the building blocks for the complex solutions we provide to our customers. We maintain a full spectrum of capabilities across our facilities to address a wide set of customer needs, including upfront product development advice and prototyping, unique manufacturing processes and capabilities across a variety of products and back-end finishing, assembly and aftermarket components representing a unique end-to-end offering. Our range of capabilities combined with our breadth of components, including fabrications, tubes, tanks, performance structures and aluminum extrusions, expands the applicable uses and end markets in which we may offer our components. Throughout our history, our capabilities have allowed us to generate growth by expanding into new verticals and by

further penetrating existing verticals through cross-selling to increase wallet share, a strategy that has driven deep-rooted relationships with our customers. Further, our unique combination of manufacturing processes allows us to opportunistically target sophisticated, higher margin business. The diversity of our offering has provided our company with financial stability through various end market and economic cycles.

Technology-Enabled Infrastructure. We continue to invest in a technology-enabled asset base that provides significant flexible and re-deployable capacity to support our planned growth, increases profitability, efficiency, quality and employee safety, reduces spend on energy and drives a long-term cost advantage over our competitors. We have leveraged our technical expertise within capex programs to make significant investments in operational infrastructure throughout our history via flexible and re-deployable automation, creating capacity, enhancing throughput, quality and consistency. For example, we were one of the first in our industry to adopt fiber lasers and have continued to invest in this metal cutting capability. We have replaced many of our machines with advanced versions that incorporate material handling automation from leading industry brands. These machines are multiple times faster with increased precision while consuming less power than our previous machines. Additionally, we continue to advance robotic press brakes at several locations with a continuous shift towards precision and automation. By reducing setup times coupled with faster speeds, accuracy, better ergonomics and employee interactions, all such investments have resulted in very attractive returns on our investment. We implemented Collaborative Robots (Cobots) for welding and material handling applications at several facilities with the view towards improving labor utilization and, given our success, we expect to continue with further improvements in the coming years. Additionally, we systematically invested in fully automatic and mechanized welding equipment to support our core competency and maintain attractive and safe working environments. We also invested in automated precision tube forming and joining capabilities to increase the diverse range of offerings from our facilities. To support Data Center-specific manufacturing, we purchased best-in-class punching machines to provide the fastest industry cycle times and automatic operations. These machines have been distributed strategically to our major facility locations. We invested in other infrastructure and equipment towards strategic restructuring of capabilities following the mid-year Accu-Fab acquisition. Our internal teams are actively creating and deploying software-driven automation solutions to support office business operations. These investments in technology-enabled infrastructure allow us to reallocate our workforce, as employees can be retrained and redeployed into more technically skilled positions. In today's ever-changing labor market, the ability to redeploy labor to increase flexibility and capacity for our customers is of the utmost importance and interest. Our investments in continuous improvement and automation have driven operational efficiencies and improved metric tracking, allowing our management team to more effectively run the business and improve the value we provide to our customers. We have, from time to time, made strategic, customer-driven investments that directly support new product and market expansion which result in further competitive advantages and higher switching costs for our customers.

Cost Structure and Operational Excellence. We have reduced our exposure to commodity price risk by structuring our customer contracts to pass through changes in commodity prices. As such, we have been able to effectively limit any potential impact from tariffs and commodity price volatility to our margins. Our scale and profitability have also allowed us the flexibility to implement continuous improvement initiatives in driving efficiencies, such as automation and additional capacity, which will result in long-term efficiency and margin improvements, and expanded capabilities.

Our Strategy

During 2022, we announced the implementation of a value-creation framework, MEC Business Excellence (MBX), that is intended to maximize stakeholder value by positioning the Company to achieve above-market performance and capitalizing on multi-year reshoring and outsourcing trends among major OEMs. As part of MBX, we have established clear short- and long-term objectives, with the goal of outlining and adapting priorities and targets to improve operational and financial goals while creating a culture with a keen focus on continuous lean improvements in order to maintain a differentiated and defensible market leading position. The key elements of MBX include:

High-Performance Culture. The Company is focused on effectuating cultural change across the organization by the implementation of performance-based metrics, lean daily management and other process-oriented strategies. Through these efforts, the Company is building a high-performance culture capable of driving improved performance, asset utilization and cost optimization.

Operational Excellence. The Company is focused on leveraging automation and technologies and capabilities to increase productivity and reduce costs across the value chain with the implementation of lean initiatives such as value stream mapping, sales, inventory and operations planning (SIOP) and further optimizing its supply chain and procurement strategies, which will inherently accelerate immediate and long-term productivity and margin improvements.

Commercial Excellence. The Company is focused on driving commercial growth through an integrated, solutions-oriented approach that leverages its full suite of design, prototyping, and aftermarket services; with fabrication capabilities in both steel and aluminum; diversification into rapidly growing data center and critical power end markets; further market penetration within existing end markets; and the implementation of a value-based pricing model that reflects the cost to serve and the criticality of our solutions. These growth initiatives are intended to deepen and defend our existing market share while diversifying our customer base and end-market exposure with infrastructure-driven demand.

Disciplined Capital Deployment. The Company is focused on executing a disciplined capital strategy that includes allocating capital to expand within attractive adjacent markets, increasing share-of-wallet with existing customers, and pursuing strategic acquisition opportunities, while also generating strong free cash flow, managing debt levels and liquidity, and continuing to return capital to shareholders through share repurchases. As part of this strategy, we intend to prioritize capital investment toward high-growth data center and critical power end markets.

Human Resource Optimization. Our employees are the foundation of our company; with experience across a diverse range of markets and capabilities, they drive innovation, believe in our process and the outcomes of their work and our success. The Company remains focused on increasing our investment in our workforce and the recruiting and retention of skilled, experienced employees to support the growth of its business. This component of MBX is designed to provide competitive, performance-based incentives, develop high-potential candidates for internal development and advancement, ensure business continuity through multi-tiered succession planning and ensure a stable recruiting pipeline. Additionally, as we continue to invest in our business and increasingly implement a more technology-enabled infrastructure, we strive to redeploy our employees in other, higher-skilled areas of our business and invest in training where needed.

Our Capabilities

We offer a broad portfolio and a one-source solution comprised of advanced and innovative capabilities that enhance quality and simplify supply chains for our customers. Through our collaborative approach, we maintain a complete, and growing, set of sophisticated manufacturing capabilities to meet the diverse needs of our customers, including:

- *Program Management* — We offer our customers a complete solution from concept to launch following the Advanced Product Quality Planning (APQP) process (planning, process design and improvement, product and process validation and continuous improvement).
- *Engineering* — We collaborate with our customers and provide manufacturing process solutions including off-line programming (lasers, brake press, machining, robotic welding, coordinate measuring machines), value engineering and continuous improvement (CI).
- *Tool Design and Build* — Our in-house tool design and tool room capability ensures quality from start to finish. We build and service all categories of tooling, including large progressive dies.
- *Laser Cutting* — Our programmable fiber and CO2 laser cutting capabilities eliminate expensive hard tooling. Our equipment can cut metal up to 1 inch thick while maintaining tolerances to .002 inches at speeds up to 3,000 inches per minute at .040" thickness. Our tube lasers are state-of-the-art cutting machines that offer exceptional tolerances and through-put.
- *Brake Press* — We combine our operator's expertise with the proper equipment required to offer top versatility to our clients for bending, forming, coining and air bending. Our facilities house the latest press brake machinery including robotic part manipulation and stacking.
- *Stamping* — We provide custom metal stamping capabilities for short, medium or long production runs. For longer runs, our production of sheet metal stamping uses 50 to 1,200-ton manual or automatic feed presses with state-of-the-art feed lines for precision metal stamping. Our small, high-speed presses are ideal for producing intricate high-volume stampings.

- *Machining* — We provide a variety of machining capabilities to meet our customer needs by providing in-house machining assistance for parts that are part of larger fabrications and assemblies.
- *Aluminum Extrusion* — We provide a diverse range of aluminum extrusion profiles for various applications using advanced extrusion presses ranging from 4.5” to 8.0” billet diameters and 880 to 3,150-ton. Using 6000-series alloys, we can produce a wide array of products from the most common, large extruded profiles, to some of the smallest and thinnest-walled extruded profiles in the industry.
- *Tube Bending* — We maintain vast tube bending capabilities, including (i) manufacturing of oval, round and square tubes from .25 inch up through six inch and (ii) leveraging our extensive inventory of equipment including the latest computer numerical control (CNC) benders; and state-of-the-art technologies such as CNC electro-servo-driven bending with multi-task heads. We have integrated robotic automation into applicable bending cells to generate maximum throughput with less labor costs.
- *Welding* — We have earned our reputation as one of the premier manufacturers of weldments. Our welding departments offer manual and robotic wire welding, including Gas Metal Arc Welding (GMAW) and also known as Metal Inert Gas (MIA), Gas Tungsten Arc Welding (GTAW) and also known as Tungsten Inert Gas (TIG), Heliarc, Fluxcore, Metalcore, Aluminum, Plasma Weld, Brazing and Pulse Heliarc.
- *Coatings, Assembly and Logistics* — We provide premier full-service coating, assembly and logistics solutions. Our coating capabilities offer a full-range of high technology industrial applications, including: E-Coat, military certified CARC, commercial and industrial powder and liquid coatings. Our coating systems utilize direct-to-metal and pre-treatments including acid pickle, zinc phosphate and in-line Alodine for the conversion of aluminum.
- *Lean and Continuous Improvement* — Through our formal, robust MBX system, MEC is driving lean and continuous improvement in every facet of our business. Eliminating waste leads to value creation, overall customer satisfaction and revenue growth.
- *Environmental Sustainability* – We do business with environmental sustainability in mind. By reducing energy, scrap and water we help protect the environment while delivering long-term value to our customers. These practices align our products and business with the growing demand for environmentally responsible solutions. We hold registration for ISO 14001:2015.

Our Proven Approach

We collaborate with our customers to generate a strategic alignment and position ourselves as an essential part of our customers’ product development and manufacturing processes by drawing on our deep product and engineering knowledge to deliver best-in-class solutions. Our approach is simple: we view quality as a significant business strategy with a strong return on investment. Our philosophy on quality is based on our commitment to precision and continuous improvement with an international automotive task force (IATF) and international organization for standardization (ISO) foundation. Our skilled and experienced staff are highly trained in areas of quality planning, metrology, geometric dimensioning and tolerancing (ASME Y14.5M 1994), ISO, and statistical techniques (SPC). Our Quality Management System is comprised of the following:

- IATF 16949: 2016 certification (one of the automotive industry’s most widely used international standards for quality management);
- ISO 9001: 2015 registration (international standard for quality management systems);
- process capability that is proven at validation and monitored during production; and
- specialized validations for paint and weld operations.

We periodically enter into joint process improvement efforts with key customers. Such exercises have historically resulted in reduced manufacturing critical path time, cost reductions and quality improvements through effective batch sizes and more repeatable

processes. Our commitment to precision and continuous improvement initiatives have resulted in the acquisition and application of state-of-the-art technologies and plant improvements that support lean, quick response manufacturing flexibility that put us at the forefront of our market. Moreover, the agility that our quick response manufacturing methodology keeps our purchasing, manufacturing, engineering and quality teams on the cutting edge of flexible manufacturing. This adaptable approach also decreases manufacturing costs, allows for faster order turnaround times and elimination of excess waste.

We maintain an advanced machinery portfolio in our facilities allowing us to leverage our employee workforce with state-of-the-art capabilities and functionality. We maintain our assets or upgrade capabilities where deterioration has driven obsolescence or better technology is available, reducing our carbon footprint. Most recently, we have invested in multiple fiber laser systems, robotic brake presses, Cobots and tube bending cells with automation aimed at reducing labor content and optimizing floor space which allows us to generate more revenue with the same workforce and footprint.

Our Markets

Our primary end markets include (but are not limited to) the heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture and military markets. While our individual end markets may be exposed to cyclical variations, the diversified nature of our end markets affords us the ability to shift production with demand as certain end markets trend lower and others trend higher. In our experience, our diversification has muted the impact of downturns on our business that have affected us in the past. For example as our heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power and agriculture customers' revenues fluctuated from 2013 to 2017, with median peak-to-trough sales decline of 23%, our peak-to-trough sales declines were less than that of those respective markets at only 10%. We were able to accomplish this by reallocating our resources to serve our heavy- and medium-duty commercial vehicles and powersports customers, leading to strong double-digit growth in those end markets.

- **Heavy- and Medium-Duty Commercial Vehicles:** Heavy-duty commercial vehicles include class 8 heavy trucks such as standard semi-trucks. Medium-duty commercial vehicles include classes 3-7 trucks such as box trucks;
- **Construction & Access Equipment:** Primary applications include wheel loaders, crawlers, skid steer loaders, excavators, motor graders, aerial lifts, boom lifts and other construction equipment;
- **Powersports:** Encompasses our all-terrain (ATV) and multi-utility (MUV) vehicles, as well as marine and motorcycle markets;
- **Data Center & Critical Power:** Major applications include precision metal enclosures, cabinets, racks, frames, panels, sub-assemblies, backup energy systems, intelligent power management solutions in mission-critical data center and electrical infrastructure environments.
- **Agriculture:** Primary applications include tractors, combines, sprayers, turf care, implements and other agriculture-related equipment;
- **Military:** We provide a variety of components for military vehicle platforms;
- **Other:** We provide components and assemblies to a variety of other industrial end markets, such as power generation, industrial equipment and fixtures, consumer tools, mining, forestry, medical and the automotive end market.

Our Customers

We are a critical and deeply embedded supply partner with strong strategic alignment and relationships with our customers. We have developed long-standing business relationships with our OEM customers, many of which span decades. Further, we are diversified by customers and end markets with net sales attributed to our top 20 customers accounting for \$421 million of 2025 net sales, and no single end market accounting for more than 32% of net sales. For the year ended December 31, 2025, PACCAR Inc. and John Deere accounted for 13.6% and 10.0% of net sales, respectively. We have not historically experienced customer attrition given high customer switching costs resulting from our embedded relationships driven by our broad capabilities and scale.

Raw Materials and Manufactured Components

Our primary purchased commodities are steel and aluminum. We maintain a broad and diverse base of over 900 direct material suppliers. Our established relationships provide efficient and flexible access to resources and redundancy to ensure support of our customers. We have no history of significant supply issues or outages. In 2025, no single supplier represented more than 9% of our total raw material purchases and over 90% of the raw materials we purchased were sourced from suppliers in the United States. Our suppliers are strategically located to maximize efficiencies and minimize shipping costs. We maintain a multitude of alternative suppliers to which we could transfer orders to, if needed. As we continue to grow, however, we intend to leverage our size and scale to rationalize our supply base to further reduce material costs. We have structured our customer contracts to pass through commodity price changes, which has allowed us to limit any potential impact of raw material price volatility and tariffs to our margins.

Sales and Marketing

We have a strong sales team comprised of approximately 50 experienced professionals responsible for managing and expanding client relationships and proactively pursuing new opportunities. Sales personnel are aligned by market segment and customer, including heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, military and other end markets, and employ a highly technical and collaborative sales process with deep knowledge of our customers and capabilities. Sales personnel have assigned support teams comprised of inside sales and account management, commercial operations, estimating and application engineering and marketing personnel. We are consistently involved in the request for proposal processes, where our sales teams with deep process expertise collaborate with customers on optimal designs for manufacturability and manufacturing efficiency. The upfront collaboration drives formalization of product specifications, program lifecycle planning, cost estimates and risk mitigation. The sales process typically takes 3 to 18 months and ultimately ends in the implementation of product lifecycle timelines and purchase orders under long-term customer arrangements. The sales team utilizes systems infrastructure that effectively track and manage backlogs, quotes and bookings information, strategic projects and call reports, all of which are reviewed at weekly sales team meetings.

Information Systems

We utilize standardized information technology systems across all areas of quoting and estimating, enterprise resource planning, materials resource planning, capacity planning and accounting for enhanced procurement of work, project execution and financial controls. We provide information technology oversight and support from our corporate headquarters in Milwaukee, WI. The operational information systems we employ throughout our company are industry specific applications that in some cases have been internally or vendor modified and improved to fit our operations. Our enterprise resource planning software is integrated with our operational information systems wherever possible to deliver relevant, real-time operational data to designated personnel. Accounting and operations personnel of acquired companies are trained not only by our information technology support staff, but by long-tenured employees in our organization with extensive experience using our systems. We believe our information systems provide our people with the tools to execute their individual job function and achieve our strategic initiatives.

Our Competition

We participate in a highly fragmented market with competitors in each of the end markets we serve ranging in size from small companies focused on a single capability or end market, to large multi-disciplinary companies. While there can be instances of intense competition in specific end markets, we believe that we have been able to effectively compete, and maintain competitive advantages on the basis of our:

- scale and product offering with the ability to cross-sell and provide our customers with a one-source solution;
- broad manufacturing capability and flexibility to fulfill requests that require complex solutions;
- customer service with our highly skilled and knowledgeable workforce able to provide consultative advice; and
- regionalized geographic focus provides a defensible position from both foreign and domestic competitors as our customers continue to take a regionalized approach to production, which provides a shorter supply chain with greater flexibility.

Our Human Capital Management

We build a high-performance culture where employees are empowered to innovate and deliver premium products to our customers. Our “One MEC, One Mission” values guide how we work and interact with each other. Our foundation rests on integrity, respect, and teamwork, alongside our commitment to agility, customer focus, and collaboration. Additionally, we believe our success depends on our ability to attract, develop and retain highly skilled employees. As of December 31, 2025, we had approximately 2,400 full-time employees, approximately 1,900 of whom are production employees. None of our employees are represented by a union and we are not party to any collective bargaining agreements. On average, our employees have approximately nine years of service with us.

Training and development

We invest in developing and maintaining a highly skilled workforce. Our employees pursue diverse career paths through on-the-job training, certification programs, and tuition reimbursement. We support talent development at all levels through our annual performance review process, which includes creating individual development plans for employee growth. While hiring skilled trade workers remains challenging across our industry, our investments in new technologies and capabilities enable us to retrain employees from traditional roles for other positions within the Company.

Compensation and benefits

We provide competitive compensation and comprehensive benefits, benchmarking our packages annually against similar industries in our facilities locations. Our compensation strategy aims to reward performance, support the Company’s goals, and attract and retain top talent. Our stock-based compensation plan helps us maintain competitive total compensation packages while incentivizing long-term company performance. All full-time employees are offered an incentive program and select employees responsible for driving results are eligible to receive stock-based compensation through our Omnibus Incentive Plan. Refer to Note 18 – Stock-based compensation within the Notes to Consolidated Financial Statements for additional detail related to our stock-based compensation program.

Full-time employees are eligible to receive the following benefits: a Company matched 401(k) Plan, paid time off, health insurance (medical, dental, vision), short-term and long-term disability, life insurance, accidental death and dismemberment insurance, flexible spending accounts, wellness program and life matters employee assistance program. Further enhancing our benefit offerings, we provide an on-site healthcare team at certain facilities to treat work and non-work related injuries and assist employees with general wellness and overall well-being.

Health and safety

The safety, health and well-being of our employees is one of the Company’s top priorities, and we are committed to providing a safe workplace for all of our employees. Our “Work MEC Safe” program creates a strong safety culture based on five key elements: Inspire, Lead, Analyze, Educate and Recognize. These elements lay the foundation for establishing an employee voice in daily operations, ensuring safety ownership from those in leadership roles, identifying workplace hazards through routine inspections, audits and observations, training employees to identify and mitigate risks and prevent injuries, and developing avenues to continue enhancing the importance of safety in the workplace.

Ethics

Along with our core values, we act in accordance with our Code of Conduct Policy, which creates expectations and provides guidance for all our employees to make the right decisions. Our Code of Conduct Policy covers such topics as freedom from discrimination, freedom of harassment, non-retaliation, conducting Company affairs and fair dealing, conflicts of interest, compliance and disclosures, proper use of Company assets, protecting confidential information and reporting and enforcement of Code of Conduct violations. The Company utilizes a third-party integrity hotline to facilitate the anonymous reporting of any potential ethics violations.

Environmental Matters

We are subject to numerous federal, state and local laws and regulations relating to manufacturing, handling and disposal of materials into the environment. We believe that our environmental control procedures are adequate.

Available Information

Our website address is www.mecinc.com. We are not including the information provided on our website as a part of, or incorporating it by reference into, this Annual Report on Form 10-K. We make available free of charge (other than an investor's own internet access charges) through our website our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, amendments to these reports and our proxy statements, as soon as reasonably practicable after we electronically file such material with, or furnish such material to, the United States Securities and Exchange Commission (the SEC).

Item 1A. Risk Factors.

Investing in our common stock involves risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K, including "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes, before making a decision to invest in our common stock. The risks and uncertainties described below may not be the only ones we face. If any of the risks actually occur, our business, financial condition, operating results and prospects could be materially and adversely affected. In that event, the market price of our common stock could decline, and you could lose part or all of your investment.

Risks Related to Our Business

Macroeconomic conditions could have a material adverse impact on our business, financial condition, cash flows and results of operations.

Macroeconomic conditions, including inflation, elevated interest rates, labor availability, material cost pressures, trade policy uncertainty, and inconsistent customer demand, have had, and may continue to have, a negative impact on our business, financial condition, cash flows and results of operations. In 2025 and early 2026, actions taken by the U.S. government, including the implementation and expansion of tariffs on a broad range of imported goods and materials, contributed to increased input costs, supply chain disruption, pricing volatility, and heightened economic uncertainty. These changes in trade policy, along with the recent U.S. Supreme Court decision to strike down certain tariffs imposed under the International Emergency Economic Powers Act have created uncertainty as to the scale and short and long-term effects these tariffs may have on our business. These actions, along with retaliatory measures by U.S. trading partners, have placed additional pressure on manufacturers by increasing the cost of raw materials, components, and energy and by contributing to broader inflationary trends. For instance, we were negatively impacted in 2025 by customer channel inventory destocking and macroeconomic uncertainty. In addition, in 2025, continued inflationary pressures on wages, benefits, materials, manufacturing supplies, and logistics costs negatively impacted our results of operations and cash flows.

We expect material cost inflation and inflationary pressures on wages and benefits to continue in 2026, and we may not be able to fully mitigate the impact of these inflationary cost pressures through price increases or operational efficiencies. Further changes in trade policy, including the expansion, modification, or continuation of tariffs, as well as any related retaliatory actions, could further increase our costs or disrupt supply chains. Continuing or worsening inflation, labor challenges, trade policy uncertainty and elevated interest rates may have a material adverse impact on our business, financial condition, cash flows and/or results of operations.

Although we do not have any operations outside the United States, geopolitical events including the ongoing conflicts between Russia and Ukraine, tensions in the Middle East and U.S. trade policy actions, have increased uncertainty in the global economy and have led to significant volatility in raw material costs, component costs, commodity prices, and energy costs, exacerbating inflationary pressures.

We are affected by developments in the industries in which our customers operate.

We derive our net sales from customers in the following industry sectors: heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, military and other end markets. Factors affecting any of these industries in general, or any of our customers in particular, could adversely affect us because our net sales growth largely depends on the continued growth of our customers' businesses in their respective industries. These factors include:

- seasonality of demand for our customers' products, and/or customer destocking activities, which may cause our manufacturing capacity to be underutilized for periods of time;

- our customers' failure to successfully market their products, to gain or retain widespread commercial acceptance of their products or to compete effectively in their industries;
- loss of market share for our customers' products, which may lead our customers to reduce or discontinue purchasing our processes and solutions or to reduce prices, thereby exerting pricing pressure on us;
- economic conditions in the markets in which our customers operate, in particular, the United States, including the growth potential and relative stability of the data center & critical power end market, inflationary pressures and other negative impacts on economic conditions, as well as recessionary periods such as a global economic downturn;
- our customers' decision to insource the production of components that has traditionally been outsourced to us; and
- product design changes or manufacturing process changes that may reduce or eliminate demand for the components we supply.

We expect that future sales will continue to depend on the success of our customers. If economic conditions and demand for our customers' products deteriorate, we may experience a material adverse effect on our business, operating results and financial condition.

Most of our customers do not commit to long-term production schedules, which makes it difficult for us to schedule production accurately and achieve maximum efficiency of our manufacturing capacity.

Most of our customers do not commit to long-term contracts or firm production schedules, and we continue to experience reduced lead-times in customer orders. Additionally, customers may change production quantities or delay production with little lead-time or advance notice. Therefore, we rely on and plan our production and inventory levels based on our customers' advance orders, commitments and/or forecasts as well as our internal assessments and forecasts of customer demand. The volume and timing of sales to our customers may vary due to, among others:

- variation in demand for or discontinuation of our customers' products;
- our customers' attempts to manage their inventory;
- design changes;
- changes in our customers' manufacturing strategies;
- disruptive events in the markets in which our customers operate, including natural disasters and epidemics;
- acquisitions of or consolidation among customers.

The variations in volume and timing of sales make it difficult to schedule production and optimize utilization of manufacturing capacity. This uncertainty may require us to increase staffing and incur other expenses in order to meet an unexpected increase in customer demand, potentially placing a significant burden on our resources. Additionally, an inability to respond to such increases in a timely manner may cause customer dissatisfaction, which may negatively affect our customer relationships.

