Form 1120 ATS Test Scenario 11
Supporting New Development Forms 5471 Schedule H-1, 8964-ELE, 8964-TRA
Taxpayer: Spanner & Hammer Tools, Inc.
EIN: 00-1120011

1120 Test Scenario 11 includes the following forms:

- Form 1120
- Form 1120 Schedule N
- Form 1118
- Form 4626
- Form 4626 Schedule A [3]
- Form 5471
- Form 5471 Schedule E
- Form 5471 Schedule H
- Form 5471 Schedule H-1
- Form 5471 Schedule J
- Form 5471 Schedule P
- Form 5471 Schedule Q
- Form 8964-ELE
- Form 8964-TRA [3]
- MultipleQBUStatement

Header Info:

- MultSoftwarePackagesUsedInd: No
- OriginatorGrp
  - EFIN: Self-select
  - OriginatorTypeCd: ERO
- BusinessOfficerGrp
  - PersonNm: Talbert Oaks
  - PersonTitleTxt: President

Attachments:
Form 8964-ELE, Part II, Section A, Line 1a (MultipleQBUStatement)

Form Line or Instruction Reference	Name of QBU Owner	Name of QBU
Form 8963-ELE, Part II, Section A, Line 1a	SPANNER & HAMMER TOOLS INC	SPANNER & HAMMER TOOLS UK
		SPANNER & HAMMER TOOLS ASIA
		SPANNER & HAMMER TOOLS LATIN AMERICA

TREASURY/IRS AND OMB USE ONLY DRAFT

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 2026 or tax year beginning 01/01 **, 2026, ending** 12/31 **, 20** 26
Go to *www.irs.gov/Form1120* for instructions and the latest information.

OMB No. 1545-0123
2026

A Check if:
1a Consolidated return (attach Form 851) ☐
1b Life/nonlife consolidated return ☐
2 Personal holding co. (attach Sch. PH) ☐
3 Personal service corp. (see instructions) ☐
4 Schedule M-3 attached ☐

Name				**B Employer identification number**
SPANNER & HAMMER TOOLS INC				00-1120011
Number and street. If a P.O. box, see instructions.			Room or suite no.	**C** Date incorporated
21 TOOLBOX ST				
City or town	State or province	Country	ZIP or foreign code	**D** Total assets (see instructions)
DENVER	CO		80202	$

E Check if: **(1)** ☐ Initial return **(2)** ☐ Final return **(3)** ☐ Name change **(4)** ☐ Address change

Income	1a	Gross receipts or sales	1a	1,466,666,667
	1b	Returns and allowances	1b	
	1c	Balance. Subtract line 1b from line 1a	1c	1,466,666,667
	2	Cost of goods sold (attach Form 1125-A)	2	510,000,000
	3	Gross profit. Subtract line 2 from line 1c	3	956,666,667
	4	Dividends and inclusions (Schedule C, line 23)	4	33,333,333
	5	Interest	5	
	6	Gross rents	6	
	7	Gross royalties	7	10,000,000
	8	Capital gain net income (attach Schedule D (Form 1120))	8	
	9	Net gain or (loss) from Form 4797, Part II, line 19 (attach Form 4797)	9	
	10	Other income (see instructions—attach statement)	10	
	11	**Total income.** Add lines 3 through 10	11	1,000,000,000
Deductions (See instructions for limitations on deductions.)	12	Compensation of officers (see instructions—attach Form 1125-E)	12	
	13	Salaries and wages (less employment credits)	13	800,000,000
	14	Repairs and maintenance	14	
	15	Bad debts	15	
	16	Rents	16	
	17	Taxes and licenses	17	
	18	Interest (see instructions)	18	
	19	Charitable contributions	19	
	20	Depreciation from Form 4562 not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	20	
	21	Depletion	21	
	22	Advertising	22	
	23	Pension, profit-sharing, etc., plans	23	
	24	Employee benefit programs	24	
	25	Energy efficient commercial buildings deduction (attach Form 7205)	25	
	26	Other deductions (attach statement)	26	
	27	**Total deductions.** Add lines 12 through 26	27	800,000,000
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11	28	200,000,000
	29a	Net operating loss deduction (see instructions)	29a	
	29b	Special deductions (Schedule C, line 24)	29b	
	29c	Add lines 29a and 29b	29c	
Tax, Refundable Credits, and Payments	30	**Taxable income.** Subtract line 29c from line 28. See instructions	30	200,000,000
	31	Total tax (Schedule J, line 12)	31	55,075,000
	32	First installment of section 1062 applicable net tax liability. Enter amount from Form 1062, line 15	32	
	33	Total payments, credits, and section 1062 applicable net tax liability from Schedule J, line 23	33	70,000,000
	34	Estimated tax penalty. See instructions. Check if Form 2220 is attached ☐	34	
	35	**Amount owed.** If line 33 is smaller than the total of lines 31, 32, and 34, enter amount owed	35	
	36	**Overpayment.** If line 33 is larger than the total of lines 31, 32, and 34, enter amount overpaid	36	14,925,000
	37	Enter amount from line 36 you want: **37a Credited to 2027 estimated tax** _____ **37b Refunded**	37b	14,925,000
	37c	Routing number (9 digits) _____ **37d** Type: ☐ Checking ☐ Savings		
	37e	Account number (up to 17 digits) _____		

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer | Date | Title

May the IRS discuss this return with the preparer shown below? See instructions. ☐ **Yes** ☐ **No**

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
Firm's name			Firm's EIN	
Firm's address			Phone no.	

For Paperwork Reduction Act Notice, see separate instructions. Cat. No. 11450Q Form **1120** (2026) Created 5/28/26

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Schedule C Dividends, Inclusions, and Special Deductions (see instructions)

		(a) Dividends and inclusions	(b) %	(c) Special deductions (a) × (b)
1	Dividends from less-than-20%-owned domestic corporations (other than debt-financed stock)		50	
2	Dividends from 20%-or-more-owned domestic corporations (other than debt-financed stock)		65	
3	Dividends on certain debt-financed stock of domestic and foreign corporations		See instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		23.3	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		26.7	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs		50	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs		65	
8	Dividends from wholly owned foreign subsidiaries		100	
9	**Subtotal.** Add lines 1 through 8. See instructions for limitations		See instructions	
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from affiliated group members		100	
12	Dividends from certain FSCs		100	
13	Foreign-source portion of dividends received from a specified 10%-owned foreign corporation (excluding hybrid dividends) (see instructions)		100	
14	Dividends from foreign corporations not included on line 3, 6, 7, 8, 11, 12, or 13 (including any hybrid dividends)			
15	Reserved for future use			
16a	Subpart F inclusions derived from the sale by a controlled foreign corporation (CFC)/ foreign controlled foreign corporation (FCFC) of the stock of a lower-tier foreign corporation treated as a dividend (attach Form(s) 5471) (see instructions)		100	
16b	Subpart F inclusions derived from hybrid dividends of tiered corporations (attach Form(s) 5471) (see instructions)			
16c	Other inclusions from CFCs/FCFCs under subpart F not included on line 16a, 16b, or 17 (attach Form(s) 5471) (see instructions)	23,333,333		
17	Net CFC Tested Income (attach Form(s) 5471 and Form 8992)			
18	Gross-up for foreign taxes deemed paid	10,000,000		
19	IC-DISC and former DISC dividends not included on line 1, 2, or 3			
20	Other dividends			
21	Deduction for dividends paid on certain preferred stock of public utilities			
22	Section 250 deduction (attach Form 8993) (see instructions for limitations)			
23	**Total dividends and inclusions.** Add column (a), lines 9 through 20. Enter here and on page 1, line 4	33,333,333		
24	**Total special deductions.** Add column (c), lines 9 through 22. Enter here and on page 1, line 29b			24

Schedule J Tax Computation and Payment (see instructions)

1a	Income tax (see instructions)	1a	42,000,000
1b	Tax from Form 1120-L (see instructions)	1b	
1c	Section 1291 tax from Form 8621	1c	
1d	Tax adjustment from Form 8978	1d	
1e	Additional tax under section 197(f)	1e	
1f	Base erosion minimum tax from Form 8991	1f	
1g	Amount from Form 4255, Part I, line 3, column (q)	1g	
1z	Other chapter 1 tax	1z	
2	Total income tax. Add lines 1a through 1z	2	42,000,000

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Schedule J **Tax Computation and Payment** (see instructions) *(continued from page 2)*

3	Corporate alternative minimum tax from Form 4626, Part II, line 13 (attach Form 4626)	3	20,075,000
4	Add lines 2 and 3	4	62,075,000
5a	Foreign tax credit (attach Form 1118)	5a	7,000,000
5b	Credit from Form 8834 (see instructions)	5b	
5c	General business credit (see instructions—attach Form 3800)	5c	
5d	Credit for prior-year minimum tax (attach Form 8827)	5d	
5e	Bond credits from Form 8912	5e	
5f	Adjustment from Form 8978	5f	
6	**Total credits.** Add lines 5a through 5f	6	7,000,000
7	Subtract line 6 from line 4	7	55,075,000
8	Personal holding company tax (attach Schedule PH (Form 1120))	8	
9a	Amount from Form 4255, Part I, line 3, column (r)	9a	
9b	Recapture of low-income housing credit (attach Form 8611)	9b	
9c	Completed long-term contract look-back interest due (attach Form 8697)	9c	
9d	Interest due under the look-back method—income forecast method (attach Form 8866)	9d	
9e	Alternative tax on qualifying shipping activities (attach Form 8902)	9e	
9f	Interest/tax due under section 453A(c)	9f	
9g	Interest/tax due under section 453(l)	9g	
9z	Other (see instructions—attach statement)	9z	
10	**Total.** Add lines 9a through 9z	10	
11a	Total tax before deferred taxes. Add lines 7, 8, and 10	11a	55,075,000
11b	Deferred tax on the corporation's share of undistributed earnings of a qualified electing fund	11b	
11c	Deferred LIFO recapture tax (section 1363(d))	11c	
12	Total tax. Subtract the sum of lines 11b and 11c from 11a. Enter here and on page 1, line 31	12	55,075,000
13	Preceding year's overpayment credited to the current year	13	
14	Current year's estimated tax payments	14	45,000,000
15	Current year's refund applied for on Form 4466	15	( )
16	Reserved for future use	16	
17	Tax deposited with Form 7004	17	25,000,000
18	Withholding (see instructions)	18	
19	**Total payments.** Combine lines 13 through 18	19	70,000,000
20a	Credit from Form 2439	20a	
20b	Credit from Form 4136	20b	
20c	Credit for tax withheld under chapter 3 or 4 from Form 1042-S, Form 8805, or Form 8288 (attach the form)	20c	
20z	Other refundable credits (attach statement—see instructions)	20z	
21	**Total credits.** Add lines 20a through 20z	21	
22a	Elective payment election amount from Form 3800	22a	
22b	Section 1062 applicable net tax liability. Enter amount from Form 1062, line 14	22b	
23	**Total payments, credits, and section 1062 net tax liability.** Add lines 19, 21, 22a, and 22b. Enter here and on page 1, line 33	23	70,000,000

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Schedule K Other Information (see instructions)

		Yes	No
1	Check accounting method: **1a** ☐ Cash **1b** ☐ Accrual **1c** ☐ Other (specify) _____		
2	See the instructions and enter the:		
2a	Business activity code no. _____		
2b	Business activity _____		
2c	Product or service _____		
3	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?	☐	☐
	If "Yes," enter name and EIN of the parent corporation.		
4	At the end of the tax year:		
4a	Did any foreign or domestic corporation, partnership (including any entity treated as a partnership), trust, or tax-exempt organization own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part I of Schedule G (Form 1120) (attach Schedule G)	☐	☐
4b	Did any individual or estate own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of the corporation's stock entitled to vote? If "Yes," complete Part II of Schedule G (Form 1120) (attach Schedule G) .	☐	☐
5	At the end of the tax year, did the corporation:		
5a	Own directly 20% or more, or own, directly or indirectly, 50% or more of the total voting power of all classes of stock entitled to vote of any foreign or domestic corporation not included on **Form 851**, Affiliations Schedule? For rules of constructive ownership, see instructions	☐	☐
	If "Yes," complete (i) through (iv) below.		

(i) Name of corporation	(ii) EIN (if any)	(iii) Country of incorporation	(iv) Percentage owned in voting stock

		Yes	No
5b	Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions	☐	☐
	If "Yes," complete (i) through (iv) below.		

(i) Name of entity	(ii) EIN (if any)	(iii) Country of organization	(iv) Maximum percentage owned in profit, loss, or capital

		Yes	No
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? See sections 301 and 316	☐	☐
	If "Yes," file **Form 5452**, Corporate Report of Nondividend Distributions. See the instructions for Form 5452.		
	If this is a consolidated return, answer here for the parent corporation and on Form 851 for each subsidiary.		
7	At any time during this tax year, did one foreign person own, directly or indirectly, at least 25% of the total voting power of all classes of the corporation's stock entitled to vote or at least 25% of the total value of all classes of the corporation's stock? .	☐	☐
	For rules of attribution, see section 318. If "Yes," enter:		
7a	Percentage owned **7a** _____ % and **7b** Owner's country code **7b** _____		
7c	The corporation may have to file **Form 5472**, Information Return of a 25% Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business. Enter the number of Forms 5472 attached . **7c**		
8	Check this box if the corporation issued publicly offered debt instruments with original issue discount . . . . . **8** ☐		
	If checked, the corporation may have to file **Form 8281**, Information Return for Publicly Offered Original Issue Discount Instruments.		

