

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

FORM 10-Q

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

For the quarterly period ended June 30, 2026

☐ **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: 001-38186

CUSTOM TRUCK ONE SOURCE, INC.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

84-2531628

*(I.R.S. Employer
Identification No.)*

7701 Independence Ave

Kansas City, MO 64125

(Address of principal executive offices, including zip code)

(816) 241-4888

(Registrant's telephone number, including area code)

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, \$0.0001 par value per share	CTOS	New York Stock Exchange

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

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

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

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

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

The number of shares of common stock outstanding as of July 30, 2026 was 227,505,535.

Custom Truck One Source, Inc. and Subsidiaries

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Custom Truck One Source, Inc.

Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
<i>(in \$000s, except per share data)</i>				
Revenue				
Rental revenue	\$ 145,060	\$ 120,814	\$ 282,275	\$ 237,075
Equipment sales	383,559	356,112	676,193	629,975
Parts sales and services	34,827	34,557	66,600	66,665
Total revenue	563,446	511,483	1,025,068	933,715
Cost of Revenue				
Cost of rental revenue	34,847	30,338	65,912	60,738
Depreciation of rental equipment	56,927	54,007	113,124	104,098
Cost of equipment sales	319,927	296,672	563,845	525,149
Cost of parts sales and services	27,771	27,924	55,150	55,652
Total cost of revenue	439,472	408,941	798,031	745,637
Gross Profit	123,974	102,542	227,037	188,078
Operating Expenses				
Selling, general and administrative expenses	61,274	59,165	118,900	118,616
Amortization	6,683	6,911	13,369	13,591
Non-rental depreciation	3,404	3,232	6,794	6,572
Transaction expenses and other	5,998	5,303	9,890	8,963
Total operating expenses	77,359	74,611	148,953	147,742
Operating Income	46,615	27,931	78,084	40,336
Other Expense				
Interest expense, net	38,190	40,204	73,227	79,117
Financing and other expense (income)	(551)	(1,371)	(314)	(2,387)
Total other expense	37,639	38,833	72,913	76,730
Income (Loss) Before Income Taxes	8,976	(10,902)	5,171	(36,394)
Income Tax Expense (Benefit)	(1,423)	17,478	(1,126)	9,777
Net Income (Loss)	\$ 10,399	\$ (28,380)	\$ 6,297	\$ (46,171)
Other Comprehensive Income (Loss):				
Unrealized foreign currency translation adjustments	\$ (1,157)	\$ 4,766	\$ (2,096)	\$ 4,838
Other Comprehensive Income (Loss)	(1,157)	4,766	(2,096)	4,838
Comprehensive Income (Loss)	\$ 9,242	\$ (23,614)	\$ 4,201	\$ (41,333)
Net Income (Loss) Per Share:				
Basic	\$ 0.05	\$ (0.13)	\$ 0.03	\$ (0.20)
Diluted	\$ 0.05	\$ (0.13)	\$ 0.03	\$ (0.20)
Weighted-Average Common Shares Outstanding:				
Basic	227,433	226,477	227,032	227,371
Diluted	229,666	226,477	228,897	227,371

See accompanying notes to unaudited condensed consolidated financial statements.

Custom Truck One Source, Inc.
Condensed Consolidated Balance Sheets (unaudited)

(in \$000s, except share data)

	June 30, 2026	December 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	\$ 10,287	\$ 6,273
Accounts receivable, net	245,233	195,541
Financing receivables, net	10,708	8,853
Inventory	1,042,203	930,939
Prepaid expenses and other	17,942	17,009
Total current assets	1,326,373	1,158,615
Property and equipment, net	155,959	142,526
Rental equipment, net	1,077,543	1,086,678
Goodwill	704,905	705,167
Intangible assets, net	212,186	225,725
Operating lease assets	117,254	110,921
Other assets	10,396	11,822
Total Assets	\$ 3,604,616	\$ 3,441,454
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$ 115,437	\$ 88,366
Accrued expenses	68,177	69,228
Deferred revenue and customer deposits	24,625	23,500
Floor plan payables - trade	369,206	291,215
Floor plan payables - non-trade	397,007	366,208
Operating lease liabilities - current	9,378	8,955
Current maturities of long-term debt	3,209	25,858
Total current liabilities	987,039	873,330
Long-term debt, net	1,656,652	1,619,352
Operating lease liabilities - noncurrent	112,699	105,909
Deferred income taxes	32,269	33,760
Total long-term liabilities	1,801,620	1,759,021
Stockholders' Equity		
Common stock — \$0.0001 par value, 500,000,000 shares authorized; 254,549,822 and 253,312,368 shares issued; and 227,505,535 and 226,625,924 shares outstanding, at June 30, 2026 and December 31, 2025, respectively	25	25
Treasury stock, at cost — 27,044,287 and 26,686,444 shares at June 30, 2026 and December 31, 2025, respectively	(124,971)	(122,602)
Additional paid-in capital	1,564,896	1,559,874
Accumulated other comprehensive loss	(12,710)	(10,614)
Accumulated deficit	(611,283)	(617,580)
Total stockholders' equity	815,957	809,103
Total Liabilities and Stockholders' Equity	\$ 3,604,616	\$ 3,441,454

See accompanying notes to unaudited condensed consolidated financial statements.

Custom Truck One Source, Inc.
Condensed Consolidated Statements of Cash Flows (unaudited)

(in \$000s)	Six Months Ended June 30,	
	2026	2025
Operating Activities		
Net income (loss)	\$ 6,297	\$ (46,171)
Adjustments to reconcile net income (loss) to net cash flow from operating activities:		
Depreciation and amortization	137,106	128,168
Amortization of debt issuance costs	2,197	2,222
Provision for losses on accounts receivable	5,233	5,008
Share-based compensation	4,610	4,179
Gain on sales and disposals of rental equipment	(27,137)	(21,599)
Deferred tax expense (benefit)	(1,293)	7,653
Changes in assets and liabilities:		
Accounts and financing receivables	(50,148)	23,375
Inventories	(112,587)	(37,760)
Prepays, operating leases and other	(114)	(14,541)
Accounts payable	25,931	39,504
Accrued expenses and other liabilities	(1,090)	18,368
Floor plan payables - trade, net	77,991	77,776
Customer deposits and deferred revenue	1,190	(4,829)
Net cash flow from operating activities	68,186	181,353
Investing Activities		
Purchases of rental equipment	(191,584)	(225,299)
Proceeds from sales and disposals of rental equipment	106,987	93,967
Purchase of non-rental property and cloud computing arrangements	(21,627)	(8,475)
Net cash flow for investing activities	(106,224)	(139,807)
Financing Activities		
Borrowings under revolving credit facilities	135,300	144,269
Repayments under revolving credit facilities	(118,392)	(56,694)
Principal payments on long-term debt	(4,454)	(4,523)
Acquisition of inventory through floor plan payables - non-trade	263,194	237,812
Repayment of floor plan payables - non-trade	(232,395)	(326,725)
Repurchase of common stock	—	(32,575)
Share-based payments	(1,957)	(1,453)
Net cash flow from (for) financing activities	41,296	(39,889)
Effect of exchange rate changes on cash and cash equivalents	756	(203)
Net Change in Cash and Cash Equivalents	4,014	1,454
Cash and Cash Equivalents at Beginning of Period	6,273	3,805
Cash and Cash Equivalents at End of Period	\$ 10,287	\$ 5,259

Custom Truck One Source, Inc.
Condensed Consolidated Statements of Cash Flows (unaudited) — Continued

(in \$000s)	Six Months Ended June 30,	
	2026	2025
Supplemental Cash Flow Information		
Interest paid	\$ 71,846	\$ 77,619
Income taxes paid, net	183	697
Non-Cash Investing and Financing Activities		
Property and equipment purchases in accounts payable	2,236	1,052
Rental equipment sales in accounts receivable	739	1,775

Custom Truck One Source, Inc.
Condensed Consolidated Statements of Stockholders' Equity (unaudited)

<i>(in \$000s, except share data)</i>	Shares		Common Stock	Treasury Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Common	Treasury						
Balance, December 31, 2025	253,312,368	(26,686,444)	\$ 25	\$ (122,602)	\$ 1,559,874	\$ (10,614)	\$ (617,580)	\$ 809,103
Net income (loss)	—	—	—	—	—	—	(4,102)	(4,102)
Other comprehensive income (loss)	—	—	—	—	—	(939)	—	(939)
Share-based payments	155,782	—	—	—	1,179	—	—	1,179
Balance, March 31, 2026	253,468,150	(26,686,444)	25	(122,602)	1,561,053	(11,553)	(621,682)	805,241
Net income (loss)	—	—	—	—	—	—	10,399	10,399
Other comprehensive income (loss)	—	—	—	—	—	(1,157)	—	(1,157)
Share-based payments	1,081,672	(357,843)	—	(2,369)	3,843	—	—	1,474
Balance, June 30, 2026	254,549,822	(27,044,287)	\$ 25	\$ (124,971)	\$ 1,564,896	\$ (12,710)	\$ (611,283)	\$ 815,957

<i>(in \$000s, except share data)</i>	Shares		Common Stock	Treasury Stock	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Common	Treasury						
Balance, December 31, 2024	251,908,970	(18,114,651)	\$ 25	\$ (88,229)	\$ 1,550,785	\$ (14,744)	\$ (586,528)	\$ 861,309
Net income (loss)	—	—	—	—	—	—	(17,791)	(17,791)
Other comprehensive income (loss)	—	—	—	—	—	72	—	72
Common stock repurchases	—	(8,143,635)	—	(32,575)	—	—	—	(32,575)
Share-based payments	128,865	—	—	—	2,404	—	—	2,404
Balance, March 31, 2025	252,037,835	(26,258,286)	25	(120,804)	1,553,189	(14,672)	(604,319)	813,419
Net income (loss)	—	—	—	—	—	—	(28,380)	(28,380)
Other comprehensive income (loss)	—	—	—	—	—	4,766	—	4,766
Share-based payments	1,208,195	(428,158)	—	(1,798)	2,120	—	—	322
Balance, June 30, 2025	253,246,030	(26,686,444)	\$ 25	\$ (122,602)	\$ 1,555,309	\$ (9,906)	\$ (632,699)	\$ 790,127

See accompanying notes to unaudited condensed consolidated financial statements.

Custom Truck One Source, Inc.
Notes to Unaudited Condensed Consolidated Financial Statements

Note 1: Business and Organization

Organization

Custom Truck One Source, Inc., a Delaware corporation, and its wholly owned subsidiaries (“we,” “our,” “us,” or “the Company”) are engaged in the business of providing a range of products and services to customers through rentals and sales of specialty equipment, rentals and sales of aftermarket parts and services related to the specialty equipment, and repair, maintenance and customization services related to that equipment.

We are a specialty equipment provider to the electric utility transmission and distribution, telecommunications, rail, forestry, waste management and other infrastructure-related industries in North America. Our core business relates to our new equipment inventory and rental fleet of specialty equipment that is utilized by service providers in infrastructure development and improvement work. We offer our specialized equipment to a diverse customer base, including utilities and contractors, for the maintenance, repair, upgrade, and installation of critical infrastructure assets, including distribution and transmission electric lines, telecommunications networks and rail systems, as well as for lighting and signage. We rent, produce, sell and service a broad range of new and used equipment, including bucket trucks, digger derricks, dump trucks, cranes, service trucks, and heavy-haul trailers.

After a recent evaluation of how we currently assess overall operational decision-making and report internal financial information, beginning January 1, 2026, we are reporting the financial results of our two operating segments, which will also be our two reportable segments: (1) Specialty Equipment Rentals (“SER”), which comprises our legacy Equipment Rental Solutions (“ERS”) segment (except for certain used sales to be accounted for by STEM, defined below), plus a portion of our legacy Aftermarket Parts and Services (“APS”) segment, and (2) Specialty Truck Equipment & Manufacturing (“STEM”), which comprises our legacy Truck and Equipment Sales (“TES”) segment, certain used sales that previously were accounted for by ERS, plus a portion of our legacy APS segment. Additionally, beginning January 1, 2026, our segment reporting reflects intersegment sales and a gross margin. This new structure better represents the financial profile and economics of our rental and sales & manufacturing businesses. Refer to Note 14: Segments, for additional segment information and a recast of prior period segment financial information.