Further, in order to secure sufficient production scale, we may make capital investments in advance of anticipated customer demand (including, in some instances, new customer demand). Such investments may lead to low utilization levels if demand forecasts change and we are unable to utilize the additional capacity. Because fixed costs make up a large proportion of our total production costs, a reduction in customer demand can have a significant adverse impact on our gross profits and operating results. Additionally, we order materials and components based on customer forecasts and orders and suppliers may require us to purchase materials and components in minimum quantities that exceed customer requirements, which may have an adverse impact on our gross profits and operating results. In the past, anticipated orders from some of our customers and anticipated new customers have failed to materialize and/or delivery schedules have been deferred as a result of changes in our customers' business needs.

We may be unable to realize net sales represented by our awarded business, which could materially and adversely impact our business, financial condition, results of operations and cash flows.

The realization of future net sales from awarded business is inherently subject to a number of important risks and uncertainties, including a lack of long-term commitments and production schedules with customers and anticipated new customers. Accordingly, we cannot assure you that we will realize any or all of the future net sales represented by our awarded business. Any failure to realize these net sales could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In addition to not having a commitment from our customers and anticipated new customers regarding the minimum number of components they must purchase from us if we obtain awarded business, typically the terms and conditions of the agreements with our customers provide that they have the contractual right to unilaterally terminate our contracts with them with no notice or limited notice. In many cases, we must commit substantial resources in preparation for production under awarded customer business well in advance of the customer's production start date. If such contracts are terminated by our customers, our ability to obtain compensation from our customers for such termination is generally limited to the direct out-of-pocket costs that we incurred for raw materials and work-in-progress. Although we have been successful in recovering these costs under appropriate circumstances in the past, we cannot assure you that our results of operations will not be materially adversely impacted in the future if we are unable to recover these types of pre-production costs related to our customers' cancellation of awarded business.

Failure to compete successfully in our markets could materially adversely affect our business, financial condition, results of operations or prospects.

We offer our processes and solutions in highly competitive markets. The competitors in these markets may, among other things:

- respond more quickly to new or emerging technologies;
- have greater name recognition, critical mass or geographic market presence;
- be better positioned to take advantage of acquisition opportunities;
- adapt more quickly to changes in customer requirements;
- devote greater resources to the development, promotion and sale of their processes and solutions;
- be better positioned to compete on price due to any combination of low-cost labor, raw materials, components, facilities or other operating items, or willingness to make sales at lower margins than us;
- consolidate with other competitors in the industry which may create increased pricing and competitive pressures on our business; and
- be better able to utilize excess capacity which may reduce the cost of their processes and solutions.

Competitors with lower cost structures may have a competitive advantage over us. We also expect our competitors to continue to improve the performance of their current processes and solutions, to reduce the prices of their existing processes and solutions and to introduce new processes or solutions that may offer greater performance and improved pricing. Additionally, we may face competition from new entrants to the industry in which we operate. Any of these developments could cause a decline in sales and average selling prices, loss of market share or profit margin compression. Maintaining and improving our competitive position will require successful management of these factors, including continued investment by us in research and development, engineering, marketing and customer service and support. Our future growth rate depends upon our ability to compete successfully, which is impacted by a number of factors, including, but not limited to, our ability to (i) identify emerging technological trends in our target end markets, (ii) develop and maintain a wide range of competitive and appropriately priced processes and solutions and defend our market share against an ever-expanding number of competitors including many new and non-traditional competitors, (iii) ensure that our processes and solutions remain cost-competitive and (iv) attract, develop and retain individuals with the requisite technical expertise and understanding of customers' needs to develop and sell new technologies and processes.

We may not be able to maintain our manufacturing, engineering and technological expertise.

The markets for our processes and solutions are characterized by changing technology and evolving process development. The continued success of our business will depend upon our ability to:

- hire, retain and expand our pool of qualified engineering and trade-skilled personnel;
- maintain technological leadership in our industry;
- implement new and expand upon current robotics, automation and tooling technologies; and
- anticipate or respond to changes in manufacturing processes in a cost-effective and timely manner.

We cannot be certain that we will develop the capabilities required by our customers in the future. The emergence of new technologies, industry standards or customer requirements may render our equipment, inventory or processes obsolete or uncompetitive. We may have to acquire new technologies and equipment to remain competitive. The acquisition and implementation of new technologies and equipment may require us to incur significant expense and capital investment, which could reduce our margins and affect our operating results. When we establish or acquire new facilities, we may not be able to maintain or develop our manufacturing, engineering and technological expertise due to a lack of trained personnel, effective training of new staff or technical difficulties with machinery. Failure to anticipate and adapt to customers' changing technological needs and requirements or to hire and retain a sufficient number of engineers and maintain manufacturing, engineering and technological expertise may have a material adverse effect on our business, operating results and financial condition.

We are dependent on a limited number of large customers for current and future net sales. The loss of any of these customers or the loss of market share by these customers could materially adversely affect our business, financial condition, results of operations and cash flows.

We depend on a limited number of major manufacturers for a substantial portion of our net sales. For example, our largest customers in 2025 included PACCAR Inc. and John Deere which accounted for 13.6% and 10.0% of our net sales, respectively. Our financial performance depends in large part on our ability to continue to arrange for the purchase of our processes and solutions with these customers, and we expect these customers to continue to make up a large portion of our net sales in the foreseeable future. The loss of all or a substantial portion of our sales to any of our large-volume customers could have a material adverse effect on our business, financial condition, results of operations and cash flows by reducing cash flows and by limiting our ability to spread our fixed costs over a larger net sales base. We may make fewer sales to these customers for a variety of reasons, including, but not limited to:

- loss of business relationship;
- reduced or delayed customer requirements;
- the insourcing of business that has been traditionally outsourced to us;
- strikes or other work stoppages affecting production by our customers; or
- reduced demand for our customers' products, including as a result of inflationary pressures, elevated interest rates and/or geopolitical events.

Entering new markets, either organically or via acquisition, poses new competitive threats and commercial risks.

As we expand into new markets, either organically or via acquisition, we expect to diversify our net sales by leveraging our development, engineering and manufacturing capabilities in order to source necessary parts and components for other industries. Such diversification requires investments and resources that may not be available as needed. Furthermore, even if we sign contracts in new markets, we cannot guarantee that we will be successful in leveraging our capabilities into these new markets and thus in meeting the

needs of these new customers and competing favorably in these new markets. If these new customers experience reduced demand for their products or financial difficulties, our future prospects will be negatively affected as well.

We depend on our key executive officers, managers, and trade-skilled personnel and may have difficulty retaining and recruiting qualified employees. Moreover, we operate in competitive labor markets, which may also impact our ability to hire and retain employees at our facilities.

Our success depends to a large extent upon the continued services of our executive officers, senior management, managers and trade-skilled personnel and our ability to recruit and retain skilled personnel to maintain and expand our operations. We could be affected by the loss of any of our executive officers who are responsible for formulating and implementing our business plan and strategy, and who are instrumental to our growth and development. In addition, we need to recruit and retain additional management personnel and other skilled employees at our facilities. However, competition for our trade-skilled labor is high, particularly in some of the geographic locations where our facilities are located. Although we intend to continue to devote significant resources to recruit, train and retain qualified employees, we may not be able to attract, effectively train and retain these employees. Any failure to do so could impair our ability to conduct design, engineering and manufacturing activities, efficiently perform our contractual obligations, develop marketable components, timely meet our customers' needs and ultimately win new business, all of which could adversely affect our business, financial condition and results of operations. If we are not able to do so, our business and our ability to continue to grow could be negatively affected. In addition, salaries and related costs are a significant portion of the cost of providing our solutions and, accordingly, our ability to efficiently utilize our workforce impacts our profitability.

Macroeconomic conditions impacting data center & critical power end-market demand could have a material adverse impact on our business, financial condition, results of operations and cash flows.

Our recent acquisition of Accu-Fab, LLC has significantly increased our exposure to the Data Center & Critical Power end market. As a result, our future financial performance is increasingly dependent on sustained growth and continued capital investment within this end market. Adverse developments including evolving government regulation, macroeconomic or geopolitical developments, reduced capital spending by Data Center & Critical Power customers or delays or cancellations of project launches could negatively impact order volumes and demand, and may limit our ability to realize the anticipated revenue synergies from the Accu-Fab acquisition. If any of these risks materialize, our business, financial condition, results of operations, and cash flows could be materially and adversely affected.

Availability of, and volatility in the prices of, raw materials and energy prices and our ability to pass along increased costs to our customers could adversely affect our results of operations.

The prices and availability of raw materials critical to our business and performance are based on global supply and demand conditions. Certain raw materials used by us are only available from a limited number of suppliers, and it may be difficult to find alternative suppliers at the same or similar costs. While we strive to pass through the price of raw materials to our customers, we may not be able to do so in the future, and volatility in the prices of raw materials (including as a result of macroeconomic conditions and geopolitical events) may affect customer demand for certain components. In addition, we, along with our suppliers and customers, rely on various energy sources for a number of activities connected with our business, such as the transportation of raw materials and finished parts. The availability and pricing of these resources are subject to market forces that are beyond our control. Furthermore, we are vulnerable to any reliability issues experienced by our suppliers, which also are beyond our control. Our suppliers contract separately for the purchase of such resources, and our sources of supply could be interrupted should our suppliers not be able to obtain these materials due to higher demand or other factors that interrupt their availability (including as a result of macroeconomic conditions and geopolitical events). Energy and utility prices, including electricity and water prices, and in particular prices for petroleum-based energy sources, are volatile. Increased supplier and customer operating costs arising from volatility in the prices of energy sources, such as increased energy and utility costs and transportation costs, could be passed through to us and we may not be able to increase our product prices sufficiently or at all to offset such increased costs. The impact of any volatility in the prices of energy or the raw materials on which we rely, including the reduction in demand for certain components caused by such price volatility, could result in a loss of net sales and profitability and adversely affect our results of operations.

Our manufacturing operations are dependent upon third-party suppliers, making us vulnerable to supply shortages.

We obtain raw materials, parts and certain components from third-party suppliers. Any delay in receiving supplies could impair our ability to timely deliver components to our customers and, accordingly, could have an adverse effect on our business, financial condition, results of operations and cash flows. The volatility in the financial markets and uncertainty in the sectors our suppliers service could result in exposure related to the financial viability of certain of our suppliers. Suppliers may also exit certain business lines, causing us to find other suppliers for materials or components and potentially delaying our ability to deliver components to customers, or our suppliers may change the terms on which they are willing to provide parts or materials to us, any of which could adversely affect our financial condition and results of operations. In addition, many of our suppliers have unionized workforces that could be subject to work stoppages as a result of labor relations issues. Some of our suppliers supply components and materials that cannot be quickly or inexpensively re-sourced to another supplier due to long lead times and contractual commitments that might be required by another supplier in order to provide the components or materials.

Our growth strategy includes acquisitions, and we may not be able to identify attractive acquisition targets or successfully integrate acquired targets without impacting our business.

Acquisitions have played a key role in our growth strategy, and we expect to continue to grow through acquisitions in the future. We expect to continue evaluating potential strategic acquisitions of businesses, assets and product lines. We may not be able to identify suitable candidates, negotiate appropriate or favorable acquisition terms, obtain financing that may be needed to consummate such transactions or complete proposed acquisitions. There is significant competition for acquisition and expansion opportunities in our businesses, which may increase the cost of any acquisition or result in the loss of attractive acquisition targets.

In addition, acquisitions involve numerous risks, including (i) incurring the time and expense associated with identifying and evaluating potential acquisitions and negotiating potential transactions, resulting in management's attention being diverted from the operation of our existing business; (ii) using estimates and judgments to evaluate credit, operations, funding, liquidity, business, management and market risks with respect to the target entity or assets; (iii) litigation relating to an acquisition, particularly in the context of a publicly held acquisition target, could require us to incur significant expenses or result in the delaying or enjoining of the transaction; (iv) failing to properly identify an acquisition candidate's liabilities, potential liabilities or risks; (v) not receiving required regulatory approvals or such approvals being delayed or restrictively conditional; and (vi) the ability to retain customers following the completion of an acquisition. In addition, any acquisitions could involve the incurrence of substantial additional indebtedness or dilution to our shareholders. We cannot assure you that we will be able to successfully integrate any acquisitions that we undertake or that such acquisitions will perform as planned or prove to be beneficial to our operations and cash flow. Any such failure could seriously harm our financial condition, results of operations and cash flows.

We routinely evaluate potential acquisition candidates and engage in discussions and negotiations regarding potential acquisitions; however, even if we execute a definitive agreement for an acquisition, there can be no assurance that we will consummate the transaction within the anticipated closing timeframe, or at all. Further, acquisitions typically involve the payment of a premium over book- and market-value for the target business or asset and, therefore, some dilution of our tangible book value and/or earnings per common share may occur in connection with any future transaction.

The impact of foreign trade relations and associated tariffs, as well as our reliance on international suppliers for certain raw materials, could adversely impact our business.

We currently source certain raw materials from international suppliers. Import tariffs, taxes, customs duties and/or other trade regulations imposed by the U.S. government on foreign countries, or by foreign countries on the United States, have in the past and could in the future, significantly increase the prices we pay for certain raw materials, such as steel, aluminum and purchased components, that are critical to our ability to manufacture components for our customers. The international sourcing for these materials may also be hurt by health concerns regarding infectious diseases in countries in which these materials are purchased from, adverse weather, natural disasters or geopolitical events. In addition, we may be unable to find a domestic supplier to provide the necessary raw materials on an economical basis in the amounts we require. If the cost of our raw materials increases, or if we are unable to procure the necessary raw materials required to manufacture our components, then we could experience a negative impact on our operating results, profitability, customer relationships and future cash flows.

Additionally, our customers' businesses have been, and may continue to be in the future, negatively impacted by import tariffs, taxes, customs duties and/or other trade regulations imposed by the U.S. government on foreign countries or by foreign countries on the United States, which has, and in the future could, in turn, reduce our customers' demand for the components that we manufacture for them. Any further reduction in customer demand for our components as a result of actual or threatened tariffs, taxes, customs duties and/or other trade regulations, or as a result of the impact of infectious diseases, could have a material adverse impact on our financial position, results of operations, cash flows and liquidity.

Geopolitical and economic developments could adversely affect our business.

Geopolitical events, increased political instability and social unrest, evidenced by the threat or occurrence of terrorist attacks or conflicts, enhanced national security measures, the risks related to epidemics and the related decline in consumer confidence may hinder our ability to do business. Any escalation in these events or similar future events may disrupt our operations or those of our customers and suppliers and could affect the availability of raw materials and components we need in our manufacturing operations or the means to transport those materials or components to our manufacturing facilities and finished parts to our customers. These events have had and may continue to have an adverse effect, generally, on the economy and consumer confidence and spending, which could adversely affect our net sales and operating results. The effect of these events on the volatility of the financial markets could in the future lead to volatility of the market price of our securities and may limit the capital resources available to us, our customers and our suppliers.

Increases in the cost of employee benefits could impact our financial results and cash flows.

Our expenses relating to employee health benefits are significant. Unfavorable changes in the cost of and the unpredictability of claims under such benefits, including inflationary pressures on wages and benefits, could impact our financial results and cash flows. Healthcare costs have risen significantly in recent years, and recent legislative and private sector initiatives regarding healthcare reform could result in significant changes to the U.S. healthcare system. Due to the breadth and complexity of the healthcare reform legislation and the uncertainty surrounding further reform proposals, we are not able to fully determine the impact that healthcare reform will have in the future on company sponsored medical plans.

If we fail to develop new and innovative processes or if customers in our market do not accept them, our results would be negatively affected.

Our processes must be kept current to meet our customers' needs. To remain competitive, we therefore must develop new and innovative processes on an ongoing basis. If we fail to make innovations or the market does not accept our new processes, our sales and results would suffer. We invest significantly in the research and development of new processes; however, these expenditures do not always result in processes that will be accepted by the market. To the extent they do not, whether as a function of the process or the business cycle, we will have increased expenses without significant sales to offset such costs. Failure to develop successful new processes may also cause potential customers to purchase from competitors.

We are dependent on information technology and our systems and infrastructure face certain risks, including cybersecurity risks and data leakage risks.

We are dependent on information technology systems and infrastructure that could be damaged or interrupted by a variety of factors. Any significant breach, breakdown, destruction or interruption of these systems by employees, others with authorized access to our systems or unauthorized persons has the potential to negatively affect our operations. There is also a risk that we could experience a business interruption, theft of information or reputational damage as a result of a cyberattack, such as the infiltration of a data center, denial-of-service attacks, viruses, malicious software, phishing attacks, security breaches or data leakage of confidential information either internally or at our third-party providers. Although we have invested in the protection of our data and information technology to reduce these risks and periodically test the security of our information systems network, there can be no assurance that our efforts will prevent breakdowns or breaches in our systems that could have a material adverse effect on our financial condition, results of operations and liquidity.

We may incur additional expenses and delays due to technical problems or other interruptions at our manufacturing facilities.

Disruptions in operations due to technical problems or power interruptions as well as other interruptions such as floods, fire, other natural disasters, epidemics or pandemics could adversely affect the manufacturing capacity of our facilities. Such interruptions could cause delays in production and cause us to incur additional expenses such as charges for expedited deliveries for components that are delayed. In addition, our customers have the ability to cancel purchase orders in the event of any delays in production and may decrease future orders if delays are persistent. Additionally, to the extent that such disruptions do not result from damage to our physical property, these may not be covered by our business interruption insurance. Any such disruptions may adversely affect our operations and financial results.

The risks associated with climate change, as well as climate change legislation and regulations, could adversely affect our operations and financial condition.

The physical risks of climate change, such as more frequent or more extreme weather events, changes in temperature and precipitation patterns, changes to ground and surface water availability and other related phenomena, could affect some, or all, of our operations, as well as the operations of our customers and suppliers. Severe weather or other natural disasters could be destructive, which could result in increased costs, including supply chain costs.

In addition, a number of government bodies have finalized, proposed or are contemplating legislative and regulatory changes in response to concerns about climate change. In recent years, federal, state and local governments have taken steps to reduce emissions of greenhouse gases (GHGs). The Environmental Protection Agency has finalized a series of GHG monitoring, reporting and emissions control rules for certain large sources of GHGs, and the U.S. Congress has, from time to time, considered adopting legislation to reduce GHG emissions. Numerous states have already taken measures to reduce GHG emissions, primarily through the development of GHG emission inventories and/or regional GHG cap-and-trade programs.

Although it is not possible at this time to predict how future legislation or regulations to address GHG emissions would impact our business, any such laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from, our equipment and operations, could require us to incur costs to reduce GHG emissions associated with our operations. We cannot assure you that our costs, liabilities and obligations relating to environmental matters will not have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our manufacturing, painting and coating operations are subject to environmental, health and safety laws and regulations that could result in liabilities to us.

Our manufacturing, painting and coating operations are subject to environmental, health and safety laws and regulations, including those governing discharges to air and water, the management and disposal of hazardous substances, the cleanup of contaminated sites and health and safety matters. We could incur material costs, including cleanup costs, civil and criminal fines, penalties and third-party claims for cost recovery, property damage or personal injury as a result of violations of or liabilities under such laws and regulations. The ultimate cost of remediating contaminated sites, if any, is difficult to accurately predict and could exceed estimates. In addition, as environmental, health and safety laws and regulations have tended to become stricter, we could incur additional costs complying with requirements that are promulgated in the future.

If our manufacturing processes do not comply with applicable statutory and regulatory requirements, or if we manufacture components containing manufacturing defects, demand for our capabilities may decline and we may be subject to liability claims.

Our manufacturing processes and facilities need to comply with applicable statutory and regulatory requirements. We may also have the responsibility to ensure that the processes we use satisfy safety and regulatory standards, including those applicable to our customers and to obtain any necessary certifications. In addition, our customers' products, as well as the manufacturing processes and components that we use to produce such products, are often highly complex. As a result, components that we manufacture may at times contain manufacturing defects, and our manufacturing processes may be subject to errors or not be in compliance with applicable statutory and regulatory requirements or demands of our customers. Defects in the components we manufacture, whether caused by a manufacturing or component failure or error, or deficiencies in our manufacturing processes, may result in delayed shipments to customers, replacement costs or reduced or cancelled customer orders. If these defects or deficiencies are significant, our business reputation may also be damaged. The failure of the components that we manufacture for our customers to comply with

applicable statutory and regulatory requirements may subject us to legal fines or penalties and, in some cases, require us to shut down or incur considerable expense to correct a manufacturing process or facility. In addition, these defects may expose us to liability to pay for the recall of a customer's product or to indemnify our customers for the costs of any such claims or recalls which they face as a result of using items manufactured by us in their products.

Adverse judgments or settlements in legal disputes, including product liability, intellectual property infringement and other claims, could result in materially adverse monetary damages or injunctive relief and damage our business and/or our reputation.

We are subject to, and may become a party to, a variety of litigation or other claims and suits that arise from time to time in the ordinary course of our business. The results of litigation and other legal proceedings are inherently uncertain and adverse judgments or settlements in some or all of these legal disputes may result in materially adverse monetary damages or injunctive relief against us, or in other adverse consequences to our financial condition and results of operations. Additionally, our insurance policies may not protect us against potential liability due to various exclusions in the policies and self-insured retention amounts. Partially or completely uninsured claims, if successful and of significant magnitude, could have a material adverse effect on our business, financial condition and results of operations. Furthermore, any claims or litigation, even if fully indemnified or insured, could damage our reputation and make it more difficult to compete effectively or obtain adequate insurance in the future.

The components we manufacture can expose us to potential liabilities. For instance, our manufacturing operations expose us to potential product liability claims resulting from injuries caused by defects in components we design or manufacture, as well as potential claims that components we design infringe on third-party intellectual property rights. Such claims could subject us to significant liability for damages, subject the infringing portion of our business to injunction and, regardless of their merits, could be time-consuming and expensive to resolve. We may also have greater potential exposure from warranty claims and recalls due to problems caused by component or product design. Although we have product liability insurance coverage, it may not be sufficient to cover the full extent of our product liability, if at all. A successful product liability claim in excess or outside of our insurance coverage or any material claim for which insurance coverage was denied or limited and for which indemnification was not available could have a material adverse effect on our business, results of operations and/or financial condition.

Any failure to protect our customers' intellectual property that we use in the products we manufacture for them could harm our customer relationships and subject us to liability.

The products we manufacture for our customers often contain our customers' intellectual property, including copyrights, patents, trade secrets and know-how. Our success depends, in part, on our ability to protect our customers' intellectual property. The steps we take to protect our customers' intellectual property may not adequately prevent its disclosure or misappropriation. If we fail to protect our customers' intellectual property, our customer relationships could be harmed, and we may experience difficulty in establishing new customer relationships. In addition, our customers might pursue legal claims against us for any failure to protect their intellectual property, possibly resulting in harm to our reputation and our business, financial condition and operating results.

Compliance or the failure to comply with regulations and governmental policies could cause us to incur significant expense.

We are subject to a variety of local and foreign laws and regulations including those relating to labor and health and safety concerns. Such laws may require us to pay mandated compensation and penalties. Additionally, we may need to obtain and maintain licenses and permits to conduct business in various jurisdictions. If we or the businesses or companies we acquire have failed or fail in the future to comply with such laws and regulations, then we could incur liabilities and fines and our operations could be suspended. Such laws and regulations could also restrict our ability to modify or expand our facilities, could require us to acquire costly equipment, or could impose other significant expenditures.

Because our industry is capital intensive and we have significant fixed and semi-fixed costs, our profitability is sensitive to changes in volume.

The property, plants and equipment needed to produce components for our customers and provide our processes and solutions can be very expensive. We must spend a substantial amount of capital to purchase and maintain such property, plants and equipment. Although we believe our current cash balance, along with our projected internal cash flows and available financing sources, will provide sufficient cash to support our currently anticipated operating and capital needs, if we are unable to generate sufficient cash to

purchase and maintain the property, plants and equipment necessary to operate our business, we may be required to reduce or delay planned capital expenditures or to incur additional indebtedness.

Prior to the completion of our initial public offering we were 100% owned by the Mayville Engineering Company, Inc. Employee Stock Ownership Plan (ESOP), which is a retirement plan intended to be tax-qualified. If the ESOP fails to meet the requirements of a tax-qualified retirement plan, we could be subject to substantial penalties.

The ESOP, is a defined contribution retirement plan subject to the requirements of the Internal Revenue Code of 1986, as amended (the Code), and the Employee Retirement Income Security Act of 1974, as amended (ERISA). The ESOP has received a determination letter from the Internal Revenue Service (IRS) that it meets the requirements of a tax-qualified retirement plan in form and we endeavor to maintain and administer the ESOP in compliance with all requirements of the Code and ERISA. However, the rules regarding tax-qualified plans, and especially ESOPs, are complex and change frequently. Accordingly, it is possible that the ESOP may not have been and may not in the future be administered in full compliance with all applicable rules under the Code or ERISA.