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Schedule K **Other Information** *(continued from page 4)*

			Yes	No
9	Enter the amount of tax-exempt interest received or accrued during this tax year	9		
10	Enter the number of shareholders at the end of the tax year (if 100 or fewer)	10		
11	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here (see instructions) 11 ☐			
	If the corporation is filing a consolidated return, the statement required by Regulations section 1.1502-21(b)(3) must be attached or the election will not be valid.			
12	Enter the available NOL carryover from prior tax years (do not reduce it by any deduction reported on page 1, line 29a)	12		
13	Are the corporation's total receipts (page 1, line 1a, plus lines 4 through 10) for the tax year **and** its total assets at the end of the tax year less than $250,000?		☑	☐
	If "Yes," the corporation is not required to complete Schedules L, M-1, and M-2. Instead, enter the total amount of cash distributions and the book value of property distributions (other than cash) made during this tax year	13		
14	Is the corporation required to file Schedule UTP (Form 1120), Uncertain Tax Position Statement? See instructions		☐	☐
	If "Yes," complete and attach Schedule UTP.			
15a	Did the corporation make any payments that would require it to file Form(s) 1099?		☐	☐
15b	If "Yes," did or will the corporation file required Form(s) 1099?		☐	☐
16	During this tax year, did the corporation have an 80%-or-more change in ownership, including a change due to redemption of its own stock?		☐	☐
17	During or subsequent to this tax year, but before the filing of this return, did the corporation dispose of more than 65% (by value) of its assets in a taxable, non-taxable, or tax deferred transaction?		☐	☐
18	Did this corporation receive assets in a section 351 transfer in which any of the transferred assets had a fair market basis or fair market value of more than $1 million?		☐	☐
19	During this corporation's tax year, did the corporation make any payments that would require it to file Forms 1042 and 1042-S under chapter 3 (sections 1441 through 1464) or chapter 4 (sections 1471 through 1474) of the Code?		☐	☐
20	Is the corporation operating on a cooperative basis?		☐	☐
21a	During this tax year, did the corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A? See instructions		☐	☐
21b	If "Yes," enter the total amount of the disallowed deductions	21b		
22	Does this corporation have gross receipts of at least $500 million in any of the 3 preceding tax years? (See sections 59A(e)(2) and (3).)		☐	☐
	If "Yes," complete and attach Form 8991.			
23	Did the corporation have an election under section 163(j) for any real property trade or business or any farming business in effect during this tax year? See instructions		☐	☐
24	Does the corporation satisfy one or more of the following? If "Yes," complete and attach Form 8990. See instructions		☐	☐
	• The corporation owns a pass-through entity with current- or prior-year carryover excess business interest expense.			
	• The corporation's aggregate average annual gross receipts (determined under section 448(c)) for the 3 tax years preceding the current tax year are more than $32 million and the corporation has business interest expense.			
	• The corporation is a tax shelter and the corporation has business interest expense.			
25a	Does the corporation intend to self-certify as a Qualified Opportunity Fund?		☐	☐
25b	If "Yes," complete and attach Form 8996. Enter the amount (if any) from Form 8996, line 24	25b		
26a	Since December 22, 2017, did a foreign corporation directly or indirectly acquire substantially all of the properties held directly or indirectly by the corporation, and was the ownership percentage (by vote or value) for purposes of section 7874 greater than 50% (for example, the shareholders held more than 50% of the stock of the foreign corporation)? If "Yes," list the ownership percentage by vote and by value. See instructions		☐	☐
	26b By vote _____ % **26c** By value _____ %			
27	At any time during this tax year, did the corporation (a) receive a digital asset (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? See instructions		☐	☑
28	Is the corporation a member of a controlled group?		☐	☐
	If "Yes," attach Schedule O (Form 1120). See instructions.			

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Schedule K **Other Information** *(continued from page 5)*

		Yes	No
29	Corporate alternative minimum tax:		
29a	Was the corporation an applicable corporation under section 59(k)(1) in any prior tax year?	☐	☑
	If "Yes," go to question 29b. If "No," skip to question 29c.		
29b	Is the corporation an applicable corporation under section 59(k)(1) in the current tax year because the corporation was an applicable corporation in the prior tax year?	☐	☑
	If "Yes," complete and attach Form 4626. If "No," continue to question 29c.		
29c	Does the corporation meet the requirements of the safe harbor method as provided under section 59(k)(3)(A) for the current tax year? See instructions	☐	☑
	If "No," complete and attach Form 4626. If "Yes," the corporation is not required to file Form 4626.		
30	Is the corporation required to file Form 7208 relating to the excise tax on repurchase of corporate stock (see instructions):		
30a	Under the rules for stock repurchased by a covered corporation (or stock acquired by its specified affiliate)?	☐	☐
30b	Under the applicable foreign corporation rules?	☐	☐
30c	Under the covered surrogate foreign corporation rules?	☐	☐
	If "Yes" to either question 30a, 30b, or 30c, complete Form 7208, Excise Tax on Repurchase of Corporate Stock. See the Instructions for Form 7208.		
31	Is this a consolidated return with gross receipts or sales of $1 billion or more and a subchapter K basis adjustment, as described in the instructions, of $10 million or more?	☐	☐
	If "Yes," attach a statement. See instructions.		
32	Reserved for future use		

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Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
Assets	**(a)**	**(b)**	**(c)**	**(d)**
1 Cash				
2a Trade notes and accounts receivable				
2b Less allowance for bad debts	( )		( )	
3 Inventories				
4 U.S. Government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach statement)				
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)				
10a Buildings and other depreciable assets				
10b Less accumulated depreciation	( )		( )	
11a Depletable assets				
11b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
13b Less accumulated amortization	( )		( )	
14 Other assets (attach statement)				
15 Total assets				
Liabilities and Shareholders' Equity				
16 Accounts payable				
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach statement)				
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach statement)				
22 Capital stock: **a** Preferred stock				
b Common stock				
23 Additional paid-in capital				
24 Retained earnings—appropriated (attach statement)				
25 Retained earnings—unappropriated				
26 Adjustments to shareholders' equity (attach statement)				
27 Less cost of treasury stock		( )		( )
28 Total liabilities and shareholders' equity				

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Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return

Note: The corporation may be required to file Schedule M-3. See instructions.

1	Net income (loss) per books		7	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books			Tax-exempt interest	
3	Excess of capital losses over capital gains				
4	Income subject to tax not recorded on books this year (itemize):		8	Deductions on this return not charged against book income this year (itemize):	
5	Expenses recorded on books this year not deducted on this return (itemize):		8a	Depreciation	
5a	Depreciation		8b	Charitable contributions	
5b	Charitable contributions				
5c	Travel and entertainment				
			9	Add lines 7 and 8	
6	Add lines 1 through 5		10	Income (page 1, line 28)—line 6 less line 9	

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Schedule L, Line 25)

1	Balance at beginning of year		5	Distributions: **5a** Cash	
2	Net income (loss) per books			**5b** Stock	
3	Other increases (itemize):			**5c** Property	
			6	Other decreases (itemize):	
			7	Add lines 5 and 6	
4	Add lines 1, 2, and 3		8	Balance at end of year (line 4 less line 7)	

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TREASURY/IRS AND OMB USE ONLY DRAFT

SCHEDULE N (Form 1120)

Department of the Treasury
Internal Revenue Service

Foreign Operations of U.S. Corporations

Attach to Form 1120, 1120-C, 1120-IC-DISC, 1120-L, 1120-PC, 1120-REIT, 1120-RIC, or 1120-S.
Go to *www.irs.gov/Form1120* for the latest information.

OMB No. 1545-0123

2026

Name
SPANNER & HAMMER TOOLS INC

Employer identification number (EIN)
00-1120011

Foreign Operations Information

		Yes	No
1a	During the tax year, did the corporation own (directly or indirectly) any foreign entity that was disregarded as an entity separate from its owner under Regulations sections 301.7701-2 and 301.7701-3 **or** did the corporation own (directly or indirectly) any foreign branch (see instructions)?	☐	☑
	If "Yes," you are generally required to attach **Form 8858**, Information Return of U.S. Persons With Respect to Foreign Disregarded Entities (FDEs) and Foreign Branches (FBs), for each FDE and for each FB (see instructions).		
1b	Enter the number of Forms 8858 attached to the corporation's tax return		
1c	Enter the number of Forms 8964-TRA attached to the corporation's tax return: U.S. 3, Controlled Foreign Corporations		
2	Enter the number of **Forms 8865**, Return of U.S. Persons With Respect to Certain Foreign Partnerships, attached to the corporation's tax return		
3	Excluding any partnership for which a Form 8865 is attached to the tax return, did the corporation own at least a 10% interest, directly or indirectly, in any other foreign partnership (including an entity treated as a foreign partnership under Regulations section 301.7701-2 or 301.7701-3)?	☐	☑
	If "Yes," see instructions for required statement.		
4a	Reserved for future use		
4b	Enter the number of **Forms 5471**, Information Return of U.S. Persons With Respect to Certain Foreign Corporations, attached to the corporation's tax return 1		
5	During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust?	☐	☑
	If "Yes," the corporation may have to file **Form 3520**, Annual Return To Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts.		
6a	At any time during the 2026 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country?	☐	☑
6b	See the instructions for exceptions and filing requirements for **FinCEN Form 114**, Report of Foreign Bank and Financial Accounts (FBAR). If "Yes," enter the name of the foreign country		
7a	Is the corporation claiming the extraterritorial income exclusion?	☐	☑
	If "Yes," attach a separate **Form 8873**, Extraterritorial Income Exclusion, for **each** transaction or group of transactions.		
7b	Enter the number of Forms 8873 attached to the tax return		
7c	Enter the total of the amounts from line 52 (extraterritorial income exclusion (net of disallowed deductions)) of **all** Forms 8873 attached to the tax return $		
8	Was the corporation a specified domestic entity required to file Form 8938 for the tax year (see the Instructions for Form 8938)?	☐	☑

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TREASURY/IRS AND OMB USE ONLY DRAFT

Form **4626**
Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax—Corporations

Attach to your tax return.
Go to *www.irs.gov/Form4626* for instructions and the latest information.

OMB No. 1545-0123

2026

Name of corporation: SPANNER & HAMMER TOOLS INC

Employer identification number (EIN): 00-1120011

A Is the corporation filing this form a member of a controlled group treated as a single employer under sections 59(k)(1)(D) and 52(a) or (b)? . . . ☑ **Yes** ☐ **No**

If "Yes," the corporation must complete Part V listing the names, EINs, and separate company financial statement income or loss for each member of the controlled group treated as a single employer taken into account in the determination of "applicable corporation" under section 59(k)(1)(D).

B Is the corporation filing this form a member of a foreign-parented multinational group (FPMG) within the meaning of section 59(k)(2)(B)? . . . ☐ **Yes** ☑ **No**

If "Yes," the corporation must complete Part V listing the names, EINs, and separate company financial statement income or loss for each member of the FPMG under section 59(k)(2)(B).

C Has the corporation filing this form already determined it is an applicable corporation in current or prior years for purposes of the corporate alternative minimum tax (CAMT)? . . . ☐ **Yes** ☑ **No**

If "Yes," skip Part I and continue to Part II. If "No," complete Part I.

Part I Applicable Corporation Determination (Report all amounts in U.S. dollars.)

			(a) First preceding year ended 12 / 13 / 25	(b) Second preceding year ended 12 / 31 / 24	(c) Third preceding year ended 12 / 31 / 23
1	Net income or loss per applicable financial statement(s) (AFS) (see instructions):				
1a	Consolidated net income or loss per the AFS of the corporation	1a	1,200,000,000	(100,000,000)	2,500,000,000
1b	Include AFS net income or loss of other includible entities (add net income and subtract net loss)	1b		30,000,000	
1c	Exclude AFS net income or loss of excludible entities (add net loss and subtract net income)	1c	(12,000,000)		
1d	Adjustment for certain consolidating entries (see instructions)	1d			
1e	Specified additional net income or loss item B. Reserved for future use	1e			
1f	AFS net income or loss of all entities in the test group before adjustments. Combine lines 1a through 1d	1f	1,188,000,000	(70,000,000)	2,500,000,000
2	Adjustments (see instructions):				
2a	Financial statements covering different tax years	2a			
2b	Corporations that are not included on the taxpayer's consolidated return	2b			
2c	Aggregate pro-rata share of adjusted net income from controlled foreign corporations (CFCs) for which the corporation is a U.S. shareholder. If zero or less, enter -0- (attach Schedule A (Form 4626)). See instructions for special rules if completing this form for an FPMG	2c	22,110,000	30,185,000	26,955,000
2d	Income or loss not effectively connected to a U.S. trade or business. See instructions for special rules if completing this form for an FPMG	2d			
2e	Certain taxes	2e	270,000,000	(20,000,000)	500,000,000
2f	Patronage dividends and per-unit retain allocations (cooperatives only)	2f			
2g	Alaska native corporations	2g			
2h	Certain credits	2h			
2i	Mortgage servicing income	2i			
2j	Tax-exempt entities (organizations subject to tax under section 511)	2j			
2k	Depreciation	2k	(200,000,000)	(50,000,000)	(300,000,000)
2l	Qualified wireless spectrum	2l			
2m	Covered transactions	2m			
2n	Adjustments related to bankruptcy and insolvency	2n			
2o	Certain insurance company adjustments	2o			
2p	Adjustment P—reserved for future use	2p			
2q	Adjustment Q—reserved for future use	2q			
2r	Adjustment R—reserved for future use	2r			
2s	Adjustment S—reserved for future use	2s			
2z	Other	2z		82,000,000	
3	Specified adjustment. Reserved for future use	3			
4	Total adjustments. Combine lines 2a through 2z	4	92,110,000	42,185,000	226,955,000
5	AFSI. Combine lines 1f and 4	5	1,280,110,000	(27,815,000)	2,726,955,000

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part I **Applicable Corporation Determination** (Report all amounts in U.S. dollars.) *(continued)*

6	AFSI of first, second, and third preceding tax years. Combine columns (a), (b), and (c) of line 5	**6**	3,979,250,000
7	3-year average annual AFSI (see instructions)	**7**	1,326,416,667
8	Is line 7 more than $1 billion? ☐ **Yes.** Continue to line 9. ☐ **No.** STOP here and attach to your tax return.		
9	Is the corporation a member of an FPMG within the meaning of section 59(k)(2)(B)? ☐ **Yes.** Continue to line 10. ☐ **No.** Continue to Part II.		

			(a) First preceding year ended ____/____/____	(b) Second preceding year ended ____/____/____	(c) Third preceding year ended ____/____/____
10	AFSI for purposes of the $100 million test before adjustments:				
10a	AFSI from line 5	**10a**			
10b	Aggregation differences (see instructions)	**10b**			
10c	Total AFSI for purposes of the $100 million test before adjustments. Combine lines 10a and 10b	**10c**			
11	Adjustments:				
11a	Income or loss not effectively connected to a U.S. trade or business	**11a**			
11b	Aggregate pro-rata share of adjusted net income from CFCs for which the corporation is a U.S. shareholder. If zero or less, enter -0- (attach Schedule A (Form 4626)). See instructions	**11b**			
11c	Reserved for future use—other adjustments 1	**11c**			
11d	Reserved for future use—other adjustments 2	**11d**			
12	Total adjustments. Combine lines 11a and 11b	**12**			
13	Total AFSI for purposes of the $100 million test. Combine lines 10c and 12	**13**			

14	AFSI of first, second, and third preceding tax years. Combine columns (a), (b), and (c) of line 13	**14**	
15	3-year average annual AFSI for purposes of the $100 million test	**15**	
16	Is line 15 $100 million or more? ☐ **Yes.** Continue to Part II. ☐ **No.** STOP here. Attach to your tax return.		

