CRESTA MANUFACTURING INC.

Quarterly Financial Report

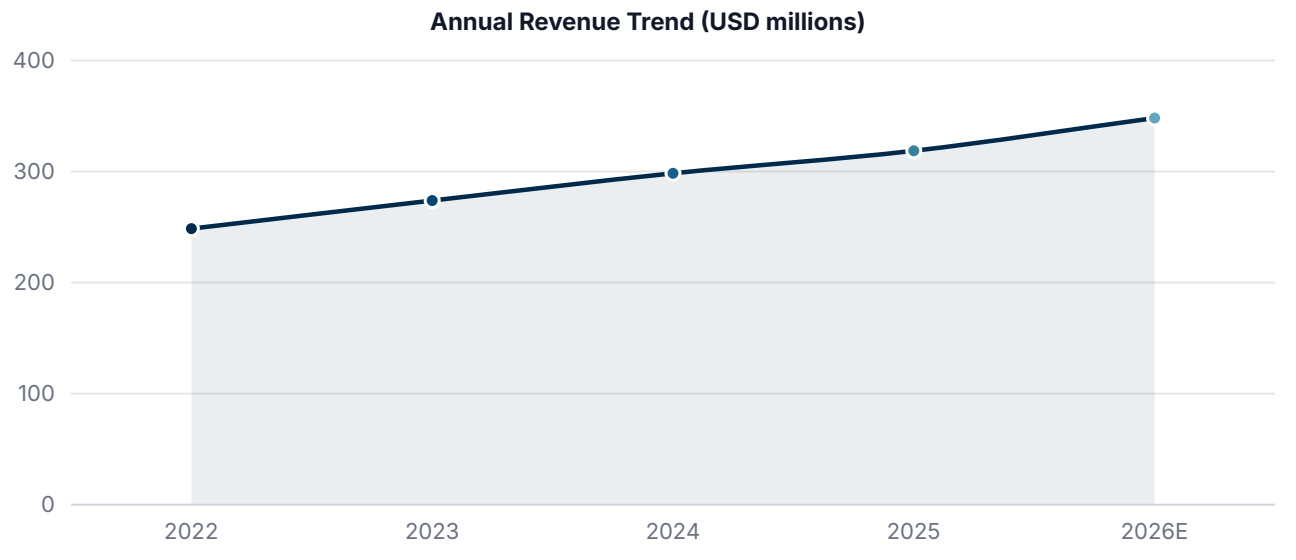
Q1 2026

Three Months Ended March 31, 2026

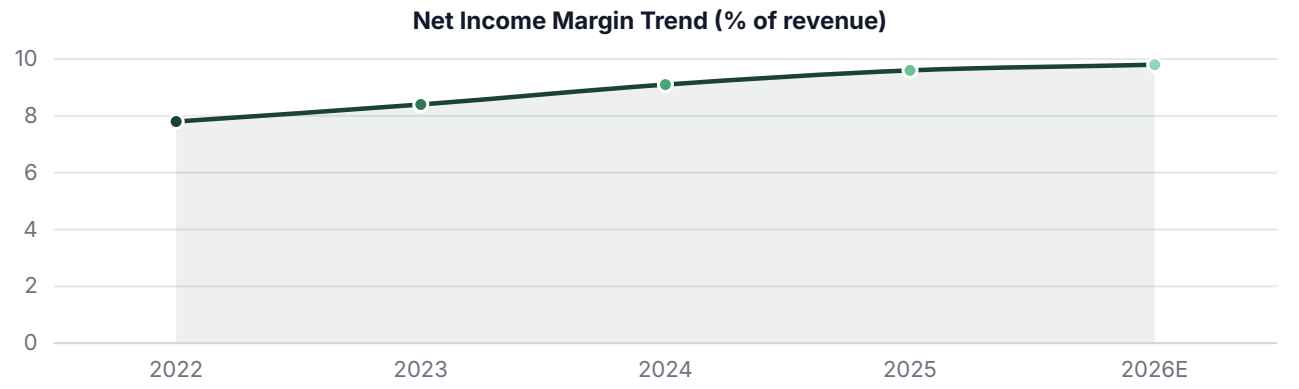
INCOME STATEMENT

Condensed consolidated statements of operations

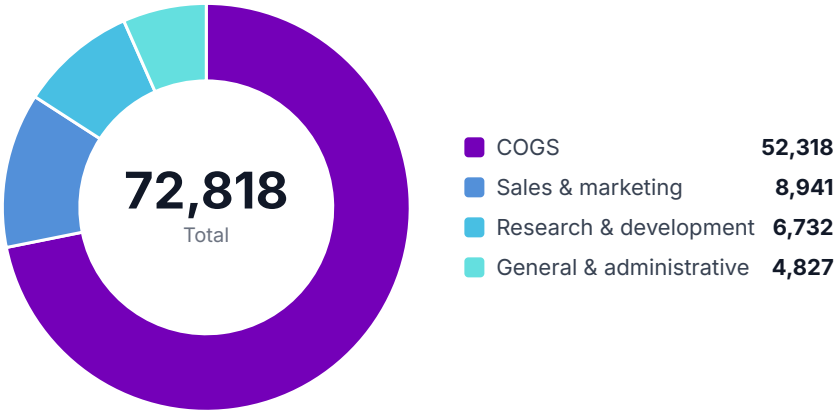
LINE ITEM	Q1 2026	Q4 2025	YOY %
Revenue [1]	84,217	79,604	+11.4%
Cost of goods sold (COGS)	(52,318)	(50,127)	+6.8%
Gross profit	**31,899**	**29,477**	**+18.7%**
Research & development [2]	(6,732)	(6,418)	+5.4%
Sales & marketing	(8,941)	(8,506)	+7.1%
General & administrative	(4,827)	(4,615)	+4.9%
Operating income	**11,399**	**9,938**	**+22.6%**
Other income / (expense), net [3]	(412)	(389)	+5.9%
Pretax income	**10,987**	**9,549**	**+23.4%**
Provision for income taxes	(2,747)	(2,387)	+15.1%
Net income	**8,240**	**7,162**	**+27.0%**
Diluted earnings per share (USD) [4]	$0.42	$0.36	+27.3%



Source: management accounts, audited FY22–FY25; FY26 estimate from Q1 actuals annualized.



Source: management accounts; net income margin = net income / revenue, GAAP basis.



Source: management accounts, Q1 2026; categories per income statement classification.

BALANCE SHEET

Condensed consolidated balance sheets

ASSETS	MAR 31, 2026	DEC 31, 2025
Cash & cash equivalents	18,943	17,128
Accounts receivable, net	24,580	22,914
Inventories [2]	31,247	29,802
Property, plant & equipment, net	67,415	66,830
Total assets	**142,185**	**136,674**

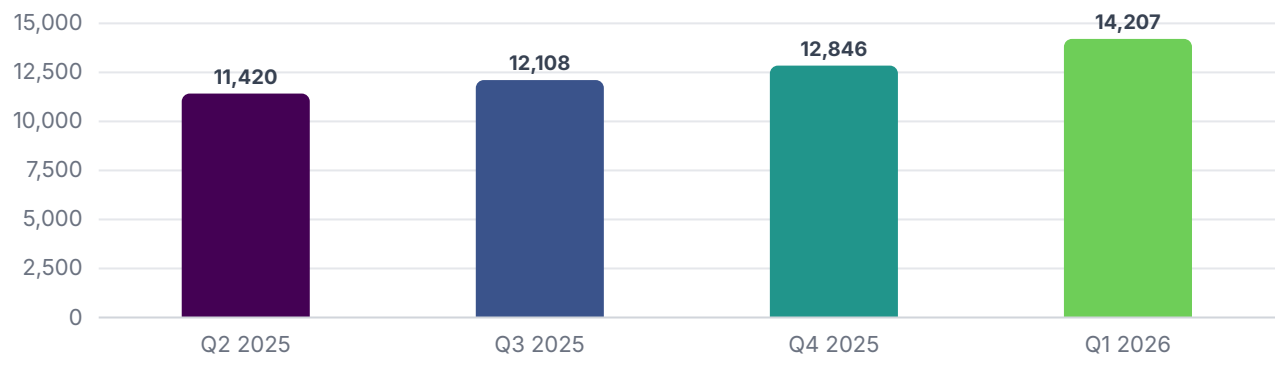
LIABILITIES	MAR 31, 2026	DEC 31, 2025
Accounts payable	14,217	13,406
Accrued expenses	8,962	8,541
Long-term debt [3]	38,500	40,000
Deferred tax liabilities	5,418	5,219