If the IRS were to determine that the ESOP was not in material compliance with the Code or ERISA, then the ESOP could lose its tax-qualified status and we could be subject to substantial penalties under the Code and/or ERISA, which could have a material adverse effect on our business, financial condition or results of operations.

Risks Related to Our Indebtedness

Our Amended and Restated Credit Agreement, as amended, restricts our ability and the ability of our subsidiaries to engage in some business and financial transactions.

On June 28, 2023, and as amended on June 26, 2025, we entered into an amended and restated credit agreement (the Credit Agreement) with certain lenders and Wells Fargo Bank, National Association, as administrative agent (the Agent). The Credit Agreement provides for a \$350,000 revolving credit facility, with a letter of credit sub-facility, and a swingline facility in an aggregate amount of \$25,000. All amounts borrowed under the Credit Agreement mature on June 28, 2028.

Our Credit Agreement contains a number of covenants that limit our ability and the ability of our subsidiaries to:

- create, incur or assume indebtedness (other than certain permitted indebtedness);
- create or incur liens (other than certain permitted liens);
- make investments (other than certain permitted investments);
- merge or consolidate with another entity;
- make asset dispositions (other than certain permitted dispositions);
- declare or pay any dividend or any other distribution to shareholders;
- enter into transactions with affiliates;
- make certain organizational changes, including changing our fiscal year end or amending our organizational documents;
- enter into any agreement further restricting our ability to create or assume any lien;
- sell notes receivable or accounts receivable except under certain circumstances;
- enter into sale leaseback transactions;

- incur capital expenditures in excess of \$50.0 million in any fiscal year;
- permit any person or group other than the ESOP or other employee benefit plan of ours (like our 401(k) plan) to own or control more than 35% of our equity interests; or
- permit our Board of Directors to not be composed of a majority of our continuing directors (i.e., our directors as of September 26, 2019 and any additional or replacement directors that have been approved by at least 51% of the directors then in office).

Our Credit Agreement also requires us to maintain a minimum interest coverage ratio and a consolidated total leverage ratio, and contains certain customary representations and warranties, affirmative covenants and events of default (including, among others, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, material money judgements and failure to maintain subsidiary guarantees).

As a result of the Accu-Fab acquisition, we have incurred additional indebtedness. This incremental borrowing has increased our consolidated total leverage ratio, resulting in the Company approaching the maximum permitted leverage ratio under the terms of our Credit Agreement. Should our operating performance decline or should additional indebtedness be incurred, there is a risk that we may not remain in compliance with the leverage ratio covenant. Non-compliance with this covenant could result in an event of default. If an event of default occurs under the Credit Agreement, the lenders under the Credit Agreement will be entitled to take various actions, including the acceleration of amounts due thereunder, the termination of such credit facility and all actions permitted to be taken by a secured creditor. Our failure to comply with our obligations under the Credit Agreement may result in an event of default under the Credit Agreement. A default, if not cured or waived, may permit acceleration of our indebtedness. If our indebtedness is accelerated, we cannot be certain that we will have sufficient funds available to pay the accelerated indebtedness or that we will have the ability to refinance the accelerated indebtedness on terms favorable to us or at all.

On February 25, 2026, we entered into an amendment to the Credit Agreement. The February 25, 2026, amendment lowered the amount of total available borrowings under the revolving credit facility to \$275,000 from \$350,000. The letter of credit sub-facility and swingline facility remained unchanged. All amounts borrowed under the credit agreement mature on June 28, 2028. The amendment also amends our existing financial covenants and includes additional interest rate pricing tiers based on those financial covenants, with all other material terms of the Credit Agreement remaining unchanged.

We are able to incur additional debt, which could reduce our ability to satisfy our current obligations under our existing indebtedness.

At December 31, 2025, we had \$202.5 million outstanding under our revolving credit facility. In addition, we may be able to incur significant additional indebtedness in the future, and we may do so, among other reasons, to fund acquisitions as part of our growth strategy. Although the Credit Agreement contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and we could incur substantial additional indebtedness in compliance with these restrictions.

Risks Related to Ownership of Our Common Stock

Your ability to influence corporate matters may be limited because the ESOP and our 401(k) plan own a substantial amount of our stock and continue to have significant influence over us, which may limit your ability to influence the outcome of important transactions, including a change in control.

As of December 31, 2025, our employees and certain former employees, through their interests in the ESOP and the Mayville Engineering Company, Inc. 401(k) Plan (the 401(k) Plan), beneficially owned approximately 22% of the outstanding shares of our common stock. Each participant in the ESOP and the 401(k) Plan is entitled to direct the vote of the shares allocated to his or her accounts, in his or her sole discretion. As a result, our employees and former employees, if acting together, will be able to significantly influence matters requiring approval by our shareholders, including the election of directors, influence over our management and policies and the approval of mergers, acquisitions or other extraordinary transactions. As employees and former employees, the ESOP and 401(k) Plan participants' interests may be contrary to other investors. This concentration of ownership may have the effect of

delaying, preventing or deterring a change in control of our company, could deprive our non-ESOP and non-401(k) Plan shareholders of an opportunity to receive a premium for their common stock as part of a sale of our company and might ultimately affect the market price of our common stock.

The Trustees of the ESOP and the 401(k) Plan may have the power to vote a large block of shares on matters presented to shareholders for approval.

ESOP and 401(k) Plan participants have the right to direct the vote of the shares allocated to his or her ESOP and 401(k) Plan accounts. However, if a participant does not timely direct the voting of his or her shares, then (1) GreatBanc Trust Company (the ESOP Trustee) will vote such shares in its independent fiduciary discretion and (2) Principal Trust Company (the 401(k) Plan Trustee) will vote such shares as directed by the 401(k) Plan sponsor, which is the Company. Additionally, the ESOP Trustee and the 401(k) Plan Trustee have fiduciary duties under ERISA which may cause the ESOP Trustee or the 401(k) Plan Trustee to override participants' voting discretions. Consequently, there may be circumstances in which the ESOP Trustee and the 401(k) Plan Trustee have the ability to vote a significant block of shares on matters presented to shareholders for approval. The ESOP and the 401(k) Plan, which as retirement plans have the purpose of providing retirement benefits to current and former employees of the Company and their beneficiaries, may have interests that are different from other investors and may vote in a way with which other shareholders disagree and which may be adverse to other shareholders interests.

The market price of our common stock may be volatile, and you could lose all or part of your investment.

Since our initial public offering in May 2019, the market price of our common stock has been volatile and has been and could continue to be subject to wide fluctuations in response to various factors, some of which are beyond our control. These fluctuations could cause investors to lose all or part of their investment in our common stock. Factors that could cause fluctuations in the market price of our common stock include the following: general economic and geopolitical conditions, inflation, interest rates, tariffs, fuel prices, international currency fluctuations and acts of war or terrorism; price and volume fluctuations in the overall stock market from time to time; actual or anticipated fluctuations in our quarterly financial results or the quarterly financial results of companies perceived to be similar to us; changes in the market's expectations about our operating results; changes in our orders in a given period; success of competitors; our operating results failing to meet the expectation of securities analysts or investors in a particular period; changes in financial estimates and recommendations by securities analysts concerning us or the markets in general; operating and stock price performance of other companies that investors deem comparable to us; our ability to manufacture new and enhanced components for the products of our customers on a timely basis; changes in laws and regulations affecting our business; commencement of, or involvement in, litigation involving us; changes in our capital structure, such as future issuances of securities or the incurrence of additional debt; the volume of securities available for public sale; sales of substantial amounts of our securities by our directors, executive officers or significant shareholders (including our current and former employees via the ESOP and the 401(k) Plan) or the perception that such sales could occur; any major change in our Board of Directors or management; and changes in our investor base.

We do not expect to declare any dividends in the foreseeable future.

The continued operation and growth of our business, including acquisitions and capital expenditures, will require substantial cash. Accordingly, we do not anticipate declaring any cash dividends to holders of our common stock in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend upon results of operations, financial condition, any contractual restrictions, our indebtedness, restrictions imposed by applicable law and other factors our Board of Directors deem relevant. Consequently, investors may need to sell all or part of their holdings of our common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment.

Some provisions of Wisconsin law and our articles of incorporation and bylaws could make a merger, tender offer or proxy contest difficult, thereby depressing the trading price of our common stock.

Our status as a Wisconsin corporation and the anti-takeover provisions of the Wisconsin Business Corporation Law (the WBCL) may discourage, delay or prevent a change in control even if a change in control would be beneficial to our shareholders by prohibiting us from engaging in a business combination with an interested shareholder for a period of three years after the person becomes an interested shareholder. We may engage in a business combination with an interested shareholder after the expiration of the three-year period with respect to that shareholder only if one or more of the following conditions is satisfied: (i) our Board of

Directors approved the acquisition of the stock before the date on which the shareholder acquired the shares, (ii) the business combination is approved by a majority of our outstanding voting stock not beneficially owned by the interested shareholder or (iii) the consideration to be received by shareholders meets certain fair prices requirements of the WBCL with respect to form and amount.

In addition, our articles of incorporation and bylaws contain provisions that may make the acquisition of the company more difficult, including the following:

- establishing a classified Board of Directors so that not all members of our Board of Directors are elected at one time, which could delay the ability of shareholders to change the membership of a majority of our Board of Directors;
- authorizing undesignated preferred stock, the terms of which may be established and shares of which may be issued by our Board of Directors without shareholder approval;
- requiring certain procedures to be satisfied in order for a shareholder to call a special meeting of shareholders, including requiring that we receive written demands for a special meeting from holders of 10% or more of all the votes entitled to be cast on any issue proposed to be considered;
- requiring that a director may be removed from office only for “cause” and with the affirmative vote of shareholders holding at least 66 2/3% of the then outstanding shares of stock entitled to vote in the election of directors;
- not providing for cumulative voting in the election of directors, which would otherwise allow holders of less than a majority of stock to elect some directors; and
- establishing advance notice procedures for shareholder proposals or the nomination of candidates for election as directors.

These provisions could have the effect of discouraging, delaying or preventing a transaction involving a change in control of the Company. These provisions could also have the effect of discouraging proxy contests and make it more difficult for shareholders to elect directors of their choosing or prevent us from taking other corporate actions that shareholders may desire.

Item 1B. Unresolved Staff Comments.

None.

Item 1C. Cybersecurity.

The Company is committed to maintaining a strong cybersecurity posture devoting significant resources to cybersecurity and risk management processes to adapt to the rapidly evolving landscape and respond to emerging threats in a timely and effective manner. Our cybersecurity risk management program aligns with the National Institute of Standards and Technology (NIST) framework, which organizes cybersecurity risks into six categories: govern, identify, protect, detect, respond and recover. The Company has designed and implemented cybersecurity policies and procedures for identifying and managing material risk from cybersecurity threats, both internally and related to the use of third-party service providers. We use various tools and methodologies to manage cybersecurity risk that are tested on a regular basis. At the tactical level, our information technology (IT) security team regularly monitors alerts and meets to discuss threat levels, trends and remediation. The Company monitors and evaluates our cybersecurity position and performance on an ongoing basis through regular vulnerability scans, penetration tests and threat intelligence feeds. Additionally, the Company maintains a formal information security training program for all employees that includes training on matters such as phishing, email security best practices and data privacy. To evaluate and enhance our cybersecurity program, it is regularly evaluated by external experts with the results of those reviews reported to senior management and the Audit Committee of our Board of Directors (Audit Committee). We also actively engage with key vendors, industry participants and intelligence and law enforcement communities as part of our continuing efforts to evaluate and enhance the effectiveness of our information security policies and procedures.

Oversight of cybersecurity risk is maintained by the Company’s Board of Directors and is supported by the Audit Committee. The Audit Committee is primarily responsible for overseeing our design, execution and administration of the Company’s enterprise risk management process, and with regard to cybersecurity risks, setting expectations and accountability for management and reviewing management’s assessment of the effectiveness of our cybersecurity controls, including policies and procedures to address our cyber risks and overseeing the Company’s cybersecurity disclosures. The Company’s information security program is managed by the Company’s Chief Information Officer (CIO), whom reports to the Chief Financial Officer (CFO), and whose team is responsible for leading enterprise-wide cybersecurity strategy, policy, standards, architecture and processes. The CIO periodically briefs the Audit Committee and our CFO, as well as our Chief Executive Officer (CEO), other members of the Board of Directors and other members of our senior management as appropriate. These reports include, but are not limited to, new developments, evolving standards, vulnerability assessments, third-party and independent reviews, threat environment summaries and technological trends. In the event of

a potentially material cybersecurity incident, the CIO will meet with the Company's Audit Committee, CEO, CFO, legal counsel and any other members of senior management as appropriate to review the cybersecurity event, perform a materiality analysis and, if appropriate, identify any information required to be disclosed in a Current Report on Form 8-K.

As of the date of this report, the Company is not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, our business strategy, results of operations or financial condition. However, there can be no assurances that a cybersecurity threat or incident that could have a material impact on the Company will not occur in the future. In response to the rapidly evolving cyber threat environment, the Company continues to invest in data security and system resiliency. See also Item 1A, "Risk Factors" for additional discussion regarding risks related to information technology systems.

Item 2. Properties.

We maintain owned and leased manufacturing and office facilities throughout the U.S. The Company's corporate office is located in Milwaukee, Wisconsin. We believe that our facilities are sufficient to meet our current and near-term manufacturing needs.

Facility	Description of Use	Approximate Square Feet	Ownership
1. Mayville, WI	Manufacturing	340,000	Owned
2. Beaver Dam, WI	Manufacturing	303,000	Owned
3. Fond du Lac, WI	Manufacturing	299,000	Owned
4. Hazel Park, MI	Manufacturing	263,000 ⁽¹⁾	Leased
5. Defiance, OH	Manufacturing	250,000	Owned
6. Defiance, OH	Manufacturing	192,000	Owned
7. Heber Springs, AR	Manufacturing	190,000	Owned
8. Bedford, PA	Manufacturing	181,000	Leased
9. Mayville, WI	Manufacturing	167,000	Owned
10. Beaver Dam, WI	Manufacturing	163,000	Owned
11. Wautoma, WI	Held for Sale	157,000 ⁽²⁾	Owned
12. Atkins, VA	Manufacturing	150,000	Owned
13. Byron Center, MI	Manufacturing	138,000	Leased
14. Raleigh, NC	Manufacturing	104,799	Leased
15. Defiance, OH	Manufacturing	90,000	Leased
16. Greenville, MS	Manufacturing	76,000	Leased
17. Wayland, MI	Manufacturing	75,000	Leased
18. Wheeling, IL	Manufacturing	59,745	Leased
19. Neillsville, WI	Manufacturing	58,000	Owned
20. Vanderbilt, MI	Manufacturing	50,000	Owned
21. Neillsville, WI	Manufacturing	42,000	Owned
22. Vanderbilt, MI	Manufacturing	40,000	Owned
23. Piedmont, MI	Manufacturing	34,000	Leased
24. Wheeling, IL	Manufacturing	20,200	Leased
25. Milwaukee, WI	Corporate Headquarters	17,000	Leased
26. Raleigh, NC	Manufacturing	9,200	Leased
27. Fond du Lac, WI	Manufacturing	— ⁽³⁾	Owned
TOTAL		3,468,944	

⁽¹⁾ Excludes approximately 182,000 square feet of subleased manufacturing space starting in June 2022.

⁽²⁾ Facility held for sale as of December 31, 2025.

⁽³⁾ Excludes approximately 23,000 square feet of owned manufacturing space that is leased to a non-related party starting in September 2023.

Item 3. Legal Proceedings.

From time to time, we may be a party to litigation and subject to claims incident to the ordinary course of business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors. Also see Note 9 – Commitments and Contingencies in the Notes to Consolidated Financial Statements for additional information.

Item 4. Mine Safety Disclosures.

Not applicable.

Information About Our Executive Officers

The following table sets forth certain information as of February 1, 2026, regarding our executive officers:

Name	Age	Position
Jagadeesh (Jag) A. Reddy	54	President and Chief Executive Officer
Rachele M. Lehr	49	Chief Financial Officer
Ryan F. Raber	43	Executive Vice President, Strategy, Sales & Marketing
Sean P. Leuba	55	Senior Vice President, Corporate Development and General Counsel
Craig D. Nichols	51	Senior Vice President, Operations and Supply Chain

Jagadeesh A. Reddy joined our company as President, Chief Executive Officer and as a member of the Board of Directors in July 2022. Before joining our company, Mr. Reddy was a member of the senior leadership team at W.R. Grace where he was responsible for the Strategy and Growth function as well as Managing Director of Advanced Refining Technologies LLC (ART), Grace's global joint venture with Chevron. Mr. Reddy previously served as Vice President and General Manager, Water Technologies Strategic Business Unit, and Vice President, Corporate Strategy at Pentair PLC. Prior to Pentair PLC, he held strategy and business leadership roles at ITT Corporation, and its spin-off, Xylem Inc, spent time in M&A roles with United Technologies Corp, product management roles with Danaher Corporation and started his career in manufacturing operations at Denso Corporation. Mr. Reddy earned a Master of Business Administration in Finance and Strategy from the Kellogg School of Management and a Master's in Engineering Management from the McCormick School of Engineering, both at Northwestern University. He also holds a Master's in Industrial Engineering from the University of Tennessee, and a Bachelor's in Mechanical Engineering from a university in India.

Rachele M. Lehr has served as our Chief Financial Officer since April 2025 and joined our company in March 2023 as Chief Human Resources Officer. Prior to joining our company, Ms. Lehr spent nearly 15 years at Briggs & Stratton where she held senior finance and corporate roles of increasing scope and complexity, including Senior Vice President of Human Resources and Administration, Director of Human Resources and Controller for a \$600 million international business. Prior to joining Briggs & Stratton, Ms. Lehr served as Sales Controller for Bar-S Foods (A Sigma Company) and started her career at PricewaterhouseCoopers LLP, a public accounting firm. Ms. Lehr earned a Bachelor of Science in Business Administration with a Major in Accounting from Marquette University and is a certified public accountant (currently inactive).

Ryan F. Raber joined our company in 2009 and has served as our Executive Vice President, Strategy, Sales & Marketing since June 2019. Prior to serving in his current position, Mr. Raber served as our Executive Vice President, Sales & Marketing beginning in November 2018 and as our Vice President of Sales & Marketing beginning in August 2013. Mr. Raber earned a Masters of Business Administration from the University of Wisconsin-Madison and a Bachelor of Science in Mechanical Engineering from Purdue University.

Sean P. Leuba joined our company in January 2023 as Senior Vice President, Corporate Development and General Counsel. Before joining our company, Mr. Leuba was the Head of Corporate Development for Caterpillar Inc. Previously, Mr. Leuba served in multiple progressively senior roles, including as General Manager, Caterpillar Electric Power Division and General Manager, Caterpillar Remanufactured Products Division. Prior to joining Caterpillar, Mr. Leuba practiced law with Arnold & Porter in its Washington, D.C. office focusing on corporate, securities, mergers & acquisitions and venture capital. Mr. Leuba earned a Master of Business Administration in Finance from the University of Chicago, a Juris Doctor from the Washington and Lee University School of Law, and a Bachelor of Arts from the University of Maryland Baltimore County.

Craig D. Nichols joined our company in March 2025 as Senior Vice President, Operations and Supply Chain. Prior to joining our Company, Mr. Nichols served as Vice President of Drive System Operations at Dana Incorporated. Previously, Mr. Nichols held multiple progressively senior roles, including Senior Director of Operations, Senior Director of Off Highway Global Manufacturing Strategy and Senior Director of Global Aftermarket Distribution Operations. Prior to joining Dana Incorporated, Mr. Nichols served as Senior Vice President of Global Manufacturing at Jason Industries and started his career with Hi-lex Corporation. Mr. Nichols earned a Bachelors Degree in Business Management from Davenport University.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Price Information

Our common stock is traded on the New York Stock Exchange under the symbol MEC. As of February 20, 2026, there were six registered shareholders of record of our common stock and thousands of beneficial holders of our common stock, including all the participants in our ESOP and many participants in our 401(k) Plan.

We have never declared or paid any cash dividends on our common stock. We intend to retain all available funds and any future earnings for use in the operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on then-existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that our Board of Directors considers relevant. In addition, the terms of the Credit Agreement restrict our ability to pay cash dividends to the holders of our common stock.

Issuer Purchases of Equity Securities

The table below sets forth information with respect to purchases we made of shares of our common stock during the three months ended December 31, 2025:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽¹⁾	Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽¹⁾
October 2025	—	\$ —	—	\$ 14,497,519
November 2025	—	\$ —	—	\$ 14,497,519
December 2025	—	\$ —	—	\$ 14,497,519
Total	—	—	—	—

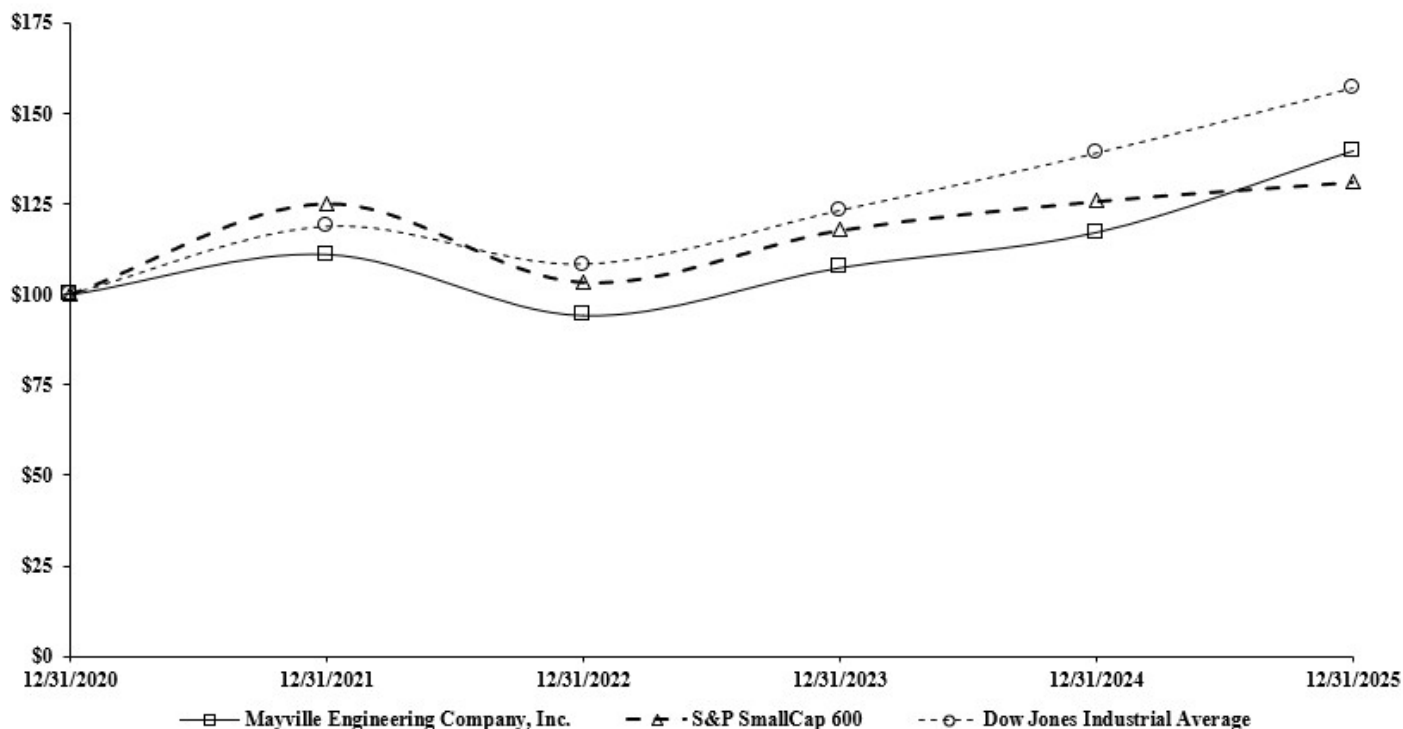
⁽¹⁾ On October 26, 2023, the Board of Directors approved a share repurchase program of up to \$25 million of shares through the end of 2026. The share repurchase program approved in October 2023 replaced the Company’s prior program.

Stock Performance Graph

The following graph compares the total return on our common stock between December 31, 2020 and December 31, 2025 with similar returns on the Standard & Poor's (S&P) SmallCap 600 Index and the Dow Jones Industrial Average Index. The graph assumes a \$100 investment with the reinvestment of any dividends.

COMPARISON OF CUMULATIVE TOTAL RETURN

Among Mayville Engineering Company, Inc., the S&P SmallCap 600 Index and
The Dow Jones Industrial Average



	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
Mayville Engineering Company, Inc.	\$ 100.00	\$ 111.10	\$ 94.34	\$ 107.45	\$ 117.14	\$ 139.49
S&P SmallCap 600	\$ 100.00	\$ 125.27	\$ 103.45	\$ 117.81	\$ 125.85	\$ 131.18
Dow Jones Industrial Average	\$ 100.00	\$ 118.73	\$ 108.30	\$ 123.14	\$ 139.00	\$ 157.04

Securities Authorized For Issuance Under Equity Compensation Plans

See Part III, Item 12, of this Annual Report on Form 10-K for certain information regarding our equity compensation plans.