Basis of Presentation

Our accompanying condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles (“GAAP”). Our condensed consolidated financial statements include the accounts of all wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The preparation of financial statements in accordance with GAAP requires that these Unaudited Condensed Consolidated Financial Statements and most of the disclosures in these Notes be presented on a historical basis, as of or for the current interim period ended or comparable prior period.

The accompanying interim statements of the Company have been prepared in accordance with GAAP for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X, and the Condensed Consolidated Balance Sheet at December 31, 2025 has been derived from the audited consolidated financial statements of Custom Truck One Source, Inc. at that date. Accordingly, these interim financial statements do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments, consisting of normal recurring adjustments and disclosures necessary for a fair statement of these interim statements, have been included. The results reported in these interim statements are not necessarily indicative of the results that may be reported for the entire year or for any other periods. These interim statements should be read in conjunction with the Custom Truck One Source, Inc. audited consolidated financial statements included in the Custom Truck One Source, Inc. Annual Report on Form 10-K for the year ended December 31, 2025.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Standards

In December 2025, the Financial Accounting Standards Board (the “FASB”) issued Accounting Standards Update (“ASU”) No. 2025-11 — Interim Reporting (Topic 270): Narrow-Scope Improvements (“ASU 2025-11”), which is intended to improve the navigability of the guidance in ASC 270, Interim Reporting, and clarify when it applies. Under the amendments, an entity is subject to ASC 270 if it provides interim financial statements and notes in accordance with GAAP. ASU 2025-11 also addresses the form and

content of such financial statements, interim disclosures requirements, and establishes a principle under which an entity must disclose events since the end of the last annual reporting period that have a material impact on the entity. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, and early adoption is permitted. The Company is currently assessing the impact ASU 2025-11 may have on its condensed consolidated financial statements and disclosures.

In September 2025, the FASB issued ASU No. 2025-06, Intangibles — Goodwill and Other — Internal-Use Software (“ASU 2025-06”), which amends the guidance for accounting for software costs to reflect current software development practices, including iterative and agile methodologies, by removing references to development stages. It also clarifies the criteria for capitalization, which begins when both of the following occur: (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years. Early adoption is permitted. The amendments may be applied either prospectively, retrospectively, or utilizing a modified transition approach. The Company is currently assessing the impact of ASU 2025-06 on its condensed consolidated financial statements and disclosures.

In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (“ASU 2024-03”), which requires additional disclosures in the notes to financial statements, disaggregating specific expense categories within relevant income statement captions. The FASB further clarified the effective date in January 2025 with the issuance of ASU 2025-01, Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date (“ASU 2025-01”). ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The Company is currently assessing the impact of the requirements on its condensed consolidated financial statements and disclosures.

Note 2: Revenue

Revenue Disaggregation

Geographic Areas

The Company had total revenue in the following geographic areas:

(in \$000s)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
United States	\$ 553,235	\$ 499,582	\$ 1,008,227	\$ 913,134
Canada	10,211	11,901	16,841	20,581
Total Revenue	<u>\$ 563,446</u>	<u>\$ 511,483</u>	<u>\$ 1,025,068</u>	<u>\$ 933,715</u>

Major Product Lines and Services

Equipment leasing and equipment sales are the core businesses of the Company, with leasing complemented by the sale of rental units from the rental fleet. The Company’s revenue by major product and service line for the three and six months ended June 30, 2026 and 2025 are presented in the table below.

(in \$000s)	Three Months Ended June 30,			Three Months Ended June 30,		
	2026			2025		
	Topic 842	Topic 606	Total	Topic 842	Topic 606	Total
Rental:						
Rental	\$ 137,243	\$ —	\$ 137,243	\$ 114,639	\$ —	\$ 114,639
Shipping and handling	—	7,817	7,817	—	6,175	6,175
Total rental revenue	137,243	7,817	145,060	114,639	6,175	120,814
Sales and services:						
Equipment sales	5,942	377,617	383,559	984	355,128	356,112
Parts and services	2,696	32,131	34,827	3,709	30,848	34,557
Total sales and services	8,638	409,748	418,386	4,693	385,976	390,669
Total revenue	\$ 145,881	\$ 417,565	\$ 563,446	\$ 119,332	\$ 392,151	\$ 511,483

(in \$000s)	Six Months Ended June 30,			Six Months Ended June 30,		
	2026			2025		
	Topic 842	Topic 606	Total	Topic 842	Topic 606	Total
Rental:						
Rental	\$ 267,851	\$ —	\$ 267,851	\$ 224,924	\$ —	\$ 224,924
Shipping and handling	—	14,424	14,424	—	12,151	12,151
Total rental revenue	267,851	14,424	282,275	224,924	12,151	237,075
Sales and services:						
Equipment sales	5,212	670,981	676,193	3,145	626,830	629,975
Parts and services	4,385	62,215	66,600	6,382	60,283	66,665
Total sales and services	9,597	733,196	742,793	9,527	687,113	696,640
Total revenue	\$ 277,448	\$ 747,620	\$ 1,025,068	\$ 234,451	\$ 699,264	\$ 933,715

Rental revenue is primarily comprised of revenues from rental agreements and freight charges billed to customers. Equipment sales recognized pursuant to sales-type leases are recorded within equipment sales revenue. Charges to customers for damaged rental equipment are recorded within parts and services revenue.

Receivables, Contract Assets and Liabilities

As of June 30, 2026 and December 31, 2025, the Company had net receivables related to sales contracts with customers of \$137.3 million and \$96.0 million, respectively. As of June 30, 2026 and December 31, 2025, the Company had net receivables related to rental contracts of \$107.9 million and \$99.5 million, respectively.

The Company manages credit risk associated with its accounts receivable at the customer level. Because the same customers generate the revenues that are accounted for under both Topic 606 and Topic 842, the discussions below address how credit risk and the Company's allowance for credit losses impact the Company's total revenues.

The Company's allowance for credit losses reflects its estimate of the amount of receivables that it will be unable to collect. The estimated losses are calculated using the loss rate method based upon a review of outstanding receivables, related aging, including specific accounts if deemed necessary, and on the Company's historical collection experience. The Company's estimates reflect changing circumstances, including changes in the economy or in the particular circumstances of individual customers, and, as a result, the Company may be required to increase or decrease its allowance.

Accounts receivable, net consisted of the following:

(in \$000s)	June 30, 2026	December 31, 2025
Accounts receivable	\$ 262,690	\$ 213,472
Less: allowance for doubtful accounts	(17,457)	(17,931)
Accounts receivable, net	\$ 245,233	\$ 195,541

For the six months ended June 30, 2026 and 2025, the Company wrote-off \$5.7 million and \$5.3 million, respectively, of receivables, net of recoveries.

When customers are billed for rentals in advance of the rental period, the Company defers recognition of revenue. As of June 30, 2026 and December 31, 2025, the Company had approximately \$4.9 million and \$3.6 million, respectively, of deferred rental revenue. Of the \$3.6 million deferred rental revenue as of December 31, 2025, \$1.3 million was recorded as revenue during the six months ended June 30, 2026. Additionally, the Company collects deposits from customers for orders placed for equipment and rentals. The Company had approximately \$19.8 million and \$19.9 million in deposits as of June 30, 2026 and December 31, 2025, respectively. All of the \$19.9 million deposit liability balance as of December 31, 2025 was recorded as revenue during the six months ended June 30, 2026 due to performance obligations being satisfied. The Company's remaining performance obligations on its equipment deposit liabilities have original expected durations of one year or less.

The Company does not have material contract assets, and as such, did not recognize any material impairments of any contract assets.

Note 3: Sales-Type Leases

Revenue from rental agreements qualifying as sales-type leases was as follows:

(in \$000s)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Equipment sales	\$ 5,942	\$ 984	\$ 5,212	\$ 3,145
Cost of equipment sales	4,461	949	2,817	2,788
Gross profit	\$ 1,481	\$ 35	\$ 2,395	\$ 357

As these transactions remained under rental contracts, \$1.6 million and \$1.8 million for the three months ended June 30, 2026 and 2025, respectively, and \$3.0 million and \$3.7 million for the six months ended June 30, 2026 and 2025, respectively, were billed under the contracts as rentals. Interest income from financing receivables was \$0.6 million and \$1.3 million for the three months ended June 30, 2026 and 2025, respectively and \$0.3 million and \$2.3 million for the six months ended June 30, 2026 and 2025, respectively.

Note 4: Inventory

Whole goods inventory is comprised of chassis, attachments (i.e., boom cranes, aerial lifts, digger derricks, dump bodies, etc.) and the in-process costs incurred in the final assembly of those units. As part of the business model, the Company sells unassembled individual whole goods and whole goods with varying levels of customization direct to consumers or dealers. Whole goods inventory also includes new equipment purchased specifically for resale to customers. Inventory consisted of the following:

(in \$000s)	June 30, 2026	December 31, 2025
Whole goods	\$ 916,627	\$ 810,749
Aftermarket parts and services inventory	125,576	120,190
Inventory	\$ 1,042,203	\$ 930,939

Note 5: Floor Plan Financing

Floor plan payables represent financing arrangements to facilitate the Company's purchase of new and used trucks, cranes, and construction equipment inventory. All floor plan payables are collateralized by the inventory financed. These payables become due and payable upon the sale, transfer, or reclassification of each unit of inventory. Certain floor plan arrangements require the Company to satisfy various financial ratios consistent with those under the ABL Facility (as defined below). As of June 30, 2026, the Company was in compliance with these covenants.

The amounts owed under floor plan payables are summarized as follows:

(in \$000s)	June 30, 2026	December 31, 2025
Trade:		
Daimler Truck Financial	\$ 200,945	\$ 137,225
PACCAR Financial Corp	133,059	140,742
Ford Motor Credit Company, LLC	35,202	13,248
Trade floor plan payables	\$ 369,206	\$ 291,215
Non-trade:		
PNC Equipment Finance, LLC	\$ 397,007	\$ 366,208
Non-trade floor plan payables	\$ 397,007	\$ 366,208

Interest on outstanding floor plan payable balances is due and payable monthly. Floor plan interest expense was \$11.1 million and \$21.7 million for the three and six months ended June 30, 2026, respectively, and \$13.8 million and \$27.1 million for the same periods in 2025.

Trade Floor Plan Financing:

Daimler Truck Financial

The Company is party to the Wholesale Financing Agreement with Daimler Truck Financial (the “Daimler Facility”), which bears interest at U.S. Prime Rate after an initial interest free period of up to 150 days. The total borrowing capacity under the Daimler Facility is \$225.0 million, however, from time to time, Daimler extends credit to the Company in excess of this amount. The Daimler agreement is evergreen and is subject to termination by either party through written notice.

PACCAR

The Company has an Inventory Financing Agreement with PACCAR Financial Corp that provides the Company with a line of credit of \$225.0 million as of June 30, 2026, to finance inventory purchases of new Peterbilt and/or Kenworth trucks, tractors, and chassis. Amounts borrowed against this line of credit incur interest at a rate of U.S. Prime Rate minus 0.71%. The PACCAR agreement extends automatically each April and is subject to termination by either party through written notice.

Ford Motor Credit Company, LLC

The Company is party to the Master Loan and Security Agreement with Ford Motor Credit Company, LLC (the “FMCC Facility”), which allows the Company to enter into individual loan supplements which bear interest based on the bank prime loan rate as reported by the Federal Reserve Board for the Friday preceding the last Monday of a given month. The total borrowing capacity under the FMCC Facility is \$42.0 million. The FMCC agreement is evergreen and is subject to termination by either party through written notice.