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part II Corporate Alternative Minimum Tax (CAMT)

1	Net income or loss per AFS (see instructions):		
1a	Consolidated net income or loss per the AFS of the corporation	1a	500,000,000
1b	Include AFS net income or loss of other includible entities (add net income and subtract net loss)	1b	
1c	Exclude AFS net income or loss of excludible entities (add net loss and subtract net income)	1c	(91,333,333)
1d	Adjustment for certain consolidating entries (see instructions)	1d	
1e	Specified additional net income or loss item D. Reserved for future use	1e	
1f	AFS net income or loss before adjustments. Combine lines 1a through 1d	1f	408,666,667
2	Adjustments (see instructions):		
2a	Financial statements covering different tax years	2a	
2b	Reserved for future use—adjustment 2b	2b	
2c	Corporations that are not included on the taxpayer's consolidated return (see instructions)	2c	
2d	The corporation's distributive share of adjusted financial statement income of partnerships	2d	0
2e	Aggregate pro-rata share of adjusted net income from CFCs for which the corporation is a U.S. shareholder. Enter the amount from Part VI, Section II, line 3	2e	33,333,333
2f	Income or loss not effectively connected to a U.S. trade or business	2f	
2g	Certain taxes. Enter the amount from Part III, line 7	2g	108,500,000
2h	Patronage dividends and per-unit retain allocations (cooperatives only)	2h	
2i	Alaska native corporations	2i	
2j	Certain credits	2j	
2k	Mortgage servicing income	2k	
2l	Covered benefit plans described in section 56A(c)(11)(B)	2l	
2m	Tax-exempt entities (organizations subject to tax under section 511)	2m	
2n	Depreciation	2n	(100,000,000)
2o	Qualified wireless spectrum	2o	
2p	Covered transactions	2p	
2q	Adjustments related to bankruptcy and insolvency	2q	
2r	Certain insurance company adjustments	2r	
2s	AFSI adjustment S—reserved for future use	2s	
2t	AFSI adjustment T—reserved for future use	2t	
2u	AFSI adjustment U—reserved for future use	2u	
2z	Other	2z	
3	Total adjustments. Combine lines 2a through 2z	3	41,833,333
4	AFSI before financial statement net operating loss carryover. Combine lines 1f and 3	4	450,500,000
5	Financial statement net operating loss (FSNOL) (see instructions)	5	
6	AFSI. Subtract line 5 from line 4. If zero or less, enter -0-	6	450,500,000
7	Multiply line 6 by 15% (0.15)	7	67,575,000
8	Corporate alternative minimum tax foreign tax credit (CAMT FTC). Enter amount from Part IV, Section I, line 6. See instructions	8	5,500,000
9	Tentative minimum tax. Subtract line 8 from line 7. If zero or less, enter -0-	9	62,075,000
10	Regular tax liability (see instructions)	10	42,000,000
11	Base erosion minimum tax (see instructions)	11	0
12	Combine lines 10 and 11	12	42,000,000
13	Alternative minimum tax. Subtract line 12 from line 9. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	13	20,075,000

Part III Adjustment for Certain Taxes Under Section 56A(c)(5)

1	Current income tax provision—foreign	1	500,000
2	Current income tax provision—federal	2	60,000,000
3	Deferred income tax provision—foreign	3	0
4	Deferred income tax provision—federal	4	48,000,000
5	Income taxes included in equity method investment income	5	
6a	Adjustment A—reserved for future use	6a	
6b	Adjustment B—reserved for future use	6b	
6c	Adjustment C—reserved for future use	6c	
6d	Adjustment D—reserved for future use	6d	
6e	Adjustment E—reserved for future use	6e	
6f	Adjustment F—reserved for future use	6f	
6g	Adjustment G—reserved for future use	6g	
6h	Adjustment H—reserved for future use	6h	
6z	Income taxes in other places	6z	0
7	Total. Combine lines 1 through 6z. Enter here and on Part II, line 2g	7	108,500,000

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part IV Corporate Alternative Minimum Tax—Foreign Tax Credit

Section I—CAMT Foreign Tax Credit

1	Domestic corporation CAMT foreign income taxes:		
1a	Total foreign taxes paid or accrued as reported on Form 1118, Schedule B, Part I, column 2(j)	1a	500,000
1b	Adjustment	1b	
1c	Adjustment	1c	
1d	Adjustment	1d	
1e	Adjustment	1e	
1f	Adjustment	1f	
1g	Adjustment	1g	
2	Total domestic corporation CAMT foreign income taxes. Combine lines 1a through 1g	2	500,000
3	Allowable CFC CAMT foreign income taxes:		
3a	Pro-rata share of CFC CAMT foreign income taxes from Part IV, Section II, line 11, column (n)	3a	10,000,000
3b	Other	3b	
3c	Carryover of excess foreign taxes (from Part IV, Section III, line 4, column (vii))	3c	
3d	Total CFC CAMT foreign income taxes. Add lines 3a, 3b, and 3c	3d	10,000,000
3e	Percentage specified in section 55(b)(2)(A)(i)	3e	15%
3f	Aggregate pro-rata share of adjusted net income from CFCs for which the corporation is a U.S. shareholder. Enter the amount from Part VI, Section II, line 3. See instructions	3f	33,333,333
3g	CFC CAMT FTC limitation (multiply line 3e by line 3f)	3g	5,000,000
3h	Allowable CFC CAMT foreign income taxes (lesser of line 3d or line 3g)	3h	5,000,000
4	CAMT FTC Line 4—reserved for future use	4	
5	CAMT FTC Line 5—reserved for future use	5	
6	Total CAMT foreign income taxes. Combine lines 2 and 3h. Enter this amount on Part II, line 8	6	5,500,000

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part IV **Corporate Alternative Minimum Tax—Foreign Tax Credit** *(continued)*

Section II—Allowable CFC CAMT Foreign Income Taxes

	(a) Name of CFC	(b) EIN or reference ID number of CFC	(c) CFC income	(d) Foreign taxes for which credit is allowed	(e) Adjustment	(f) Adjustment
1	SPANNER & HAMMER AG	12-3456789	33,333,333	10,000,000		
2						
3						
4						
5						
6						
7						
8						
9						
10						
11	Total. Combine lines 1 through 10		33,333,333	10,000,000		

	(g) Adjustment	(h) Adjustment	(i) Adjustment	(j) Adjustment	(k) Adjustment	(l) Total (combine columns (d) through (k))	(m) Reserved for future use	(n) Pro-rata share of CFC CAMT foreign income taxes (see instructions)
1						10,000,000		10,000,000
2								
3								
4								
5								
6								
7								
8								
9								
10								
11						10,000,000		10,000,000

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part IV **Corporate Alternative Minimum Tax—Foreign Tax Credit** *(continued)*

Section III—CAMT Foreign Tax Credit Carryover for CFCs (Report all amounts in U.S. dollars.)

	Foreign tax carryover reconciliation	(i) 5th preceding tax year	(ii) 4th preceding tax year	(iii) 3rd preceding tax year	(iv) 2nd preceding tax year	(v) 1st preceding tax year	(vi) Current tax year	(vii) Total (add columns (i) through (vi))
1	Foreign tax carryover from the prior tax year (enter amounts from the appropriate columns of line 8 of the prior year Form 4626, Part IV, Section III (see instructions))							
2	Adjustments to line 1 (enter description—see instructions):							
2a								
2b								
2c								
2d								
2e								
2f								
2g								
3	Total. Combine lines 2a through 2g							
4	Adjusted foreign tax carryover from prior tax year (combine lines 1 and 3). If zero or less, enter -0-							
5	Foreign tax carryover used in current tax year (see instructions)	( )	( )	( )	( )	( )		( )
6	Foreign tax carryover expired and unused in current tax year (see instructions)	( )						( )
7	Foreign tax carryover generated in current tax year (see instructions)						5,000,000	5,000,000
8	Foreign tax carryover to the following tax year. Combine lines 4 through 7. If zero or less, enter -0-						5,000,000	5,000,000

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part V **Members of a Controlled Group Treated as a Single Employer and FPMG Members Taken Into Account in "Applicable Corporation" Determination**

	(a) Name of member	(b) EIN of member	(c) Check if the entity is a member of a 59(k)(1)(D) group	(d) Check if the entity is a member of a 59(k)(2)(B) group	(e) EIN/FTIN of the U.S. return (if any) on which the majority of the member's income is reported	(f) Member's financial statement income/(loss)
1	SPANNER & HAMMER TOOLS INC	00-1120011	☑	☐	00-1120011	400,000,000
2	Spanner Sub 1	00-0000001	☑	☐	00-1120011	110,000,000
3	Spanner Sub 2	00-0000002	☑	☐	00-1120011	(10,000,000)
4	Spanner Sub 3	00-0000003	☑	☐	00-1120011	70,000,000
5	SPANNER & HAMMER AG	12-3456789	☑	☐	00-1120011	21,333,333
6			☐	☐		
7			☐	☐		
8			☐	☐		
9			☐	☐		
10			☐	☐		
11			☐	☐		
12			☐	☐		
13			☐	☐		
14			☐	☐		
15			☐	☐		
16			☐	☐		
17			☐	☐		
18			☐	☐		
19			☐	☐		
20			☐	☐		
21			☐	☐		
22			☐	☐		
23			☐	☐		
24			☐	☐		

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part VI Aggregate Pro-Rata Share of Adjusted Net Income or Loss of CFCs Described in Section 56A(c)(3)

Section I—Pro-Rata Share of Adjusted Net Income or Loss of CFCs Described in Section 56A(c)(3)

	(a) Name of CFC	(b) EIN or reference ID number of the CFC	(c) Country of incorporation (enter country code)	(d) Pro-rata share of adjusted net income or (loss) of the CFC described in section 56A(c)(3)
1	SPANNER & HAMMER AG	12-3456789	GM	33,333,333
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
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36				
37				
38				
39				
40				
41				
42	**Total**		42	33,333,333

Section II—Section 56A(c)(3)(B) Negative Adjustment

1	Aggregate pro-rata share of CFCs' adjusted net income or (loss) from the total of Part VI, Section I	1	33,333,333
2	Available section 56A(c)(3)(B) negative adjustment from preceding year	2	0
3	Aggregate pro-rata share of adjusted net income from CFCs for which the corporation is a U.S. shareholder, taking available section 56A(c)(3)(B) negative adjustment into account. Combine line 1 and line 2. If more than zero, enter here and on Part II, line 2e, and Part IV, Section I, line 3f. If zero or less, enter -0- and go to line 4	3	33,333,333
4	Section 56A(c)(3)(B) negative adjustment to carry over to succeeding year. Combine line 1 and line 2. If less than zero, enter the combined total as a negative number. If zero or more, enter -0-	4	0

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SCHEDULE A (Form 4626)

December 2024

Department of the Treasury
Internal Revenue Service

Pro-Rata Share of Adjusted Net Income or Loss of CFCs Described in Section 56A(c)(3)

Attach to Form 4626.

Go to *www.irs.gov/Form4626* for instructions and the latest information.

OMB No. 1545-0123

For tax year ended

12 / 31 / 25

Name of corporation

SPANNER & HAMMER TOOLS INC

Employer identification number (EIN)

00-1120011

	(a) Name of controlled foreign corporation (CFC)	(b) EIN or reference ID number of the CFC	(c) Country of incorporation (enter country code)	(d) CFC current year net income or (loss) (in U.S. dollars)	(e) Section 56A(c)(3) adjustments (in U.S. dollars)	(f) Combine column (d) and column (e)	(g) Reserved for future use	(h) Reserved for future use	(i) Pro-rata share of adjusted net income or (loss) of the CFC, described in section 56A(c)(3) (in U.S. dollars)
1	SPANNER & HAMMER AG	12-3456789	GM	14,150,400	7,959,600	22,110,000			22,110,000
2									
3									
4									
5									
6									
7									
8									
9									
10									
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22									
23									
24									
25									
26									
27									
28									
29									
30									
31	Total			14,150,400	7,959,600	22,110,000			22,110,000

SCHEDULE A (Form 4626)

December 2024

Department of the Treasury
Internal Revenue Service

Pro-Rata Share of Adjusted Net Income or Loss of CFCs Described in Section 56A(c)(3)

Attach to Form 4626.

Go to *www.irs.gov/Form4626* for instructions and the latest information.

OMB No. 1545-0123

For tax year ended

12 / 31 / 24

Name of corporation

SPANNER & HAMMER TOOLS INC

Employer identification number (EIN)

00-1120011

	(a) Name of controlled foreign corporation (CFC)	(b) EIN or reference ID number of the CFC	(c) Country of incorporation (enter country code)	(d) CFC current year net income or (loss) (in U.S. dollars)	(e) Section 56A(c)(3) adjustments (in U.S. dollars)	(f) Combine column (d) and column (e)	(g) Reserved for future use	(h) Reserved for future use	(i) Pro-rata share of adjusted net income or (loss) of the CFC, described in section 56A(c)(3) (in U.S. dollars)
1	SPANNER & HAMMER AG	12-3456789	GM	19,318,400	10,866,600	30,185,000			30,185,000
2									
3									
4									
5									
6									
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26									
27									
28									
29									
30									
31	Total			19,318,400	10,866,600	30,185,000			30,185,000

SCHEDULE A (Form 4626)

December 2024

Department of the Treasury
Internal Revenue Service

Pro-Rata Share of Adjusted Net Income or Loss of CFCs Described in Section 56A(c)(3)

Attach to Form 4626.

Go to *www.irs.gov/Form4626* for instructions and the latest information.

OMB No. 1545-0123

For tax year ended

12 / 31 / 23

Name of corporation

SPANNER & HAMMER TOOLS INC

Employer identification number (EIN)

00-1120011

	(a) Name of controlled foreign corporation (CFC)	(b) EIN or reference ID number of the CFC	(c) Country of incorporation (enter country code)	(d) CFC current year net income or (loss) (in U.S. dollars)	(e) Section 56A(c)(3) adjustments (in U.S. dollars)	(f) Combine column (d) and column (e)	(g) Reserved for future use	(h) Reserved for future use	(i) Pro-rata share of adjusted net income or (loss) of the CFC, described in section 56A(c)(3) (in U.S. dollars)
1	SPANNER & HAMMER AG	12-3456789	GM	17,251,200	9,703,800	26,955,000			26,955,000
2									
3									
4									
5									
6									
7									
8									
9									
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23									
24									
25									
26									
27									
28									
29									
30									
31	Total			17,251,200	9,703,800	26,955,000			26,955,000

TREASURY/IRS AND OMB USE ONLY DRAFT

Version A, Cycle 10

Form **5471**
(Rev. December 2026)

Department of the Treasury
Internal Revenue Service

Information Return of U.S. Persons With Respect to Certain Foreign Corporations

Go to *www.irs.gov/Form5471* for instructions and the latest information.