Item 6. Reserved.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

Management’s Discussion and Analysis of Financial Condition and Results of Operations is intended to assist in understanding and assessing the trends and significant changes in our results of operations and financial condition. Historical results may not be indicative of future performance. This discussion includes forward-looking statements that reflect our plans, estimates and beliefs. Such statements involve risks and uncertainties. Our actual results may differ materially from those contemplated by these forward-looking statements as a result of various factors, including those set forth in “Risk Factors” in Part I, Item 1A and “Cautionary Statement Regarding Forward-Looking Statements” of this Annual Report on Form 10-K. This discussion should be read in conjunction with our audited consolidated financial statements and the notes thereto included in Part II, Item 8 of this Annual Report on Form 10-K. In this discussion, we use certain financial measures that are not prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). Explanation of these non-GAAP financial measures and reconciliation to the most directly comparable GAAP financial measures are included in this Management’s Discussion and Analysis of Financial Condition and Results of Operations. Investors should not consider non-GAAP financial measures in isolation or as substitutes for financial information presented in compliance with GAAP.

All amounts are presented in thousands except share amounts, per share data, years and ratios.

Overview

MEC is a leading U.S.-based vertically-integrated, value-added manufacturing partner providing a full suite of manufacturing solutions from concept to production, including design, prototyping and tooling, fabrication, aluminum extrusion, coating, assembly and aftermarket components. Our customers operate in diverse end markets, including heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, military and other end markets. We have developed long-standing relationships with our blue-chip customers based upon our commitment to “Unmatched Excellence”.

Our one operating segment focuses on producing metal components that are used in a broad range of heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agricultural, military and other products.

Critical Accounting Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts and disclosures. Therefore, these estimates and assumptions affect reported amounts of assets, liabilities, revenue, expenses, and associated disclosures of contingent liabilities. Critical accounting estimates are those estimates that, in management’s view, are most important in the portrayal of our financial condition and results of operations. Management evaluates these estimates on an ongoing basis, using historical experience, consultation with third parties, and other methods considered reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position, or results of operations resulting from revisions to these estimates are recognized in the accounting period in which the facts that give rise to the revision become known. The methods, estimates, and judgments that we use in applying our accounting estimates have a significant impact on the results that we report in our financial statements. These critical accounting estimates require us to make difficult and subjective judgments, often as a result of the need to make estimates regarding matters that are inherently uncertain. Those critical accounting estimates that require the most significant judgment or involve the selection or application of alternative accounting policies and are material to our consolidated financial statements are discussed further below.

Business Combinations

We record assets acquired and liabilities assumed in a business combination under the acquisition method of accounting where consideration is first assigned to identifiable assets and liabilities based on estimated fair values, with any excess recorded as goodwill. During the measurement period, which is up to one year from the acquisition date, we may adjust provisional amounts that were recognized at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

Determining the fair value of assets acquired and liabilities assumed requires significant judgment, including the selection of valuation methodologies. For our recent acquisition, fair value estimates of acquired property and equipment were based on independent appraisals that gave consideration to the highest and best use of the assets. The land, buildings, and improvements; and

other property and equipment appraisals used one, or a combination, of the cost, market or sales comparison approaches. Significant estimates and assumptions, including recent sales prices of similar equipment, asset condition, and current and anticipated market trends, were used in determining the fair values of these assets. The assistance of an independent third-party valuation firm was used to determine the fair values and useful lives of the finite-lived intangible assets, including customer relationships and non-compete agreements. Valuation methods used were based on management's forecasted cash inflows and outflows and using a relief from royalty method for developed technologies and the multi-period excess earnings method for customer relationships. Assumptions used in the intangible valuations include forecasted revenue growth rates, discounted future cash flows and the weighted average cost of capital of a select peer group.

Goodwill, Intangible Assets and Other Long-Lived Assets

Our long-lived assets consist primarily of property, equipment, purchased intangible assets and goodwill. The valuation and the impairment testing of these long-lived assets involve significant judgments and assumptions, particularly as they relate to the identification of reporting units, asset groups and the determination of fair value.

We test our tangible and intangible long-lived assets subject to amortization for impairment whenever facts and circumstances indicate that the carrying amount of an asset may not be recoverable. We test goodwill and indefinite lived intangible assets for impairment annually, or more frequently if triggering events occur indicating that there may be impairment.

We have recorded goodwill and performed testing for potential goodwill impairment at the reporting unit level. A reporting unit is an operating segment, or a business unit one level below an operating segment for which discrete financial information is available, and for which management regularly reviews the operating results. Additionally, components within an operating segment can be aggregated as a single reporting unit if they have similar economic characteristics. We have concluded we have one reporting unit.

We determine the fair value of our reporting unit using an income approach. Under the income approach, we calculate the fair value of a reporting unit based on the present value of estimated future cash flows. The income approach is dependent on several key management assumptions, including estimates of future sales, gross margins, operating costs, interest expense, income tax rates, capital expenditures, changes in working capital requirements and the weighted average cost of capital or the discount rate. Discount rate assumptions include an assessment of the risk inherent in the future cash flows of the reporting unit. Expected cash flows used under the income approach are developed in conjunction with our budgeting and forecasting process.

We test our goodwill for impairment on an annual basis, and more frequently if events or changes in circumstances indicate that it might be impaired. For the years ended December 31, 2025 and 2024, there were no events or changes in circumstances that would indicate an impairment of our goodwill.

Changes to management assumptions and estimates utilized in the income approach could negatively impact the fair value conclusions for our reporting unit resulting in goodwill impairment. All key assumptions and valuations are determined by and are the responsibility of management. The factors used in the impairment analysis are inherently subject to uncertainty. We believe that the estimates and assumptions are reasonable to determine the fair value of our reporting unit, however, if actual results are not consistent with these estimates and assumptions, goodwill and other intangible assets may be overstated which could trigger an impairment charge.

For impairment testing of long-lived assets, we identify asset groups at the lowest level for which identifiable cash flows are largely independent of the cash flows of other groups of assets and liabilities. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset group to estimated undiscounted future cash flow expected to be generated by the assets. If the carrying amount of an asset group exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset group. For the year ended December 31, 2025 and 2024, there were no events or changes in circumstances that indicated an impairment of our long-lived assets.

Determining the useful life of an intangible asset also requires judgment. Certain intangible assets are expected to have indefinite lives based on their history and our plans to continue to support and build the acquired brands. Other acquired intangible assets such as customer relationships, trade names, and non-compete agreements are expected to have determinable useful lives. The costs of determinable-lived intangibles are amortized to expense over their estimated lives.

Macroeconomic Conditions

The broader market dynamics over the past few years have resulted in impacts to the Company, elevated interest rates, inconsistent customer demand, material cost inflation and labor availability. The Company expects some of these dynamics to continue in 2026 and could continue to have an impact on demand, material costs and labor.

How We Assess Performance

Net Sales. Net sales reflect sales of our components and products net of allowances for returns and discounts. In addition to the current macroeconomic conditions, several factors affect our net sales in any given period, including weather, timing of acquisitions and the production schedules of our customers. Net sales are recognized at the time of shipment or at delivery to the customer.

Manufacturing Margins. Manufacturing margins represents net sales less cost of sales. Cost of sales consists of all direct and indirect costs used in the manufacturing process, including raw materials, labor, equipment costs, depreciation, lease expenses, subcontract costs and other directly related overhead costs. Our cost of sales is directly affected by the fluctuations in commodity prices, primarily sheet steel and aluminum, but these changes are largely mitigated by contractual agreements with our customers that allow us to pass through these price variations based upon certain market indexes.

Depreciation and Amortization. We carry property, plant and equipment on our balance sheet at cost, net of accumulated depreciation. Depreciation on property, plant and equipment is computed on a straight-line basis over the estimated useful life of the asset. The periodic expense related to leasehold improvements and intangible assets is depreciation and amortization expense, respectively. Leasehold improvements are depreciated over the lesser of the life of the underlying asset or the remaining lease term. Our intangible assets were recognized as a result of certain acquisitions and are generally amortized on a straight-line basis over the estimated useful lives of the assets.

Other Selling, General, and Administrative Expenses. Other selling, general and administrative expenses consist primarily of salaries and personnel costs for our sales and marketing, finance, human resources, information systems, administration and certain other managerial employees and certain corporate level administrative expenses such as incentive compensation, audit, accounting, legal and other consulting and professional services, travel, and insurance.

Other Key Performance Indicators

EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow

EBITDA represents net income (loss) before interest expense (benefit), provision for income taxes, depreciation and amortization. EBITDA Margin represents EBITDA as a percentage of net sales for each period.

Adjusted EBITDA represents EBITDA before stock-based compensation, loss on extinguishment of debt, field replacement claim, legal costs due to former fitness customer, CFO transition costs, Chief Operating Officer (COO) restructuring costs, natural disaster costs, acquisition related costs, Wautoma and the restructuring plan (The Plan) restructuring charges, costs recognized on step-up of Mid-States Aluminum (MSA) and Accu-Fab acquired inventory and gain on lawsuit settlement. Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of net sales for each period.

Free cash flow represents net cash provided by operating activities less cash flow used in the purchase of property, plant and equipment.

These metrics are supplemental measures of our operating performance that are neither required by, nor presented in accordance with, GAAP. These measures should not be considered as an alternative to net income or any other performance measure derived in accordance with GAAP as an indicator of our operating performance. We present EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow as management uses these measures as key performance indicators, and we believe they are measures frequently used by securities analysts, investors and other parties to evaluate companies in our industry. These measures have limitations as analytical tools and should not be considered in isolation or as substitutes for analysis of our results as reported under GAAP.

Our calculation of EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin and Free Cash Flow may not be comparable to the similarly named measures reported by other companies. Potential differences between our measures of EBITDA and Adjusted EBITDA compared to other similar companies' measures of EBITDA and Adjusted EBITDA may include differences in capital structure and tax positions.

The following table presents a reconciliation of net income and comprehensive income, the most directly comparable measure calculated in accordance with GAAP, to EBITDA and Adjusted EBITDA, and the calculation of EBITDA Margin and Adjusted EBITDA Margin for each of the periods presented.

	Twelve Months Ended		
	December 31,		
	2025	2024	2023
Net income (loss) and comprehensive income (loss)	\$ (8,110)	\$ 25,968	\$ 7,844
Interest expense	10,215	10,989	11,092
Provision (benefit) for income taxes	(5,949)	7,596	1,039
Depreciation and amortization	41,287	37,588	35,080
EBITDA	37,443	82,141	55,055
Stock-based compensation expense ⁽¹⁾	3,278	5,186	4,485
Loss on extinguishment of debt ⁽²⁾	—	—	216
Field replacement claim ⁽³⁾	—	—	490
Legal costs due to former fitness customer ⁽⁴⁾	—	2,088	2,650
CFO transition costs ⁽⁵⁾	1,148	—	—
COO restructuring costs ⁽⁶⁾	—	—	855
Natural disaster costs ⁽⁷⁾	310	—	—
Acquisition related costs ⁽⁸⁾	3,423	—	1,411
Restructuring ⁽⁹⁾	864	492	—
Costs recognized on step-up of Accu-Fab & MSA acquired inventory ⁽¹⁰⁾	591	—	891
Gain on lawsuit settlement ⁽¹¹⁾	—	(25,500)	—
Adjusted EBITDA	\$ 47,057	\$ 64,407	\$ 66,053
Net sales	\$ 546,487	\$ 581,604	\$ 588,425
EBITDA Margin	6.9 %	14.1 %	9.4
Adjusted EBITDA Margin	8.6 %	11.1 %	11.2

- ⁽¹⁾ Non-cash employee compensation based on the value of common stock issued pursuant to the 2019 Omnibus Incentive Plan.
- ⁽²⁾ Unamortized debt issuance costs written off from the prior five-year credit agreement attributable to lenders that are no longer included in the amended and restated credit agreement, as amended, or decreased their capacity in the amended and restated credit agreement, as amended.
- ⁽³⁾ Represents a one-time charge due to a COVID related sourcing issue that caused the Company to change suppliers and ultimately lead to a product being produced outside of customer specifications. These costs are not expected to be incurred on an ongoing basis and therefore are not indicative of ongoing operations.
- ⁽⁴⁾ Legal costs associated with the enforcement of the Company's supply contract with the former fitness customer.
- ⁽⁵⁾ Costs associated with the separation of the former CFO.
- ⁽⁶⁾ Restructuring costs associated with the separation of the former COO.
- ⁽⁷⁾ Costs incurred for facility clean-up following tornado damage at one of the Company's locations.
- ⁽⁸⁾ Transaction costs, primarily legal and professional services, related to the acquisition of Accu-Fab in 2025 and MSA in 2023.
- ⁽⁹⁾ Restructuring costs related to the consolidation of three warehouse and one manufacturing facility into the Company's existing facilities and restructuring charges related to the closure of the Wautoma facility.
- ⁽¹⁰⁾ Expense associated with the recognized fair value step-up of inventory in correlation with the Accu-Fab and MSA acquisitions.
- ⁽¹¹⁾ Payment received from the former fitness customer resolving a previously disclosed lawsuit. See Note 9 – Commitments and Contingencies within the Notes to Consolidated Financial Statements for additional detail.

The following table presents a reconciliation of net cash provided by operating activities, the most directly comparable measure calculated in accordance with GAAP, to free cash flow for each of the periods presented.

	Twelve Months Ended December 31,		
	2025	2024	2023
Net cash provided by operating activities	\$ 38,562	\$ 89,807	\$ 40,363
Less: Capital expenditures	11,648	12,098	16,598
Free cash flow	<u>\$ 26,914</u>	<u>\$ 77,709</u>	<u>\$ 23,765</u>

Free Cash Flows Analysis Twelve Months Ended December 31, 2025 Compared to Twelve Months Ended December 31, 2024

Free cash flow for the year ended December 31, 2025 was \$26,914 as compared to \$77,709 for the twelve months ended December 31, 2024, a decrease of \$50,795 or 65.4%. The decrease in free cash flow was primarily due to a decrease in cash provided by operating activities, slightly offset by a decrease in capital expenditures. Please see the “Liquidity and Capital Resources” section below for further information.

Free Cash Flows Analysis Twelve Months Ended December 31, 2024 Compared to Twelve Months Ended December 31, 2023

Free cash flow for the year ended December 31, 2024 was \$77,709 as compared to \$23,765 for the twelve months ended December 31, 2023, an increase of \$53,944 or 227.0%. The increase in free cash flow was primarily due to an increase in cash provided by operating activities and a decrease in capital expenditures. Please see the “Liquidity and Capital Resources” section below for further information.

Consolidated Results of Operations

A discussion regarding our financial condition and results of operations for the twelve months ended December 31, 2025 compared to the twelve months ended December 31, 2024 is presented below. A discussion regarding our financial condition and results of operations for the twelve months ended December 31, 2024 compared to the twelve months ended December 31, 2023 can be found under Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” in our Annual Report on the Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on March 6, 2025 and is available on the SEC’s website at www.sec.gov, as well as our website at www.ir.mecinc.com.

Twelve Months Ended December 31, 2025 Compared to Twelve Months Ended December 31, 2024

	Twelve Months Ended December 31,					
	2025		2024		Increase (Decrease)	
	Amount	% of Net Sales	Amount	% of Net Sales	Amount Change	% Change
Net sales	\$ 546,487	100.0 %	\$ 581,604	100.0 %	\$ (35,117)	(6.0)%
Cost of sales	492,478	90.1 %	510,507	87.8 %	(18,029)	(3.5)%
Manufacturing margins	54,009	9.9 %	71,097	12.2 %	(17,088)	(24.0)%
Amortization of intangible assets	9,716	1.8 %	6,933	1.2 %	2,783	40.1 %
Bonuses and deferred compensation	8,724	1.6 %	13,593	2.3 %	(4,869)	(35.8)%
Other selling, general and administrative expenses	39,413	7.2 %	31,518	5.4 %	7,895	25.0 %
Gain on lawsuit settlement	—	— %	(25,500)	(5.0)%	25,500	NM
Income from operations	(3,844)	(0.7)%	44,553	7.7 %	(48,397)	(108.6)%
Interest expense	(10,215)	1.9 %	(10,989)	1.9 %	(774)	(7.0)%
Provision (benefit) for income taxes	(5,949)	(1.1)%	7,596	1.3 %	(13,545)	(178.3)%
Net income (loss) and comprehensive income (loss)	\$ (8,110)	(1.5)%	\$ 25,968	4.5 %	\$ (34,078)	(131.2)%
EBITDA	\$ 37,443	6.9 %	\$ 82,141	14.1 %	\$ (44,698)	(54.4)%
Adjusted EBITDA	\$ 47,057	8.6 %	\$ 64,407	11.1 %	\$ (17,350)	(26.9)%

Net Sales. Net sales were \$546,487 for the twelve months ended December 31, 2025 as compared to \$581,604 for the twelve months ended December 31, 2024, a decrease of \$35,117, or 6.0%. This decrease was driven by reduced customer demand across nearly all end markets and customer de-stocking channel inventory. This decline was partially offset by increased after-market demand in our Military end market and the acquisition of Accu-Fab driving Data Center & Critical Power volumes.

Manufacturing Margins. Manufacturing margins were \$54,009 for the twelve months ended December 31, 2025 as compared to \$71,097 for the twelve months ended December 31, 2024, a decrease of \$17,088, or 24.0%. The decrease was primarily driven by softening customer demand, non-recurring restructuring costs, inventory step-up expense associated with the Accu-Fab acquisition and temporal launch-phase dynamics across projects in our Data Center & Critical Power and Commercial Vehicle markets, partially offset by cost reduction actions and higher-margin net sales contribution from the Accu-Fab acquisition.

Manufacturing margin percentages were 9.9% for the twelve months ended December 31, 2025 as compared to 12.2% for the twelve months ended December 31, 2024, a decrease of 2.3%. The decrease was attributable to the items discussed in the preceding paragraph.

Amortization of Intangible Assets. Amortization of intangible assets were \$9,716 for the twelve months ended December 31, 2025 as compared to \$6,933 for the twelve months ended December 31, 2024, an increase of \$2,783, or 40.1%. The increase was due to amortization expense associated with identifiable intangible assets from the Accu-Fab acquisition. Refer to Note 2 – Acquisition for additional information related to these identifiable intangible assets.

Bonuses and Deferred Compensation Expenses. Bonuses and deferred compensation expenses were \$8,724 for the twelve months ended December 31, 2025 as compared to \$13,593 for the twelve months ended December 31, 2024, a decrease of \$4,869, or 35.8%. The decrease was primarily driven by lower bonus accruals and stock-based compensation expense aligning with the Company financial performance.

Other Selling, General and Administrative Expenses. Other selling, general and administrative expenses were \$39,413 for the twelve months ended December 31, 2025 as compared to \$31,518 for the twelve months ended December 31, 2024, an increase of \$7,895, or 25.0%. The increase was attributable to non-recurring costs and incremental SG&A expenses, each associated with Accu-Fab and higher costs related to compliance requirements. This was partially offset by lower legacy MEC wages and benefits.

Gain on Lawsuit Settlement. On October 28, 2024, the Company and a former fitness customer entered into a formal Settlement Agreement (the “Agreement”) resolving a previously disclosed lawsuit. Under the terms of the Agreement, the Company and the former fitness customer agreed to dismiss the lawsuit and exchange mutual releases, and MEC received a gross payment of \$25,500 from the former fitness customer in the fourth quarter of 2024.

Interest Expense. Interest expense was \$10,215 for the twelve months ended December 31, 2025 as compared to \$10,989 for the twelve months ended December 31, 2024, a decrease of \$774, or 7.0%. The decrease was due to reduced interest rates relative to the prior year period, partially offset by an increase in borrowings associated with the recent Accu-Fab acquisition.

Provision (benefit) for Income Taxes. Income tax benefit was \$5,949 for the twelve months ended December 31, 2025 as compared to an expense of \$7,596 for the twelve months ended December 31, 2024, a decrease of \$13,545 or 178.3%. The decrease is primarily due to a pre-tax loss in the current year period compared to pre-tax income in the prior year period. The effective tax rate for the current period also reflects discrete tax benefits recognized during the twelve months ended December 31, 2025. Refer to Note 8 – Income Taxes of the Consolidated Financial Statements for further details.

Due to the factors described in the preceding paragraphs, net income (loss) and comprehensive income (loss), EBITDA, EBITDA Margin, Adjusted EBITDA and Adjusted EBITDA Margin decreased during 2025.

Liquidity and Capital Resources

The following is a summary of our cash flows from operating, investing, and financing activities, as reflected in the Consolidated Statement of Cash Flows:

	Twelve Months Ended December 31,		
	2025	2024	2023
Net cash provided by operating activities	\$ 38,562	\$ 89,807	\$ 40,363
Net cash used in investing activities	(151,530)	(11,712)	(104,132)
Net cash provided by (used in) financing activities	114,264	(78,561)	64,314
Net change in cash	<u>\$ 1,296</u>	<u>\$ (466)</u>	<u>\$ 545</u>

Cash Flows Analysis Twelve Months Ended December 31, 2025 Compared to Twelve Months Ended December 31, 2024

Operating Activities. Cash provided by operating activities was \$38,562 for the twelve months ended December 31, 2025 as compared to \$89,807 for the twelve months ended December 31, 2024. The \$51,245 decrease was driven in part by the \$25,500 lawsuit settlement payment received in the fourth quarter of the prior year. The remaining \$25,745 was primarily due to lower net income (loss) adjusted for reconciling items and a higher use of cash associated with stabilized inventory levels in the current year as compared to inventory reductions in the prior-year period. In addition, cash usage increased due to lower accrued liabilities due to reduced bonus accruals aligning with the Company’s financial performance. This was partially offset by an increase in accounts payable due to the timing of supplier payments.

Investing Activities. Cash used in investing activities was \$151,530 for the twelve months ended December 31, 2025, as compared to \$11,712 for the twelve months ended December 31, 2024. The \$139,818 increase in cash used in investing activities was mainly due to the acquisition of Accu-Fab completed on July 1, 2025, partially offset by a decrease in capital expenditures.

Financing Activities. Cash provided by financing activities was \$114,264 for the twelve months ended December 31, 2025, as compared to cash used in financing activities of \$78,561 for the twelve months ended December 31, 2024. The change was primarily due to borrowings in excess of debt repayments during the current year period on the Company’s revolving credit facility. Additionally, under the share repurchase plan, the Company purchased \$4,607 of common stock during 2025 as compared to \$5,896 in the prior-year period. The Company’s decision to repurchase additional shares in 2026 will depend on business conditions, free

cash flow generation, other cash requirements and stock price. See Part II, Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities for additional information regarding share repurchases.

Amended and Restated Credit Agreement

On June 28, 2023, and as amended on June 26, 2025, we entered into an amended and restated credit agreement (the Credit Agreement) with certain lenders and Wells Fargo Bank, National Association, as administrative agent (the Agent). The Credit Agreement provides for a \$350,000 revolving credit facility, with a letter of credit sub-facility, and a swingline facility in an aggregate amount of \$25,000. All amounts borrowed under the Credit Agreement mature on June 28, 2028.

Borrowings under the Credit Agreement bear interest at a fluctuating secured overnight financing rate (SOFR) plus an applicable margin based on the current consolidated total leverage ratio (which may be adjusted for certain reserve requirements), plus 1.25% to 2.75% depending on the current Consolidated Total Leverage Ratio (as defined in the Credit Agreement). Under certain circumstances, we may not be able to pay interest based on SOFR. If that happens, we will be required to pay interest at the Base Rate, which is the sum of the higher of (i) the Prime Rate (as publicly announced by the Agent from time to time), (ii) the Federal Funds Rate plus 0.50%, and (iii) Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00%.

At December 31, 2025, the interest rate on outstanding borrowings under the Revolving Loan was 5.98%. We had availability of \$17,730 under the revolving credit facility at December 31, 2025.

We must pay a commitment fee of 0.20% to 0.35% per annum on the average daily unused portion of the aggregate unused revolving commitments under the Credit Agreement. At December 31, 2025, this fee was 0.30%. We must also pay fees as specified in the Fee Letter (as defined in the Credit Agreement) and with respect to any letters of credit issued under the Credit Agreement.

The Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on our ability to, subject to certain exceptions, create, incur or assume indebtedness; create, incur, assume or suffer to exist liens; make certain investments; allow our subsidiaries to merge or consolidate with another entity; make certain asset dispositions; pay certain dividends or other distributions to shareholders; enter into transactions with affiliates; enter into sale leaseback transactions; and exceed the limits on annual capital expenditures. The Credit Agreement also requires us to satisfy certain financial covenants, including a minimum interest coverage ratio of 3.00 to 1.00. At December 31, 2025, our interest coverage ratio was 5.47 to 1.00. The Credit Agreement also requires us to maintain a consolidated total leverage ratio not to exceed 3.50 to 1.00. This ratio increases to 4.00 to 1.00 for the four quarters following an acquisition provided the acquisition meets certain agreed upon terms. The Accu-Fab acquisition on July 1, 2025 met these terms. As of December 31, 2025, our consolidated total leverage ratio was 3.68 to 1.00.