References to the U.S. Prime Rate in the foregoing agreements represent the rate as published in The Wall Street Journal.

Non-Trade Floor Plan Financing:

PNC Equipment Finance, LLC

The Company has an Inventory Loan, Guaranty and Security Agreement (the “Loan Agreement”) with PNC Equipment Finance, LLC. The Loan Agreement, as of June 30, 2026, provides the Company with a \$475.0 million revolving credit facility, which matures on August 25, 2026 and bears interest at a three-month term secured overnight financing rate (“SOFR”) plus 3.00%. The Company is in the process of renewing the Loan Agreement and expects to complete the renewal on or prior to the August 25, 2026 maturity date on terms substantially consistent with those of the existing agreement.

Note 6: Rental Equipment

Rental equipment, net consisted of the following:

<i>(in \$000s)</i>	June 30, 2026	December 31, 2025
Rental equipment	\$ 1,705,074	\$ 1,664,178
Less: accumulated depreciation	(627,531)	(577,500)
Rental equipment, net	<u>\$ 1,077,543</u>	<u>\$ 1,086,678</u>

Note 7: Long-Term Debt

Debt obligations and associated interest rates consisted of the following:

<i>(in \$000s, except interest rate data)</i>	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
ABL Facility	\$ 714,883	\$ 697,975	5.8%	6.1%
2029 Secured Notes	920,000	920,000	5.5%	5.5%
2023 Credit Facility	17,113	17,297	5.8%	5.8%
Other notes payable	21,218	25,487	5.9%-7.0%	3.1%-7.0%
Total debt outstanding	1,673,214	1,660,759		
Deferred financing fees	(13,353)	(15,549)		
Total debt, net of deferred financing fees	1,659,861	1,645,210		
Less: current maturities	(3,209)	(25,858)		
Long-term debt	<u>\$ 1,656,652</u>	<u>\$ 1,619,352</u>		

As of June 30, 2026, borrowing availability under the ABL Facility was \$229.4 million, and outstanding standby letters of credit were \$5.7 million.

ABL Facility

The Company and certain of its direct and indirect subsidiaries are party to an asset-based revolving credit agreement (the “ABL Credit Agreement”), consisting of a \$950.0 million first lien senior secured asset-based revolving credit facility (the “ABL Facility”), which matures on August 9, 2029, or, if earlier, the date that is 91 days prior to the maturity date of the Company’s existing senior notes or any debt that refinances such existing notes. Borrowings under the ABL Facility bear interest at a floating rate, which, at the Company’s election, could be (a) in the case of U.S. dollar denominated loans, either (i) SOFR plus an applicable margin or (ii) the base rate plus an applicable margin; or (b) in the case of Canadian dollar denominated loans, the term Canadian Overnight Repo Rate Average (the “CORRA” rate) plus an applicable margin. The applicable margin varies based on Average Availability (as defined in the ABL Credit Agreement) from (a) with respect to base rate loans, 0.50% to 1.00% and (b) with respect to SOFR loans and CORRA rate loans, 1.50% to 2.00%.

Notes Payable

Effective April 15, 2026, the Company renewed its loan agreement with Security Bank of Kansas City (“SBKC”), under which it had notes payable of \$19.2 million as of June 30, 2026. The renewal extended the term of the agreement by five years to April 15, 2031, and increased the interest rate from 3.125% to 5.85%.

Note 8: Earnings (Loss) Per Share

Basic earnings (loss) per share is computed by dividing net earnings (loss) by the weighted-average number of shares of common stock outstanding. Diluted earnings (loss) per share includes the effects of potentially dilutive shares of common stock, if dilutive. Potentially dilutive effects include contingently issuable shares and share-based compensation. Our potentially dilutive shares aggregated 1.1 million for both the three and six months ended June 30, 2026, and 4.6 million and 4.3 million for the same periods in 2025, respectively, and included contingently issuable shares which were not included in the computation of diluted earnings (loss) per share because the impact would have been anti-dilutive. The following tables set forth the computation of basic and diluted earnings (loss) per share:

	Three Months Ended June 30, 2026			Three Months Ended June 30, 2025		
	Net Income (Loss)	Weighted Average Shares	Per Share Amount	Net Income (Loss)	Weighted Average Shares	Per Share Amount
<i>(in \$000s, except per share data)</i>						
Basic earnings (loss) per share	\$ 10,399	227,433	\$ 0.05	\$ (28,380)	226,477	\$ (0.13)
Dilutive common share equivalents	—	2,233	—	—	—	—
Diluted earnings (loss) per share	\$ 10,399	229,666	\$ 0.05	\$ (28,380)	226,477	\$ (0.13)

	Six Months Ended June 30, 2026			Six Months Ended June 30, 2025		
	Net Income (loss)	Weighted Average Shares	Per Share Amount	Net Income (Loss)	Weighted Average Shares	Per Share Amount
<i>(in \$000s, except per share data)</i>						
Basic earnings (loss) per share	\$ 6,297	227,032	\$ 0.03	\$ (46,171)	227,371	\$ (0.20)
Dilutive common share equivalents	—	1,865	—	—	—	—
Diluted earnings (loss) per share	\$ 6,297	228,897	\$ 0.03	\$ (46,171)	227,371	\$ (0.20)

Note 9: Equity

Preferred Stock

As of both June 30, 2026, and December 31, 2025, we were authorized to issue 10,000,000 shares of preferred stock with a par value of \$0.0001 per share, with such designation, rights and preferences as may be determined from time to time by our board of directors. As of both June 30, 2026, and December 31, 2025, there were no shares of preferred stock issued or outstanding.

Common Stock

As of both June 30, 2026, and December 31, 2025, we were authorized to issue 500,000,000 shares of common stock with a par value of \$0.0001 per share.

On August 2, 2022, the Company's Board of Directors authorized a stock repurchase program, allowing for the repurchase of up to \$30 million of the Company's shares of common stock, which authorization was further increased by \$25 million of shares on September 14, 2023, and increased again by \$25 million of shares on March 11, 2024, upon exhaustion of prior authorization. Under the repurchase program, repurchases can be made from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions, or otherwise, all in accordance with the rules of the Securities and Exchange Commission and other applicable legal requirements. The specific timing, price and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The repurchase program does not obligate the Company to acquire any particular amount of its common stock, and the repurchase program may be suspended or discontinued at any time at the Company's discretion. At June 30, 2026, \$1.9 million was available under the stock repurchase program.

Earnout Shares

Pursuant to the Stockholders' Agreement dated July 31, 2019 (as amended and restated from time to time, the "Stockholders' Agreement"), certain stockholders agreed to restrictions on approximately 0.3 million of their shares of the Company's common stock (the "Maximum Target Earnout Shares"). The Maximum Target Earnout Shares were to be automatically forfeited by the holders thereof to the Company for no consideration unless the trading price of the common stock equals or exceeds \$19.00 per share (the "Maximum Target") for any period of 20 trading days out of 30 consecutive trading days to and including July 31, 2026. As of July 31, 2026, the Maximum Target was not met, and the Maximum Target Earnout Shares were forfeited.

Note 10: Fair Value Measurements

The FASB accounting standards provide a comprehensive framework for measuring fair value and set forth a definition of fair value and establish a hierarchy prioritizing the inputs to valuation techniques, giving the highest priority to quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable value inputs.

The following table sets forth the carrying values (exclusive of deferred financing fees) and fair values of our financial liabilities:

(in \$000s)	Carrying Value		Fair Value		
			Level 1	Level 2	Level 3
June 30, 2026					
ABL Facility	\$	714,883	\$	—	\$ 714,883
2029 Secured Notes		920,000		—	910,800
2023 Credit Facility		17,113		—	17,113
Other notes payable		21,218		—	21,218
December 31, 2025					
ABL Facility	\$	697,975	\$	—	\$ 697,975
2029 Secured Notes		920,000		—	901,600
2023 Credit Facility		17,297		—	17,297
Other notes payable		25,487		—	25,487

The carrying amounts of the ABL Facility, 2023 Credit Facility and other notes payable approximated fair value as of June 30, 2026, and December 31, 2025, based upon terms and conditions available to the Company at those dates in comparison to the terms and conditions of its outstanding debt. The estimated fair value of the 2029 Secured Notes is calculated using Level 2 inputs, based on bid prices obtained from brokers.

Note 11: Income Taxes

Interim Income Tax Expense (Benefit) – Our income tax expense or benefit reflects a combination of income taxes in foreign jurisdictions and certain U.S. states. We have federal and state net operating loss carryforwards (“NOLs”) and non-deductible interest expense carryforwards in the U.S. that may be applied to reduce taxable income in current and future tax years. Some of these carryforwards are subject to annual usage limitations and expiration, while other state NOLs and a portion of federal NOLs do not have limitations or expiration. We carry a valuation allowance against our U.S. carryforwards, which results in no net income tax expense in our earnings in periods when additional NOLs are generated or when existing NOLs are utilized. Certain states that we operate in have rules regarding the deductibility of items that diverge from U.S. federal deductibility rules and in addition, a number of these states have placed limitations on the usage of NOLs to offset taxable income apportioned to those states. Our overall effective tax rate is affected by a number of factors, including the relative amounts of income we earn in different tax jurisdictions, tax law changes, certain non-deductible expenses, the changes in our valuation allowance and divergence of state rules from federal rules. The factors result in an effective tax rate that differs from statutory rates.

The Company’s effective income tax rate was (21.8)% for the six months ended June 30, 2026, compared to (26.9)% for the six months ended June 30, 2025. The increase in the effective tax rate was primarily attributable to changes in the valuation allowance recorded against deferred tax assets. During the six months ended June 30, 2026, the Company reduced its valuation allowance based on updated projections of future taxable income and the realization of certain deferred tax assets, which resulted in a discrete tax benefit.

Note 12: Commitments and Contingencies

We record a liability when we believe that it is both probable that a liability has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. We review these provisions at least quarterly and adjust these provisions to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information.

Legal Matters

In the normal course of business, there are various claims in process, matters in litigation, and other contingencies. At this time, no claims of these types, certain of which are covered by insurance policies, have had a material effect on the Company. Certain jurisdictions in which the Company operates do not allow insurance recoveries related to punitive damages. For matters pertaining to

the pre-acquisition activities of Custom Truck One Source, L.P. (“Custom Truck LP”), the sellers of Custom Truck LP have agreed to indemnify the Company for losses arising out of the breach of pre-closing covenants in the purchase agreement and certain indemnified tax matters discussed below, with recourse limited to \$10.0 million and \$5.0 million escrow accounts, respectively.

From time to time, the Company is audited by state and local taxing authorities. These audits typically focus on the Company’s withholding of state-specific sales tax and rental-related taxes.

Custom Truck LP’s withholdings of federal excise taxes for each of the four quarterly periods during 2015 are currently under audit by the IRS. The IRS issued an assessment on October 28, 2020 in an aggregate amount of \$2.4 million for the 2015 periods, alleging that certain types of sold equipment are not eligible for the Mobile Machinery Exemption set forth in the Internal Revenue Code (the “Code”). An appeal was filed on January 28, 2021. Based on management’s understanding of the facts and circumstances, including the relevant provisions of the Code, and historical precedent, including previous successful appeals of similar assessments in prior years, management does not believe the likelihood of a loss resulting from the IRS assessment to be probable at this time.

While it is not possible to predict the outcome of the foregoing matters with certainty, it is the opinion of management that the final outcome of these matters will not have a material effect on the Company’s consolidated financial condition, results of operations and cash flows.

Purchase Commitments

We enter into purchase agreements with manufacturers and suppliers of equipment for our rental fleet and inventory. All of these agreements are cancellable within a specified notification period to the supplier.

Note 13: Related Parties

The Company has transactions with related parties as summarized below.