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01 **, 20** 26 **, and ending** 12/31 **, 20** 26

OMB No. 1545-0123

Attachment Sequence No. **121**

Name of person filing this return	**A Identifying number**
SPANNER & HAMMER TOOLS INC	00-1120011

Number and street. If a P.O. box, see instructions.	Room or suite no.	**B** Category of filer (See instructions. Check applicable box(es).):
21 TOOLBOX ST		1a ☐ 1b ☐ 1c ☐ 2 ☐ 3 ☐ 4 ☑ 5 ☑ 6 ☐

City or town	State	ZIP code	**C** Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period %
DENVER	CO	80202	

Filer's tax year beginning 01/01 , 20 26 , and ending 12/31 , 20 26

D Check box if this is a final Form 5471 for the foreign corporation . . . . . ☐

E Check if any excepted specified foreign financial assets are reported on this form. See instructions . . . . . ☐

F Check the box if this Form 5471 has been completed using "Alternative Information" under Rev. Proc. 2019-40 . . . . . ☐

G If the box on line F is checked, enter the corresponding code for "Alternative Information." See instructions . . . . . .

H Person(s) on whose behalf this information return is filed:

(1) Name	**(2)** Address	**(3)** Identifying number	**(4)** Check applicable box(es)		
			Shareholder	Officer	Director

Important: *Fill in all applicable lines and schedules. All information **must** be in English. All amounts **must** be stated in U.S. dollars unless otherwise indicated.*

1a Name and address of foreign corporation

SPANNER & HAMMER AG
123 HAMMER STRASSE
MUNICH 80331
GM

b(1) Employer identification number, if any: 12-3456789

b(2) Reference ID number (see instructions):

b(3) Previous reference ID number(s), if any (see instructions):

c Country under whose laws incorporated: GM

d Date of incorporation	**e** Principal place of business	**f** Principal business activity code number	**g** Principal business activity	**h** Functional currency code
01/01/2016	GM	334400	TOOLS MANUFACTURING	USD

2 Provide the following information for the foreign corporation's accounting period stated above.

a Name, address, and identifying number of branch office or agent (if any) in the United States

b If a U.S. income tax return was filed, enter:

(i) Taxable income or (loss)	**(ii)** U.S. income tax paid (after all credits)

c Name and address of foreign corporation's statutory or resident agent in country of incorporation

d Name and address (including corporate department, if applicable) of person (or persons) with custody of the books and records of the foreign corporation, and the location of such books and records, if different

Schedule A Stock of the Foreign Corporation (see instructions)

(a) Description of each class of stock	**(b)** Number of shares outstanding on first day of accounting period, number of shares issued, or (number of shares redeemed)	**(c)** Enter date (first day of accounting period, date issued, or date redeemed)	**(d)** Balance of shares outstanding
COMMON	100	01/01/2026	100

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule B Shareholders of Foreign Corporation

Part I Certain U.S. Shareholders of Foreign Corporation (see instructions)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock owned by shareholder at any time during accounting period	(c) Number of shares owned on first day of accounting period, number of shares acquired, or (number of shares disposed)	(d) Enter date (first day of accounting period, date acquired, or date disposed)	(e) Balance of shares owned
	COMMON	100	01/01/2026	100
SPANNER & HAMMER TOOLS INC				

Schedule B

Part II Direct Shareholders of Foreign Corporation (see instructions)

(a) Name, address, and identifying number of shareholder. Also include country of incorporation or formation, if available.	(b) Description of each class of stock held by shareholder at any time during accounting period	(c) Number of shares held on first day of accounting period, number of shares acquired, or (number of shares disposed)	(d) Enter date (first day of accounting period, date acquired, or date disposed)	(e) Balance of shares held

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Schedule C Income Statement (see instructions)

Important: *Report all information in functional currency in accordance with U.S. generally accepted accounting principles (GAAP). Also report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for dollar approximate separate transactions method (DASTM) corporations.*

				Functional currency	U.S. dollars
Income	1a	Gross receipts or sales	1a	53,833,333	53,833,333
	1b	Returns and allowances	1b		
	1c	Subtract line 1b from line 1a	1c	53,833,333	53,833,333
	2	Cost of goods sold	2	20,000,000	20,000,000
	3	Gross profit (subtract line 2 from line 1c)	3	33,833,333	33,833,333
	4	Dividends	4		
	5	Interest	5		
	6a	Gross rents	6a		
	6b	Gross royalties and license fees	6b		
	7	Net gain or (loss) on sale of capital assets	7		
	8a	Foreign currency transaction gain or loss—unrealized	8a		
	8b	Foreign currency transaction gain or loss—realized	8b		
	9	Other income (attach statement)	9		
	10	Total income (add lines 3 through 9)	10	33,833,333	33,833,333
Deductions	11	Compensation not deducted elsewhere	11		
	12a	Rents	12a		
	12b	Royalties and license fees	12b	250,000	250,000
	13	Interest	13		
	14	Depreciation not deducted elsewhere	14	250,000	250,000
	15	Depletion	15		
	16	Taxes (exclude income tax expense (benefit))	16		
	17	Other deductions (attach statement—exclude income tax expense (benefit))	17		
	18	Total deductions (add lines 11 through 17)	18	500,000	500,000
Net Income	19	Net income or (loss) before unusual or infrequently occurring items, and income tax expense (benefit) (subtract line 18 from line 10)	19	33,333,333	33,333,333
	20	Unusual or infrequently occurring items	20		
	21a	Income tax expense (benefit)—current	21a	10,000,000	10,000,000
	21b	Income tax expense (benefit)—deferred	21b	2,000,000	2,000,000
	22	Current year net income or (loss) per books (combine lines 19 through 21b)	22	21,333,333	21,333,333
Other Comprehensive Income	23a	Foreign currency translation adjustments	23a		
	23b	Other	23b		
	23c	Income tax expense (benefit) related to other comprehensive income	23c		
	24	Other comprehensive income (loss), net of tax (line 23a plus line 23b less line 23c)	24		

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Schedule F Balance Sheet

Important: *Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See instructions for an exception for DASTM corporations.*

	Assets		(a) Beginning of annual accounting period	(b) End of annual accounting period
1	Cash	1		
2a	Trade notes and accounts receivable	2a		
2b	Less allowance for bad debts	2b	( )	( )
3	Derivatives	3		
4	Inventories	4		
5	Other current assets (attach statement)	5		
6	Loans to shareholders and other related persons	6		
7	Investment in subsidiaries (attach statement)	7		
8	Other investments (attach statement)	8		
9a	Buildings and other depreciable assets	9a		
9b	Less accumulated depreciation	9b	( )	( )
10a	Depletable assets	10a		
10b	Less accumulated depletion	10b	( )	( )
11	Land (net of any amortization)	11		
12	Intangible assets:			
12a	Goodwill	12a		
12b	Organization costs	12b		
12c	Patents, trademarks, and other intangible assets	12c		
12d	Less accumulated amortization for lines 12a, 12b, and 12c	12d	( )	( )
13	Other assets (attach statement)	13		
14	Total assets	14		
	Liabilities and Shareholders' Equity			
15	Accounts payable	15		
16	Other current liabilities (attach statement)	16		
17	Derivatives	17		
18	Loans from shareholders and other related persons	18		
19	Other liabilities (attach statement)	19		
20	Capital stock:			
20a	Preferred stock	20a		
20b	Common stock	20b		
21	Paid-in or capital surplus (attach reconciliation)	21		
22	Retained earnings	22		
23	Less cost of treasury stock	23	( )	( )
24	Total liabilities and shareholders' equity	24		

Schedule G Other Information

		Yes	No
1	During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in any foreign partnership?	☐	☐
	If "Yes," see the instructions for required statement.		
2	During the tax year, did the foreign corporation own an interest in any trust?	☐	☐
3a	During the tax year, did the foreign corporation own any foreign entities that were disregarded as separate from their owner under Regulations sections 301.7701-2 and 301.7701-3 or did the foreign corporation own any foreign branches? See instructions	☐	☐
	If "Yes," you are generally required to attach Form 8858 for each entity or branch. See instructions.		
3b	During the tax year, did the foreign corporation have one or more qualified business units as defined in section 989(a) with a functional currency different than its owner?	☐	☐
	If "Yes," enter number of Forms 8964-TRA attached to Form 5471 _____		
4a	During the tax year, did the filer pay or accrue any base erosion payment under section 59A(d) to the foreign corporation or did the filer have a base erosion tax benefit under section 59A(c)(2) with respect to a base erosion payment made or accrued to the foreign corporation? See instructions	☐	☐
	If "Yes," complete lines 4b and 4c.		
4b	Enter the total amount of the base erosion payments $ _____		
4c	Enter the total amount of the base erosion tax benefits $		

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule G Other Information *(continued)*

		Yes	No
5a	During the tax year, did the foreign corporation pay or accrue any interest or royalty for which the deduction is not allowed under section 267A?	☐	☐
	If "Yes," complete line 5b.		
5b	Enter the total amount of the disallowed deductions. See instructions $		
6a	Is the filer claiming a foreign-derived deduction eligible income (FDDEI) deduction (under section 250) with respect to any transactions with the foreign corporation?	☐	☐
	If "Yes," complete lines 6b, 6c, and 6d. See instructions.		
6b	Enter the amount of gross receipts derived from all sales of general property to the foreign corporation that the filer included in its computation of FDDEI. See instructions $		
6c	Enter the amount of gross receipts derived from all sales of intangible property to the foreign corporation that the filer included in its computation of FDDEI. See instructions $		
6d	Enter the amount of gross receipts derived from all services provided to the foreign corporation that the filer included in its computation of FDDEI. See instructions $		
7	During the tax year, was the foreign corporation a participant in any cost sharing arrangement?	☐	☐
	If the answer to question 7 is "Yes," complete a separate Schedule G-1 for each cost sharing arrangement in which the foreign corporation was a participant during the tax year.		
8	After April 25, 2014, did the foreign corporation purchase stock or securities of a shareholder of the foreign corporation for use in a triangular reorganization (within the meaning of Regulations section 1.358-6(b)(2))?	☐	☐
9a	Did the foreign corporation receive any intangible property in a prior year or the current tax year for which the U.S. transferor is required to report a section 367(d) annual income inclusion for the tax year?	☐	☐
	If "Yes," go to line 9b.		
9b	Enter in functional currency the amount of the earnings and profits reduction pursuant to section 367(d)(2)(B) for the tax year		
10	During the tax year, was the foreign corporation an expatriated foreign subsidiary under Regulations section 1.7874-12(a)(9)?	☐	☐
	If "Yes," see instructions and attach statement.		
11	During the tax year, did the foreign corporation participate in any reportable transaction as defined in Regulations section 1.6011-4?	☐	☐
	If "Yes," attach Form(s) 8886 if required by Regulations section 1.6011-4(c)(3)(i)(G).		
12	During the tax year, did the foreign corporation pay or accrue any foreign tax that was disqualified for credit under section 901(m)?	☐	☐
13	During the tax year, did the foreign corporation pay or accrue foreign taxes to which section 909 applies, or treat foreign taxes that were previously suspended under section 909 as no longer suspended?	☐	☐
14	Did you answer "Yes" to any of the questions in the instructions for line 14?	☐	☐
	If "Yes," enter the corresponding code(s) from the instructions and attach statement		
15	Does the foreign corporation have interest expense disallowed under section 163(j)? See instructions	☐	☐
	If "Yes," enter the amount $		
16	Does the foreign corporation have previously disallowed interest expense under section 163(j) carried forward to the current tax year? See instructions	☐	☐
	If "Yes," enter the amount $		
17a	Did any extraordinary reduction with respect to a controlling section 245A shareholder occur during the tax year? See instructions	☐	☐
17b	If the answer to question 17a is "Yes," was an election made to close the tax year such that no amount is treated as an extraordinary reduction amount or tiered extraordinary reduction amount? See instructions	☐	☐
18a	Did the filer have any loan to or from the foreign corporation to which the safe-haven rate rules of Regulations section 1.482-2(a)(2)(iii)(B) are applicable, and for which the filer used a rate of interest within the relevant safe-haven range (100% to 130% of the applicable federal rate (AFR) for the relevant term)?	☐	☐
18b	Did the filer have any loan to or from the foreign corporation to which the safe-haven rate rules of Regulations section 1.482-2(a)(2)(iii)(B) are applicable, and for which the filer used a rate of interest outside the relevant safe-haven range (100% to 130% of the AFR for the relevant term)?	☐	☐
19a	Did the filer issue a covered debt instrument in any of the transactions described in Regulations section 1.385-3(b)(2) with respect to the foreign corporation during the tax year, or did the filer issue or refinance indebtedness owed to the foreign corporation during the 36 months before or after the date of a distribution or acquisition described in Regulations section 1.385-3(b)(3)(i) made by the filer, and either the issuance or refinance of indebtedness, or the distribution or acquisition, occurred during the tax year?	☐	☐
19b	If the answer to question 19a is "Yes," provide the following.		
	(1) The amount of such transaction(s), distribution(s), and acquisition(s) $		
	(2) The amount of such related party indebtedness $		

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule G Other Information *(continued)*

		Yes	No
20a	During the tax year, did the foreign corporation pay or accrue any Top-up Tax? See instructions	☐	☐
20b	If the answer to question 20a is "Yes," enter the amount of each type of tax paid or accrued. See instructions.		
	(1) Income Inclusion Rule (IIR) (or similar taxes) $		
	(2) Qualified Domestic Minimum Top-up Tax (QDMTT) (or similar taxes) $		
	(3) UTPR (or similar taxes) $		
21a	During the tax year, was any portion of any increase or decrease to the earnings and profits of the foreign corporation (including previously taxed earnings and profits described in section 959) attributable to a transaction described in section 304?	☐	☐
21b	If the answer to question 21a is "Yes," provide the following in functional currency, reporting an increase as a positive number and a decrease as a negative number.		
	(1) The change in previously taxed earnings and profits described in section 959(c)(1) and (c)(2)		
	(2) The change in other earnings and profits described in section 959(c)(3)		
22	Does any related party of the foreign corporation import goods into the United States from the foreign corporation?	☐	☐
23a	If the answer to question 22 is "Yes," is the basis or inventory cost to the purchaser in any such goods greater than the customs value of the imported goods?	☐	☐
23b	If the answer to question 22 is "Yes," is the amount of any costs taken into account by the purchaser in computing its basis or inventory cost in any such goods greater than the amount of such costs as they are taken into account in computing the customs value of the imported goods? If the answer to either question 23a or 23b is "Yes," attach a statement describing the difference(s) including amounts and explaining the reason or reasons for such difference(s)	☐	☐
23c	If the answer to either question 23a or 23b is "Yes," were the documents used to support this treatment of the imported goods in existence and available in the United States at the time of filing Form 5471?	☐	☐