The Credit Agreement includes customary events of default, including, among other things, payment default, covenant default, breach of representation or warranty, bankruptcy, cross-default, material ERISA events, material money judgments, and failure to maintain subsidiary guarantees. If an event of default occurs, the Agent will be entitled to take various actions, including the acceleration of amounts due under the Credit Agreement, termination of the credit facility, and all other actions permitted to be taken by a secured creditor.

On February 25, 2026, we entered into an amendment to the Credit Agreement. The February 25, 2026, amendment lowered the amount of total allowable borrowings under the revolving credit facility to \$275,000 from \$350,000 and reduced our minimum consolidated interest coverage ratio to 2.75 to 1.00, through the fourth quarter of 2026. The February 25, 2026, amendment also increased our maximum consolidated leverage ratio to 5.25 to 1.00 for the first and second quarter of 2026, 5.00 to 1.00 for the third quarter of 2026, 4.00 to 1.00 for the fourth quarter of 2026 and 3.50 to 1.00 for 2027 and thereafter. As a result of these financial covenant changes, the interest pricing grid now includes additional interest rate tiers. All other material terms of the Credit Agreement remained unchanged.

Other Debt

Additionally, the Company has a Fond du Lac County and Fond du Lac Economic Development Corporation term note (Fond du Lac Term Note). The Fond du Lac Term Note is secured by a security agreement, payable in annual installments of \$500 plus interest at 2.00% and is due in full in December 2028. The balance outstanding as of December 31, 2025 was \$1,375, with the short-

term and long-term balance of \$500 and \$875, respectively, recorded in other current liabilities and other long-term liabilities in the Consolidated Balance Sheets.

Capital Requirements and Sources of Liquidity

During the twelve months ended December 31, 2025 and 2024, our capital expenditures were \$11,648 and \$12,098 respectively. The decrease of \$450 was driven by the Company's focus on leveraging recent investments and controlling spend during 2025. Capital expenditures for the full year 2026 are expected to be between \$15,000 and \$20,000.

We have historically relied upon cash available through credit facilities, in addition to cash from operations, to finance our working capital requirements and to support our growth. At December 31, 2025, we had availability of \$17,730 through our revolving credit facility. We regularly monitor potential capital sources, including equity and debt financings, in an effort to meet our planned capital expenditures and liquidity requirements. Our future success will be highly dependent on our ability to access outside sources of capital. We will continue to have access to the availability currently provided under the Credit Agreement as long as we remain compliant with the financial covenants. Based on our estimates at this time, we expect to be in compliance with these financial covenants through 2026 and the foreseeable future.

We believe that our operating cash flow and available borrowings under the Credit Agreement are sufficient to fund our operations for 2026 and beyond. However, future cash flows are subject to a number of variables, and additional capital expenditures will be required to conduct our operations. There can be no assurance that operations and other capital resources will provide cash in sufficient amounts to maintain planned or future levels of capital expenditures. In the event we make one or more acquisitions and the amount of capital required is greater than the amount we have available for acquisitions at that time, we could be required to reduce the expected level of capital expenditures and/or seek additional capital. If we seek additional capital, we may do so through borrowings under the Credit Agreement, joint ventures, asset sales, offerings of debt or equity securities or other means. We cannot guarantee that this additional capital will be available on acceptable terms or at all. If we are unable to obtain the funds we need, we may not be able to complete acquisitions that may be favorable to us or finance the capital expenditures necessary to conduct our operations.

Contractual Obligations

The following table presents our obligations and commitments to make future payments under contracts and contingent commitments at December 31, 2025:

	Total	Payments Due by Period			
		2026	2027 – 2028	2029 – 2030	Thereafter
Long-term debt principal payment obligations ⁽¹⁾	\$ 203,900	\$ 500	\$ 203,400	\$ —	\$ —
Forecasted interest on debt payment obligations ⁽²⁾	21,298	10,185	11,113	—	—
Finance lease obligations ⁽³⁾	3,184	1,170	1,485	500	29
Operating lease obligations ⁽³⁾	35,455	7,770	14,235	9,060	4,390
Total	\$ 264,143	\$ 19,931	\$ 230,233	\$ 9,560	\$ 4,419

⁽¹⁾ Principal payments under the Company's Credit Agreement, which expires in 2028 and the Fond du Lac Term Note, which is due in full in December 2028.

⁽²⁾ Forecasted interest on debt obligations are based on the debt balance, interest rate, and unused fee of the Company's revolving credit facility and debt balance and interest rate of the Company's Fond du Lac Term Note.

⁽³⁾ See Note 5 – Leases in the Notes to Consolidated Financial Statements for additional information.

Capital expenditures for the full year 2026 are expected to be between \$15,000 and \$20,000.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk from changes in customer forecasts, interest rates, and, to a lesser extent, commodities. To reduce such risks, we selectively use financial instruments and other proactive management techniques.

Customer Forecasts

The use and consumption of our components, products and services fluctuates depending on order forecasts we receive from our customers. These order forecasts can change dramatically from quarter-to-quarter dependent upon the respective markets that our customers provide products in.

Interest Rate Risk

We are exposed to interest rate risk on certain of our short- and long-term debt obligations used to finance our operations and acquisitions. We have SOFR-based floating rate borrowings under the Credit Agreement, which exposes us to variability in interest payments due to changes in the referenced interest rates.

The amount borrowed under the revolving credit facility under the Credit Agreement was \$202.5 million and \$79.7 million with an interest rate of 5.98% and 6.55% as of December 31, 2025 and December 31, 2024, respectively. Please see “Liquidity and Capital Resources – Amended and Restated Credit Agreement” in Part II, Item 7 of this Annual Report on Form 10-K and Note 4 – Debt in the Notes to Consolidated Financial Statements for more specifics.

A hypothetical 100-basis-point increase in interest rates would have resulted in an additional \$1.4 and \$1.1 million of interest expense based on our variable rate debt at December 31, 2025 and December 31, 2024, respectively. We do not use derivative financial instruments to manage interest risk or to speculate on future changes in interest rates. A rise in interest rates could negatively affect our cash flow.

Commodity Risk

We source a wide variety of materials and components from a network of suppliers. Commodity raw materials, such as steel, aluminum, copper, paint and paint chemicals, and other production costs are subject to price fluctuations, which could have a negative impact on our results. We strive to pass along such commodity price increases to customers to avoid profit margin erosion and in many cases utilize contracts with those customers to mitigate the impact of commodity raw material price fluctuations. As of December 31, 2025, we did not have any commodity hedging instruments in place.

Item 8. Financial Statements and Supplementary Data.

Report of Independent Registered Public Accounting Firm

To the shareholders and the Board of Directors of Mayville Engineering Company, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Mayville Engineering Company, Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of comprehensive income (loss), shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 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.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 4, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the 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.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 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 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 financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the 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.

Inventory – Refer to Notes 1 and 3 to the financial statements

Critical Audit Matter Description

As of December 31, 2025, the Company holds inventory across a large number of manufacturing facilities dispersed throughout the United States. Inventories are primarily comprised of raw materials, work-in-process, and finished goods that are physically located at the Company's facilities. The Company's processes to track and determine consolidated inventory relies on a perpetual inventory system that varies by facility based in part upon the information technology (IT) system relevant to the facility.

Auditing the existence of inventory requires significant effort, the involvement of IT specialists due to the integration of IT systems that track physical inventory quantities by facility, and auditor judgment in testing due to the disaggregation of inventory across the facilities and the processes and controls in place. Our auditor judgment includes assessing whether we have obtained sufficient audit evidence, including determining the number of facilities to visit.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the existence of inventory included the following, among others:

- We involved senior members of the engagement team to determine the extent of testing, including the selection of facilities attended and the number of counts performed.
- With the assistance of our IT specialists, we tested the effectiveness of controls over management's process to account for the physical existence of inventory, which included general IT, automated, and manual business process controls.
- As part of our testing of the effectiveness of controls over inventory, we observed management's count procedures at selected facilities and obtained and evaluated management's documentation of counts at other facilities.
- As part of our year-end audit procedures, we performed independent counts of inventory, on a sample basis at selected facilities, and evaluated any differences in the context of the inventory account balance taken as a whole.

Acquisition — Accu-Fab, LLC — Valuation of Customer Relationships — Refer to Note 2 to the financial statements

Critical Audit Matter Description

On July 1, 2025, the Company acquired 100% of the membership interests of Accu-Fab, LLC ("Accu-Fab"). The Company accounted for the acquisition using the acquisition method of accounting. Accordingly, the purchase price was allocated to the assets acquired and liabilities assumed based on their respective fair values, including the customer relationships intangible asset of \$67.0 million. Management estimated the fair value of the customer relationships utilizing the multi-period excess earnings method (MPEEM). The fair value determination of the intangible assets required management to make significant estimates and assumptions, including the discount rate, customer attrition rate, and the determination of future cash flows including revenue growth rates and EBITDA margins.

We identified the valuation and recording of the customer relationships intangible asset as a critical audit matter because of the significant estimates and assumptions management makes to determine the fair value this asset. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our internal fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the selection of the discount rate and attrition rate, and the determination of future cash flows including revenue growth rates and EBITDA margins, included the following, among others:

- We tested the effectiveness of controls over the valuation of the customer relationship, including management's controls over the selection of the discount rate and attrition rate, and the determination of future cash flows including revenue growth rates and EBITDA margins.
- We assessed the reasonableness of management's forecasts by comparing the projections to historical results and industry data.
- We tested the accuracy and completeness of underlying customer attrition data used by management.

- We involved valuation professionals with specialized skills and knowledge who:
 - Evaluated the discount rate, including testing the underlying market-based source information and the mathematical accuracy of the calculations, and developing a range of independent valuation assumptions and comparing those to the discount rate selected by management.
 - Evaluated the estimated customer attrition rate, including testing the mathematical accuracy of the calculations, comparing the selected attrition rate against relevant historical customer attrition data, and developing a range of attrition rates and comparing those to the attrition rate selected by management.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin
March 4, 2026

We have served as the Company's auditor since 2018.

Report of Independent Registered Public Accounting Firm

To the shareholders and the Board of Directors of Mayville Engineering Company, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Mayville Engineering Company, Inc and subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated March 4, 2026, expressed an unqualified opinion on those financial statements.

As described in Management’s Report on Internal Control over Financial Reporting, management excluded from its assessment the internal control over financial reporting at Accu-Fab, LLC (“Accu-Fab”), which was acquired on July 1, 2025, and whose financial statements constitute 2% and 3% of the net and total assets (excluding acquired goodwill and intangibles which were included in management’s assessment of internal control over financial reporting as of December 31, 2025) respectively, and 7% of net sales of the Company’s consolidated financial statement amounts as of and for the year ended December 31, 2025. Accordingly, our audit did not include the internal control over financial reporting at Accu-Fab.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the 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.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Milwaukee, Wisconsin
March 4, 2026

Mayville Engineering Company, Inc. and Subsidiaries
Consolidated Balance Sheets
(in thousands, except share amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Cash and cash equivalents	\$ 1,502	\$ 206
Receivables, net of allowances for doubtful accounts of \$577 at December 31, 2025 and \$248 at December 31, 2024	57,551	49,782
Inventories, net	59,398	54,756
Tooling in progress	4,746	4,761
Prepaid expenses and other current assets	5,217	3,439
Total current assets	<u>128,414</u>	<u>112,944</u>
Property, plant and equipment, net	149,996	156,528
Assets held for sale	1,402	1,402
Goodwill	140,246	92,650
Intangible assets, net	111,280	51,734
Operating lease assets	30,473	28,615
Other long-term assets	1,829	1,697
Total assets	<u>\$ 563,640</u>	<u>\$ 445,570</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 52,377	\$ 39,119
Current portion of operating lease obligation	6,729	4,914
Accrued liabilities:		
Salaries, wages, and payroll taxes	2,753	5,094
Bonuses and deferred compensation	2,170	4,626
Other current liabilities	10,740	10,839
Total current liabilities	<u>74,769</u>	<u>64,592</u>
Bank revolving credit notes	202,525	79,725
Operating lease obligation, less current maturities	25,572	25,412
Deferred compensation, less current portion	5,240	4,719
Deferred income tax liability	11,298	16,831
Other long-term liabilities	3,499	2,538
Total liabilities	<u>\$ 322,903</u>	<u>\$ 193,817</u>
Commitments and contingencies (see Note 9)		
Common shares, no par value, 75,000,000 authorized, 22,505,704 shares issued at December 31, 2025 and 22,300,106 at December 31, 2024	—	—
Additional paid-in-capital	208,777	207,076
Retained earnings	51,976	60,086
Treasury shares at cost, 2,187,334 shares at December 31, 2025 and 1,883,198 at December 31, 2024	(20,016)	(15,409)
Total shareholders' equity	<u>240,737</u>	<u>251,753</u>
Total liabilities and shareholders' equity	<u>\$ 563,640</u>	<u>\$ 445,570</u>

The accompanying notes are an integral part of these Consolidated Financial Statements.

Mayville Engineering Company, Inc. and Subsidiaries
Consolidated Statements of Comprehensive Income (Loss)
(in thousands, except share amounts and per share data)

	Twelve Months Ended		
	December 31,		
	2025	2024	2023
Net sales	\$ 546,487	\$ 581,604	\$ 588,425
Cost of sales	492,478	510,507	518,722
Amortization of intangible assets	9,716	6,933	7,742
Bonuses and deferred compensation	8,724	13,593	11,588
Other selling, general and administrative expenses	39,413	31,518	30,182
Gain on lawsuit settlement	—	(25,500)	—
Income (loss) from operations	(3,844)	44,553	20,191
Interest expense	(10,215)	(10,989)	(11,092)
Loss on extinguishment of debt	—	—	(216)
Income (loss) before taxes	(14,059)	33,564	8,883
Income tax expense (benefit)	(5,949)	7,596	1,039
Net income (loss) and comprehensive income (loss)	\$ (8,110)	\$ 25,968	\$ 7,844
Earnings (loss) per share:			
Basic	\$ (0.40)	\$ 1.26	\$ 0.38
Diluted	\$ (0.40)	\$ 1.24	\$ 0.38
Weighted average shares outstanding:			
Basic	20,471,356	20,611,192	20,415,157
Diluted	20,471,356	20,972,192	20,698,970

The accompanying notes are an integral part of these Consolidated Financial Statements.

Mayville Engineering Company, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(in thousands)

	Twelve Months Ended December 31,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income (loss)	\$ (8,110)	\$ 25,968	\$ 7,844
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	31,570	30,655	27,338
Amortization	9,716	6,933	7,742
Allowance for doubtful accounts	305	(437)	140
Inventory excess and obsolescence reserve	(110)	(220)	183
Stock-based compensation expense	3,278	5,186	4,485
Gain on disposal of property, plant and equipment	(12)	(172)	(526)
Deferred compensation	1,272	864	(17,089)
Loss on extinguishment of debt	—	—	216
Non-cash lease expense	6,128	5,367	3,840
Other non-cash adjustments	469	291	259
Changes in operating assets and liabilities:			
Accounts receivable	6,042	8,101	7,791
Inventories	62	13,246	13,441
Tooling in progress	15	696	2,555
Prepays and other current assets	(1,049)	(185)	532
Accounts payable	8,360	(7,994)	(9,438)
Deferred income taxes	(5,533)	4,225	687
Operating lease obligations	(5,997)	(5,092)	(3,078)
Accrued liabilities	(7,844)	2,375	(6,559)
Net cash provided by operating activities	<u>38,562</u>	<u>89,807</u>	<u>40,363</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment	(11,648)	(12,098)	(16,598)
Proceeds from sale of property, plant and equipment	72	386	1,059
Payment for acquisition, net of cash acquired	(139,954)	—	(88,593)
Net cash used in investing activities	<u>(151,530)</u>	<u>(11,712)</u>	<u>(104,132)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank revolving credit notes	1,558,613	810,558	588,040
Payments on bank revolving credit notes	(1,435,813)	(878,326)	(512,783)
Repayments of other long-term debt	(500)	(806)	(6,673)
Payments of financing costs	(817)	—	(1,205)
Shares withheld for employees' taxes	(1,578)	(3,829)	—
Purchase of treasury stock	(4,607)	(5,896)	(2,661)
Payments on finance leases	(1,034)	(607)	(404)
Proceeds from the exercise of stock options	—	345	—
Net cash provided by (used in) financing activities	<u>114,264</u>	<u>(78,561)</u>	<u>64,314</u>
Net increase (decrease) in cash and cash equivalents	1,296	(466)	545
Cash and cash equivalents at beginning of period	206	672	127
Cash and cash equivalents at end of period	<u>\$ 1,502</u>	<u>\$ 206</u>	<u>\$ 672</u>

The accompanying notes are an integral part of these Consolidated Financial Statements.

Mayville Engineering Company, Inc. and Subsidiaries
Consolidated Statements of Cash Flows
(in thousands)

	Twelve Months Ended December 31,		
	2025	2024	2023
Supplemental disclosure of cash flow information:			
Cash paid for interest	\$ 9,710	\$ 10,267	\$ 10,669
Cash paid for income taxes	\$ 2,329	\$ 1,370	\$ 513
Non-cash property, plant and equipment	1,829	1,032	446
In conjunction with the acquisition, assets acquired and liabilities assumed were as follows:			
Assets acquired, net of cash acquired	\$ 149,613	\$ —	\$ 102,356
Liabilities assumed	(9,659)	—	(13,763)
Cash paid for acquisition, net of cash acquired	\$ <u>139,954</u>	\$ <u>—</u>	\$ <u>88,593</u>

The accompanying notes are an integral part of these Consolidated Financial Statements.

Mayville Engineering Company, Inc. and Subsidiaries
Consolidated Statements of Shareholders' Equity
(in thousands)

	Shareholders' Equity			
	Additional Paid-in-Capital	Treasury Shares	Retained Earnings	Total
Balance as of December 31, 2022	\$ 200,945	\$ (9,352)	\$ 26,274	\$ 217,867
Net income	—	—	7,844	7,844
Share repurchases	—	(2,661)	—	(2,661)
401(k) contribution	—	2,500	—	2,500
Restricted stock units employee tax withholding	(115)	—	—	(115)
Stock options exercised	58	—	—	58
Stock-based compensation	4,485	—	—	4,485
Balance as of December 31, 2023	<u>\$ 205,373</u>	<u>\$ (9,513)</u>	<u>\$ 34,118</u>	<u>\$ 229,978</u>
Net income	—	—	25,968	25,968
Share repurchases	—	(5,896)	—	(5,896)
Restricted stock units employee tax withholding	(821)	—	—	(821)
Stock options exercised	(2,662)	—	—	(2,662)
Stock-based compensation	5,186	—	—	5,186
Balance as of December 31, 2024	<u>\$ 207,076</u>	<u>\$ (15,409)</u>	<u>\$ 60,086</u>	<u>\$ 251,753</u>
Net loss	—	—	(8,110)	(8,110)
Share repurchases	—	(4,607)	—	(4,607)
Restricted stock units employee tax withholding	(1,413)	—	—	(1,413)
Stock options exercised	(164)	—	—	(164)
Stock-based compensation	3,278	—	—	3,278
Balance as of December 31, 2025	<u>\$ 208,777</u>	<u>\$ (20,016)</u>	<u>\$ 51,976</u>	<u>\$ 240,737</u>

The accompanying notes are an integral part of these Consolidated Financial Statements.

Mayville Engineering Company, Inc. and Subsidiaries
Notes to Consolidated Financial Statements
(in thousands, except share amounts and per share data)

Note 1. Nature of business and summary of significant accounting policies

Mayville Engineering Company, Inc. (MEC) is a leading U.S.-based, vertically-integrated, value-added manufacturing partner providing a full suite of manufacturing solutions from concept to production, including design, prototyping and tooling, fabrication, aluminum extrusion, coating, assembly and aftermarket components. Our customers operate in diverse end markets, including heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agriculture, military and other end markets. Founded in 1945 and headquartered in Milwaukee, Wisconsin, we are a leading Tier I U.S. supplier of highly engineered components to original equipment manufacturer (OEM) customers with leading positions in their respective markets. The Company maintains 27 facilities, of which 25 are in operation, located in Arkansas, Illinois, North Carolina, Michigan, Mississippi, Ohio, Pennsylvania, Virginia, and Wisconsin. Our engineering expertise and technical know-how allow us to add value through every product redevelopment cycle.

Our one operating segment focuses on producing metal components that are used in a broad range of heavy- and medium-duty commercial vehicles, construction & access equipment, powersports, data center & critical power, agricultural, military and other products.

Basis of presentation and consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). They include the accounts of the Company and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Use of estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

The Company considers all highly-liquid investments purchased with original maturities of 90 days or less to be cash and cash equivalents.

Concentration of credit risk

Financial instruments that potentially subject the Company to credit risk consist principally of bank balances above the Federal Deposit Insurance Corporation insurability limits of \$250 per official custodian. The Company has not experienced any losses on these accounts and management believes the Company is not exposed to any significant credit risk on cash.

Accounts receivable

Accounts receivable are generally uncollateralized customer obligations due under normal trade terms requiring payment within 30 to 60 days from the invoice date. Management periodically reviews past due balances and established an allowance for doubtful accounts of \$577 and \$248 as of December 31, 2025 and 2024, respectively, for probable uncollectible amounts based on its assessment of the current status of individual accounts. The estimated valuation allowance results in a reduction to sales and the accounts are written-off through a charge to the valuation allowance and a credit to accounts receivable after the Company has used all reasonable collection efforts.

As the Company's customer base is principally made up of blue-chip OEMs with high credit ratings and our trade receivables are due within one year or less, the Company does not have a reserve for credit losses.

Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out method (FIFO), or net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less reasonably predictable costs of completion, disposal and transportation. Work-in-process and finished goods are valued at production cost consisting of material, labor and overhead. The Company maintains a reserve for obsolete and slow-moving inventory of \$2,572 and \$2,307 as of December 31, 2025 and 2024, respectively, which is based upon the aging of current inventory as well as assumptions on future demand and market conditions.

Tooling in progress

The Company has agreements with its customers to provide production tooling which will be used to produce specific parts for its customers. The costs to design, engineer, and manufacture the tooling are charged to tooling in progress as incurred and based on when control of the tooling is transferred to the customer under contract or when the customer signs off through the Product Part Approval Process (PPAP) or other documented customer acceptance, at a point in time. The Company may also provide production tooling that is not sold to customers but is capitalized in property, plant and equipment. To the extent that estimated costs exceed expected reimbursement from the customer, the Company recognizes a loss. Tooling in progress was \$4,746 and \$4,761 as of December 31, 2025 and 2024, respectively.

Property, plant and equipment

Property, plant and equipment are stated at cost. Expenditures for additions and improvements are capitalized while replacements, maintenance and repairs which do not improve or extend the lives of the respective assets are expensed as incurred. Properties sold, or otherwise disposed of, are removed from the property accounts, with gains or losses on disposal credited or charged to the results of operations. Depreciation is recognized over the estimated useful lives of the respective assets, using the straight-line depreciation method for financial reporting purposes and begins when the asset is placed into service.

Leases

The Company's operating leases represent leases of real property, vehicles, and equipment. The Company's finance leases represent leases for vehicles and equipment. A right-of-use (ROU) asset and a corresponding lease liability are recognized at commencement for contracts that are, or contain, a lease with an original term greater than 12 months. The Company has not elected to recognize right-of-use assets or lease liabilities for leases with a term of twelve months or less. See Note 5 – Leases in the Notes to Consolidated Financial Statements for additional information.

Business combinations

The Company accounts for business combinations in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 805, *Business Combinations*. In connection with a business combination, the acquiring company must allocate the cost of the acquisition to assets acquired and liabilities assumed based on fair values as of the acquisition date. Any excess or shortage of amounts assigned to assets and liabilities over or under the purchase price is recorded as goodwill or a gain on bargain purchase price, respectively. Transaction costs associated with acquisitions are expensed as incurred within selling, general and administrative expenses.

Goodwill

We test goodwill for impairment annually, or more frequently if triggering events occur indicating that there may be an impairment. We have recorded goodwill and perform testing for potential goodwill impairment at a reporting unit level. A reporting unit is an operating segment, or a business unit one level below an operating segment for which discrete financial information is available, and for which management regularly reviews the operating results. Additionally, components within an operating segment can be aggregated as a single reporting unit if they have similar economic characteristics. We have concluded we have one reporting unit.

We determine the fair value of our reporting unit using an income approach. Under the income approach, we calculate the fair value of the reporting unit based on the present value of estimated future cash flows. The income approach is dependent on several key management assumptions, including estimates of future sales, gross margins, operating costs, interest expense, income tax rates, capital expenditures, changes in working capital requirements and the weighted average cost of capital or the discount rate. Discount rate assumptions include an assessment of the risk inherent in the future cash flows of the reporting unit. Expected cash flows used under the income approach are developed in conjunction with our budgeting and forecasting process.