Rentals and Sales — The Company rents and sells equipment and provides services to R&M Equipment Rental, a business partially owned by members of the Company’s management. The Company also rents equipment and purchases inventory from R&M Equipment Rental. The Company also rents and sells equipment to entities in which Platinum Equity, LLC (“Platinum”), a major shareholder of the Company, has an ownership interest.

Purchases of Inventory and Services. The Company purchases inventory and services from entities in which Platinum has an ownership interest. Expenses for the purchases of these services are recorded in selling, general, and administrative expenses.

Other — The Company has purchased products and aircraft charter services from entities owned by members of the Company’s management and their immediate families. Product purchases and charter services payments related to these transactions are immaterial. Expenses for products and air travel services are recorded in selling, general, and administrative expenses.

Management Fees — The Company is obligated under a Corporate Advisory Services Agreement with Platinum, under which management fees are payable to Platinum quarterly. The management fees are recorded in transaction expenses and other in the Company’s Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

A summary of the transactions with the foregoing related parties included in the Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) is as follows:

(in \$000s)	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Total revenues from transactions with related parties	\$ 6,891	\$ 1,325	\$ 18,914	\$ 5,997
Expenses incurred from transactions with related parties included in cost of revenue	\$ 318	\$ 5	\$ 680	\$ 115
Expenses incurred from transactions with related parties included in operating expenses	\$ 483	\$ 819	\$ 876	\$ 1,378

Amounts receivable from/payable to related parties included in the Condensed Consolidated Balance Sheets are as follows:

(in \$000s)	June 30, 2026	December 31, 2025
Accounts receivable from related parties	\$ 2,286	\$ 6,473
Accounts payable to related parties	\$ 166	\$ 208

Note 14: Segments

Our operations are primarily organized and managed by operating segment. Beginning January 1, 2026, we revised our reportable segments to combine our legacy ERS segment (excluding certain used sales) with the rental-related aftermarket activities portion of our legacy APS segment to form SER and to combine our legacy TES segment (plus certain used sales previously accounted for by ERS) with the sales-related aftermarket activities portion of our legacy APS segment to form STEM. Prior period amounts have been recast to reflect the change to two reportable segments.

Under this new segment reporting, operating segment performance and resource allocations are based on Adjusted EBITDA. Segment Adjusted EBITDA is defined as segment operating income or loss before depreciation and amortization, further excluding the effects of purchase accounting adjustments and the impact of sales-type lease accounting for certain leases containing rental purchase options (or “RPOs”).

Adjusted EBITDA aids the Chief Operating Decision Maker (“CODM”) in managing the inventory levels and rental fleet, entering into significant revenue contracts, expanding into new markets or launching new products, making capital expenditures, designing and implementing key marketing strategies, making personnel changes, and approving operating budgets. Additionally, the new segment structure better represents the financial profile and economics of our rental and sales and manufacturing businesses. Significant expense categories that are regularly reviewed by the operating segments’ CODM are disclosed below. The CODM for both segments is the Company’s Chief Executive Officer. Transactions between our segments consist of new equipment produced by STEM that is sold to SER for inclusion in its fleet of rental equipment. Additionally, SER sells certain used equipment to STEM. Beginning January 1, 2026, transactions between segments are accounted for as if completed on an arm’s length basis using a cost-plus methodology. However, intersegment sales and purchases are eliminated in consolidation and do not affect consolidated results. The Company’s segment results are presented in the tables below:

(in \$000s)	Three Months Ended June 30,			
	2026		2025	
	SER	STEM	SER	STEM
Revenue from external customers				
Rental	\$ 145,060	\$ —	\$ 120,814	\$ —
Equipment sales	51,659	331,900	39,661	316,451
Parts sales and services	22,100	12,727	22,353	12,204
Total revenue from external customers	218,819	344,627	182,828	328,655
Intersegment sales	4,113	93,153	15,726	97,599
Rental AR provision ⁽¹⁾	2,390	—	2,358	—
Sales-type lease adjustment ⁽²⁾	(4,318)	—	1,179	—
Total Segment Revenue	221,004	437,780	202,091	426,254
Segment Expenses:				
Cost of rental revenue, excluding depreciation ⁽³⁾	34,542	—	30,040	—
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽⁴⁾	30,884	281,235	25,959	265,542
Cost of parts and services, excluding depreciation ⁽⁵⁾	17,914	9,551	18,993	8,634
Cost of intersegment sales	3,728	78,596	15,726	97,599
Rental AR provision ⁽¹⁾	2,390	—	2,358	—
Total cost of segment revenue	89,458	369,382	93,076	371,775
Selling, general and administrative expense	14,347	20,042	16,180	16,663
Floor plan interest expense	—	11,139	—	13,764
Total Segment Expenses	103,805	400,563	109,256	402,202
Segment Adjusted EBITDA	\$ 117,199	\$ 37,217	\$ 92,835	\$ 24,052

		Six Months Ended June 30,			
		2026		2025	
(in \$000s)		SER	STEM	SER	STEM
Revenue from external customers					
Rental	\$	282,275	\$ —	\$ 237,075	\$ —
Equipment sales		89,436	586,757	69,516	560,459
Parts sales and services		40,871	25,729	43,318	23,347
Total revenue from external customers		412,582	612,486	349,909	583,806
Intersegment sales		10,903	188,603	27,326	192,388
Rental AR provision ⁽¹⁾		4,566	—	4,203	—
Sales-type lease adjustment ⁽²⁾		(2,215)	—	2,436	—
Total Segment Revenue		425,836	801,089	383,874	776,194
Segment Expenses:					
Cost of rental revenue, excluding depreciation ⁽³⁾		65,290	—	60,132	—
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽⁴⁾		59,356	494,460	43,885	470,991
Cost of parts and services, excluding depreciation ⁽⁵⁾		35,882	18,645	38,970	16,078
Cost of intersegment sales		9,838	158,781	27,326	192,388
Rental AR provision ⁽¹⁾		4,566	—	4,203	—
Total cost of segment revenue		174,932	671,886	174,516	679,457
Selling, general and administrative expense		28,208	37,622	30,474	32,516
Floor plan interest expense		—	21,658	—	27,061
Total Segment Expenses		203,140	731,166	204,990	739,034
Segment Adjusted EBITDA	\$	222,696	\$ 69,923	\$ 178,884	\$ 37,160

Adjusted EBITDA is the operating result whereby our segments are evaluated for performance and resource allocation. The following table presents a reconciliation of segment adjusted EBITDA to consolidated income (loss) before income taxes:

in 000s	Three Months Ended June 30,					
	2026			2025		
	SER	STEM	Total	SER	STEM	Total
Segment Adjusted EBITDA	\$ 117,199	\$ 37,217	\$ 154,416	92,835	24,052	\$ 116,887
Reconciling Items:						
Intersegment margin			(14,942)			—
Corporate and non-allocated selling, general and administrative expenses ⁽⁶⁾			(22,720)			(23,459)
Depreciation and amortization			(68,970)			(66,426)
Interest expense, net (non-floor plan)			(27,051)			(26,440)
Non-cash purchase accounting impact ⁽⁴⁾			(2,736)			(3,915)
Transaction and integration costs			(5,998)			(5,303)
Sales-type lease adjustment ⁽²⁾⁽⁴⁾			408			(471)
Share-based payments			(3,431)			(1,775)
Consolidated income (loss) before income taxes			<u>\$ 8,976</u>			<u>\$ (10,902)</u>

in 000s	Six Months Ended June 30,					
	2026			2025		
	SER	STEM	Total	SER	STEM	Total
Segment Adjusted EBITDA	\$ 222,696	\$ 69,923	\$ 292,619	178,884	37,160	\$ 216,044
Reconciling Items:						
Intersegment margin			(30,887)			—
Corporate and non-allocated selling, general and administrative expenses ⁽⁶⁾			(46,992)			(49,190)
Depreciation and amortization			(137,244)			(128,937)
Interest expense, net (non-floor plan)			(51,569)			(52,056)
Non-cash purchase accounting impact ⁽⁴⁾			(5,968)			(8,096)
Transaction and integration costs			(9,890)			(8,963)
Sales-type lease adjustment ⁽²⁾⁽⁴⁾			(288)			(1,017)
Share-based payments			(4,610)			(4,179)
Consolidated income (loss) before income taxes			<u>\$ 5,171</u>			<u>\$ (36,394)</u>

(1) Specifically identifiable lease revenue receivables not deemed probable of collection are recorded as a reduction of rental revenue. This is classified as a segment expense for Segment Adjusted EBITDA reviewed by the chief operating decision maker.

(2) Impact of sales-type lease accounting for certain leases containing RPOs: this impact is excluded from the measure of Adjusted EBITDA utilized by our CODM to allocate resources and to assess the performance of our segments as we believe continuing to reflect the transactions as an operating lease better reflects the economics of the transactions given our large portfolio of rental contracts.

(3) Cost of rental revenue, excluding depreciation: reflects repairs and maintenance costs of rental equipment, parts costs, labor and other overheads related to maintaining the rental fleet, and freight associated with the shipping of rental equipment.

(4) Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation: reflects production and inventory costs associated with new units sold, labor and other overheads related to production, and freight associated with the shipping and receiving of equipment. Cost of equipment sales also includes the net book value of rental units sold. These costs are net of (i) the impact of purchase accounting step-up in basis on equipment and inventory acquired ("non-cash purchase accounting impact") and (ii) the impact of sales-type lease accounting for certain leases containing RPOs, further excluding depreciation.

(5) Cost of parts and services sales, excluding depreciation: reflects inventory costs associated with parts costs and freight associated with the shipping and receiving of parts, further excluding depreciation.

(6) Certain costs are not allocated to the segments as they represent Corporate-level activities. These costs primarily include people-related costs, enterprise technology, insurance coverage, and professional services required to support the Company's national scale, public-company requirements, and centralized corporate functions.

Total assets by operating segment are not disclosed herein because assets by operating segment data are not reviewed by the CODM to assess performance and allocate resources.

The following table presents total assets by country:

<i>(in \$000s)</i>	June 30, 2026	December 31, 2025
Assets:		
United States	\$ 3,504,456	\$ 3,344,032
Canada	100,160	97,422
Total Assets	<u>\$ 3,604,616</u>	<u>\$ 3,441,454</u>

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

Any statements made in this report that are not statements of historical fact, including statements about our beliefs and expectations, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, and should be evaluated as such. These statements often include words such as "estimates," "projected," "expects," "anticipates," "forecasts," "suggests," "plans," "targets," "intends," "believes," "seeks," "may," "will," "should," "future," "propose," "could," "would," and other similar expressions. We base these forward-looking statements or projections on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances and at such time. As you read and consider this report, you should understand that these statements are not guarantees of performance or results and are subject to and involve risks, uncertainties, and assumptions. You should not place undue reliance on these forward-looking statements or projections. Below is a summary of risk factors applicable to us that may materially affect such forward-looking statements and projections:

- increases in labor costs, changes in U.S. trade policy including tariffs, our inability to obtain raw materials, component parts and/or finished goods in a timely and cost-effective manner, and our inability to manage our rental equipment in an effective manner;
- competition in the equipment dealership and rental industries;
- our sales order backlog may not be indicative of the level of our future revenues;
- increases in unionization rate in our workforce;
- our inability to attract and retain key personnel, including our management and skilled technicians;
- material disruptions to our operation and manufacturing locations as a result of public health concerns, equipment failures, natural disasters, work stoppages, power outages or other reasons;
- any further increase in the cost of new equipment that we purchase for use in our rental fleet or for sale as inventory, and aging or obsolescence of our existing equipment, and the fluctuations of market value thereof;
- disruptions in our supply chain;
- our business may be impacted by government spending;
- we may experience losses in excess of our recorded reserves for receivables;
- uncertainty relating to macroeconomic conditions, unfavorable conditions in the capital and credit markets and our customers' inability to obtain additional capital as required;
- increases in price of fuel or freight;
- regulatory, technological advancement, or other changes in our core end-markets may affect our customers' spending;
- our strategic initiatives including acquisitions and divestitures may not be successful and may divert our management's attention away from operations and could create general customer uncertainty;
- the interest of our majority stockholder, which may not be consistent with the other stockholders;
- volatility of our common stock market price;
- our significant indebtedness, which may adversely affect our financial position, limit our available cash and our access to additional capital, prevent us from growing our business and increase our risk of default;
- our inability to generate cash, which could lead to a default;
- significant operating and financial restrictions imposed by our debt agreements;
- changes in interest rates, which could increase our debt service obligations on the variable rate indebtedness and decrease our net income and cash flows;
- disruptions or security compromises affecting our information technology systems or those of our critical services providers could adversely affect our operating results by subjecting us to liability, and limiting our ability to effectively monitor and control our operations, adjust to changing market conditions, or implement strategic initiatives;
- we are subject to complex laws and regulations, including environmental and safety regulations that can adversely affect cost, manner or feasibility of doing business; and
- we are subject to a series of risks related to climate change, and increased attention to, and evolving expectations for, sustainability and environmental, social and governance initiatives.