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule I **Summary of U.S. Person's Income From Foreign Corporation** (see instructions)

If item H on page 1 is completed, a separate Schedule I must be filed for each Category 4, 5, or 6 filer for whom reporting is furnished on this Form 5471. This Schedule I is being completed for:

Name of U.S. person Identifying number

1a	Section 964(e)(4) subpart F dividend income from the sale of stock of a lower-tier foreign corporation (see instructions)	**1a**	
1b	Section 245A(e)(2) subpart F income from hybrid dividends of tiered corporations (see instructions)	**1b**	
1c	Subpart F income from tiered extraordinary disposition amounts not eligible for subpart F exception under section 954(c)(6)	**1c**	
1d	Subpart F income from tiered extraordinary reduction amounts not eligible for subpart F exception under section 954(c)(6)	**1d**	
1e	Section 954(c) Subpart F Foreign Personal Holding Company Income (enter result from Worksheet A)	**1e**	
1f	Section 954(d) Subpart F Foreign Base Company Sales Income (enter result from Worksheet A)	**1f**	
1g	Section 954(e) Subpart F Foreign Base Company Services Income (enter result from Worksheet A)	**1g**	
1h	Other subpart F income (enter result from Worksheet A)	**1h**	
2	Earnings invested in U.S. property (enter the result from Worksheet B)	**2**	
3	Reserved for future use	**3**	
4	Factoring income	**4**	
	See instructions for reporting amounts on lines 1, 2, and 4 on your income tax return.		
5a	Section 245A eligible dividends (see instructions)	**5a**	
5b	Extraordinary disposition amounts (see instructions)	**5b**	
5c	Extraordinary reduction amounts (see instructions)	**5c**	
5d	Section 245A(e) dividends (see instructions)	**5d**	
5e	Dividends not reported on line 5a, 5b, 5c, or 5d	**5e**	
6	Exchange gain or (loss) on a distribution of previously taxed earnings and profits	**6**	

		Yes	No
7a	Was any income of the foreign corporation blocked?	☐	☐
7b	Did any such income become unblocked during the tax year (see section 964(b))?	☐	☐
	If the answer to either question is "Yes," attach an explanation.		
8a	Did this U.S. person have an extraordinary disposition (ED) account with respect to the foreign corporation at any time during the tax year? See instructions	☐	☐

8b If the answer to question 8a is "Yes," enter the U.S. person's ED account balance at the beginning of the foreign corporation's tax year $_____ and at the end of the tax year $_____. Provide an attachment detailing any changes from the beginning to the ending balances.

8c Enter the foreign corporation's aggregate ED account balance with respect to all U.S. persons at the beginning of the foreign corporation's tax year $_____ and at the end of the tax year $_____. Provide an attachment detailing any changes from the beginning to the ending balances.

9 Enter the sum of the hybrid deduction accounts with respect to stock of the foreign corporation. See instructions. $

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TREASURY/IRS AND OMB USE ONLY DRAFT

SCHEDULE E (Form 5471)
(Rev. December 2026)
Department of the Treasury
Internal Revenue Service

Income, War Profits, and Excess Profits Taxes Paid or Accrued

Attach to Form 5471.
Go to *www.irs.gov/Form5471* for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471: SPANNER & HAMMER TOOLS INC
Identifying number: 00-1120011

Name of foreign corporation: SPANNER & HAMMER AG
EIN (if any): 12-3456789
Reference ID number (see instructions):

a Separate category. Enter code. See instructions . . . . . GEN
b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . . . .
c If one of the RBT codes is entered on line a, enter the country code for the treaty country. See instructions . . . . .

Part I Taxes for Which a Foreign Tax Credit Is Allowed

Section 1—Taxes Paid or Accrued Directly by Foreign Corporation

	(a) Name of payor entity	(b) EIN or reference ID number of payor entity	(c) Unsuspended taxes	(d) Country or U.S. possession to which tax is paid (Enter code. See instructions. Use a separate line for each.)	(e) Foreign tax year of payor entity to which tax relates (year/month/day)	(f) U.S. tax year of payor entity to which tax relates (year/month/day)
1	SPANNER & HAMMER AG	12-3456789	☐	GM	2026-12-31	2026-12-31
2			☐			
3			☐			
4			☐			

	(g) Income subject to tax in the foreign jurisdiction (see instructions)	(h) If taxes are paid on U.S. source income, check box	(i) Local currency in which tax is payable (enter code—see instructions)	(j) Tax paid or accrued (in local currency in which the tax is payable)	(k) Conversion rate to U.S. dollars	(l) In U.S. dollars (divide column (j) by column (k))	(m) In functional currency of foreign corporation
1	33,333,333	☐	USD	10,000,000	1.000000	10,000,000	10,000,000
2		☐					
3		☐					
4		☐					
5	Total (combine lines 1 through 4 of column (l)). Also, report amount on Schedule E-1, line 4					10,000,000	
6	Total (combine lines 1 through 4 of column (m))						10,000,000

Section 2—Taxes Deemed Paid by Foreign Corporation

	(a) Name of lower-tier distributing foreign corporation	(b) EIN or reference ID number of lower-tier distributing foreign corporation	(c) Country or U.S. possession to which tax is paid (Enter code. See instructions. Use a separate line for each.)	(d) PTEP group (enter code)	(e) Annual PTEP account (enter year)
1					
2					
3					
4					

	(f) PTEP distributed (enter amount in functional currency)	(g) Total amount of PTEP in the PTEP group (in functional currency)	(h) Total amount of the PTEP group taxes with respect to PTEP group (USD)	(i) Foreign income taxes properly attributable to PTEP and not previously deemed paid ((column (f)/column (g)) x column (h)) (USD)
1				
2				
3				
4				
5	Total (combine lines 1 through 4 of column (i)). Also, report amount on Schedule E-1, line 6			

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TREASURY/IRS AND OMB USE ONLY DRAFT

Name of foreign corporation	EIN (if any)	Reference ID number (see instructions)
SPANNER & HAMMER AG	12-3456789	

a Separate category. Enter code. See instructions . . . . . GEN

b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . . . .

c If one of the RBT codes is entered on line a, enter the country code for the treaty country. See instructions . . . . .

Part II Election

For tax years beginning after December 31, 2004, has an election been made under section 986(a)(1)(D) to translate taxes using the exchange rate on the date of payment?

☐ Yes ☑ No If "Yes," state date of election _____

Part III Taxes for Which a Foreign Tax Credit Is Disallowed (Enter in functional currency of foreign corporation.)

	(a) Name of payor entity	(b) EIN or reference ID number of payor entity	(c) Section 901(j)	(d) Section 901(k) and (l)	(e) Section 901(m)	(f) U.S. taxes	(g) Suspended taxes	(h) Other	(i) Total
1									
2									
3	In functional currency (combine lines 1 and 2)								
4	In U.S. dollars (translated at the average exchange rate, as defined in section 989(b)(3) and related regulations). See instructions								

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Earnings and Profits (E&P) of Foreign Corporation

IMPORTANT: *Enter amounts in U.S. dollars.*

		Taxes related to: (a) Subpart F income	(b) Tested income	(c) Residual income	(d) Suspended taxes
1a	Balance at beginning of year (as reported in prior year Schedule E-1)	-0-	-0-	-0-	
1b	Beginning balance adjustments (attach statement)				
1c	Adjusted beginning balance (combine lines 1a and 1b)				
2	Adjustment for foreign tax redetermination				
3a	Taxes unsuspended under anti-splitter rules				
3b	Taxes suspended under anti-splitter rules				
4	Taxes reported on Schedule E, Part I, Section 1, line 5, column (l)	10,000,000			
5	Taxes carried over in nonrecognition transactions				
6	Taxes reported on Schedule E, Part I, Section 2, line 5, column (i)				
7	Other adjustments (attach statement)				
8	Taxes paid or accrued on current income/E&P or accumulated E&P (combine lines 1c through 7)	10,000,000			
9	Taxes deemed paid with respect to inclusions (see instructions)	(10,000,000)			
10	Taxes deemed paid with respect to actual distributions				
11	Taxes on amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P				
12	Other (attach statement)				
13	Balance of taxes paid or accrued (combine lines 8 through 12 in columns (a), (b), and (c))				
14	Reserved for future use				
15	Reduction for other taxes not deemed paid				
16	Balance of taxes paid or accrued at the beginning of the next year. Line 16, columns (a), (b), and (c) must always equal zero. So, if necessary, enter negative amounts on line 15 of columns (a), (b), and (c) in amounts sufficient to reduce line 13, columns (a), (b), and (c) to zero. For the remaining columns, combine lines 8 through 12	-0-	-0-	-0-	

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TREASURY/IRS AND OMB USE ONLY DRAFT

Name of foreign corporation	EIN (if any)	**Reference ID number** (see instructions)
SPANNER & HAMMER AG	12-3456789	

a Separate category. Enter code. See instructions . . . . . GEN

b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . . . .

c If one of the RBT codes is entered on line a, enter the country code for the treaty country. See instructions . . . . .

Schedule E-1 Taxes Paid, Accrued, or Deemed Paid on Accumulated Earnings and Profits (E&P) of Foreign Corporation *(continued)*

(e) Taxes related to previously taxed E&P (see instructions)

	(i) Reclassified section 965(a) PTEP	**(ii)** Reclassified section 965(b) PTEP	**(iii)** General section 959(c)(1) PTEP	**(iv)** Reclassified pre-6/29/25 section 951A PTEP	**(v)** Reclassified post-6/28/25 section 951A PTEP	**(vi)** Reclassified section 245A(d) PTEP	**(vii)** Section 965(a) PTEP	**(viii)** Section 965(b) PTEP	**(ix)** Pre-6/29/25 section 951A PTEP	**(x)** Post-6/28/25 section 951A PTEP	**(xi)** Section 245A(d) PTEP	**(xii)** Section 951(a)(1)(A) PTEP
1a												
1b												
1c												
2												
3a												
3b												
4												
5												
6												
7												
8												
9												
10												
11												
12												
13												
14												
15												
16												

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SCHEDULE H (Form 5471)
(Rev. December 2021)
Department of the Treasury
Internal Revenue Service

Current Earnings and Profits

▶ **Attach to Form 5471.**

▶ **Go to *www.irs.gov/Form5471* for instructions and the latest information.**

OMB No. 1545-0123

Name of person filing Form 5471		**Identifying number**
SPANNER & HAMMER TOOLS INC		00-1120011
Name of foreign corporation	EIN (if any)	**Reference ID number** (see instructions)
SPANNER & HAMMER AG	12-3456789	

IMPORTANT: *Enter the amounts on lines 1 through 5c in **functional** currency.*

			Net Additions	Net Subtractions		
1	Current year net income or (loss) per foreign books of account				**1**	
2	Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):					
a	Capital gains or losses	**2a**				
b	Depreciation and amortization	**2b**				
c	Depletion	**2c**				
d	Investment or incentive allowance	**2d**				
e	Charges to statutory reserves	**2e**				
f	Inventory adjustments	**2f**				
g	Income taxes (see Schedule E, Part I, Section 1, line 6, column (m), and Part III, line 3, column (i))	**2g**	2,000,000			
h	Foreign currency gains or losses	**2h**				
i	Other (attach statement)	**2i**				
3	Total net additions	**3**	2,000,000			
4	Total net subtractions	**4**				
5a	Current earnings and profits (line 1 plus line 3 minus line 4)				**5a**	23,333,333
b	DASTM gain or (loss) for foreign corporations that use DASTM (see instructions)				**5b**	0
c	Combine lines 5a and 5b and enter the result on line 5c. Then enter on lines 5c(i), 5c(ii), and 5c(iii)(A) through 5c(iii)(D) the portion of the line 5c amount with respect to the categories of income shown on those lines				**5c**	23,333,333
	(i) General category (enter amount on applicable Schedule J, Part I, line 3, column (a))	**5c(i)**	23,333,333			
	(ii) Passive category (enter amount on applicable Schedule J, Part I, line 3, column (a))	**5c(ii)**				
	(iii) Section 901(j) category:					
	(A) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(A) and on the applicable Schedule J, Part I, line 3, column (a)	**5c(iii)(A)**				
	(B) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(B) and on the applicable Schedule J, Part I, line 3, column (a)	**5c(iii)(B)**				
	(C) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(C) and on the applicable Schedule J, Part I, line 3, column (a)	**5c(iii)(C)**				
	(D) Enter the country code of the sanctioned country ▶ _____ and enter the line 5c amount with respect to the sanctioned country on this line 5c(iii)(D) and on the applicable Schedule J, Part I, line 3, column (a)	**5c(iii)(D)**				
d	Current earnings and profits in U.S. dollars (line 5c translated at the average exchange rate, as defined in section 989(b)(3) and the related regulations (see instructions))				**5d**	23,333,333
e	Enter exchange rate used for line 5d ▶			1.0000		

SCHEDULE H-1 (Form 5471)
(December 2024)
Department of the Treasury
Internal Revenue Service

Pro Rata Share of CFC Adjusted Net Income or Loss for Corporate Alternative Minimum Tax

Attach to Form 5471.
Go to *www.irs.gov/Form5471* for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471		**Identifying number**
SPANNER & HAMMER TOOLS INC		00-1120011
Name of U.S. shareholder		**Identifying number**
SPANNER & HAMMER TOOLS INC		00-1120011
Name of foreign corporation	EIN (if any)	**Reference ID number** (see instructions)
SPANNER & HAMMER AG	12-3456789	

a Enter the AFS currency (see instructions) . . . . . USD

b Enter the exchange rate used for converting from AFS currency to U.S. dollars 1.0000

c Enter the exchange rate used for converting from functional currency to U.S. dollars 1.0000

		AFS Currency	Functional Currency	U.S. Dollars
1 Net income or (loss) set forth on the applicable financial statement	**1**	21,333,333		21,333,333
2 Adjustments made to line 1 (see instructions):				
a Statements covering different tax years	**2a**			
b Consolidated financial statements	**2b**			
c Reserved	**2c**			
d Reserved	**2d**			
e Reserved	**2e**			
f Reserved	**2f**			
g Treatment of dividends and other amounts	**2g**			
h Treatment of partnerships	**2h**			
i Effectively connected income	**2i**			
j Adjustments for certain taxes	**2j**	12,000,000	12,000,000	12,000,000
k Adjustments with respect to disregarded entities	**2k**			
l Depreciation	**2l**			
m Other adjustments (see instructions)	**2m**			

3	Combine lines 2a through 2m (in U.S. dollars)	**3**	12,000,000
4	CFC adjusted net income or loss in U.S. dollars (combine line 1 and line 3)	**4**	33,333,333
5	Filer's pro rata share of line 4 in U.S. dollars	**5**	33,333,333

TREASURY/IRS AND OMB USE ONLY DRAFT

SCHEDULE J (Form 5471)
(Rev. December 2026)
Department of the Treasury
Internal Revenue Service

Accumulated Earnings & Profits (E&P) of Foreign Corporation

Attach to Form 5471.