We test our goodwill for impairment on an annual basis in the fourth quarter of each fiscal year, and more frequently if events or changes in circumstances indicate that it might be impaired. At December 31, 2025 and 2024, the Company had goodwill with a balance of \$140,246 and \$92,650, respectively, with the fair value of our reporting unit substantially exceeding the carrying value.

If the market valuation of our common shares or operating results of our reporting unit significantly decline beyond current levels, we may again need to conduct an evaluation of the fair value of our goodwill, which may result in an impairment change.

Changes to management assumptions and estimates utilized in the income approach could negatively impact the fair value conclusions for our reporting units resulting in goodwill impairment. All key assumptions and valuations are determined by and are the responsibility of management. The factors used in the impairment analysis are inherently subject to uncertainty. We believe that the estimates and assumptions are reasonable to determine the fair value of our reporting unit, however, if actual results are not consistent with these estimates and assumptions, goodwill and other intangible assets may be overstated which could result in an impairment charge.

Intangible assets, net

The Company's primary other intangible assets are customer relationships and contracts, trade names, non-compete agreements, developed technology and patents acquired in business combinations. Intangible assets are initially valued using a methodology commensurate with the intended use of the asset. The costs of amortizable intangible assets are recognized over their expected useful lives using the straight-line method. Intangible assets that are subject to amortization are evaluated for impairment using the same process that is used to evaluate long-lived assets described below. Intangible assets not subject to amortization are assessed for impairment at least annually in the fourth quarter of each fiscal year and whenever events or changes in circumstances indicate that it is more likely than not that an asset may be impaired. The impairment test for indefinite-lived intangible assets consists of a comparison of the fair value of the intangible asset with its carrying amount. An impairment loss is recognized for the amount by which the carrying value exceeds the fair value of the asset.

Fair value of financial instruments

Financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and long-term debt. The carrying amount of all significant financial instruments approximates fair value due to either the short maturity or the existence of variable interest rates that approximate prevailing market rates. Cash and cash equivalents, accounts receivable and accounts payable are classified as Level 1 fair value inputs as further described in Note 13 – Fair Value of Financial Instruments. Long-term debt is classified as a Level 2 fair value input.

Impairment of long-lived assets

When events or conditions warrant, the Company evaluates the recoverability of long-lived assets and considers whether these assets are impaired. The Company assesses the recoverability of these assets based on several factors, including management's intention with respect to these assets and their projected undiscounted cash flows. If projected undiscounted cash flows are less than the carrying amount of the respective assets, the Company adjusts the carrying amounts of such assets to their estimated fair value. To the extent that the carrying value of the net assets of an asset group is greater than the estimated fair value, the Company may be required to record impairment charges. The Company records intangible asset impairment charges as a reduction to intangible assets. The Company records other long-lived asset impairment charges as a reduction to property, plant and equipment or a reduction to ROU asset in the Consolidated Balance Sheets.

Deferred financing costs

Loan issuance costs and discounts are capitalized upon the issuance of long-term debt and amortized over the life of the related debt. Loan issuance costs associated with revolving debt arrangements are presented as a component of other assets. Loan issuance costs incurred in connection with revolving debt arrangements are amortized using the straight-line method over the life of the credit agreement. Loan issuance costs and discounts incurred in connection with term debt are amortized using the effective interest method. Amortization of deferred loan issuance costs and discounts are included in interest expense.

During 2025 and 2024, the Company recorded deferred financing costs associated with its long-term debt and line of credit of \$818 and \$0, respectively. Amortization expense associated with the deferred debt issuance costs and discounts in 2025, 2024 and 2023 was \$271, \$282 and \$309, respectively. Accumulated amortization was \$842 and \$423 as of December 31, 2025 and 2024, respectively. Amendments made to existing debt in 2023 resulted in the write-off of \$216 in unamortized costs associated with the debt that was replaced during the twelve months ended December 31, 2023.

Revenue recognition

The Company recognizes revenue when control of the goods or services are transferred to a customer in an amount that reflects the consideration it expects to be entitled to in exchange for those goods or services. The Company enters into supply agreements and purchase orders that include both free on board (FOB) origin and FOB destination shipping terms. Depending on the terms of the agreement, the customer takes ownership at shipment or at delivery, and this is when control transfers. Sales are supported by documentation such as supply agreements and purchase orders, which specify certain terms and conditions including product specifications, quantities, fixed prices, delivery dates and payments terms. Revenue related to services is recognized in the period services are performed, thus the Company recognizes revenue at a point in time.

There are many customers where the Company designs, engineers and builds production tooling, which is purchased by the customer. Tooling revenue is recognized at the point the customer signs off on the product through PPAP or other documented customer acceptance and control of the tooling promised under a contract is transferred to the customer at a point in time. Revenue is recognized in an amount that reflects the consideration to which the Company expects to be entitled in exchange for the tooling.

The Company offers certain customers discounts for early payments. These discounts are recorded against net sales in the Consolidated Statement of Comprehensive Income and accounts receivable in the Consolidated Balance Sheets. The Company does not offer any other customer incentives, rebates or allowances.

Shipping and handling

The shipping and handling costs incurred by the Company are included in cost of sales on the Consolidated Statements of Comprehensive Income. These costs are generally comprised of salaries and wages, shipping supplies and warehouse costs. Inbound freight costs, which mostly relate to raw materials, are included in cost of sales on the Consolidated Statements of Comprehensive Income. Outbound freight costs, which mostly relate to sales, are included in net sales on the Consolidated Statements of Comprehensive Income. The Company does not charge customers nor recognize revenue for shipping and handling. The Company's OEM customers arrange and pay the freight for delivery.

Advertising

The Company expenses the costs of advertising when incurred. Advertising expense was \$87, \$105 and \$141 for the twelve months ended December 31, 2025, 2024 and 2023, respectively. Advertising costs are charged to selling, general and administrative expenses.

Income taxes

Income taxes and uncertain tax positions are accounted for in accordance with ASC 740, *Accounting for Income Taxes*. Deferred income taxes are provided for the differences between the bases of assets and liabilities for financial reporting and income tax purposes. The Company measures deferred tax assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse and recognizes the effect of a change in enacted rates in the period of enactment. Tax positions

meeting the more-likely-than-not recognition threshold are measured pursuant to the guidance set forth in ASC 740. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized. See Note 8 – Income Taxes of these Notes to Consolidated Financial Statements for further discussion.

Earnings per share

The Company computes basic earnings per share by dividing net income available to shareholders by the actual weighted average number of common shares outstanding for the reporting period. The dilutive impact to basic earnings per share considers the impact to earnings if all convertible securities were exercised or outstanding that do not have an antidilutive impact on earnings per share.

Treasury stock

Treasury stock purchases are accounted for under the cost method whereby the entire cost of the acquired stock is recorded as treasury stock. Subsequent reissuance of shares to the 401(k) Plan or ESOP are recorded as a reduction to treasury stock and as ESOP expense in the Consolidated Statements of Comprehensive Income.

Recently adopted accounting pronouncements

In December 2023, the FASB issued Accounting Standards Update (ASU) 2023-09, *Improvements to Income Tax Disclosures*, amending ASC 740, *Income Taxes*. The amendment is intended to enhance the transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments require that on an annual basis, entities disclose specific categories in the rate reconciliation and provide additional information for reconciling items that meet a quantitative threshold. In addition, the amendments require that entities disclose additional information about income taxes paid as well as additional disclosures of pretax income and income tax expense and remove the requirement to disclose certain items that are no longer considered cost beneficial or relevant. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted this standard in the fourth quarter of 2025 and the amendments have been applied on a retrospective basis. Adoption of ASU 2023-09 did not have a material impact on the Company's consolidated financial statements.

Recently issued accounting standards not yet adopted

In November 2024, the FASB issued ASU 2024-03, *Expense Disaggregation Disclosures*, amending ASC 220, *Income Statement – Reporting Comprehensive Income*. The amendment requires an entity to provide a disclosure within the financial statement footnotes showing the disaggregation of certain expenses included in relevant expense captions on the consolidated income statement, with a qualitative description of the amounts that are not separately disaggregated quantitatively. The guidance also requires disclosure of the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and for interim periods beginning after December 15, 2027. The guidance is applied on a prospective basis, with a retrospective option and allows for early adoption. The Company is evaluating the potential impact of this guidance on the consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06, *Intangibles – Goodwill and Other-Internal-Use Software*, amending ASC 350. The amendment removes all references to prescriptive and sequential software development stages. In addition, the amendment also requires consideration whether there is significant uncertainty associated with the development activities of the software during evaluation of probable-to-complete recognition threshold. ASU 2025-06 is effective for interim and annual periods beginning after December 15, 2027. Entities may adopt the guidance using either a prospective approach (including a modified transition approach) or retrospective approach. Early adoption is permitted. The Company has early adopted ASU 2025-06 on a prospective basis, as of January 1, 2026. The adoption of the ASU is not expected to have a material impact on the Company's consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting - Narrow-Scope Improvements*, amending ASC 270. The ASU clarifies interim disclosure requirements and the applicability of ASC 270. The objective of the amendments is to provide further clarity about the current interim disclosure requirements. The ASU is effective for interim reporting periods within annual reporting

periods beginning after December 15, 2027. Adoption of this ASU can be applied either a prospective or a retrospective approach. Early adoption is permitted. The Company is evaluating the potential impact of this guidance on the consolidated financial statements.

In December 2025, the FASB issued ASU 2025-12, *Codification Improvements*. The ASU addresses thirty-three items, representing the changes to the Codification that (1) clarify, (2) correct errors, or (3) make minor improvements. Generally, the amendments in this Update are not intended to result in significant changes for most entities. The ASU is effective for interim reporting periods within annual reporting periods beginning after December 15, 2026. Early adoption is permitted. The Company is evaluating the potential impact of this guidance on the consolidated financial statements.

Note 2. Acquisitions

On July 1, 2025, the Company acquired 100% of the membership interests of Accu-Fab, LLC (Accu-Fab). The acquisition was consummated in accordance with the terms of the Purchase Agreement dated May 23, 2025, among the Company, Accu-Fab, and Tide Rock YieldCo, LLC (the Seller). The purchase price of the acquisition was \$140,500, subject to customary adjustments for the amount of cash, indebtedness, net working capital, and certain expenses of Accu-Fab as of the closing. The acquisition of Accu-Fab was structured as a stock purchase for accounting purposes. As of the closing of the acquisition, after taking into account the estimated adjustments, the Company paid the Seller a total net consideration of \$141,185. The final working capital settlement, completed during the three months ended December 31, 2025, is described below. The Company financed the acquisition by borrowing under its amended and restated credit agreement, as amended, as described in Note 4 - Debt in the Notes to the Consolidated Financial Statements.

With locations in Wheeling, Illinois and Raleigh, North Carolina, Accu-Fab is a vertically integrated manufacturing partner providing technology driven, cutting edge metal fabrication solutions to large OEMs. Accu-Fab offers value-added services including design, engineering, sheet metal fabrication and integration, and specialized finishing. The acquisition enhances MEC's strategic position by broadening its customer base and accelerating its entry into the rapidly growing data center & critical power infrastructure end markets.

The Company accounted for the acquisition using the acquisition method of accounting in accordance with ASC 805, *Business Combinations*, with MEC being the acquiring entity. Transaction costs related to the acquisition were expensed as incurred within other selling, general, and administrative expenses and totaled \$3,423 for the twelve months ended December 31, 2025. The net sales and operating income of Accu-Fab, which is consolidated in MEC's financial statements presented herein, since July 1, 2025 were \$40,697 and \$7,335, respectively, for the twelve months ended December 31, 2025.

The aggregate purchase price has been allocated to the assets acquired and liabilities assumed based on their preliminary estimated fair values as of the acquisition date. The estimate of the excess purchase price over the preliminary estimated fair value of net tangible assets acquired was allocated to identifiable intangible assets and goodwill. The Company engaged an independent third party to assist with the identification and valuation of the acquired assets, including intangible assets. Management makes significant estimates and assumptions when determining the fair value of assets acquired and liabilities assumed. These estimates include, but are not limited to, discount rates, projected future net sales, projected future expected cash flows, useful lives, attrition rates, and growth rates. These measures are based on significant Level 3 inputs not observable in the market.

The following table is a summary of the assets acquired, liabilities assumed, and net cash consideration paid for the acquisition of Accu-Fab. The allocation is considered preliminary and subject to finalization within one year from the acquisition date:

	Balance Sheet Allocation As of July 1, 2025	Measurement Period Adjustments	Balance Sheet Allocation As of December 31, 2025
Cash and cash equivalents	\$ 1,123		\$ 1,123
Accounts receivable, net	14,118		14,118
Inventory	4,594		4,594
Prepaid expenses and other current assets	256		256
Property, plant and equipment	9,811		9,811
Operating lease assets	3,928	103	4,031
Intangible assets			
Customer relationships	67,000		67,000
Non-compete agreements	2,200		2,200
Other long-term assets	7		7
Goodwill	47,639	(43)	47,596
Total assets acquired	150,676		150,736
Accounts payable	(4,101)		(4,101)
Lease liabilities, current	(1,231)	(15)	(1,246)
Accrued liabilities:			
Salaries, wages, and payroll taxes	(661)	(65)	(726)
Bonuses and deferred compensation	(305)		(305)
Other current liabilities	(275)		(275)
Lease liabilities, non-current	(2,698)	(88)	(2,786)
Other long-term liabilities	(220)		(220)
Total liabilities assumed	(9,491)		(9,659)
Total consideration	\$ 141,185		\$ 141,077

Inventory was valued at its estimated fair value, which is defined as expected sales price, less costs to sell, plus a reasonable margin for selling effort. The valuation resulted in an inventory fair value step-up of \$591 and was fully expensed and reflected in cost of sales on the Consolidated Statement of Comprehensive Income (Loss) during the twelve months ended December 31, 2025.

Property, plant and equipment was valued at its estimated fair value using the cost, market and sales comparison approaches. The valuation resulted in a property, plant and equipment fair value step-up of \$5,326. Depreciation on property, plant and equipment is computed on a straight-line basis over the estimated useful life of the respective assets.

The Company also recorded \$67,000 of customer relationships intangible assets with useful lives of fourteen years and \$2,200 of non-compete agreement intangible assets with useful lives of two years. The purchase price allocated to these assets was based on management's forecasted cash inflows and outflows and the multi-period excess earnings method for customer relationships and the with and without method for the non-compete agreements. Amortization expense related to these intangible assets is recorded on a straight-line basis and reflected in amortization of intangible assets on the Consolidated Statements of Comprehensive Income (Loss).

The purchase price of Accu-Fab exceeded the preliminary estimated fair value of identifiable net assets and accordingly, the difference was allocated to goodwill, all of which is tax deductible. Goodwill will be tested for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired, in accordance with ASC 350, *Intangibles – Goodwill and Other*. The goodwill recognized primarily reflects expected synergies from integrating Accu-Fab's operations into the Company's existing manufacturing platform, the assembled workforce, and other intangible assets that do not meet the criteria for separate recognition under ASC 805.

The Company believes that the information gathered to date provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed; however, the purchase price allocation remains preliminary as we continue to gather the necessary information to finalize our fair value estimates and provisional amounts. Provisional amounts include items related to working capital adjustments, intangibles, indemnification of assets and liabilities and deferred taxes. During the three months ended December 31, 2025, the Company finalized the net working capital settlement with the Seller, resulting in an adjustment of \$108 to the purchase consideration related to working capital adjustments.

The Company has recorded preliminary estimates for the items that remain subject to valuation and will record adjustments, if any, to the preliminary amounts upon finalization of the respective valuations. Such changes are not expected to be significant. The Company expects to complete the purchase price allocation as soon as practicable but no later than one year from the acquisition date.

Pro Forma Financial Information (Unaudited)

In accordance with ASC 805, the following unaudited pro forma combined results of operations have been prepared and presented to give effect to the Accu-Fab acquisition as if it had occurred on January 1, 2024, the beginning of the comparable period, applying certain assumptions and pro forma adjustments. These pro forma adjustments primarily relate to the estimated depreciation expense associated with the fair value of the acquired property, plant and equipment, amortization of identifiable intangible assets, interest expense related to additional debt needed to fund the acquisition and the tax impact of these adjustments. Additionally, the pro forma adjustments exclude non-recurring expenses related to transaction costs, which were expensed as incurred, and include the sale of stepped-up inventory. The unaudited pro forma consolidated results are provided for illustrative purposes only, are not indicative of the Company’s actual consolidated results of operations or consolidated financial position and do not reflect any revenue and operating synergies or cost savings that may result from the acquisition.

	Twelve Months Ended December 31,	
	2025	2024
Net sales	\$ 580,461	\$ 643,067
Net income (loss)	\$ (3,226)	\$ 24,452

Note 3. Select balance sheet data

Inventory

Inventories as of December 31, 2025 and December 31, 2024 consist of:

	December 31, 2025	December 31, 2024
Finished goods and purchased parts	\$ 29,962	\$ 25,952
Raw materials	18,876	19,386
Work-in-process	10,560	9,418
Total	<u>\$ 59,398</u>	<u>\$ 54,756</u>

Property, plant and equipment

Property, plant and equipment as of December 31, 2025 and December 31, 2024 consist of:

	Useful Lives Years	December 31, 2025	December 31, 2024
Land	Indefinite	\$ 2,564	\$ 2,564
Land improvements	15-39	4,769	4,261
Building and building improvements	15-39	80,338	79,553
Machinery, equipment and tooling	3-10	327,976	310,300
Vehicles	5	5,720	4,377
Office furniture and fixtures	3-7	25,577	23,034
Construction in progress	N/A	4,725	3,263
Total property, plant and equipment, gross		451,669	427,352
Less accumulated depreciation		301,673	270,824
Total property, plant and equipment, net		<u>\$ 149,996</u>	<u>\$ 156,528</u>

Depreciation expense was \$31,570, \$30,655 and \$27,338 for the twelve months ended December 31, 2025, 2024 and 2023, respectively.

Additionally, the Company completed the closure of its Wautoma, WI manufacturing facility during the fourth quarter of 2024. The net amount of property, plant and equipment associated with the facility was \$1,402, which is classified in assets held for sale on the Consolidated Balance Sheets as of December 31, 2025 and December 31, 2024.

Goodwill

We test our goodwill for impairment on an annual basis in the fourth quarter of each fiscal year, and more frequently if events or changes in circumstances indicate that it might be impaired. Our annual goodwill impairment test during the fourth quarter of fiscal years 2025 and 2024 did not indicate an impairment existed.

Balance as of December 31, 2023	\$ 92,650
No activity	—
Balance as of December 31, 2024	\$ 92,650
Acquisition of Accu-Fab	47,596
Balance as of December 31, 2025	<u>\$ 140,246</u>

Intangible Assets

The following is a listing of intangible assets, the useful lives in years (amortization period) and accumulated amortization as of December 31, 2025 and December 31, 2024:

	Useful Lives Years	December 31, 2025		
		Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangible assets:				
Customer relationships and contracts	9-17	\$ 163,040	\$ 64,817	\$ 98,223
Trade name	10	14,780	10,404	4,376
Developed technology	7	4,962	1,750	3,212
Patents	19	24	16	8
Non-compete agreements	2	2,200	550	1,650
Total amortizable intangible assets, net		<u>\$ 185,006</u>	<u>\$ 77,537</u>	<u>\$ 107,469</u>
Non-amortizable brand name	Indefinite	3,811	—	3,811
Total intangible assets, net		<u>\$ 188,817</u>	<u>\$ 77,537</u>	<u>\$ 111,280</u>

	Useful Lives Years	December 31, 2024		
		Gross Carrying Amount	Accumulated Amortization	Net
Amortizable intangible assets:				
Customer relationships and contracts	9-17	\$ 96,040	\$ 57,832	\$ 38,208
Trade name	10	14,780	8,924	5,856
Non-compete agreements	5	8,800	8,800	—
Developed technology	7	4,900	1,050	3,850
Patents	19	24	15	9
Total amortizable intangible assets, net		\$ 124,544	\$ 76,621	\$ 47,923
Non-amortizable brand name	Indefinite	3,811	—	3,811
Total intangible assets, net		\$ 128,355	\$ 76,621	\$ 51,734

Non-amortizable brand name is tested annually during the fourth quarter for impairment, or more frequently if triggering events occur indicating there may be impairment. There has been no impairment recorded for the years ended December 31, 2025 and 2024. Amortization expense was \$9,716, \$6,933 and \$7,742, for the twelve months ended December 31, 2025, 2024 and 2023, respectively.

Future amortization expense is expected to be as followed:

Year ending December 31,	
2026	\$ 12,520
2027	\$ 11,970
2028	\$ 11,364
2029	\$ 9,922
2030	\$ 9,368
Thereafter	\$ 52,325

Note 4. Debt

On June 28, 2023, and as amended on June 26, 2025, we entered into an amended and restated credit agreement (the Credit Agreement) with certain lenders and Wells Fargo Bank, National Association, as administrative agent (the Agent). The June 26, 2025, amendment increased the amount of total allowable borrowings under the revolving credit facility to \$350,000 from \$250,000, by exercising the previously available \$100,000 accordion feature. All other material terms of the Credit Agreement, including applicable interest rates, remained unchanged. All amounts borrowed under the Credit Agreement mature on June 28, 2028.

The Credit Agreement contains usual and customary negative covenants for agreements of this type, including, but not limited to, restrictions on our ability to, subject to certain exceptions, create, incur or assume indebtedness; create, incur, assume or suffer to exist liens; make certain investments; allow our subsidiaries to merge or consolidate with another entity; make certain asset dispositions; pay certain dividends or other distributions to shareholders; enter into transactions with affiliates; enter into sale leaseback transactions; and exceed the limits on annual capital expenditures. The Credit Agreement also requires us to satisfy certain financial covenants, including a minimum consolidated interest coverage ratio of 3.00 to 1.00 as well as a consolidated total leverage ratio not to exceed 3.50 to 1.00. This ratio increases to 4.00 to 1.00 for the four quarters following an acquisition provided the acquisition meets certain agreed upon terms. The Accu-Fab acquisition on July 1, 2025 met these terms.

The Company incurred financing costs of \$818 associated with executing the June 26, 2025, amendment. As of December 31, 2025, short-term and long-term balances of \$273 and \$409, respectively, were recorded in prepaid expenses and other current assets and other long-term assets in the Consolidated Balance Sheets. These deferred financing costs will be amortized over the remaining duration of the Credit Agreement.

At December 31, 2025, our consolidated total leverage ratio was 3.68 to 1.00 as compared to a covenant maximum of 4.00 to 1.00 under the Credit Agreement.

At December 31, 2025, our consolidated interest coverage ratio was 5.47 to 1.00 as compared to a covenant minimum of 3.00 to 1.00 under the Credit Agreement.

Under the Credit Agreement, interest is payable quarterly at the adjusted secured overnight financing rate (SOFR) plus an applicable margin based on the current consolidated total leverage ratio (which may be adjusted for certain reserve requirements), plus 1.25% to 2.75% depending on the current consolidated total leverage ratio. Under certain circumstances, we may not be able to pay interest based on SOFR. If that happens, we will be required to pay interest at the Base Rate, which is the sum of the higher of (i) the Prime Rate (as publicly announced by the Agent from time to time), (ii) the Federal Funds Rate plus 0.50%, and (iii) Adjusted Term SOFR for a one-month tenor in effect on such day plus 1.00%. The interest rate was 5.98% and 6.55% as of December 31, 2025 and December 31, 2024, respectively. Additionally, the agreement has a fee on the average daily unused portion of the aggregate unused revolving commitments. This fee was 0.30% and 0.25% as of December 31, 2025 and December 31, 2024, respectively.

The Company was in compliance with all financial covenants of its credit agreements as of December 31, 2025 and December 31, 2024. The amount borrowed on the revolving credit notes was \$202,525 and \$79,725 as of December 31, 2025 and December 31, 2024, respectively.

On February 25, 2026, we entered into an amendment to the Credit Agreement. The February 25, 2026, amendment lowered the amount of total allowable borrowings under the revolving credit facility to \$275,000 from \$350,000 and reduced our minimum consolidated interest coverage ratio to 2.75 to 1.00, through the fourth quarter of 2026. The February 25, 2026, amendment also increased our maximum consolidated leverage ratio to 5.25 to 1.00 for the first and second quarter of 2026, 5.00 to 1.00 for the third quarter of 2026, 4.00 to 1.00 for the fourth quarter of 2026 and 3.50 to 1.00 for 2027 and thereafter. As a result of these financial covenant changes, the interest pricing grid now includes additional interest rate tiers. All other material terms of the Credit Agreement remained unchanged. All amounts borrowed under the Credit Agreement mature on June 28, 2028.