These cautionary statements should not be construed by you to be exhaustive and are made only as of the date of this report. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law. See "Risk Factors" in Part I, Item 1A of the Annual Report for the year ended December 31, 2025 and in Part II, Item 1A of this report, for additional risks.

Custom Truck One Source, Inc., a Delaware corporation, and its wholly owned subsidiaries (“we,” “our,” “us,” or “the Company”) are engaged in the business of providing a range of products and services to customers through rentals and sales of specialty equipment, rentals and sales of aftermarket parts and services related to the specialty equipment, and repair, maintenance and customization services related to that equipment.

We are a specialty equipment provider to the electric utility transmission and distribution, telecommunications, rail, forestry, waste management and other infrastructure-related industries in North America. Our core business relates to our new equipment inventory and rental fleet of specialty equipment that is utilized by service providers in infrastructure development and improvement work. We offer our specialized equipment to a diverse customer base, including utilities and contractors, for the maintenance, repair, upgrade, and installation of critical infrastructure assets, including distribution and transmission electric lines, telecommunications networks and rail systems, as well as for lighting and signage. We rent, produce, sell and service a broad range of new and used equipment, including bucket trucks, digger derricks, dump trucks, cranes, service trucks, and heavy-haul trailers. Beginning January 1, 2026, we manage the business in two reporting segments: Specialty Equipment Rentals (“SER”) and Specialty Truck Equipment & Manufacturing (“STEM”). Refer to Note 14: Segments, for additional information on our reporting segments.

Financial and Performance Measures

Financial Measures

Revenue — As a full-service equipment provider, we generate revenue through renting, selling, assembling, upfitting, and servicing new and used heavy-duty trucks and cranes, as well as the sale of related parts. We also sell and rent specialized tools on an individual basis and in kits. Rental revenue is primarily comprised of revenues from rental agreements and freight charges billed to customers. The Company records changes in estimated collectability directly against rental revenue. Equipment sales revenue reflects the value of vocational trucks and other equipment sold to customers as well as upfit services. Parts and service revenue is derived from maintenance and repair services, and parts, tools and accessories sold directly to customers. Rental revenue excludes active rental contracts which qualify to be accounted for as sales-type leases.

Cost of rental revenue — Cost of rental revenue reflects repairs and maintenance costs of rental equipment, parts costs, labor and other overheads related to maintaining the rental fleet, and freight associated with the shipping of rental equipment.

Depreciation of rental equipment — Depreciation of rental equipment is comprised of depreciation expense on the rental fleet. We allocate the cost of rental equipment generally over the rentable life of the equipment. The depreciation allocation is based upon estimated lives ranging from one to seven years. The cost of equipment is depreciated to an estimated residual value using the straight-line method.

Cost of equipment and parts and services sales — Cost of equipment sales reflects production and inventory costs associated with new units sold, parts costs, labor and other overheads related to production, and freight associated with the shipping and receiving of equipment and parts. Cost of equipment sales also includes the net book value of rental units sold, including active rental contracts which qualify to be accounted for as sales-type leases.

Selling, general and administrative expenses — Selling, general and administrative expenses include sales compensation, fleet licensing fees and corporate expenses, including salaries, stock-based compensation expense, insurance, advertising costs, professional services, fees earned on customer arranged financing, gains or losses resulting from insurance settlements, and information technology costs.

Amortization and non-rental depreciation — Amortization expense relates to intangible assets such as customer lists, trade names, etc. Non-rental depreciation expense reflects the depreciation of property and equipment that is not part of the rental fleet.

Transaction expenses and other — Transaction expenses and other include costs related to acquisitions of businesses; costs associated with closed operations; costs associated with restructuring and business optimization activities (inclusive of systems establishment costs); employee retention and/or severance costs; costs related to start-up/pre-openings and openings of locations; reconfiguration or consolidation of facilities and equipment conversion costs.

Financing and other expense (income) — Financing and other expense (income) reflects the financing expense (income) associated with lease agreements qualifying to be accounted for as a sales-type lease, foreign currency gains and losses related to our Canadian operations, as well as other miscellaneous gains or losses from non-operating activities.

Interest expense — Interest expense consists of contractual interest expense on outstanding debt obligations, floor plan financing facilities, amortization of deferred financing costs and other related financing expenses.

Income Tax Expense (Benefit) — We have net operating loss carryforward and disallowed interest deduction carryforward assets, which are generally available to be used to offset taxable income generated in future years. Due to limitations on the use of these carryforwards under U.S. federal and state income tax regulations, we record valuation allowances to reduce the carryforward assets to amounts that we estimate will be realized. Accordingly, income tax expense or benefit generally is comprised of changes to these valuation allowance estimates and does not reflect taxes on current period income (or tax benefit on current period losses). For these reasons, our effective tax rate differs from the federal statutory tax rate.

Operating Metrics

We consider the following key operational metrics, which are consistent with those defined by the American Rental Association, when evaluating our performance and making day-to-day operating decisions:

Ending OEC — Ending original equipment cost (“OEC”) is the original equipment cost of units at the end of the measurement period. OEC represents the original equipment cost and excludes the effect of adjustments to rental equipment fleet acquired in business combinations. OEC is the basis for calculating certain of the measures set forth below. Additionally, the pricing of our rental contracts and equipment sales prices for our equipment is based upon OEC, and we measure a rate of return from our rentals and sales using OEC. OEC is a widely used industry metric to compare fleet dollar value independent of depreciation.

Average OEC on rent — Average OEC on rent is calculated as the weighted-average OEC on rent during the stated period.

Fleet utilization — Fleet utilization is defined as the total number of days the rental equipment was rented during a specified period of time divided by the total number of days available during the same period and weighted based on OEC. Utilization is a measure of fleet efficiency expressed as a percentage of time the fleet is on rent and is considered to be an important indicator of the revenue generating capacity of the fleet.

OEC on rent yield — OEC on rent yield (“ORY”) is a measure of return realized by our rental fleet during a period. ORY is calculated as rental revenue (excluding freight recovery and ancillary fees) during the stated period divided by the average OEC on rent for the same period. For periods less than 12 months, ORY is adjusted to an annualized basis.

Sales order backlog — Sales order backlog consists of purchase orders received for customized and stock equipment. Sales order backlog should not be considered an accurate measure of future net sales.

Operating Segments

After a recent evaluation of how we currently assess overall operational decision-making and report internal financial information, beginning January 1, 2026, we are reporting the financial results of our two operating segments, which will also be our two reportable segments: (1) Specialty Equipment Rentals (“SER”), which comprises our legacy Equipment Rental Solutions (“ERS”) segment (except for certain used sales to be accounted for by STEM, defined below), plus a portion of our legacy Aftermarket Parts and Services (“APS”) segment, and (2) Specialty Truck Equipment & Manufacturing (“STEM”), which comprises our legacy Truck and Equipment Sales (“TES”) segment, certain used sales that previously were accounted for by ERS, plus a portion of our legacy APS segment. Additionally, beginning January 1, 2026, our segment reporting reflects intersegment sales and a gross margin, with adjusted EBITDA being the new reportable segments’ profit measure. This new structure better represents the financial profile and economics of our rental and sales & manufacturing businesses.

Specialty Equipment Rentals (“SER”) Segment — We own a broad range of new and used specialty equipment, including truck-mounted aerial lifts, cranes, service trucks, dump trucks, trailers, digger derricks and other machinery and equipment. As of June 30, 2026, this equipment (the “rental fleet”) is comprised of more than 10,350 units. The majority of our rental fleet can be used across a variety of end-markets, which coincides with the needs of many of our customers who operate in multiple end-markets. As is customary for equipment rental companies, we sell used equipment out of our rental fleet to end user customers and to our STEM segment. These sales are often made in response to specific customer requests. These sales offer customers an opportunity to buy well-maintained equipment with long remaining useful lives and enable us to effectively manage the age and mix of our rental fleet to match current market demand. We also employ rental purchase options (“RPOs”) on a select basis, which provide a buyout option with an established purchase price that decreases over time as rental revenue is collected. Customers are given credit against such purchase price for a portion of the amounts paid over the life of the rental, allowing customers the flexibility of a rental with the option to purchase at any time at a known price. Activities in our SER segment consist of the rental and sale from the rental fleet of the foregoing specialty equipment, rentals of aftermarket parts and services related to the specialty equipment, and repair, maintenance and customization services related to that equipment.

Specialty Truck Equipment & Manufacturing (“STEM”) segment — We offer a broad variety of new equipment for sale to be used across our end-markets, which can be modified to meet our customers’ specific needs. We believe that our integrated production

capabilities and extensive knowledge gained over a long history of selling equipment have established us as a trusted partner for customers seeking tailored solutions with short lead times. In support of these activities, we primarily employ a direct-to-customer sales model, leveraging our dedicated sales force of industry and product managers, who are focused on driving national and local sales. We also opportunistically engage in the sale of used equipment purchased from third parties, our SER segment or received via trade-ins from new equipment sales customers. In the majority of these cases, we will sell used equipment directly to customers, rather than relying on auctions. Activities in our STEM segment consist of the production and sale of new and used specialty equipment and vocational trucks, which includes equipment from leading original equipment manufacturers (“OEMs”) across our end-markets, as well as our Load King™ brand, and the sales of aftermarket parts and services related to the specialty equipment, and repair, maintenance and customization services related to that equipment.