Go to *www.irs.gov/Form5471* for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471: SPANNER & HAMMER TOOLS INC
Identifying number: 00-1120011

Name of foreign corporation: SPANNER & HAMMER AG
EIN (if any): 12-3456789
Reference ID number (see instructions):

a Separate category (enter code—see instructions) . . . . . GEN

b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . . . . .

Part I Accumulated E&P of Foreign Corporation

☐ Check the box if person filing return does not have all U.S. owners' information to complete an amount in column (e). See instructions.

Important: Enter amounts in functional currency.		(a) Post-2017 E&P not previously taxed (post-2017 section 959(c)(3) balance)	(b) Post-1986 undistributed earnings (post-1986 and pre-2018 section 959(c)(3) balance)	(c) Pre-1987 E&P not previously taxed (pre-1987 section 959(c)(3) balance)	(d) Hovering deficit and deduction for suspended taxes	(e) Previously taxed E&P (see instructions)	
						(i) Reclassified section 965(a) PTEP	(ii) Reclassified section 965(b) PTEP
1a	Balance at beginning of year (as reported on prior year Schedule J)		100,000,000	500,000			
1b	Beginning balance adjustments (attach statement)						
1c	Adjusted beginning balance (combine lines 1a and 1b)		100,000,000	500,000			
2a	Reduction for taxes unsuspended under anti-splitter rules						
2b	Disallowed deduction for taxes suspended under anti-splitter rules						
3	Current year E&P (or deficit in E&P) (enter amount from applicable line 5c of Schedule H)						
4	E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation	23,333,333					
5a	E&P carried over in nonrecognition transaction						
5b	Reclassify deficit in E&P as hovering deficit after nonrecognition transaction						
6	Other adjustments (attach statement)						
7	Total current and accumulated E&P (combine lines 1c through 6)	23,333,333	100,000,000	500,000			
8	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P	(23,333,333)					
9	Actual distributions						
10	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P						
11	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)						
12	Other adjustments (attach statement)						
13	Hovering deficit offset of undistributed post-transaction E&P (see instructions)						
14	Balance at beginning of next year (combine lines 7 through 13)	0	100,000,000	500,000			

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part I **Accumulated E&P of Foreign Corporation** *(continued)*

	(e) Previously taxed E&P (see instructions)					
	(iii) General section 959(c)(1) PTEP	**(iv)** Reclassified pre-6/29/25 section 951A PTEP	**(v)** Reclassified post-6/28/25 section 951A PTEP	**(vi)** Reclassified section 245A(d) PTEP	**(vii)** Section 965(a) PTEP	**(viii)** Section 965(b) PTEP
1a						
1b						
1c						
2a						
2b						
3						
4						
5a						
5b						
6						
7						
8					23,333,333	
9						
10						
11						
12						
13						
14						

	(e) Previously taxed E&P (see instructions)				(f) Total section 964(a) E&P (combine columns (a), (b), (c), and (e)(i) through (e)(xii))
	(ix) Pre-6/29/25 section 951A PTEP	**(x)** Post-6/28/25 section 951A PTEP	**(xi)** Section 245A(d) PTEP	**(xii)** Section 951(a)(1)(A) PTEP	
1a					
1b					
1c					
2a					
2b					
3					
4					
5a					
5b					
6					
7					
8					
9					
10					
11					
12					
13					
14					

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part II Nonpreviously Taxed E&P Subject to Recapture as Subpart F Income (section 952(c)(2))

Important: Enter amounts in functional currency.

1	Balance at beginning of year	1	
2	Additions (amounts subject to future recapture)	2	
3	Subtractions (amounts recaptured in current year)	3	
4	Balance at end of year (combine lines 1 through 3)	4	

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TREASURY/IRS AND OMB USE ONLY DRAFT

SCHEDULE P (Form 5471)
(Rev. December 2026)
Department of the Treasury
Internal Revenue Service

Previously Taxed Earnings and Profits of the U.S. Person With Respect to the Foreign Corporation

Attach to Form 5471.
Go to *www.irs.gov/Form5471* for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471	Identifying number
SPANNER & HAMMER TOOLS INC	00-1120011
Name of U.S. person	**Identifying number**
SPANNER & HAMMER TOOLS INC	00-1120011
Name of foreign corporation	**EIN (if any)** / **Reference ID number** (see instructions)
SPANNER & HAMMER AG	12-3456789

a Separate category (enter code—see instructions) . . . GEN
b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . .

Part I **Previously Taxed E&P in Functional Currency** (see instructions)

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)	0	0	0
1b	Beginning balance adjustments (attach statement)			
1c	Adjusted beginning balance (combine lines 1a and 1b)	0	0	0
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)	0	0	0
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)			
12	Balance at beginning of next year (combine lines 6 through 11)	0	0	0

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part I **Previously Taxed E&P in Functional Currency** (see instructions) *(continued)*

	(d) Reclassified pre-6/29/25 section 951A PTEP	(e) Reclassified post-6/28/25 section 951A PTEP	(f) Reclassified section 245A(d) PTEP	(g) Section 965(a) PTEP	(h) Section 965(b) PTEP	(i) Pre-6/29/25 section 951A PTEP	(j) Post-6/28/25 section 951A PTEP	(k) Section 245A(d) PTEP	(l) Section 951(a)(1)(A) PTEP	(m) Total
1a	0	0	0	0	0	0	0	0	0	0
1b										
1c	0	0	0	0	0	0	0	0	0	0
2										
3										
4										
5										
6	0	0	0	0	0	0	0	0	0	0
7									23,333,333	23,333,333
8										
9										
10										
11										
12	0	0	0	0	0	0	0	0	23,333,333	23,333,333

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part II Previously Taxed E&P in U.S. Dollars

		(a) Reclassified section 965(a) PTEP	(b) Reclassified section 965(b) PTEP	(c) General section 959(c)(1) PTEP
1a	Balance at beginning of year (see instructions)	0	0	0
1b	Beginning balance adjustments (attach statement)			
1c	Adjusted beginning balance (combine lines 1a and 1b)	0	0	0
2	Reduction for taxes unsuspended under anti-splitter rules			
3	Previously taxed E&P attributable to distributions of previously taxed E&P from lower-tier foreign corporation			
4	Previously taxed E&P carried over in nonrecognition transaction			
5	Other adjustments (attach statement)			
6	Total previously taxed E&P (combine lines 1c through 5)	0	0	0
7	Amounts reclassified to section 959(c)(2) E&P from section 959(c)(3) E&P			
8	Actual distributions of previously taxed E&P			
9	Amounts reclassified to section 959(c)(1) E&P from section 959(c)(2) E&P			
10	Amounts included as earnings invested in U.S. property and reclassified to section 959(c)(1) E&P (see instructions)			
11	Other adjustments (attach statement)			
12	Balance at beginning of next year (combine lines 6 through 11)	0	0	0

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TREASURY/IRS AND OMB USE ONLY DRAFT

Part II **Previously Taxed E&P in U.S. Dollars** *(continued)*

	(d) Reclassified pre-6/29/25 section 951A PTEP	(e) Reclassified post-6/28/25 section 951A PTEP	(f) Reclassified section 245A(d) PTEP	(g) Section 965(a) PTEP	(h) Section 965(b) PTEP	(i) Pre-6/29/25 section 951A PTEP	(j) Post-6/28/25 section 951A PTEP	(k) Section 245A(d) PTEP	(l) Section 951(a)(1)(A) PTEP	(m) Total
1a	0	0	0	0	0	0	0	0	0	0
1b										
1c	0	0	0	0	0	0	0	0	0	0
2										
3										
4										
5										
6	0	0	0	0	0	0	0	0	0	0
7									23,333,333	23,333,333
8										
9										
10										
11										
12	0	0	0	0	0	0	0	0	23,333,333	23,333,333

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TREASURY/IRS AND OMB USE ONLY DRAFT

SCHEDULE Q (Form 5471)
(Rev. December 2026)
Department of the Treasury
Internal Revenue Service

CFC/FCFC Income by CFC/FCFC Income Groups

Attach to Form 5471.
Go to *www.irs.gov/Form5471* for instructions and the latest information.

OMB No. 1545-0123

Name of person filing Form 5471		**Identifying number**
SPANNER & HAMMER TOOLS INC		00-1120011
Name of foreign corporation	EIN (if any)	**Reference ID number** (see instructions)
SPANNER & HAMMER AG	12-3456789	

Complete a separate Schedule Q with respect to each applicable category of income (see instructions).

A Enter separate category code with respect to which this Schedule Q is being completed (see instructions for codes) . . . . . GEN

B If category code "PAS" is entered on line A, enter the applicable grouping code (see instructions) . . . . .

C If code "901j" is entered on line A, enter the country code for the sanctioned country (see instructions) . . . . .

Complete a separate Schedule Q for U.S. source income and foreign source income (see instructions for an exception).

D Indicate whether this Schedule Q is being completed for: ☐ U.S. source income or ☑ Foreign source income

Complete a separate Schedule Q for FOGEI or FORI income.

E If this Schedule Q is being completed for FOGEI or FORI income, check this box . . . . . ☐

Enter amounts in functional currency of the foreign corporation (unless otherwise noted).	(i) Country code	(ii) Gross income	(iii) Definitely related expenses	(iv) Related person interest expense	(v) Other interest expense	(vi) Research & experimental expenses	(vii) Other expenses (attach statement)
1 Subpart F income groups							
a Dividends, interest, rents, royalties, & annuities (total)							
(1) Unit name:							
(2) Unit name:							
b Net gain from certain property transactions (total)							
(1) Unit name:							
(2) Unit name:							
c Net gain from commodities transactions (total)							
(1) Unit name:							
(2) Unit name:							
d Net foreign currency gain (total)							
(1) Unit name:							
(2) Unit name:							
e Income equivalent to interest (total)							
(1) Unit name:							
(2) Unit name:							
f Other foreign personal holding company income (total) (attach statement—see instructions)							
(1) Unit name:							
(2) Unit name:							

Important: See *Computer-Generated Schedule Q* in instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

	(viii) Current year tax on reattributed income from disregarded payments	(ix) Current year tax on all other disregarded payments	(x) Other current year taxes	(xi) Net income (column (ii) less columns (iii) through (x))	(xii) Foreign taxes for which credit allowed (U.S. dollars)	(xiii) Average asset value	(xiv) High tax election	(xv) Loss allocation	(xvi) Net income after loss allocation (column (xi) minus column (xv))
1									
a									
(1)							☐		
(2)							☐		
b									
(1)							☐		
(2)							☐		
c									
(1)							☐		
(2)							☐		
d									
(1)							☐		
(2)							☐		
e									
(1)							☐		
(2)							☐		
f									
(1)							☐		
(2)							☐		

Important: See *Computer-Generated Schedule Q* in instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Enter amounts in functional currency of the foreign corporation (unless otherwise noted).	(i) Country code	(ii) Gross income	(iii) Definitely related expenses	(iv) Related person interest expense	(v) Other interest expense	(vi) Research & experimental expenses	(vii) Other expenses (attach statement)
1 Subpart F income groups							
g Foreign base company sales income (total)		33,833,333	500,000				
(1) Unit name: S&H	GM	33,833,333	500,000				
(2) Unit name:							
h Foreign base company services income (total)							
(1) Unit name:							
(2) Unit name:							
i Full inclusion foreign base company income (total) . . .							
(1) Unit name:							
(2) Unit name:							
j Insurance income (total) . . .							
(1) Unit name:							
(2) Unit name:							
k International boycott income .							
l Bribes, kickbacks, and other payments							
m Section 901(j) income							
2 Recaptured subpart F income .							
3 Tested income group (total) . .							
(1) Unit name:							
(2) Unit name:							
4 Residual income group (total) .							
(1) Unit name:							
(2) Unit name:							
5 Total		33,833,333	500,000				

Important: See *Computer-Generated Schedule Q* in instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

	(viii) Current year tax on reattributed income from disregarded payments	(ix) Current year tax on all other disregarded payments	(x) Other current year taxes	(xi) Net income (column (ii) less columns (iii) through (x))	(xii) Foreign taxes for which credit allowed (U.S. dollars)	(xiii) Average asset value	(xiv) High tax election	(xv) Loss allocation	(xvi) Net income after loss allocation (column (xi) minus column (xv))
1									
g			10,000,000	23,333,333	10,000,000				23,333,333
(1)			10,000,000	23,333,333	10,000,000		☐		23,333,333
(2)							☐		
h									
(1)							☐		
(2)							☐		
i									
(1)							☐		
(2)							☐		
j									
(1)							☐		
(2)							☐		
k									
l									
m									
2									
3									
(1)							☐		
(2)							☐		
4									
(1)									
(2)									
5			10,000,000	23,333,333	10,000,000				23,333,333

Important: See *Computer-Generated Schedule Q* in instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Form **1118**
(Rev. December 2026)
Department of the Treasury
Internal Revenue Service

Foreign Tax Credit—Corporations

Attach to the corporation's tax return.
Go to *www.irs.gov/Form1118* for instructions and the latest information.

For calendar year 20 ____ , or other tax year beginning 01/01 , 20 26 , and ending 12/31 , 20 26

OMB No. 1545-0123

Attachment Sequence No. **118**

Name of corporation: SPANNER & HAMMER TOOLS INC

Employer identification number: 00-1120011

Use a separate Form 1118 for each applicable category of income. See instructions.

a Separate category (enter code—see instructions) . . . . . GEN

b If code 901j is entered on line a, enter the country code for the sanctioned country. See instructions . . . . .

c If one of the RBT codes is entered on line a, enter the country code for the treaty country. See instructions . . . . .

Schedule A Income or (Loss) Before Adjustments (Report all amounts in U.S. dollars. See *Specific Instructions*.)