Other Debt

Additionally, the Company has a Fond du Lac County and Fond du Lac Economic Development Corporation term note (Fond du Lac Term Note). The Fond du Lac Term Note is secured by a security agreement, payable in annual installments of \$500 plus interest at 2.00% and is due in full in December 2028. The balance outstanding as of December 31, 2025 and December 31, 2024 was \$1,375 and \$1,875, respectively. As of December 31, 2025, the short-term and long-term balance of \$500 and \$875, respectively. As of December 31, 2024, the short-term and long-term balance was \$500 and \$1,375, respectively. These balances are recorded in other current liabilities and other long-term liabilities in the Consolidated Balance Sheets.

Note 5. Leases

The Company has real property operating leases for office and manufacturing space. Operating leases for the Company's personal property consist of leases for office equipment, vehicles, forklifts and storage tanks for bulk gases. The Company recognizes a right-of-use (ROU) asset and a lease liability for operating leases based on the net present value of future minimum lease payments. Lease expense for the Company's operating leases is recognized on a straight-line basis over the lease term, including renewal periods that are considered reasonably certain. The Company has not elected to recognize right-of-use assets or lease liabilities for leases with a term of twelve months or less.

The Company has finance leases for equipment used throughout its office and manufacturing facilities along with vehicles used by employees. The Company recognizes an ROU asset and a lease liability for finance leases based on the net present value of future minimum lease payments. Lease expense for the Company's finance leases is comprised of the amortization of the ROU asset and interest expense recognized based on the effective interest method.

Variable lease expense is related to certain of the Company's real property leases and personal property leases, and it generally consists of property tax and insurance components that are for the benefit of the lessor (real property leases) and variable overage fees (personal property leases) that are remitted as part of the Company's lease payments.

The components of lease expense were as follows:

	Twelve Months Ended December 31,		
	2025	2024	2023
Finance lease cost:			
Amortization of finance lease assets	\$ 718	\$ 482	\$ 414
Interest on finance lease liabilities	105	42	44
Total finance lease expense	823	524	458
Operating lease expense	6,001	5,350	5,237
Short-term lease expense	1,169	678	610
Variable lease expense	240	233	197
Lease income ⁽¹⁾	(2,184)	(2,163)	(2,070)
Total lease expense	\$ 6,049	\$ 4,622	\$ 4,432

⁽¹⁾ The Company subleased a portion of its Hazel Park, MI and Fond Du Lac, WI facilities starting in June 2022 and September 2023, respectively.

Supplemental information related to leases was as follows:

	<u>Balance Sheet Classification</u>	December 31, 2025	December 31, 2024
Assets:			
Finance lease assets	Property, plant and equipment, net	\$ 3,264	\$ 748
Operating lease assets	Operating lease assets	30,473	28,615
Total lease assets		<u>\$ 33,737</u>	<u>\$ 29,363</u>
Current liabilities:			
Current finance lease liabilities	Other current liabilities	\$ 1,047	\$ 408
Current operating lease liabilities	Current portion of operating lease obligation	6,729	4,914
Noncurrent liabilities:			
Long-term finance lease liabilities	Other long-term liabilities	1,857	282
Long-term operating lease liabilities	Operating lease obligation, less current maturities	25,572	25,412
Total lease liabilities		<u>\$ 35,205</u>	<u>\$ 31,016</u>

	December 31, 2025	December 31, 2024
Weighted average remaining lease term (in years)		
Finance leases	4.0	1.9
Operating leases	5.1	6.3
Weighted average discount rate		
Finance leases	6.18 %	5.80 %
Operating leases	3.75 %	3.18 %

The table below represents ROU asset balances by type of lease:

	December 31, 2025	December 31, 2024
Real estate leases	\$ 28,984	\$ 27,169
Equipment leases	3,831	1,929
Vehicle leases	922	265
Total lease assets	<u>\$ 33,737</u>	<u>\$ 29,363</u>

Maturities of lease liabilities at December 31, 2025 and minimum lease payments under ASC 842 having initial or remaining non-cancellable terms in excess of one year were as follows:

Year ending December 31,	Operating Leases	Finance Leases	Total
2026	7,770	1,170	8,940
2027	7,799	973	8,772
2028	6,436	512	6,948
2029	4,729	323	5,052
2029	4,331	177	4,508
Thereafter	4,390	29	4,419
Total lease payments	35,455	3,184	38,639
Less: imputed interest	(3,154)	(280)	(3,434)
Total lease obligations	\$ 32,301	\$ 2,904	\$ 35,205

Lease related supplemental cash flow information:

	Twelve Months Ended December 31,		
	2025	2024	2023
Cash paid for amounts included in the measurement of lease liabilities for finance leases:			
Operating cash flows	\$ 84	\$ 42	\$ 44
Financing cash flows	\$ 1,034	\$ 607	\$ 404
Cash paid for amounts included in the measurement of lease liabilities for operating leases:			
Operating cash flows	\$ 6,985	\$ 5,947	\$ 5,824
Right-of-use assets obtained in exchange for recorded lease obligations:			
Operating leases	\$ 3,834	\$ 1,749	\$ 455
Finance leases	\$ 2,994	\$ 383	\$ 2

ROU assets are assessed for impairment in accordance with the Company's long-lived asset policy. The Company reassesses lease classification and remeasures ROU assets and lease liabilities when a lease is modified, and that modification is not accounted for as a separate new lease or upon certain other events that require reassessment in accordance with ASC 842.

Note 6. Employee stock ownership plan

Under the ESOP, the Company can make annual discretionary contributions to the trust for the benefit of eligible employees in the form of cash or shares of common stock of the Company subject to the Board of Directors' approval. For each of the twelve months ended December 31, 2025, 2024 and 2023, the Company recorded no ESOP expense.

As of January 1, 2023, the Company amended the plan reducing the distribution period from five years to three years. Additionally, as of January 1, 2025, the Company amended the plan reducing the distribution period from three years to a full distribution on the annual distribution date of the year following separation from the Company.

As of January 1, 2025, the in-service diversification percentage allowed increased from 25% at age 50 with 10 years of service to 50% and at age 55 with 10 years of service, the percentage allowed increased from 50% to 75%.

At various times following death, disability, retirement, termination of employment or the exercise of diversification rights, an ESOP participant is entitled to receive their ESOP account balance in accordance with various distribution methods as permitted under the policies adopted by the ESOP.

As of December 31, 2025 and December 31, 2024, the ESOP shares consisted of 1,903,861 and 3,474,467 in allocated shares, respectively.

Note 7. Retirement plans

The Mayville Engineering Company, Inc. 401(k) Plan (the 401(k) Plan) covers substantially all employees meeting certain eligibility requirements. The 401(k) Plan is a defined contribution plan and is intended for eligible employees to defer tax-free contributions to save for retirement. Employees may contribute up to 50% of their eligible compensation to the 401(k) Plan, subject to the limits of Section 401(k) of the Internal Revenue Code.

As of January 1, 2023, the Company implemented an employer match program to the 401(k) Plan. The Company now provides a 50% match for employee contributions, up to 6%. For the twelve months ended December 31, 2025, 2024 and 2023, the Company's employer match expense was \$3,453, \$3,380 and \$3,232, respectively. Additionally, the 401(k) Plan provides for employer discretionary profit-sharing contributions and the Board of Directors may authorize discretionary profit-sharing contributions (which are usually approved at the end of each calendar year).

Note 8. Income taxes

Income taxes are included in the Consolidated Statements of Comprehensive Income at December 31, 2025, 2024 and 2023 are summarized as follows:

	December 31, 2025	December 31, 2024	December 31, 2023
Current income tax expense (benefit)			
U.S. Federal	\$ (96)	\$ 1,401	\$ —
State	314	1,258	191
Total	218	2,659	191
Deferred income tax expense (benefit)			
U.S. Federal	(5,006)	4,141	808
State	(1,161)	796	40
Total	(6,167)	4,937	848
Total income tax expense (benefit)	<u>\$ (5,949)</u>	<u>\$ 7,596</u>	<u>\$ 1,039</u>

A reconciliation of the statutory federal income tax provision to the income tax provision from continuing operations provided for the twelve months ended December 31, 2025, 2024 and 2023 is as follows:

	Twelve Months Ended December 31,					
	2025		2024		2023	
	Amount	% of Pre-Tax Income	Amount	% of Pre-Tax Income	Amount	% of Pre-Tax Income
U.S. federal statutory income tax rate	\$ (2,950)	21.0 %	\$ 7,048	21.0 %	\$ 1,865	21.0 %
State and local income taxes, net of federal income tax effect ⁽¹⁾	(849)	6.0 %	1,843	5.5 %	162	1.8 %
Effect of changes in tax laws or rates enacted in the current period	—	— %	—	— %	182	2.1 %
Nontaxable or nondeductible items						
Executive compensation	331	(2.4)%	473	1.4 %	90	1.0 %
Stock compensation	674	(4.8)%	(1,057)	(3.2)%	(162)	(1.8)%
Other	69	(0.5)%	(56)	(0.2)%	250	2.8 %
Tax credits						
Research and development tax credits	(2,444)	17.4 %	(766)	(2.3)%	(1,800)	(20.3)%
Changes in unrecognized tax benefits	509	(3.6)%	111	0.3 %	478	5.4 %
Other adjustments						
Automation & technology infrastructure	(1,327)	9.4 %	—	— %	—	— %
Other	38	(0.3)%	—	— %	(26)	(0.3)%
Effective tax rate	<u>\$ (5,949)</u>	<u>42.2 %</u>	<u>\$ 7,596</u>	<u>22.6 %</u>	<u>\$ 1,039</u>	<u>11.7 %</u>

⁽¹⁾ For the year ended December 31, 2025, the net state income tax benefit includes deferred tax effects from temporary differences primarily in Iowa, Pennsylvania and Wisconsin, offset by current state income tax expense in Pennsylvania and Texas. These jurisdictions collectively represent more than 50% of the net state and local income tax effect.

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and liabilities are presented below:

	December 31, 2025	December 31, 2024
Deferred tax assets:		
Deferred compensation	\$ 2,854	\$ 2,990
Inventory reserves	635	575
Non-inventory uniform capitalization	869	831
Accrued expenses	624	555
Right of use lease liabilities	7,837	7,380
Credits	2,327	—
Net operating loss	4,528	741
Interest expense	7	1,695
Other	379	302
Total deferred tax assets	<u>20,060</u>	<u>15,069</u>
Deferred tax liabilities:		
Property, plant and equipment	19,639	20,948
Intangible assets	4,322	3,980
Right of use assets	7,393	6,964
Other	4	8
Total deferred tax liabilities	<u>31,358</u>	<u>31,900</u>
Valuation allowance	—	—
Net deferred tax liability	<u>\$ (11,298)</u>	<u>\$ (16,831)</u>

The Company has federal net operating loss carryforwards of \$3,686 and state net operating carryforwards of \$842. The federal net operating loss is indefinite in nature and the state federal net operating loss begins to expire in 2038.

Uncertain Tax Positions

Based on the Company's evaluation, there is one unrecognized tax benefit requiring recognition in its financial statements as of December 31, 2025. Any interest and penalties related to uncertain tax positions are recorded in income tax expense. The entire balance of unrecognized tax benefits as of December 31, 2025, if recognized, would affect the Company's effective tax rate. The Company files income tax returns in the United States federal jurisdiction and in various state and local jurisdictions. Federal tax returns for tax years beginning January 1, 2022, and state tax returns beginning January 1, 2021 are open for examination.

Details of Unrecognized Tax Benefits

The following is a reconciliation of beginning and ending amounts of unrecognized tax benefits:

Balance as of December 31, 2022	\$ 384
Increase from current year tax positions	1,099
Increase from prior year tax positions	217
Decrease from expiration of statute of limitations	(25)
Balance as of December 31, 2023	<u>1,675</u>
Increase from current year tax positions	199
Decrease from prior year tax positions	(958)
Decrease from expiration of statute of limitations	(33)
Balance as of December 31, 2024	<u>883</u>
Increase from current year tax positions	286
Increase from prior year tax positions	223
Balance as of December 31, 2025	<u>\$ 1,392</u>

Total income taxes paid for the twelve months ended December 31, 2025, 2024 and 2023 are presented below:

	December 31, 2025	December 31, 2024	December 31, 2023
U.S. Federal	\$ 634	\$ 261	\$ 63
State and local taxes			
Illinois	42	42	—
Michigan	—	104	—
Mississippi	—	27	42
Ohio	(60)	389	145
Pennsylvania	156	92	(54)
South Carolina	—	(123)	10
Texas	343	75	74
Virginia	10	135	60
Wisconsin	238	(566)	—
Other	—	28	11
Total income taxes paid	<u>\$ 1,363</u>	<u>\$ 464</u>	<u>\$ 351</u>

Note 9. Commitments and contingencies

Litigation

On August 4, 2022, the Company filed a lawsuit against Peloton Interactive, Inc. (“Peloton”) in the Supreme Court of the State of New York, New York County. The lawsuit arose from a March 2021 Supply Agreement between the parties, pursuant to which MEC was to manufacture and supply custom component parts for Peloton’s exercise bikes (the “Manufacturing Project”). In the lawsuit, the Company originally asserted two claims (1) breach and anticipatory repudiation of contract and (2) breach of the duty of good faith and fair dealing (pleaded in the alternative). In January 2023, in response to Peloton’s motion to dismiss, the court allowed the first claim to proceed and dismissed the alternative claim. In the remaining claim, MEC asserted that Peloton breached and anticipatorily repudiated the Supply Agreement by unilaterally cancelling the Manufacturing Project, and refusing to pay MEC certain monthly fixed revenue payments owed under the terms of the Supply Agreement. The parties cross-appealed the court’s order on the motion to dismiss – Peloton appealed the portion of the order that denied the motion to dismiss the claim for breach and anticipatory repudiation of contract and MEC appealed the portion of the order that dismissed the claim for breach of duty of good faith and fair dealing. On April 11, 2024, the First Department, Appellate Division issued a decision and order affirming the court’s order on the motion to dismiss and affirming the court’s dismissal of the alternate claim of good faith and fair dealing. On November 3, 2023, Peloton filed a counterclaim alleging that Peloton was induced by fraud to enter into the Supply Agreement and seeking rescission of the Supply Agreement and damages, among other forms of relief. On November 22, 2023, the Company answered Peloton’s counterclaim, denying the allegations in the counterclaim.

On October 28, 2024, the Company and Peloton entered into a formal Settlement Agreement (the “Agreement”) to resolve this lawsuit. Under the terms of the Agreement, MEC and Peloton agreed to dismiss the lawsuit and exchange mutual releases, and MEC received a gross payment of \$25,500 from Peloton in the fourth quarter of the current year, with no admission of liability by either party.

From time to time, the Company may be involved in various claims and lawsuits, both for and against the Company, arising in the normal course of business. Although the results of litigation and claims cannot be predicted with certainty, in management’s opinion, either the likelihood of loss is remote, or any reasonably possible loss associated with the resolution of such proceedings is not expected to have a material adverse impact on the consolidated financial statements.

Note 10. Deferred compensation

The Mayville Engineering Company Deferred Compensation Plan is available for certain employees designated to be eligible to participate by the Company and approved by the Board of Directors. Eligible employees may elect to defer a portion of their compensation for any plan year and the deferral cannot exceed 50% of the participant’s base salary and may include the participant’s annual short-term cash incentive up to 100%. The participant’s election must be made prior to the first day of the plan year.

An employer contribution will be made for each participant to reflect the amount of any reduced allocations to the ESOP and/or 401(k) employer contributions due solely to the participant's deferral amounts, as applicable. In addition, a discretionary amount may be awarded to a participant by the Company.

Deferrals are assumed to be invested in an investment vehicle based on the options made available to the participant (which does not include Company stock).

The deferred compensation plan provides benefits payable upon separation of service or death. Payments are to be made 30 days after date of separation from service, either in a lump-sum payment or up to five annual installments as elected by the participant when the participant first elects to defer compensation.

The deferred compensation plan is non-funded, and all future contributions are unsecured in that the employees have the status of a general unsecured creditor of the Company and the agreements constitute a promise by the Company to make benefit payments in the future. During the twelve months ended December 31, 2025, 2024 and 2023, eligible employees elected to defer compensation of \$837, \$626 and \$490, respectively. As of December 31, 2025 and 2024, the short-term portion accrued for all benefit years less than 12 months under this plan was \$1,000 and \$251, respectively, which is included within other current liabilities on the Consolidated Balance Sheets. As of December 31, 2025 and 2024, the long-term portion accrued for all benefit years greater than 12 months under this plan was \$5,240 and \$4,719. These amounts include the initial deferral of compensation and were adjusted for changes in the value of investment options chosen by the participants. Total expense for the deferred compensation plan for the twelve months ended December 31, 2025, 2024 and 2023 amounted to \$687, \$524 and \$942, respectively. These expenses are included in bonuses and deferred compensation on the Consolidated Statements of Comprehensive Income (Loss). Additionally, the Company made distributions of \$253, \$286 and \$18,520 for the twelve months ended December 31, 2025, 2024 and 2023, respectively.

Note 11. Self-Funded insurance

The Company is self-funded for the medical benefits provided to its employees and their dependents. Healthcare costs are expensed as incurred and are based upon actual claims paid, reinsurance premiums, administration fees and estimated unpaid claims. The Company has an aggregate stop loss limit to mitigate risk. Expense related to this contract were \$19,041, \$24,014 and \$20,292 for the twelve months ended December 31, 2025, 2024 and 2023, respectively. An estimated accrued liability of \$891 and \$1,184 was recorded as of December 31, 2025 and December 31, 2024, respectively, for estimated unpaid claims and is included within other current liabilities on the Consolidated Balance Sheets.

Note 12. Segments

The Company operates as a single reporting unit and single reporting segment, and that is managed on a consolidated basis. The Company derives revenue from its customers by providing value-added manufacturing solutions ranging from concept to production, including prototyping and tooling, production fabrication, coating, assembly and aftermarket components. The accounting policies of the Company's one operating segment are the same as those described in the summary of significant accounting policies. The Company's chief operating decision maker (CODM) is regularly provided with and assesses performance for its one operating segment with only the consolidated expenses and net income as presented in the Consolidated Statements of Comprehensive Income.

The CODM uses these performance measures to evaluate the Company's profitability, deciding whether to reinvest profits into the segment or into other parts of the entity, such as acquisitions or to buy back Company common stock and monitor budget versus actual results.

All sales are generated and all assets are located within the United States and the business activities are managed at a consolidated level.

The Company's Chief Executive Officer is the CODM.

Note 13. Fair value of financial instruments

Fair value provides information on what the Company may realize if certain assets were sold or might pay to transfer certain liabilities based upon an exit price. Financial assets and liabilities that are measured and reported at fair value are classified into a

three-level hierarchy that prioritizes the inputs used in the valuation process. A financial instrument's categorization within the valuation hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The hierarchy is based on the observability and objectivity of the pricing inputs, as follows:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Significant directly observable data (other than Level 1 quoted prices) or significant indirectly observable data through corroboration with observable market data. Inputs would normally be (i) quoted prices in active markets for similar assets or liabilities, (ii) quoted prices in inactive markets for identical or similar assets or liabilities or (iii) information derived from or corroborated by observable market data. Long-term debt is classified as a Level 2 fair value input.
- Level 3 – Prices or valuation techniques that require significant unobservable data inputs. These inputs would normally be the Company's own data and judgements about assumptions that market participants would use in pricing the asset or liability.

The following table lists the Company's financial assets and liabilities accounted for at fair value by the fair value hierarchy:

	Balance at December 31, 2025	Fair Value Measurements at Report Date Using		
		(Level 1)	(Level 2)	(Level 3)
Deferred compensation liability	\$ 6,240	\$ 6,240	\$ —	\$ —
Total	\$ 6,240	\$ 6,240	\$ —	\$ —

	Balance at December 31, 2024	Fair Value Measurements at Report Date Using		
		(Level 1)	(Level 2)	(Level 3)
Deferred compensation liability	\$ 4,969	\$ 4,969	\$ —	\$ —
Total	\$ 4,969	\$ 4,969	\$ —	\$ —

Fair value measurements for the Company's cash and cash equivalents are classified based upon Level 1 measurements because such measurements are based upon quoted market prices in active markets for identical assets.

Accounts receivable, accounts payable, long-term debt and accrued liabilities are recorded in the Consolidated Balance Sheets at cost and approximate fair value.

Deferred compensation liabilities are recorded at amounts due to participants at the time of deferral. Deferrals are invested in an investment vehicle based on the options made available to the participant, considered to be Level 1 or Level 2 on the fair value hierarchy, with the current balance all as Level 1. The change in fair value is recorded in the profit sharing, bonuses, and deferred compensation line item on the Consolidated Statements of Comprehensive Income. The short-term and long-term balances due to participants are reflected on the current portion of deferred compensation and deferred compensation, less current portion line items, respectively, on the Consolidated Balance Sheets.

The Company's non-financial assets such as goodwill, intangible assets and property, plant and equipment are re-measured at fair value when there is an indication of impairment and adjusted only when an impairment charge is recognized. For the years ended December 31, 2025, 2024 and 2023, there was no impairment recognized for the year.

Note 14. Revenue recognition

Contract Assets and Contract Liabilities

The Company has contract assets and contract liabilities, which are included in tooling in progress and other current liabilities on the Consolidated Balance Sheets, respectively. Contract assets primarily consist of capitalized costs related to customer-owned tooling contracts, wherein the Company has not yet met performance obligations. Contract liabilities include deferred tooling revenue, where the performance obligation was not met. The performance obligation is satisfied when the tooling is completed and the

customer signs off through the Product Part Approval Process or other documented customer acceptance, either at a point in time or over a period of time is when revenue is recognized. Cost of goods sold is recognized and released from the balance sheet when control of the tooling promised under contract is transferred to the customer.

The Company's contracts with customers are short-term in nature; therefore, revenue is typically recognized, billed and collected within a 12-month period. The following table reflects the changes in our contract assets and liabilities during the twelve months ended December 31, 2025, 2024 and 2023.

	Contract Assets	Contract Liabilities
As of December 31, 2022	\$ 7,938	6,141
Net activity	<u>(2,481)</u>	<u>(2,506)</u>
As of December 31, 2023	5,457	3,635
Net activity	<u>(696)</u>	<u>(173)</u>
As of December 31, 2024	\$ 4,761	\$ 3,462
Net activity	<u>(15)</u>	<u>(147)</u>
As of December 31, 2025	<u>\$ 4,746</u>	<u>\$ 3,315</u>

Revenue recognized from deferred revenue that was recorded as a contract liability at the beginning of the fiscal year was \$2,883, \$2,559 and \$4,856 in 2025, 2024 and 2023, respectively.

Disaggregated Revenue

The following tables represents a disaggregation of revenue by product category and end market:

Product Category	Twelve Months Ended December 31,		
	2025	2024	2023
Outdoor sports	\$ 7,418	\$ 7,904	\$ 9,017
Fabrication	281,868	307,548	342,689
Performance structures	168,123	172,923	136,819
Tube	71,176	70,004	76,322
Tank	33,244	44,171	43,947
Total	561,829	602,550	608,794
Intercompany sales elimination	<u>(15,342)</u>	<u>(20,946)</u>	<u>(20,369)</u>
Total, net sales	<u>\$ 546,487</u>	<u>\$ 581,604</u>	<u>\$ 588,425</u>

End Market	Twelve Months Ended December 31,		
	2025	2024	2023
Commercial vehicle	177,663	219,911	225,252
Construction & access	81,033	92,757	105,228
Powersports	85,706	99,616	97,788
Data center & critical power	52,143	17,468	7,716
Agriculture	35,941	47,615	57,231
Military	30,936	28,906	37,311
Other	83,065	75,331	57,899
Total, net sales	<u>\$ 546,487</u>	<u>\$ 581,604</u>	<u>\$ 588,425</u>

In connection with the acquisition of Accu-Fab, the Company added a new end market category, data center & critical power to its revenue disaggregation. As a result, revenue previously reported within other has been reclassified to data center & critical power for all periods presented. Specifically \$17,468 and \$7,716 of revenue for the twelve months ended December 31, 2024 and 2023, respectively, were reclassified from other to data center & critical power to conform to the current period presentation.

Note 15. Common equity

At December 31, 2025, the authorized stock of the Company consisted of 75,000,000 shares of common stock without par value.

Changes in outstanding common shares are summarized as follows:

	Twelve Months Ended December 31,		
	2025	2024	2023
Beginning balance	20,416,908	20,310,584	20,172,746
Treasury stock purchases	(304,136)	(340,305)	(184,964)
Common stock issued (including share-based compensation impact)	205,598	446,629	322,802
Ending balance	<u>20,318,370</u>	<u>20,416,908</u>	<u>20,310,584</u>

Note 16. Earnings per share

The Company computes earnings per share in accordance with ASC Topic 260, *Earnings per Share*. In accordance with ASC 260, outstanding options will be considered to have been exercised and outstanding as of the beginning of the period if the average market price of the common stock during the period exceeds the exercise price of the options (they are “in the money”), and the assumed exercise of the options do not have an anti-dilutive impact on earnings per share.