Results of Operations

Three and six months ended June 30, 2026, compared to the same periods in 2025

Condensed Consolidated Results of Operations

(in \$000s)	Three Months Ended June 30,							
	June 30, 2026	% of revenue	June 30, 2025	% of revenue	\$ Change	% change	March 31, 2026	% of revenue
Rental revenue	\$ 145,060	25.7%	\$ 120,814	23.6%	\$ 24,246	20.1%	\$ 137,215	29.7%
Equipment sales	383,559	68.1%	356,112	69.6%	27,447	7.7%	292,634	63.4%
Parts sales and services	34,827	6.2%	34,557	6.8%	270	0.8%	31,773	6.9%
Total revenue	563,446	100.0%	511,483	100.0%	51,963	10.2%	461,622	100.0%
Cost of revenue, excluding rental equipment depreciation	382,545	67.9%	354,934	69.4%	27,611	7.8%	302,362	65.5%
Depreciation of rental equipment	56,927	10.1%	54,007	10.6%	2,920	5.4%	56,197	12.2%
Gross profit	123,974	22.0%	102,542	20.0%	21,432	20.9%	103,063	22.3%
Operating expenses	77,359		74,611		2,748	3.7%	71,594	
Operating income	46,615		27,931		18,684	66.9%	31,469	
Total other expense	37,639		38,833		(1,194)	(3.1)%	35,274	
Income (loss) before income taxes	8,976		(10,902)		19,878	(182.3)%	(3,805)	
Income tax expense (benefit)	(1,423)		17,478		(18,901)	(108.1)%	297	
Net income (loss)	\$ 10,399		\$ (28,380)		\$ 38,779	(136.6)%	\$ (4,102)	

(in \$000s)	Six Months Ended June 30,							
	June 30, 2026	% of revenue	June 30, 2025	% of revenue	\$ Change	% change		
Rental revenue	\$ 282,275	27.5%	\$ 237,075	25.4%	\$ 45,200	19.1%		
Equipment sales	676,193	66.0%	629,975	67.5%	46,218	7.3%		
Parts sales and services	66,600	6.5%	66,665	7.1%	(65)	(0.1)%		
Total revenue	1,025,068	100.0%	933,715	100.0%	91,353	9.8%		
Cost of revenue, excluding rental equipment depreciation	684,907	66.8%	641,539	68.7%	43,368	6.8%		
Depreciation of rental equipment	113,124	11.0%	104,098	11.1%	9,026	8.7%		
Gross profit	227,037	22.1%	188,078	20.1%	38,959	20.7%		
Operating expenses	148,953		147,742		1,211	0.8%		
Operating income	78,084		40,336		37,748	93.6%		
Total other expense	72,913		76,730		(3,817)	(5.0)%		
Income (loss) before income taxes	5,171		(36,394)		41,565	(114.2)%		
Income tax expense (benefit)	(1,126)		9,777		(10,903)	(111.5)%		
Net income (loss)	\$ 6,297		\$ (46,171)		\$ 52,468	(113.6)%		

Total Revenue - The increase in total revenue for the three and six months ended June 30, 2026, compared to the same periods in 2025 is a result of strong new equipment sales primarily within utility and forestry equipment and rental revenue driven by increases in average OEC on rent for the three and six months ended June 30, 2026 of 13.1% and 13.6%, compared to the same periods in 2025, respectively, and improvement in OEC on rent yield of 2.1% for both periods.

Cost of Revenue, Excluding Rental Equipment Depreciation - The increase in cost of revenue, excluding rental equipment depreciation for the three and six months ended June 30, 2026, compared to the same periods in 2025, was driven primarily by the increase in equipment sales volume.

Depreciation of Rental Equipment - Depreciation of our rental equipment increased in the three and six months ended June 30, 2026, compared to the same periods in 2025, as a result of higher rental equipment levels.

Operating Expenses - Operating expenses increased for the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily as a result of an increase in general and administrative expenses due to increased compensation.

Total Other Expense - Other expense decreased for the three and six months ended June 30, 2026, compared to the same periods in 2025, due to less interest expense on floor plan financing as a result of lower inventory levels.

Income Tax Expense (Benefit) - Income tax benefit was \$1.4 million and \$1.1 million for the three and six months ended June 30, 2026, respectively, compared to income tax expense of \$17.5 million and \$9.8 million for the same periods in 2025. The changes in effective tax rate were primarily attributable to changes in the valuation allowance recorded against deferred tax assets, and the inclusion of an adjustment to our estimated effective tax rate in the three months ended June 30, 2025, resulting from changes in expected taxable income in different tax jurisdictions.

Net Income (Loss) - Net income increased for the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily due to higher operating income as a result of strong new equipment sales and higher rental revenue driven by higher average OEC on rent. The increase is also due to an income tax benefit in the three and six months ended June 30, 2026, compared to expense for the same periods in 2025, as discussed above.

Operating Metrics

We principally evaluate operational performance based on the following metrics: ending OEC, average OEC on rent, fleet utilization, and OEC on rent yield. We also report sales order backlog related to our customers' orders for new vocational heavy duty trucks as an indicator of the demand environment for our products. The table below presents these key measures.

(in \$000s)	Three Months Ended					
	June 30, 2026	June 30, 2025	Change	% Change	March 31, 2026	% Change
Ending OEC	\$ 1,679,255	\$ 1,560,704	\$ 118,551	7.6 %	\$ 1,655,414	1.4 %
Average OEC on rent	\$ 1,365,689	\$ 1,207,231	\$ 158,458	13.1 %	\$ 1,343,712	1.6 %
Fleet utilization	81.6 %	77.6 %	4.0 %	5.2 %	81.4 %	0.2 %
OEC on rent yield	39.4 %	38.6 %	0.8 %	2.1 %	38.9 %	1.3 %
Sales order backlog	\$ 322,470	\$ 334,805	\$ (12,335)	(3.7)%	\$ 411,311	(21.6)%

(in \$000s)	Six Months Ended June 30,			
	2026	2025	Change	% Change
Ending OEC	\$ 1,679,255	\$ 1,560,704	\$ 118,551	7.6 %
Average OEC on rent	\$ 1,354,822	\$ 1,192,333	\$ 162,489	13.6 %
Fleet utilization	81.5 %	77.3 %	4.2 %	5.4 %
OEC on rent yield	39.1 %	38.3 %	0.8 %	2.1 %
Sales order backlog	\$ 322,470	\$ 334,805	\$ (12,335)	(3.7)%

Operating Results by Segment

Prior period amounts have been recast to reflect the change to two reportable segments.

Specialty Equipment Rentals

(in \$000s)	Three Months Ended					
	June 30, 2026	June 30, 2025	\$ Change	% Change	March 31, 2026	% Change
Revenue from external customers:						
Rental	\$ 145,060	\$ 120,814	\$ 24,246	20.1 %	\$ 137,215	5.7 %
Equipment sales	51,659	39,661	11,998	30.3 %	37,777	36.7 %
Parts sales and services	22,100	22,353	(253)	(1.1)%	18,771	17.7 %
Total revenue from external customers	218,819	182,828	35,991	19.7 %	193,763	12.9 %
Intersegment sales	4,113	15,726	(11,613)	(73.8)%	6,790	(39.4)%
Rental AR provision ⁽¹⁾	2,390	2,358	32	1.4 %	2,176	9.8 %
Sales-type lease adjustment ⁽²⁾	(4,318)	1,179	(5,497)	(466.2)%	2,103	(305.3)%
Total segment revenue	221,004	202,091	18,913	9.4 %	204,832	7.9 %
Segment Expenses:						
Cost of rental, excluding depreciation	34,542	30,040	4,502	15.0 %	30,748	12.3 %
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽³⁾	30,884	25,959	4,925	19.0 %	28,472	8.5 %
Cost of parts and services, excluding depreciation	17,914	18,993	(1,079)	(5.7)%	17,968	(0.3)%
Cost of intersegment sales	3,728	15,726	(11,998)	(76.3)%	6,110	(39.0)%
Rental AR provision ⁽¹⁾	2,390	2,358	32	1.4 %	2,176	9.8 %
Total segment cost of revenue expenses	89,458	93,076	(3,618)	(3.9)%	85,474	4.7 %
Selling, general and administrative expenses	14,347	16,180	(1,833)	(11.3)%	13,861	3.5 %
Total segment expenses	103,805	109,256	(5,451)	(5.0)%	99,335	4.5 %
Segment Adjusted EBITDA	\$ 117,199	\$ 92,835	\$ 24,364	26.2 %	\$ 105,497	11.1 %

(in \$000s)	Six Months Ended June 30,			
	2026	2025	\$ Change	% Change
Revenue from external customers:				
Rental	\$ 282,275	\$ 237,075	\$ 45,200	19.1 %
Equipment sales	89,436	69,516	19,920	28.7 %
Parts sales and services	40,871	43,318	(2,447)	(5.6)%
Total revenue from external customers	412,582	349,909	62,673	17.9 %
Intersegment sales	10,903	27,326	(16,423)	(60.1)%
Rental AR provision ⁽¹⁾	4,566	4,203	363	8.6 %
Sales-type lease adjustment ⁽²⁾	(2,215)	2,436	(4,651)	(190.9)%
Total Segment Revenue	425,836	383,874	41,962	10.9 %
Segment Expenses:				
Cost of rental, excluding depreciation	65,290	60,132	5,158	8.6 %
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽³⁾	59,356	43,885	15,471	35.3 %
Cost of parts and services, excluding depreciation	35,882	38,970	(3,088)	(7.9)%
Cost of intersegment sales	9,838	27,326	(17,488)	(64.0)%
Rental AR provision ⁽¹⁾	4,566	4,203	363	8.6 %
Total segment cost of revenue expenses	174,932	174,516	416	0.2 %
Selling, general and administrative expenses	28,208	30,474	(2,266)	(7.4)%
Total segment expenses	203,140	204,990	(1,850)	(0.9)%
Segment Adjusted EBITDA	\$ 222,696	\$ 178,884	\$ 43,812	24.5 %

(1) Specifically identifiable lease revenue receivables not deemed probable of collection are recorded as a reduction of rental revenue. This is classified as a segment expense for Segment Adjusted EBITDA reviewed by the chief operating decision maker.

(2) Impact of sales-type lease accounting for certain leases containing RPOs: this impact is excluded from the measure of Adjusted EBITDA utilized by our CODM to allocate resources and to assess the performance of our segments as we believe continuing to reflect the transactions as an operating lease better reflects the economics of the transactions given our large portfolio of rental contracts.

(3) Excludes the non-cash impact of purchase accounting, impact of sales-type lease accounting for certain leases containing RPOs, further excluding depreciation.

Total Revenue - The increase in total revenue for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to an increase in rental revenue as well as rental equipment sales. Rental revenue increased as a result of increases in fleet utilization of 4.0% and 4.2%, respectively, for the three and six months ended June 30, 2026, driven by increases in average OEC on rent of 13.1% and 13.6%, respectively. Rental equipment sales increased due to an increase in buyout activity of rental contracts with purchase options. The decrease in parts sales and services was driven by fewer tool kits sold. Intersegment sales decreased as fewer units were identified as rental asset disposals given the increased external demand for rental units and buyout activity of rental contracts with purchase options.

Cost of Rental Revenue, Excluding Depreciation - The increase in cost of rental revenue for the three and six months ended June 30, 2026, compared to the same periods in 2025, was largely due to an increase in rental activity.

Cost of Equipment Sales, net of Purchase Accounting, Sales-Type Leases and Depreciation - The increase in cost of equipment sales for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to an increase in rental equipment sales volume.

Cost of Parts and Services, Excluding Depreciation - The decrease in cost of parts and services for the three and six months ended June 30, 2026, compared to the same periods in 2025, was in line with the decline in parts and services revenue as fewer tool kits were sold.

Selling, General and Administrative Expenses - Selling, general and administrative expenses decreased for the three and six months ended June 30, 2026 compared to the same periods in 2025, primarily due to the reclassification of expenses associated with two facilities that transitioned from rental operations to manufacturing operations and are now reported within STEM.

Rental AR Provision - Represents specifically identifiable lease revenue receivables not deemed probable of collection which are recorded as a reduction of rental revenue per the Company's significant accounting policies. This is classified as a segment expense for Segment Adjusted EBITDA reviewed by the chief operating decision maker.

Sales-Type Lease Adjustments - Represents the impact of sales-type lease accounting for certain leases containing rental purchase options (or "RPOs"), as we believe continuing to reflect the transactions as an operating lease better reflects the economics of the transactions given our large portfolio of rental contracts.

Segment Adjusted EBITDA - The increase in segment adjusted EBITDA for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to higher operating income.