	1(a). EIN or reference ID number (see instructions)	1(b). Code*	2. Foreign country or U.S. territory (enter two-letter code—use a separate line for each) (see instructions)	Gross income or (loss) from sources outside the United States			
				3. Inclusions under sections 951(a)(1) and 951A (see instructions)		4. Dividends (see instructions)	5. Interest
				(a) Exclude gross-up	(b) Gross-up (section 78)		
A	12-3456789		GM	23,333,333	10,000,000		
B							
C							
Totals (add lines A through C)				23,333,333	10,000,000		

	6. Gross rents, royalties, and license fees	7. Sales	8. Gross income from performance of services	9. Currency gain	10. Currency gain code (see instructions)	11. Other (attach schedule)	12. Total (add columns 3(a) through 9 and 11)
A	10,000,000						43,333,333
B							
C							
Totals	10,000,000						43,333,333

	13. Allocable deductions						
	(a) Dividends received deduction (see instructions)	(b) Deduction allowed under section 250(a)(1)(A)—foreign-derived deduction eligible income	(c) Deduction allowed under section 250(a)(1)(B)—net controlled foreign corporation tested income	Rental, royalty, and licensing expenses		(f) Expenses allocable to sales income	(g) Expenses allocable to gross income from performance of services
				(d) Depreciation, depletion, and amortization	(e) Other allocable expenses		
A							
B							
C							
Totals							

	13. Allocable deductions (*continued*)				14. Apportioned share of deductions (enter amount from applicable line of Schedule H, Part I, column (b); Part II, column (f); and Part III, column (g))	15. Net operating loss deduction	16. Total deductions (add columns 13(k) through 15)	17. Total income or (loss) before adjustments (subtract column 16 from column 12)
	(h) Currency loss	(i) Currency loss code (see instructions)	(j) Other allocable deductions (attach schedule) (see instructions)	(k) Total allocable deductions (add columns 13(a) through 13(h) and 13(j))				
A			10,000,000	10,000,000			10,000,000	33,333,333
B								
C								
Totals			10,000,000	10,000,000			10,000,000	33,333,333

*For section 863(b) income, NOLs, income from RICs, high-taxed income, section 951A, reattribution of income by reason of disregarded payments, and section 904(b)(6) sales of inventory by a foreign branch, use a single line and enter the applicable code in column 1(b); see instructions. Also, for reporting branches that are QBUs, use a separate line for each such branch.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule B **Foreign Tax Credit** (report all foreign tax amounts in U.S. dollars)

Part I—Foreign Taxes Paid, Accrued, and Deemed Paid (see instructions)

	1. Credit is claimed for taxes (check one): ☐ Paid ☐ Accrued		2. Foreign taxes paid or accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used)						
			Tax withheld at source on:						
	Date paid	Date accrued	(a) Dividends	(b)(1) Distributions of previously taxed earnings and profits	(b)(2) PTEP group (see instructions)	(c) Branch remittances	(d) Interest	(e) Rents, royalties, and license fees	(f) Other
A									
B									
C									
Totals (add lines A through C)									

	2. Foreign taxes paid or accrued (attach schedule showing amounts in foreign currency and conversion rate(s) used) *(continued)*				3. Tax deemed paid (see instructions)
	Other foreign taxes paid or accrued on:			(j) Total foreign taxes paid or accrued (add columns 2(a) through 2(i))	
	(g) Sales	(h) Services income	(i) Other		
A					
B					
C					
Totals					

Part II—Separate Foreign Tax Credit (complete a **separate** Part II for **each** applicable category of income)

1a	Total foreign taxes paid or accrued (total from Part I, column 2(j))	1a		
1b	Foreign taxes paid or accrued by the corporation during prior tax years that were suspended due to the rules of section 909 and for which the related income is taken into account by the corporation during the current tax year (see instructions)	1b		
2	Total taxes deemed paid (total from Part I, column 3)	2		
3	Reductions of taxes paid, accrued, or deemed paid (enter total from Schedule G, Part I)	3	(	
4	Taxes reclassified under high-tax kickout	4		
5	Enter the sum of any carryover of foreign taxes (from Schedule K, line 3, column (xiv), and from Schedule I, Part III, line 3) plus any carrybacks to the current tax year	5		
6	Total foreign taxes (combine lines 1a through 5)			6
7	Enter the amount from the applicable column of Schedule J, Part I, line 11; see instructions. If Schedule J is **not** required to be completed, enter the result from the "Totals" line of column 17 of the applicable Schedule A			7
8a	Total taxable income from all sources (enter taxable income from the corporation's tax return)	8a		
8b	Adjustments to line 8a (see instructions)	8b		
8c	Subtract line 8b from line 8a			8c
9	Divide line 7 by line 8c. Enter the resulting fraction as a decimal; see instructions. If line 7 is greater than line 8c, enter "1"			9
10	Total U.S. income tax against which credit is allowed (regular tax liability (see section 26(b)) minus any American Samoa economic development credit)			10
11	Multiply line 9 by line 10			11
12	Increase in limitation (section 960(c))			12
13	Credit limitation (add lines 11 and 12) (see instructions)			13
14	**Separate foreign tax credit** (enter the smaller of line 6 or line 13). Enter here and on the appropriate line of Part III			14

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Schedule B **Foreign Tax Credit** (report all foreign tax amounts in U.S. dollars) *(continued)*

Part III—Summary of Separate Credits (Enter amounts from Part II, line 14, for **each** applicable category of income. **Do not** include taxes paid to sanctioned countries.)

1	Credit for taxes on section 951A category income	1			
2	Credit for taxes on foreign branch category income	2			
3	Credit for taxes on passive category income	3			
4	Credit for taxes on general category income	4	7,000,000		
5	Credit for taxes on section 901(j) category income (combine all such credits on this line)	5			
6	Credit for taxes on income re-sourced by treaty (combine all such credits on this line)	6			
7	Total (add lines 1 through 6)			7	7,000,000
8	Enter the smaller of Schedule B, Part II, line 10, or Schedule B, Part III, line 7			8	
9	Reduction in credit for international boycott operations (see instructions)			9	
10	**Total foreign tax credit** (subtract line 9 from line 8). Enter here and on the appropriate line of the corporation's tax return			10	7,000,000

Schedule C **Tax Deemed Paid With Respect to Section 951(a)(1) Inclusions by Domestic Corporation Filing Return (Section 960(a))**

Use this schedule to report the tax deemed paid by the corporation with respect to section 951(a)(1) inclusions of earnings from foreign corporations under section 960(a). For each line in Schedule C, include the column 10 amount in column 3 of the line in Schedule B, Part I, that corresponds with the identifying number specified in column 1 of Schedule A and that also corresponds with the identifying number entered in column 1b of this Schedule C. See instructions.

1a. Name of foreign corporation	**1b.** EIN or reference ID number of the foreign corporation (see instructions)	**1c.** Tested unit reference ID (if applicable)
SPANNER & HAMMER AG	12-3456789	

2. Tax year end (year/month) (see instructions)	**3.** Country of incorporation (enter country code—see instructions)	**4.** Functional currency of foreign corporation (enter code—see instructions)	**5.** Subpart F income group		
			(a) Regs. sec. 1.960-1(d)(2)(ii)(B)(2) (enter code)	**(b)** Regs. sec. 1.904-4(c)(3)(i)–(iv) (enter code)	**(c)** Unit
2026-12	GM	USD	FBCSA		

6. Total net income in subpart F income group (in functional currency of foreign corporation)	**7.** Total eligible current-year taxes in subpart F income group (in U.S. dollars)	**8.** Section 951(a)(1) inclusion attributable to subpart F income group		**9.** Divide column 8(a) by column 6	**10.** Tax deemed paid (multiply column 7 by column 9)
		(a) Functional currency	**(b)** U.S. dollars		
23,333,333	10,000,000	23,333,333	23,333,333	1.000000	10,000,000
Total (add amounts in column 10)					10,000,000

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Schedule D **Tax Deemed Paid With Respect to Section 951A Income by Domestic Corporation Filing the Return (Section 960(d))**

Use this schedule to figure the tax deemed paid by the corporation with respect to section 951A inclusions of earnings from foreign corporations under section 960(d).

Part I—Foreign Corporation's Tested Income and Foreign Taxes

1a. Name of foreign corporation	1b. EIN or reference ID number of the foreign corporation (see instructions)	2. Tax year end (year/month) (see instructions)	3. Country of incorporation (enter country code—see instructions)	4. Functional currency of foreign corporation (enter code)

5. Pro rata share of CFC/FCFC's tested income from applicable Form 8992 schedule (see instructions)	6. CFC/FCFC's tested income from applicable Form 8992 schedule (see instructions)	7. Divide column 5 by column 6	8. CFC/FCFC's tested foreign income taxes from Schedule Q (Form 5471) (see instructions)	9. Pro rata share of tested foreign income taxes paid or accrued by CFC/FCFC (multiply column 7 by column 8)
	Total (add amounts in column 5)			
			Total (add amounts in column 9)	

Part II—Foreign Income Tax Deemed Paid

1. Section 951A inclusion	2. Divide Part II, column 1, by Part I, column 5, total	3. Multiply Part I, column 9, total, by Part II, column 2, percentage	4. Tax deemed paid (Multiply Part II, column 3, by 90% (0.90). Enter the result here and include on the line of Schedule B, Part I, column 3, that corresponds with the line with "951A" in column 2 of Schedule A.)

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Schedule E Taxes Paid, Accrued, or Deemed Paid With Respect to Previously Taxed Earnings and Profits (PTEP) by Domestic Corporation Filing the Return (Sections 901 and 960(b))

Part I—Taxes Paid, Accrued, and Deemed Paid by Domestic Corporation

Use this part to report the tax paid or accrued under section 901, and tax deemed paid under section 960(b), by the domestic corporation with respect to distributions of PTEP from first-tier foreign corporations. For each line in Schedule E, Part I, include the column 11 amount in column 3 of the line in Schedule B, Part I, that corresponds with the identifying number specified in column 1 of Schedule A and that also corresponds with the identifying number specified in column 1b of this Schedule E, Part I. Also, include the column 12 and 13 amounts on lines F and H of Schedule G, respectively; see instructions. For each line in Schedule E, Part I, include the column 14 amount in column 2(b)(1) of the line in Schedule B, Part I, that corresponds with the identifying number specified in column 1(a) of Schedule A and that also corresponds with the identifying number specified in column 1b of this Schedule E, Part I. Also, include the column 15 and 16 amounts on lines F and H of Schedule G, respectively; see instructions.

1a. Name of distributing foreign corporation	**1b.** EIN or reference ID number of the foreign corporation (see instructions)	**2.** Tax year end (year/month) (see instructions)	**3.** Country of incorporation (enter country code—see instructions)	**4.** Functional currency of the distributing foreign corporation	**5.** PTEP group (enter code)	**6.** Annual PTEP account (enter year)

7. Total amount of PTEP in the PTEP group within an annual PTEP account	**8.** Total amount of the PTEP group taxes with respect to PTEP group within an annual PTEP account	**9.** Distribution from the PTEP group within an annual PTEP account	**10.** Divide column 9 by column 7	**11.** Foreign income taxes properly attributable to PTEP under section 960(b)(1) and not previously deemed paid (multiply column 8 by column 10) (see instructions)
Total (add amounts in column 11)				

	12. Amount disallowed under section 965(g) with respect to taxes deemed paid under section 960(b)(1)	**13.** Amount disallowed under section 960(d)(4) with respect to taxes deemed paid under section 960(b)(1)	**14.** Section 901 taxes paid or accrued (see instructions)	**15.** Amount disallowed under section 965(g) with respect to taxes paid or accrued under section 901	**16.** Amount disallowed under section 960(d)(4) with respect to taxes paid or accrued under section 901
Totals					
Total (add amounts in each of columns 11 through 16)					

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule E **Taxes Paid, Accrued, or Deemed Paid With Respect to Previously Taxed Earnings and Profits (PTEP) by Domestic Corporation Filing the Return (Sections 901 and 960(b))** *(continued)*

Part II—Tax Deemed Paid by First- and Lower-Tier Foreign Corporations

Use this part to report the tax deemed paid by a foreign corporation with respect to distributions of PTEP from lower-tier foreign corporations under section 960(b) that relate to distributions reported in Part I. See instructions.

1a. Name of distributing foreign corporation	**1b.** EIN or reference ID number of the foreign corporation (see instructions)	**2.** Tax year end (year/month) (see instructions)	**3.** Country of incorporation (enter country code—see instructions)

4a. Name of recipient foreign corporation	**4b.** EIN or reference ID number of the foreign corporation (see instructions)	**5.** Tax year end (year/month) (see instructions)	**6.** Country of incorporation (enter country code—see instructions)

7. Functional currency of the distributing foreign corporation	**8.** PTEP group (enter code)	**9.** Annual PTEP account (enter year)	**10.** Total amount of PTEP in the PTEP group within an annual PTEP account	**11.** Total amount of the PTEP group taxes with respect to PTEP group within an annual PTEP account	**12.** PTEP distributed	**13.** Divide column 12 by column 10	**14.** Foreign income taxes properly attributable to PTEP under section 960(b)(2) and not previously deemed paid (multiply column 11 by column 13)

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Schedule F Reserved for Future Use

Schedule G Reductions of Taxes Paid, Accrued, or Deemed Paid

Part I—Reduction Amounts

A	Reduction of taxes under section 901(e) (attach separate schedule)	**A**	
B	Reduction of foreign oil and gas taxes (enter amount from Schedule I, Part II, line 4)	**B**	
C	Reduction of taxes due to international boycott provisions (enter the appropriate portion from Schedule C (Form 5713)—see instructions). **Important:** Enter only "specifically attributable taxes" here	**C**	
D	Reduction of taxes for section 6038(c) penalty (attach separate schedule)	**D**	
E	Taxes suspended under section 909	**E**	
F	Reduction for disallowed taxes under section 965(g)	**F**	
G	Reduction for disallowed taxes under section 245A	**G**	
H	Reduction for disallowed taxes under section 960(d)(4)	**H**	
I	Other reductions in taxes (attach schedule—see instructions)	**I**	
Total (add lines A through I). Enter here and on Schedule B, Part II, line 3			

Part II—Other Information

J	Check this box if, during the tax year, the corporation paid or accrued any foreign tax that was disqualified for credit under section 901(m)	☐
K	Check this box if, during the tax year, the corporation paid or accrued any foreign tax that was disqualified for credit under section 901(j), (k), or (l)	☐

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income)