A reconciliation of basic and diluted net income per share attributable to the Company were as follows:

	Twelve Months Ended December 31,		
	2025	2024	2023
Net income (loss) attributable to MEC	\$ (8,110)	\$ 25,968	\$ 7,844
Weighted average shares outstanding	20,471,356	20,611,192	20,415,157
Basic income (loss) per share	<u>\$ (0.40)</u>	<u>\$ 1.26</u>	<u>\$ 0.38</u>
Weighted average shares outstanding	20,471,356	20,611,192	20,415,157
Effect of dilutive stock-based compensation	-	361,000	283,813
Total potential shares outstanding	<u>20,471,356</u>	<u>20,972,192</u>	<u>20,698,970</u>
Diluted income (loss) per share	<u>\$ (0.40)</u>	<u>\$ 1.24</u>	<u>\$ 0.38</u>

There were no options in the money that were excluded in the computation of diluted earnings per share for the twelve months ended December 31, 2025, 2024 and 2023 that had an anti-dilutive impact on earnings per share.

Note 17. Concentration of major customers

The following customers accounted for 10% or greater of the Company’s recorded net sales and net trade receivables:

Customer	Net Sales			Accounts Receivable	
	Twelve Months Ended December 31,			As of	As of
	2025	2024	2023	December 31, 2025	December 31, 2024
A	13.6 %	16.8 %	15.0 %	<10 %	11.1 %
B	10.0 %	11.3 %	14.8 %	<10 %	<10 %
C	<10 %	<10 %	10.6 %	<10 %	<10 %
D	<10 %	<10 %	<10 %	10.9 %	15.2 %

Note 18. Stock-based compensation

The Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan provided the Company the ability to grant monetary payments based on the value of its common stock, up to 2,000,000 shares.

On April 20, 2021, shareholders of the Company approved an amendment to the 2019 Omnibus Incentive Plan increasing the number of shares of common stock authorized for issuance by 2,500,000 shares.

The Company recognizes stock-based compensation using the fair value provisions prescribed by ASC 718, *Compensation – Stock Compensation*. Our stock-based compensation consists of stock options, restricted stock units (RSUs) and performance stock units (PSUs). The total number of shares of the Company’s common stock still available for issuance under the 2019 Omnibus Incentive Plan as of December 31, 2025 is 1,683,051.

Cancellations and forfeitures are accounted for as incurred. The Company recognizes expense for all stock-based compensation on a straight-line basis over the vesting period of the entire award.

For the twelve months ended December 31, 2025, 2024 and 2023, the Company recorded stock-based compensation expense of \$3,278, \$5,186 and \$4,485, respectively.

Stock Options

Stock option grants to employees vest equally over a two-year period beginning the subsequent year to the anniversary of the grant date and expire 10 years subsequent to the grant date.

The Company did not grant employees stock options in 2024 or 2025. Stock-based compensation expense related to stock options is calculated by estimating the fair value of non-qualified stock options at the time of grant and is amortized over the stock options’ vesting period. The Company recognized \$173, \$1,125 and \$1,484 of compensation expense with stock options for the twelve months ended December 31, 2025, 2024 and 2023, respectively.

The activity for stock options is summarized as follows:

	Number of Options	Weighted-Average Exercise Price
Options nonvested as of December 31, 2023	186,349	\$ 17.37
Grants	—	—
Forfeitures	(42,651)	14.97
Vested	(29,997)	9.85
Options nonvested as of December 31, 2024	<u>113,701</u>	<u>\$ 20.25</u>
Grants	—	—
Forfeitures	—	—
Vested	(113,701)	15.99
Options nonvested as of December 31, 2025	<u>—</u>	<u>\$ —</u>

During the twelve months ended December 31, 2025 and 2024, options exercised were 125,363 and 879,388 respectively, with a weighted average strike price of \$11.69 and \$9.85, respectively, resulting in 22,283 and 264,247, respectively, of Company issued shares.

As of December 31, 2025, there were 35,009, 43,291, 77,427, 155,173 and 24,814 options issued and outstanding at exercise prices of \$17.00, \$14.01, \$10.32, \$16.22 and \$14.12 per share, respectively, with a remaining weighted average contractual life of 7.79 years. The intrinsic values of these outstanding options were \$1.72, \$4.71, \$8.40, 2.50 and \$4.60, respectively, based on the Company’s stock price as of December 31, 2025.

The Company uses the Black-Scholes valuation model to estimate the fair value of stock options which were \$9.28 for those options granted during the year ended December 31, 2023. There were no stock options granted during 2025 and 2024.

The Company utilized the following assumptions in determining these fair values:

Assumptions	2023
Stock price at date of grant/exercise price	\$ 14.12
Expected term (in years)	5.75
Estimated volatility	% 58.5
Estimated risk-free rate of return	% 3.9
Expected dividend yield	% 0.0

The Company does not have historical option exercise data to estimate the expected term. For options granted, the Company utilizes the simplified method prescribed by Staff Accounting Bulletin (SAB) Topic 14 to estimate the expected term, which is calculated as the average of the vesting term and the contractual term. The option grants have a contractual life of 10 years and a requisite service period, or vesting term, of 2 years with 50% vesting on the annual anniversary dates. Applying the simplified method, the Company calculated the expected terms of each tranche to be 5.5 years and 6.0 years resulting in an average expected term of 5.75 years for these awards. The Company will continue to employ the simplified method until more relevant detailed information becomes available from which to make this estimate.

Restricted Stock Units

The Company granted 341,490 and 427,171 RSUs inclusive of non-employee director awards in 2025 and 2024, respectively. A total of 59,670 and 55,962 RSUs were granted to non-employee directors in 2025 and 2024, respectively, which vested the subsequent year to the grant date. The Company recognized \$3,160, \$3,686 and \$3,001 of compensation expense associated with RSUs during the twelve months ended December 31, 2025, 2024 and 2023, respectively.

With the exception of the non-employee director grants, RSUs are earned based on service over the vesting period. RSUs granted to employees vest ratably over a two- or three-year period beginning the subsequent year to the anniversary of the grant date. The expense is based on the fair value of the Company's shares which is equivalent to the adjusted closing stock price at the date of the grant.

The activity for RSUs is summarized as follows:

	Number of Units	Weighted-Average Grant Date Fair
Nonvested as of December 31, 2023	369,612	\$ 12.99
Grants	427,171	13.15
Forfeitures	(31,094)	13.65
Vested	(249,626)	12.59
Nonvested as of December 31, 2024	516,063	\$ 13.28
Grants	341,490	14.05
Forfeitures	(92,426)	13.66
Vested	(295,606)	13.27
Nonvested as of December 31, 2025	469,521	\$ 13.77

Performance Share Units

The Company granted 169,062 and 110,710 of PSUs in 2025 and 2024, respectively. The PSUs are earned based on the achievement of pre-determined financial performance goals at the end of a three-year performance measurement period. The Company recognized (\$55) and \$375 of compensation expense associated with performance share units during the twelve months ended December 31, 2025 and 2024, respectively.

The performance goals for the PSUs granted are weighted 50% on the 3-year average of the Company's Return on Invested Capital ("ROIC") and 50% on the Company's adjusted EBITDA target. ROIC represents net operating profit after taxes divided by invested capital for the represented period. Adjusted EBITDA represents net income before interest expense, provision for income taxes, depreciation, amortization, stock-based compensation expense, legal costs due to the former fitness customer and adjusted for items to be determined unusual in nature or infrequent in occurrence for the performance period, as approved by the Compensation

Committee. The number of earned PSUs can range from 50% (threshold) to 200% (maximum) of the target award, with no PSUs earned for performance below the threshold level.

The activity for performance share units is summarized as follows:

	Number of Units	Weighted-Average Grant Date Fair
Nonvested as of December 31, 2023	\$ —	\$ —
Grants	110,710	12.85
Forfeitures	—	—
Vested	—	—
Nonvested as of December 31, 2024	<u>\$ 110,710</u>	<u>\$ 12.85</u>
Grants	169,062	14.35
Forfeitures	(22,646)	12.85
Vested	—	—
Nonvested as of December 31, 2025	<u>\$ 257,126</u>	<u>\$ 13.84</u>

The Company uses the Monte Carlo valuation model to determine fair value of the PSU grants.

A roll-forward of unrecognized stock-based compensation expense is displayed in the table below. Unrecognized stock-based compensation expense as of December 31, 2025 will be expensed over the remaining requisite service period from which individual award values relate, up to August 20, 2027.

	RSUs	PSUs	Options	Total
Balance as of December 31, 2023	\$ 2,304	\$ —	\$ 1,513	\$ 3,817
Grants	5,618	1,423	—	7,041
Forfeitures	(425)	—	(33)	(458)
Expense	(3,686)	(375)	(1,125)	(5,186)
Balance as of December 31, 2024	<u>\$ 3,811</u>	<u>\$ 1,048</u>	<u>\$ 356</u>	<u>\$ 5,215</u>
Grants	4,797	2,426	—	7,223
Forfeitures	(1,260)	(2,634)	—	(3,894)
Expense	(2,977)	55	(356)	(3,278)
Balance as of December 31, 2025	<u>\$ 4,371</u>	<u>\$ 895</u>	<u>\$ —</u>	<u>\$ 5,266</u>

Note 19. Restructuring

On August 5, 2025, the Company initiated a restructuring plan (the Plan) designed to reduce fixed costs and optimize its operational footprint. The Plan provided for the consolidation of three warehouses and one manufacturing facility into the Company's other facilities and is expected to be completed by December 31, 2026.

The Company expects to incur aggregate charges of between \$5,000 and \$7,000 in total restructuring costs, which includes approximately \$5,000 for equipment relocation and footprint optimization and approximately \$1,000 in asset write-downs and related charges. Total restructuring charges incurred during the twelve months ended December 31, 2025 were \$864, recorded in cost of sales in the Consolidated Statements of Comprehensive Income (Loss). The Company expects to incur additional charges under the Plan in future periods as implementation progresses. Restructuring charges during the twelve months ended December 31, 2025, were as follows:

	Equipment Relocation and Footprint Optimization		Asset Write-downs	Total
Amount recognized in cost of sales	\$ 748	\$ 116	\$ —	\$ 864
Cash paid for restructuring expenses	\$ 505	\$ —	\$ —	\$ 505

Note 20. Valuation and qualifying accounts

Description	Balance at beginning of period	Additions	Deductions	Balance at end of period
Year ended December 31, 2025				
Allowance for doubtful accounts	\$ 248	\$ 391	\$ 62	\$ 577
Year ended December 31, 2024				
Allowance for doubtful accounts	\$ 685	\$ 464	\$ 901	\$ 248
Year ended December 31, 2023				
Allowance for doubtful accounts	\$ 545	\$ 447	\$ 307	\$ 685

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Securities Exchange Act of 1934, as amended (the Exchange Act), is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow for timely decisions regarding required disclosure. In designing disclosure controls and procedures, our management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible disclosure controls and procedures. The design of any disclosure controls and procedures also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired objectives.

As of December 31, 2025, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of December 31, 2025. Management believes the consolidated financial statements included in this Annual Report on Form 10-K fairly present, in all material respects, our financial position, results of operations and cash flows as of the dates presented, and for the periods ended on such dates, in conformity with accounting principles generally accepted in the United States of America (GAAP).

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP. Our internal control over financial reporting includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Our management, under the supervision of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our internal control over financial reporting as of the end of the most recent fiscal year, December 31, 2025, utilizing the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in the *Internal Control-Integrated Framework* (2013). Based on this evaluation, our management concluded that we maintained effective internal control over financial reporting as of December 31, 2025. In accordance with guidance issued by the Securities and Exchange Commission staff, companies are permitted to exclude acquisitions from their assessment of internal control over financial reporting for the first fiscal year in which the acquisition occurred. Accordingly, in conducting this assessment, our management excluded Accu-Fab, Inc., which was acquired on July 1, 2025, and whose financial statements constitute 2% and 3% of net and total assets (excluding acquired goodwill and intangibles which were included in management's assessment of internal control over financial reporting as of December 31, 2025), respectively, and 7% of net sales of the consolidated financial statement amounts as of and for the year ended December 31, 2025.

Deloitte & Touche LLP, our independent registered public accounting firm, has issued an attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2025. Consistent with management, Deloitte & Touch LLP's internal control over financial reporting opinion excluded Accu-Fab, Inc.

Previously Disclosed Material Weakness

In fiscal year 2024, management identified deficiencies in the design and operating effectiveness of internal control over financial reporting related to the review and approval of journal entries that constituted a material weakness. During fiscal year 2025, management under the oversight of the Audit Committee implemented measures to remediate the material weakness, including:

- Enhanced the design of controls over the review and approval of journal entries to ensure that all journal entries are reviewed and approved in accordance with Company policy; and
- Provided additional training to personnel involved in the preparation and review of journal entries to ensure they understand and adhere to the revised control procedures.

We have completed the design and operating effectiveness testing of the enhanced controls. Based on this testing, our Chief Executive Officer and Chief Financial Officer concluded that the previously disclosed material weakness was remediated as of December 31, 2025.

Changes in Internal Control Over Financial Reporting

Other than the acquisition of Accu-Fab, which has been excluded from management's assessment as described above, and the remediation of the previously identified material weakness, there were no changes in internal control over financial reporting during the three months ended December 31, 2025 that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Item 9B. Other Information.

10b5-1 Trading Arrangements

On December 16, 2025, Jagadeesh A. Reddy, President and Chief Executive Officer, adopted a Rule 10b5-1 trading arrangement. Mr. Reddy's trading plan provides for the potential sale of up to 56,078 shares of the Company's common stock subject to vesting of the Company's restricted stock units until March 15, 2028. This trading plan was entered into during an open insider trading window and is intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended, and the Company's policies regarding transactions in the Company's securities.

During the three months ended December 31, 2025, no other director or Section 16 officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K.

Discretionary Cash Bonuses

On March 2, 2026, the Compensation Committee of the Board of Directors of the Company approved a one-time cash bonus for certain executives, including Messrs. Reddy, Raber, Leuba, Nichols and Ms. Lehr, in connection with their successful completion of the acquisition of Accu-Fab in July 2025. The cash bonuses were awarded in recognition of the officers' diligent and extraordinary efforts and contributions in securing a strategically significant, immediately accretive transaction for the Company and its shareholders.

The Compensation Committee approved awards, payable as soon as practicable, of \$370,000, \$170,000, \$165,000, \$105,000 and \$150,000 to Messrs. Reddy, Raber, Leuba, Nichols and Ms. Lehr, respectively. These awards were considered a special, one-time bonus and not part of the Company's annual incentive awards.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The information required by this Item is included under the captions “Election of Directors”, “Corporate Governance” and “Delinquent Section 16(a) Reports” in the Company’s definitive proxy statement for its 2026 annual meeting of shareholders (Proxy Statement) and is hereby incorporated herein by reference. Information with respect to the executive officers of the Company appears in Item 1 of this Annual Report on Form 10-K.

The Company has adopted a Code of Conduct and Ethics that applies to all of the Company’s directors, officers and employees, including the Company’s Chief Executive Officer and Chief Financial Officer and other persons performing similar functions. The Company has posted a copy of the Code of Conduct and Ethics on its website at www.mecinc.com. The Company intends to satisfy the disclosure requirements under Item 5.05 of Form 8-K regarding amendments to, or waivers from, the Code of Conduct and Ethics by posting such information on its website at www.mecinc.com. The Company is not including the information contained on its website as part of, or incorporating it by reference into, this report.

The Company has insider trading policies and procedures that govern transactions in its securities by directors, officers and employees. We believe these policies and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations and applicable listing standards. A copy of our insider trading policy is filed with this Annual Report on Form 10-K as Exhibit 19.

Item 11. Executive Compensation.

The information required by this Item is included under the captions “Corporate Governance – Transactions with Related Persons,” “Executive Compensation” and “2025 Director Compensation” in the Proxy Statement and is hereby incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this Item with respect to security ownership of certain beneficial owners and management is included under the caption “Principal Shareholders” in the Proxy Statement and is hereby incorporated by reference.

The following table sets forth information with respect to compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2025:

Plan Category	Number of securities issued or to be issued upon vesting of units or exercise of outstanding options, warrants, and rights	Weighted average exercise price of outstanding options, warrants and rights ⁽¹⁾	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders ⁽²⁾	2,816,950	\$ 14.50	1,683,051
Equity compensation plans not approved by security holders	—	—	—
Total	2,816,950	\$ 14.50	1,683,051

⁽¹⁾ Represents weighted average exercise price of 335,713 outstanding options and does not take into account restricted stock units or performance stock units.

⁽²⁾ Consists of the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this Item is included under the caption “Corporate Governance” in the Proxy Statement and is hereby incorporated by reference.

Item 14. Principal Accounting Fees and Services.

The information required by this Item is included under the caption “Miscellaneous – Independent Registered Public Accounting Firm” in the Proxy Statement and is hereby incorporated by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

Consolidated Financial Statements

The consolidated financial statements listed in the accompanying index to the consolidated financial statements are filed as part of this Annual Report on Form 10-K.

Financial Statement Schedules

All financial statement schedules have been omitted because they are not applicable or the required information is included in the consolidated financial statements and the related notes thereto.

Exhibits

The exhibits listed in the exhibit index below are filed as part of this Annual Report on Form 10-K.

EXHIBIT INDEX

Exhibit Number	Description
2.1	Unit Purchase Agreement, dated as of June 19, 2023, among Mayville Engineering Company, Inc. and the shareholders of Mid-States Aluminum Corp. (incorporated by reference to Exhibit 2 to the Current Report on Form 8-K filed on June 21, 2023) [The disclosure schedules and similar attachments to this agreement are not being filed herewith. The registrant agrees to furnish supplementally a copy of any such schedules or attachments to the Security and Exchange Commission upon request.]
2.2	Purchase Agreement, dated as of May 23, 2025, among Mayville Engineering Company, Inc., Accu-Fab, LLC and Tide Rock YieldCo, LLC (incorporated by reference to Exhibit 2 to the Current Report on Form 8-K filed on May 27, 2025) [The disclosure schedules and similar attachments to this agreement are not being filed herewith. The registrant agrees to furnish supplementally a copy of any such schedules or attachments to the Security and Exchange Commission upon request.]
3.1	Amended and Restated Articles of Incorporation of Mayville Engineering Company, Inc. (incorporated by reference to Exhibit 3.1 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-230840) filed on April 29, 2019).
3.2	Bylaws of Mayville Engineering Company, Inc. as amended through April 18, 2023 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed on April 19, 2023).
4	Description of Mayville Engineering Company, Inc.'s Securities (incorporated by reference to Exhibit 4 to the Company's Annual Report on Form 10-K filed on March 2, 2020).
10.1†	Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan, as amended through April 20, 2021 (incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed on March 8, 2021).
10.2†	Form of Restricted Stock Unit Award Agreement (Non-Employee Director) under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on June 18, 2019).
10.3†	Form of Restricted Stock Unit Award Agreement (Employee) under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q filed on June 18, 2019).
10.4†	Form of Stock Option Award Agreement under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.8 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-230840) filed on April 29, 2019).
10.5†	Form of Restricted Stock Award Agreement (Non-Employee Director) under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.11 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-230840) filed on April 29, 2019).
10.6†	Form of Restricted Stock Award Agreement (Employee) under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.12 to Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-230840) filed on April 29, 2019).
10.7†	Form of Stock Option Award Agreement under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (Full Term Exercise Period on Retirement) (incorporated by reference to Exhibit 10 to the Company's Current Report on Form 8-K filed on January 29, 2020).

- 10.8† Mayville Engineering Company, Inc. Long-Term Incentive Plan, as amended and restated effective May 13, 2019 (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed on June 18, 2019).
- 10.9† Mayville Engineering Company, Inc. Deferred Compensation Plan (incorporated by reference to Exhibit 10.3 to the Registration Statement on Form S-1 (File No. 333-230840) filed on April 12, 2019).
- 10.10† Form of Severance Agreement between Mayville Engineering Company, Inc. and Jagadeesh A. Reddy (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on July 20, 2022).
- 10.11† Form of Change in Control Employment and Severance Agreement between Mayville Engineering Company, Inc. and Jagadeesh A. Reddy (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 20, 2022).
- 10.12† Form of Severance Agreement between Mayville Engineering Company, Inc. and each of Ryan F. Raber, Sean P. Leuba and Rachele M. Lehr (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on July 20, 2022).
- 10.13† Form of Change in Control Employment and Severance Agreement between Mayville Engineering Company, Inc. and each of Ryan F. Raber, Sean P. Leuba and Rachele M. Lehr (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed on November 3, 2020).
- 10.14† Amended and Restated Credit Agreement, dated as of June 28, 2023, by and among Mayville Engineering Company, Inc., certain subsidiaries of Mayville Engineering Company, Inc. as guarantors, the lenders from time to time party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the lenders (incorporated by reference to Exhibit 10 to the Company's Current Report on Form 8-K filed on June 29, 2023).
- 10.15† Form of Performance Stock Unit Award Agreement (Employee) under the Mayville Engineering Company, Inc. 2019 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K filed on March 6, 2024).
- 10.16† Form of Severance Agreement between Mayville Engineering Company, Inc. and Craig D. Nichols (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 11, 2025).
- 10.17† Form of Change in Control Employment and Severance Agreement between Mayville Engineering Company, Inc. and Craig D. Nichols (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 11, 2025).
- 10.18 First Amendment, dated as of June 26, 2025, to Amended and Restated Credit Agreement, dated as of June 28, 2023, by and among Mayville Engineering Company, Inc., certain subsidiaries of Mayville Engineering Company, as guarantors, the lenders from time-to-time party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the lenders (including a full conformed copy of the credit agreement, as amended by the first amendment) (incorporated by reference to Exhibit 10 to the Company's Current Report on Form 8-K filed on June 27, 2025).
- 10.19 Second Amendment, dated as of August 15, 2025, to Amended and Restated Credit Agreement, dated as of June 28, 2023, as amended by that First Amendment, dated as of June 26, 2025, by and among Mayville Engineering Company, Inc., certain subsidiaries of Mayville Engineering Company, as guarantors, the lenders from time-to-time party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the lenders.

- 10.20 Third Amendment, dated as of February 25, 2026, to Amended and Restated Credit Agreement, dated as of June 28, 2023, as amended by that First Amendment, dated as of June 26, 2025 and that Second Amendment, dated as of August 15, 2026, by and among Mayville Engineering Company, Inc., certain subsidiaries of Mayville Engineering Company, as guarantors, the lenders from time-to-time party thereto, and Wells Fargo Bank, National Association, as Administrative Agent for the lenders (including a full conformed copy of the credit agreement, as amended by the third amendment).
- 19 Mayville Engineering Company, Inc. Insider Trading Policy (incorporated by reference to Exhibit 19 to the Company's Annual Report on Form 10-K filed on March 6, 2025).
- 21* List of Subsidiaries of Mayville Engineering Company, Inc.
- 23* Consent of Independent Registered Public Accounting Firm.
- 31.1* Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2* Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32* Certification of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 97 Mayville Engineering Company, Inc. Compensation Recovery Policy (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K filed on March 6, 2024).
- 99 Proxy Statement for the 2026 Annual Meeting of Shareholders. [To be filed with the Securities and Exchange Commission under Regulation 14A within 120 days after December 31, 2025; except to the extent specifically incorporated by reference, the Proxy Statement for the 2026 Annual Meeting of Shareholders shall not be deemed to be filed with the Securities and Exchange Commission as part of this Annual Report on Form 10-K].
- 101.INS Inline XBRL Instance Document
- 101.SCH Inline XBRL Taxonomy Extension Schema Document
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document
- 104 Cover Page Interactive Date File (embedded within the Inline XBRL document)

* Filed herewith.

† Management contract, compensatory plan or arrangement

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Item 16. Form 10-K Summary

None.



One MEC. One Mission.

OFFICERS & DIRECTORS

EXECUTIVE OFFICERS

Jagadeesh (Jag) A. Reddy
PRESIDENT, CEO AND DIRECTOR

Rachele M. Lehr
CHIEF FINANCIAL OFFICER

Ryan F. Raber
EXECUTIVE VICE PRESIDENT, STRATEGY, SALES AND MARKETING

Sean P. Leuba
SENIOR VICE PRESIDENT, CORPORATE DEVELOPMENT AND GENERAL COUNSEL

Craig D. Nichols
SENIOR VICE PRESIDENT, OPERATIONS AND SUPPLY CHAIN

BOARD OF DIRECTORS

Timothy L. Christen
NON-EXECUTIVE CHAIRMAN & CHAIRMAN EMERITUS—BAKER TILLY

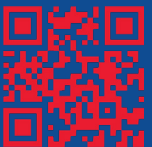
Steven L. Fisher
RETIRED BUSINESS EXECUTIVE

Jennifer J. Kent
CHIEF LEGAL OFFICER—KOHL'S CORPORATION

Robert L. McCormick
RETIRED BUSINESS EXECUTIVE

Jay O. Rothman
PRESIDENT OF THE UNIVERSITIES OF WISCONSIN

Tania L. Wingfield
EXECUTIVE VICE PRESIDENT AND CHIEF HUMAN RESOURCES OFFICER—BORGWARNER



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