Specialty Truck Equipment & Manufacturing

(in \$000s)	Three Months Ended					
	June 30, 2026	June 30, 2025	\$ Change	% Change	March 31, 2026	% Change
Revenue from external customers:						
Equipment sales	\$ 331,900	\$ 316,451	\$ 15,449	4.9 %	\$ 254,857	30.2 %
Parts sales and services	12,727	12,204	523	4.3 %	13,002	(2.1)%
Total revenue from external customers	344,627	328,655	15,972	4.9 %	267,859	28.7 %
Intersegment sales	93,153	97,599	(4,446)	(4.6)%	95,450	(2.4)%
Total segment revenue	437,780	426,254	11,526	2.7 %	363,309	20.5 %
Segment Expenses:						
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽¹⁾	281,235	265,542	15,693	5.9 %	213,225	31.9 %
Cost of parts and services, excluding depreciation	9,551	8,634	917	10.6 %	9,094	5.0 %
Cost of intersegment sales	78,596	97,599	(19,003)	(19.5)%	80,185	(2.0)%
Total segment cost of revenue expenses	369,382	371,775	(2,393)	(0.6)%	302,504	22.1 %
Selling, general and administrative expenses	20,042	16,663	3,379	20.3 %	17,580	14.0 %
Floor plan interest expense	11,139	13,764	(2,625)	(19.1)%	10,519	5.9 %
Total segment expenses	400,563	402,202	(1,639)	(0.4)%	330,603	21.2 %
Segment Adjusted EBITDA	\$ 37,217	\$ 24,052	\$ 13,165	54.7 %	\$ 32,706	13.8 %

(in \$000s)	Six Months Ended June 30,			
	2026	2025	\$ Change	% Change
Revenue from external customers:				
Equipment sales	586,757	560,459	26,298	4.7 %
Parts sales and services	25,729	23,347	2,382	10.2 %
Total revenue from external customers	612,486	583,806	28,680	4.9 %
Intersegment sales	188,603	192,388	(3,785)	(2.0)%
Total segment revenue	801,089	776,194	24,895	3.2 %
Segment Expenses:				
Cost of equipment sales, net of purchase accounting, sales-type leases and depreciation ⁽¹⁾	494,460	470,991	23,469	5.0 %
Cost of parts and services, excluding depreciation	18,645	16,078	2,567	16.0 %
Cost of intersegment sales	158,781	192,388	(33,607)	(17.5)%
Total segment cost of revenue expenses	671,886	679,457	(7,571)	(1.1)%
Selling, general and administrative expenses	37,622	32,516	5,106	15.7 %
Floor plan interest expense	21,658	27,061	(5,403)	(20.0)%
Total segment expenses	731,166	739,034	(7,868)	(1.1)%
Segment Adjusted EBITDA	\$ 69,923	\$ 37,160	\$ 32,763	88.2 %

(1) Excludes the non-cash impact of purchase accounting.

Total Revenue - The increase in total revenue for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to higher equipment sales driven by demand in utility and forestry vehicles. Parts sales and services also increased driven primarily by higher service activity and increased demand for replacement parts. Intersegment sales decreased for the three and six months ended June 30, 2026, compared to the same periods in 2025, due to fewer units sold to SER for the rental fleet.

Cost of Equipment Sales, net of Purchase Accounting, Sales-Type Leases and Depreciation - The increase in cost of equipment sales for the three and six months ended June 30, 2026, compared to the same periods in 2025, was driven by the increase in equipment sales volume.

Cost of Parts and Services, Excluding Depreciation - The increase in cost of parts and services for the three and six months ended June 30, 2026, compared to the same periods in 2025, corresponded with the increase in parts sales and services revenue reflecting higher volume of work performed and the related increase in materials and labor required to support that activity.

Cost of Intersegment Sales - Cost of intersegment sales declined for the three and six months ended June 30, 2026, compared to the same periods in 2025 due to fewer units sold to SER.

Selling, General and Administrative Expenses - Selling, general, and administrative expenses increased for the three and six months ended June 30, 2026, compared to the same periods in 2025, primarily due to the reclassification of expenses associated with two facilities that transitioned from rental operations to manufacturing operations and are now reported within STEM, as well as higher sales commission.

Floor plan Interest Expense - The decrease in floor plan interest expense for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to the lower inventory levels.

Segment Adjusted EBITDA - The increase in segment adjusted EBITDA for the three and six months ended June 30, 2026, compared to the same periods in 2025, was due to increased gross profit and lower interest expense on variable-rate floor plan liabilities from lower inventory levels.

Reconciliation of Segment Adjusted EBITDA to Consolidated Income (Loss) Before Income Taxes

<i>in 000s</i>	Three Months Ended June 30,		Six Months Ended		Three Months Ended March 31,
	2026	2025	2026	2025	2026
Adjusted EBITDA - SER	\$ 117,199	\$ 92,835	\$ 222,696	\$ 178,884	\$ 105,497
Adjusted EBITDA - STEM	37,217	24,052	69,923	37,160	32,706
Total Segment Adjusted EBITDA	154,416	116,887	292,619	216,044	138,203
Reconciling Items:					
Intersegment margin	(14,942)	—	(30,887)	—	(15,945)
Corporate and non-allocated selling, general and administrative expenses ⁽¹⁾	(22,720)	(23,459)	(46,992)	(49,190)	(24,272)
Depreciation and amortization	(68,970)	(66,426)	(137,244)	(128,937)	(68,274)
Interest expense, net (non-floor plan)	(27,051)	(26,440)	(51,569)	(52,056)	(24,518)
Non-cash purchase accounting impact ⁽²⁾	(2,736)	(3,915)	(5,968)	(8,096)	(3,232)
Transaction and integration costs ⁽³⁾	(5,998)	(5,303)	(9,890)	(8,963)	(3,892)
Sales-type lease adjustment ⁽⁴⁾	408	(471)	(288)	(1,017)	(696)
Share-based payments ⁽⁵⁾	(3,431)	(1,775)	(4,610)	(4,179)	(1,179)
Consolidated income (loss) before income taxes	\$ 8,976	\$ (10,902)	\$ 5,171	\$ (36,394)	\$ (3,805)

(1) Certain costs are not allocated to the segments as they represent Corporate-level activities. These costs primarily include people-related costs, enterprise technology, insurance coverage, and professional services required to support the Company's national scale, public-company requirements, and centralized corporate functions.

(2) Represents the non-cash impact of purchase accounting, net of accumulated depreciation, on the cost of equipment and inventory sold.

(3) Represents transaction and other costs related to acquisitions of businesses; costs associated with closed operations; costs associated with restructuring and business optimization activities (inclusive of systems establishment costs); employee retention and/or severance costs; costs related to start-up/pre-openings and openings of locations; reconfiguration or consolidation of facilities or equipment conversion costs.

(4) Represents the impact of sales-type lease accounting for certain leases containing RPOs, as we believe continuing to reflect the transactions as an operating lease better reflects the economics of the transactions given our large portfolio of rental contracts.

(5) Represents non-cash share-based compensation expense associated with the issuance of restricted stock units.

See Note 14: Segments for additional information.

Liquidity and Capital Resources

Our principal sources of liquidity include cash generated by operating activities and borrowings under revolving credit facilities as described below. We believe that our liquidity sources and operating cash flows are sufficient to address our operating, debt service and capital requirements, including investments in our rental fleet, over the next 12 months and beyond. As of June 30, 2026, we had \$10.3 million in cash and cash equivalents compared to \$6.3 million as of December 31, 2025. As of June 30, 2026 and December 31, 2025, we had \$714.9 million and \$698.0 million of outstanding borrowings under our ABL Facility, respectively. Availability under the ABL Facility was \$229.4 million as of June 30, 2026, and based on our borrowing base, we have an additional \$242.0 million of suppressed availability that we can potentially utilize by upsizing our existing facility. For further information on the ABL Facility, see Note 7: Long-Term Debt in the Notes to the Unaudited Condensed Consolidated Financial Statements. Our non-trade floor plan

facility with PNC Equipment Finance, LLC, under which \$397.0 million was outstanding as of June 30, 2026, matures on August 25, 2026; we expect to complete its renewal on or prior to that date on terms substantially consistent with the existing agreement.

Loan Covenants and Compliance

The ABL Facility contains customary negative covenants for transactions of this type, including covenants that, among other things, limit Nesco Holdings II, Inc., our wholly owned subsidiary (the “Borrower” with respect to the ABL Facility, or the “Issuer” with respect to the Indenture, defined below) and its restricted subsidiaries’ ability to: incur additional indebtedness; pay dividends, redeem stock, or make other distributions; repurchase, prepay or redeem subordinated indebtedness; make investments; create restrictions on the ability of the Borrower’s restricted subsidiaries to pay dividends; create liens; transfer or sell assets; consolidate, merge, sell, or otherwise dispose of all or substantially all of the Borrower’s assets; enter into certain transactions with the Borrower’s affiliates; and designate subsidiaries as unrestricted subsidiaries, in each case subject to certain exceptions, as well as a restrictive covenant applicable to each Specified Floor Plan Company (as defined in the ABL Credit Agreement) limiting its ability to own certain assets and engage in certain lines of business. The covenants governing the payment of dividends and making other distributions are based upon a combination of fixed amounts, percentages of Adjusted EBITDA or upon multiple pro forma measures depending on the purpose of any such dividend payments or distributions the Borrower and its restricted subsidiaries are permitted to make. Unlimited dividends under the ABL Facility may be permitted so long as, on a pro forma basis, “distribution conditions” (as defined in the ABL Credit Agreement governing the ABL Facility) are satisfied. As of June 30, 2026, the Company’s distribution conditions were satisfied and, as a result, the Company determined there were no restrictions on distributions by the Borrower and its restricted subsidiaries by the ABL Credit Agreement.

The 5.50% senior secured second lien notes due 2029 (the “2029 Secured Notes”) were issued pursuant to the indenture governing our 2029 Secured Notes (the “Indenture”) which contains covenants that limit the Issuer’s (and certain of its subsidiaries’) ability to, among other things: (i) incur additional debt or issue certain preferred stock; (ii) pay dividends, redeem stock, or make other distributions; (iii) make other restricted payments or investments; (iv) create liens on assets; (v) transfer or sell assets; (vi) create restrictions on payment of dividends or other amounts by the Issuer’s restricted subsidiaries; (vii) engage in mergers or consolidations; (viii) engage in certain transactions with affiliates; or (ix) designate the Issuer’s subsidiaries as unrestricted subsidiaries. The covenants governing the payment of dividends and making other distributions are based upon a combination of fixed amounts, percentages of Adjusted EBITDA or upon multiple pro forma measures depending on the purpose of any such dividend payments or distributions the Issuer and its restricted subsidiaries are permitted to make. Unlimited dividends, under the Indenture, may be made so long as after giving effect to making the dividends, the Consolidated Total Debt Ratio would be no greater than 5.00 to 1.00 on a pro forma basis. As of June 30, 2026, the Company’s Consolidated Total Debt Ratio was not greater than 5.00 to 1.00 and, as a result, the Company determined there were no restrictions on distributions by the Issuer and its restricted subsidiaries by the Indenture. For further information on the ABL Facility and Indenture, see Note 8: Long-Term Debt in the Notes to the Consolidated Financial Statements under Part II, Item 8 in the Company’s annual report on Form 10-K for the year ended December 31, 2025, filed on March 10, 2026.

The Company presents Adjusted EBITDA calculated in accordance with “Consolidated EBITDA” as that term is used in the ABL Credit Agreement and the Indenture. Adjusted EBITDA is defined as net income, as adjusted for provision for income taxes, interest expense, net (excluding interest on floor plan financing), depreciation of rental equipment and non-rental depreciation and amortization, and further adjusted for the impact of the fair value mark-up of acquired rental fleet (the “non-cash purchase accounting impact”), business acquisition and merger-related costs, including integration, the impact of accounting for certain of our rental contracts with customers that are accounted for under GAAP as a sales-type lease and stock compensation expense.

The Company presents Net Leverage Ratio, which is equivalent to Consolidated Total Net Leverage Ratio in our ABL Credit Agreement and Consolidated Total Debt Ratio in the Indenture, is defined as Net Debt over Adjusted EBITDA for the previous twelve-month period (“last twelve months,” or “LTM”). Net debt is defined as total debt (calculated as current and long-term debt, excluding deferred financing fees, plus current and long-term finance lease obligations) minus cash and cash equivalents.

Our creditors utilize Adjusted EBITDA and Net Leverage Ratio to assess our compliance with the restrictive covenants in the ABL Credit Agreement and the Indenture. Neither Adjusted EBITDA nor Net Leverage Ratio is calculated in accordance with GAAP and may not conform to the calculation of Adjusted EBITDA or Net Leverage Ratio used by other companies. Neither Adjusted EBITDA nor Net Leverage Ratio should be considered as a substitute for a measure of our financial performance or liquidity prepared in accordance with GAAP.