Total liabilities	**67,097**	**67,166**

STOCKHOLDERS' EQUITY	MAR 31, 2026	DEC 31, 2025
Common stock ($0.01 par)	196	196
Additional paid-in capital	32,750	32,420
Retained earnings	42,492	37,142
Total stockholders' equity	**75,438**	**69,758**

CASH FLOW SUMMARY

Condensed consolidated statements of cash flows

CASH FLOW ACTIVITY	Q1 2026	Q1 2025
Net cash from operating activities	12,418	10,206
Net cash used in investing activities	(6,841)	(5,927)
Net cash used in financing activities	(3,762)	(2,418)
Net change in cash & equivalents	**1,815**	**1,861**



Source: management accounts; EBITDA = operating income + depreciation & amortization.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 **Revenue recognition**

Revenue includes $6.4M from the new precision-machining contract with Halverson Aerospace, recognized upon delivery. Service revenue (8.2% of total) is recognized ratably over the contract term per ASC 606.

NOTE 2 **Inventory composition & R&D classification**

Inventories comprise raw materials ($11.8M), work-in-process ($9.6M), and finished goods ($9.8M). R&D excludes $0.9M of capitalized software costs; expensing policy unchanged from prior periods.

NOTE 3 **Long-term debt & non-operating items**

Other expense reflects net interest of $0.41M on the $38.5M senior unsecured notes (4.85% coupon, due 2031). $1.5M scheduled principal repayment was made on January 15, 2026.

NOTE 4 **Earnings per share basis**

Diluted EPS is computed on 19,617 thousand weighted-average diluted shares outstanding. Treasury stock method applied to 412 thousand outstanding employee stock options with strike $14.20.