The following table provides the calculation of Adjusted EBITDA pursuant to the ABL Credit Agreement and the Indenture.

(in \$000s)	Three Months Ended		Six Months Ended		Three Months Ended March 31, 2026
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	
Net income (loss)	\$ 10,399	\$ (28,380)	\$ 6,297	\$ (46,171)	\$ (4,102)
Interest expense	27,051	26,440	51,569	52,056	24,518
Income tax expense (benefit)	(1,423)	17,478	(1,126)	9,777	297
Depreciation and amortization	68,970	66,426	137,244	128,937	68,274
EBITDA	104,997	81,964	193,984	144,599	88,987
Adjustments:					
Non-cash purchase accounting impact ⁽¹⁾	2,736	3,915	5,968	8,096	3,232
Transaction and integration costs ⁽²⁾	5,998	5,303	9,890	8,963	3,892
Sales-type lease adjustment ⁽³⁾	(408)	471	288	1,017	696
Share-based payments ⁽⁴⁾	3,431	1,775	4,610	4,179	1,179
Adjusted EBITDA	<u>\$ 116,754</u>	<u>\$ 93,428</u>	<u>\$ 214,740</u>	<u>\$ 166,854</u>	<u>\$ 97,986</u>

(1) Represents the non-cash impact of purchase accounting, net of accumulated depreciation, on the cost of equipment and inventory sold. The equipment and inventory acquired received a purchase accounting step-up in basis, which is a non-cash adjustment to the equipment cost pursuant to our ABL Credit Agreement and Indenture.

(2) Represents transaction and other costs related to acquisitions of businesses; costs associated with closed operations; costs associated with restructuring and business optimization activities (inclusive of systems establishment costs); employee retention and/or severance costs; costs related to start-up/pre-openings and openings of locations; reconfiguration or consolidation of facilities or equipment conversion costs. These adjustments are presented as adjustments to net income (loss) pursuant to our ABL Credit Agreement and Indenture.

(3) Represents the impact of sales-type lease accounting for certain leases containing RPOs, as the application of sales-type lease accounting is not deemed to be representative of the ongoing cash flows of the underlying rental contracts. The adjustments are made pursuant to our ABL Credit Agreement and Indenture. The components of this adjustment are presented in the table below.

(in \$000s)	Three Months Ended		Six Months Ended		Three Months Ended March 31, 2026
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	
Equipment sales	\$ (5,942)	\$ (984)	\$ (5,212)	\$ (3,145)	\$ 730
Cost of equipment sales	4,461	949	2,817	2,788	(1,644)
Gross profit	(1,481)	(35)	(2,395)	(357)	(914)
Interest income	(550)	(1,322)	(313)	(2,334)	237
Rental invoiced	1,623	1,828	2,996	3,708	1,373
Sales-type lease adjustment	<u>\$ (408)</u>	<u>\$ 471</u>	<u>\$ 288</u>	<u>\$ 1,017</u>	<u>\$ 696</u>

(4) Represents non-cash share-based compensation expense associated with the issuance of restricted stock units.

The following table presents the calculation of Net Debt and Net Leverage Ratio:

<i>(in \$000s)</i>	June 30, 2026	March 31, 2026
Current maturities of long-term debt	3,209	5,085
Long-term debt, net	1,656,652	1,628,943
Deferred financing fees	13,353	14,462
Less: cash and cash equivalents	(10,287)	(9,608)
Net Debt	\$ 1,662,927	\$ 1,638,882
Divided by: LTM Adjusted EBITDA ⁽¹⁾	\$ 431,444	\$ 408,118
Net Leverage Ratio	3.85	4.02

(1) The following tables present the calculation of LTM Adjusted EBITDA for the periods ended June 30, 2026 and March 31, 2026:

<i>(in \$000s)</i>	Current Year To Date Period June 30, 2026	Less: Prior Year To Date Period June 30, 2025	Add: Prior Fiscal Year December 31, 2025	LTM Adjusted EBITDA June 30, 2026
Net income (loss)	\$ 6,297	\$ (46,171)	\$ (31,052)	\$ 21,416
Interest expense	51,569	52,056	104,882	104,395
Income tax expense (benefit)	(1,126)	9,777	2,922	(7,981)
Depreciation and amortization	137,244	128,937	264,998	273,305
EBITDA	193,984	144,599	341,750	391,135
Adjustments:				
Non-cash purchase accounting impact	5,968	8,096	15,469	13,341
Transaction and integration costs	9,890	8,963	16,639	17,566
Sales-type lease adjustment	288	1,017	1,229	500
Share-based payments	4,610	4,179	8,471	8,902
Adjusted EBITDA	\$ 214,740	\$ 166,854	\$ 383,558	\$ 431,444

<i>(in \$000s)</i>	Current Year To Date Period March 31, 2026	Less: Prior Year To Date Period March 31, 2025	Add: Prior Fiscal Year December 31, 2025	LTM Adjusted EBITDA March 31, 2026
Net income (loss)	\$ (4,102)	\$ (17,791)	\$ (31,052)	\$ (17,363)
Interest expense	24,518	25,616	104,882	103,784
Income tax expense (benefit)	297	(7,701)	2,922	10,920
Depreciation and amortization	68,274	62,511	264,998	270,761
EBITDA	88,987	62,635	341,750	368,102
Adjustments:				
Non-cash purchase accounting impact	3,232	4,181	15,469	14,520
Transaction and integration costs	3,892	3,660	16,639	16,871
Sales-type lease adjustment	696	546	1,229	1,379
Share-based payments	1,179	2,404	8,471	7,246
Adjusted EBITDA	\$ 97,986	\$ 73,426	\$ 383,558	\$ 408,118

Historical Cash Flows

The following table summarizes our sources and uses of cash:

(in \$000s)	Six Months Ended June 30,	
	2026	2025
Net cash flow from operating activities	\$ 68,186	\$ 181,353
Net cash flow for investing activities	(106,224)	(139,807)
Net cash flow from (for) financing activities	41,296	(39,889)
Effect of exchange rate changes on cash and cash equivalents	756	(203)
Net change in cash and cash equivalents	\$ 4,014	\$ 1,454

As of June 30, 2026, we had cash and cash equivalents of \$10.3 million, an increase of \$4.0 million from December 31, 2025. Generally, we manage our cash flow by using any excess cash, after considering our working capital and capital expenditure needs, including paying down the outstanding balance under our ABL Facility, and availability under our credit facilities.

Cash Flows from Operating Activities

Net cash from operating activities was \$68.2 million for the six months ended June 30, 2026, as compared to \$181.4 million in the same period of 2025. The decrease in net cash from operating activities is driven by a higher increase in inventory on hand for the six months ended June 30, 2026, when compared to the same period in 2025.

Cash Flows for Investing Activities

Net cash used in investing activities was \$106.2 million for the six months ended June 30, 2026, as compared to \$139.8 million in the same period of 2025. The decrease in cash used in investing activities was primarily due to a decrease in purchases of rental equipment of \$33.7 million and an increase in proceeds from sales and disposals of rental equipment of \$13.0 million, partially offset by an increase in purchases of non-rental property and cloud computing arrangements of \$13.2 million.

Cash Flows from Financing Activities

Net cash from financing activities was \$41.3 million for the six months ended June 30, 2026, as compared to cash used for financing activities of \$39.9 million in the same period of 2025. The increase in net cash from financing activities was primarily due to a decrease in repurchases of stock of \$32.6 million, a decrease in repayments on floor plan liabilities and long-term debt of \$32.6 million and higher proceeds from floor plan liabilities and long-term debt of \$16.4 million.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest rate risk

We are subject to interest rate market risk in connection with our long-term debt. Our principal interest rate exposure relates to outstanding amounts under the ABL Credit Facility and our floor plan financing arrangements. Interest rate changes generally impact the amount of our interest payments and, therefore, our future net income and cash flows, assuming other factors are held constant. As of June 30, 2026, we had \$1,481.1 million aggregate principal amount of variable rate debt, consisting of the balance outstanding under floor plan financing and the ABL Facility. Holding other variables constant, each one-eighth percentage point increase or decrease in the applicable interest rates would correspondingly change our interest expense under floor plan financing and the ABL Facility by approximately \$1.9 million on an annual basis.

We, from time to time, may manage a portion of our risks from exposures to fluctuations in interest rates as part of our risk management program through the use of derivative financial instruments. The objective of controlling these risks is to limit the impact on earnings and cash flows caused by fluctuations in the interest rates of our variable-rate debt. We do not currently hedge our interest rate exposure.

Foreign currency exchange rate risk

During the six months ended June 30, 2026, we generated \$16.8 million of revenues denominated in Canadian dollars. Each 100-basis point increase or decrease in the average Canadian dollar to U.S. dollar exchange rate for the year would have correspondingly changed our revenues by approximately \$0.3 million on an annual basis. We do not currently hedge our exchange rate exposure.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

In accordance with Securities Exchange Act Rules 13a-15(e) and 15d-15(e), our management, under the supervision of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2026. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of June 30, 2026.

(b) Changes to Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the fiscal quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

We may, at any given time, be named as a defendant in certain lawsuits, investigations and claims arising in the ordinary course of business. While the outcome of these potential lawsuits, investigations and claims cannot be predicted with certainty, we do not expect these matters to have a material adverse impact on our business, results of operations, cash flows or financial condition. In the opinion of management, there are no pending litigation, disputes or claims against the Company that, if decided adversely, would have a material adverse effect on its consolidated financial condition, cash flows or results of operations.

Item 1A. Risk Factors

No material changes occurred to the risk factors as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Issuer Purchases of Equity Securities

On August 2, 2022, our Board of Directors authorized a stock repurchase program for up to \$30 million of the Company's shares of common stock, which authorization was further increased by \$25 million of shares on September 14, 2023, and increased again by \$25 million on March 11, 2024, upon exhaustion of prior authorization. The authorization does not have an expiration date. Repurchases under the program may be made in the open market, in privately negotiated transactions or otherwise, with the amount and timing of repurchases depending on market conditions and corporate needs.

We did not purchase any shares of our common stock during the three months ended June 30, 2026.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2026, no director or 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.

Item 6. Exhibits

Exhibit No.	Description
31.1*	Certification of Chief Executive Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officer pursuant to Exchange Act Rules 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32**	Certification of Chief Executive Officer and Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.

**Furnished herewith.

SIGNATURES

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

CUSTOM TRUCK ONE SOURCE, INC.
(Registrant)

Date: August 3, 2026

/s/ Ryan McMonagle

Ryan McMonagle, Chief Executive Officer

Date: August 3, 2026

/s/ Christopher J. Eperjesy

Christopher J. Eperjesy, Chief Financial Officer and Principal Accounting Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Ryan McMonagle, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Custom Truck One Source, Inc. for the quarterly period ended June 30, 2026;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2026

/s/ Ryan McMonagle

Ryan McMonagle
Chief Executive Officer

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

, Christopher J. Eperjesy, certify that:

- 1 I have reviewed this Quarterly Report on Form 10-Q of Custom Truck One Source, Inc. for the quarterly period ended June 30, 2026;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 3, 2026

/s/ Christopher J. Eperjesy

Christopher J. Eperjesy
Chief Financial Officer and Principal Accounting Officer

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

In connection with the Quarterly Report on Form 10-Q of Custom Truck One Source, Inc. (the “Company”) for the quarterly period ended June 30, 2026, as filed with the Securities and Exchange Commission (the “Report”), each of the undersigned, in the capacities and on the dates indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

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

August 3, 2026

/s/ Ryan McMonagle

Ryan McMonagle
Chief Executive Officer

August 3, 2026

/s/ Christopher J. Eperjesy

Christopher J. Eperjesy
Chief Financial Officer and Principal Accounting Officer