Part I—Research and Experimental Deductions

		(a) Gross receipts method						**(b)** Total R&E deductions (enter the sum of all amounts entered in all applicable "R&E deductions" columns)
		Product line #1 (SIC code:)			Product line #2 (SIC code:)			
		(i) Gross intangible income	**(ii)** Gross receipts	**(iii)** R&E deductions	**(iv)** Gross intangible income	**(v)** Gross receipts	**(vi)** R&E deductions	
1	Total (see instructions)							
2	Exclusive apportionment (50%) to either:							
2a	U.S. source gross intangible income, or							
2b	Foreign source gross intangible income							
3	Remaining R&E deductions to be apportioned (line 1 minus line 2a or line 2b)							
4	U.S. source gross intangible income/related gross receipts/allocated and apportioned R&E deductions:							
4a	Gross intangible income/Taxpayer's gross receipts							
4b	Gross intangible income/Controlled parties' gross receipts							
4c	Gross intangible income/Uncontrolled parties' gross receipts							
4d	Total line 4							
5	Total foreign source gross intangible income/related gross receipts/allocated and apportioned R&E deductions:							
5a	Gross intangible income/Taxpayer's gross receipts							
5b	Gross intangible income/Controlled parties' gross receipts							
5c	Gross intangible income/Uncontrolled parties' gross receipts							
5d	Total line 5							

Important: See *Computer-Generated Schedule H* in the instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income) *(continued)*

Part I—Research and Experimental Deductions *(continued)*

		(a) Gross receipts method						**(b)** Total R&E deductions (enter the sum of all amounts entered in all applicable "R&E deductions" columns)
		Product line #1 (SIC code:)			Product line #2 (SIC code:)			
		(i) Gross intangible income	**(ii)** Gross receipts	**(iii)** R&E deductions	**(iv)** Gross intangible income	**(v)** Gross receipts	**(vi)** R&E deductions	
6	Foreign source gross intangible income/related gross receipts/allocated and apportioned R&E deductions:							
6a	Enter code							
	(1) Gross intangible income/Taxpayer's gross receipts							
	(2) Gross intangible income/Controlled parties' gross receipts							
	(3) Gross intangible income/Uncontrolled parties' gross receipts							
	(4) Add lines 6a(1), 6a(2), and 6a(3)							
	(5) Amount of line 3 R&E deductions apportioned to this separate category							
	(6) Amount of line 2b R&E deductions apportioned to this separate category							
	(7) Total R&E deductions for this separate category. Add lines 6a(5) and 6a(6)							
6b	Enter code							
	(1) Gross intangible income/Taxpayer's gross receipts							
	(2) Gross intangible income/Controlled parties' gross receipts							
	(3) Gross intangible income/Uncontrolled parties' gross receipts							
	(4) Add lines 6b(1), 6b(2), and 6b(3)							
	(5) Amount of line 3 R&E deductions apportioned to this separate category							
	(6) Amount of line 2b R&E deductions apportioned to this separate category							
	(7) Total R&E deductions for this separate category. Add lines 6b(5) and 6b(6)							

Note: Include the amount from column (b) of line 6a(7) in column 14 of the Schedule A that corresponds with the code entered on line 6a. If applicable, you should likewise include the amount from column (b) of line 6b(7) in column 14 of the Schedule A that corresponds with the code entered on line 6b. On page 10, you should likewise include the amount(s) from column (b) of lines 6c(7), 6d(7), and 6e(7) in column 14 of the Schedule A that corresponds with the code entered on lines 6c, 6d, and 6e, respectively.

Important: See *Computer-Generated Schedule H* in the instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income) *(continued)*

Part I—Research and Experimental Deductions *(continued)*

		(a) Gross receipts method						**(b)** Total R&E deductions (enter the sum of all amounts entered in all applicable "R&E deductions" columns)
		Product line #1 (SIC code:)			Product line #2 (SIC code:)			
		(i) Gross intangible income	**(ii)** Gross receipts	**(iii)** R&E deductions	**(iv)** Gross intangible income	**(v)** Gross receipts	**(vi)** R&E deductions	
6c	Enter code							
	(1) Gross intangible income/Taxpayer's gross receipts							
	(2) Gross intangible income/Controlled parties' gross receipts							
	(3) Gross intangible income/Uncontrolled parties' gross receipts							
	(4) Add lines 6c(1), 6c(2), and 6c(3)							
	(5) Amount of line 3 R&E deductions apportioned to this separate category							
	(6) Amount of line 2b R&E deductions apportioned to this separate category							
	(7) Total R&E deductions for this separate category. Add lines 6c(5) and 6c(6)							
6d	Enter code							
	(1) Gross intangible income/Taxpayer's gross receipts							
	(2) Gross intangible income/Controlled parties' gross receipts							
	(3) Gross intangible income/Uncontrolled parties' gross receipts							
	(4) Add lines 6d(1), 6d(2), and 6d(3)							
	(5) Amount of line 3 R&E deductions apportioned to this separate category							
	(6) Amount of line 2b R&E deductions apportioned to this separate category							
	(7) Total R&E deductions for this separate category. Add lines 6d(5) and 6d(6)							
6e	Enter code							
	(1) Gross intangible income/Taxpayer's gross receipts							
	(2) Gross intangible income/Controlled parties' gross receipts							
	(3) Gross intangible income/Uncontrolled parties' gross receipts							
	(4) Add lines 6e(1), 6e(2), and 6e(3)							
	(5) Amount of line 3 R&E deductions apportioned to this separate category							
	(6) Amount of line 2b R&E deductions apportioned to this separate category							
	(7) Total R&E deductions for this separate category. Add lines 6e(5) and 6e(6)							
7	Total foreign-source apportioned R&E deductions (add lines 6a(7), 6b(7), 6c(7), 6d(7), and 6e(7)). This should equal the amount entered on line 5d of this column							

Important: See *Computer-Generated Schedule H* in the instructions.

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income) *(continued)*

Part II—Deductions Allocated and Apportioned Based on Assets

		(a) Average value of assets—check method used: ☐ Tax book value ☐ Alternative tax book value		(b) Interest deductions		(c) Stewardship deductions	(d) Certain industrial/investor damages (see instructions)	(e) Other deductions (attach schedule) (see instructions)	(f) Totals (add the amounts from columns (b)(iii), (b)(iv), (c), (d), and (e)) **Note:** With respect to each applicable statutory grouping, include the amount in column (f) of line 3a(2), 3b(2), 3c(2), 3d(2), or 3e(2) below in column 14 of the corresponding Schedule A.
		(i) Nonfinancial corporations	(ii) Financial corporations	(iii) Nonfinancial corporations	(iv) Financial corporations				
1a	Totals (see instructions) .								
1b	Amounts specifically allocable under Temporary Regulations section 1.861-10T(e) . .								
1c	Other specific allocations under Temporary Regulations section 1.861-10T . . .								
1d	Assets excluded from apportionment formula .								
2	Total to be apportioned (subtract the sum of lines 1b, 1c, and 1d from line 1a)								
3	Apportionment among statutory groupings and residual grouping (see instructions):								
3a	Enter code _____								
	(1) Section 245A dividend								
	(2) Other								
	(3) Total line a								
3b	Enter code _____								
	(1) Section 245A dividend								
	(2) Other								
	(3) Total line b								
3c	Enter code _____								
	(1) Section 245A dividend								
	(2) Other								
	(3) Total line c								
3d	Enter code _____								
	(1) Section 245A dividend								
	(2) Other								
	(3) Total line d								

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income) *(continued)*

Part II—Deductions Allocated and Apportioned Based on Assets *(continued)*

		(a) Average value of assets—check method used: ☐ Tax book value ☐ Alternative tax book value		(b) Interest deductions		(c) Stewardship deductions	(d) Certain industrial/investor damages (see instructions)	(e) Other deductions (attach schedule) (see instructions)	(f) Totals (add the amounts from columns (b)(iii), (b)(iv), (c), (d), and (e)) **Note:** With respect to each applicable statutory grouping, include the amount in column (f) of line 3a(2), 3b(2), 3c(2), 3d(2), or 3e(2) below in column 14 of the corresponding Schedule A.
		(i) Nonfinancial corporations	(ii) Financial corporations	(iii) Nonfinancial corporations	(iv) Financial corporations				
3e	Enter code _____								
	(1) Section 245A dividend								
	(2) Other								
	(3) Total line e								
3f	U.S. source								
	(1) Section 245A dividend								
	(2) Section 904(b)(5) deductions (see instructions)								
	(3) Other								
	(4) Total line f								

4	Expenses allocated and apportioned to section 245A dividends. Enter the sum of amounts in column (f) of lines 3a(1), 3b(1), 3c(1), 3d(1), 3e(1), and 3f(1). Include this line 4 result as a negative amount on Schedule B, Part II, line 8b	**4**	

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TREASURY/IRS AND OMB USE ONLY DRAFT

Schedule H **Apportionment of Certain Deductions** (complete only once for all categories of income) *(continued)*

Part III—Other Deductions

		(a) Officers' compensation expense	(b) Amortization deductions	(c) Depletion deductions	(d) Product liability damages (see instructions)	(e) Other deductions	(f) Total deductions allocated and apportioned to section 245A dividend (add the amounts from columns (a) through (e))	(g) Totals (add the amounts from columns (a) through (e)). **Note:** With respect to each applicable statutory grouping, include the amount in column (g) of line 2a(2), 2b(2), 2c(2), 2d(2), or 2e(2) below in column 14 of the corresponding Schedule A.
1	Total to be apportioned (see instructions)							
2	Apportionment among statutory groupings and residual grouping (see instructions):							
2a	Enter code _____							
	(1) Section 245A dividend							
	(2) Other							
	(3) Total line a							
2b	Enter code _____							
	(1) Section 245A dividend							
	(2) Other							
	(3) Total line b							
2c	Enter code _____							
	(1) Section 245A dividend							
	(2) Other							
	(3) Total line c							
2d	Enter code _____							
	(1) Section 245A dividend							
	(2) Other							
	(3) Total line d							
2e	Enter code _____							
	(1) Section 245A dividend							
	(2) Other							
	(3) Total line e							
2f	U.S. source							
	(1) Section 245A dividend							
	(2) Section 904(b)(5) deductions (see instructions)							
	(3) Other							
	(4) Total line f							
3	Expenses allocated and apportioned to section 245A dividends. Add the amounts in column (f) and include this line 3 result as a negative amount on Schedule B, Part II, line 8b					**3**		

Important: See *Computer-Generated Schedule H* in the instructions.

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Form **8964-ELE**
(December 2025)
Department of the Treasury
Internal Revenue Service

Section 987 Elections

Go to *www.irs.gov/form8964ele* for instructions and the latest information.

For tax year beginning 01/01 **, 20** 26 **, and ending** 12/31 **, 20** 26 **.**

OMB No. 1545-0123

Name of filer	Filer's identifying number
SPANNER & HAMMER TOOLS INC	00-1120011

Name of authorized person	Identifying number	Reference ID number (see instructions)
SPANNER & HAMMER TOOLS INC	00-1120011	

Number and street (or P.O. box number if mail is not delivered to street address)	Room or suite no.	City or town	State or province	ZIP or foreign postal code
21 TOOLBOX ST		DENVER	CO	80202

Does the authorized person have multiple owners and/or multiple QBUs? . . . . . ☑ **Yes** ☐ **No**

If "Yes," skip Part I and complete Part II.

If "No," complete Part I and skip Part II.

Part I Identifying Information of Owner and QBU

Section A—Owner information

1 For the owner of the QBU, if different than the authorized person, provide the following (see instructions).

a Name

b Annual accounting period and tax year of the owner when election or revocation is made (see instructions)

c Address

d(1) Identifying number, if any

d(2) Reference ID number (see instructions)

e Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the QBUs

f Country under whose laws organized

g Functional currency

2 For the direct owner of the QBU (if different from the owner), provide the following (see instructions).

a Name

b Country under whose laws organized

c Address

d Functional currency

Section B—QBU information

1 Provide the following information for the QBU subject to elections.

a Name of QBU

b(1) Identifying number, if any

c Address of QBU

b(2) Reference ID number (see instructions)

d For QBU, country(ies) under whose laws organized and entity type under local tax law

e Date(s) of organization

f Effective date as QBU

g Country(ies) in which principal business activity is conducted

h Principal business activity code number

i Principal business activity

j Functional currency

Part I Identifying Information of Owner and QBU *(continued)*

Section B—QBU information *(continued)*

2 Provide the following information for the owner's accounting period stated above.

a	Name of QBU office or agent (if any) in the United States	**b(1)** Identifying number
c	Address	**b(2)** Reference ID number

d Name and address (including corporate department, if applicable) of person(s) with custody of the books and records of the QBU, and the location of such books and records, if different

Part II Listing of QBUs for Authorized Persons With Multiple Owners and/or Multiple QBUs

Complete Sections A and B and attach statements for authorized persons with multiple owners and QBUs. See instructions.

Section A—QBU information. For authorized persons with multiple QBUs subject to the consistency rules in Regulations section 1.987-1(g)(2).

See instructions.

1a Is the authorized person a U.S. person other than a partnership? ☑ **Yes** ☐ **No**

If "Yes," list the QBUs owned by the authorized person. Attach statement.

b Is the authorized person a domestic partnership? ☐ **Yes** ☑ **No**

If "Yes," list the QBUs owned by the authorized person. Attach statement.

2 List the QBUs of Controlled Foreign Corporations (CFCs) that are required to make elections consistently with the authorized person under Regulations section 1.987-1(g)(2)(ii). Attach statement.

3 List the QBUs of foreign partnerships that are required to make elections consistently with the authorized person under Regulations section 1.987-1(g)(2)(ii). Attach statement.

4 Other information. Attach statement.

Section B—QBU information. For authorized persons with multiple QBUs not subject to the consistency rules in Regulations section 1.987-1(g)(2).

See instructions.

1 List any QBUs not listed in Section A for which the authorized person is making the elections in Part III. Attach statement.

2 Other information. Attach statement.

Part III Type of Election (see instructions)

		Identifying number	Effective date of the election	Effective date of the revocation
1	☐ Section 987 Current Rate Election—Regulations section 1.987-1(d)(2)			
2	☐ Section 987 Annual Recognition Election—Regulations section 1.987-5(b)(2)			
3	☐ Section 988 Mark-to-Market Election—Regulations section 1.987-3(b)(4)(ii)			
4	☐ Section 987 Grouping Election—Regulations section 1.987-1(b)(3)(ii)			
5	☐ Election To Use a Spot Rate Convention—Regulations section 1.987-1(c)(1)(ii)			
6	☐ Election To Use the Historic Inventory Method—Regulations section 1.987-3(c)(2)(iv)(B)			
7	☑ Amortization Election in the Transition Rules—Regulations section 1.987-10(e)(5)(ii)(A)	00-1120011	1/1/2026	
8	☐ Small Business Election in the Transition Rules—Regulations section 1.987-10(e)(7)(iv)			
9	☐ Election To Characterize Certain Section 987 Gain/(Loss) as Foreign Currency Gain/(Loss) From Section 988 Transactions—Regulations section 1.987-6(b)(2)(i)(C)(*1*)			
10	☐ Recurring Transfer Group Election—Proposed Regulations section 1.987-2(f)(1)			

Part IV Other Information

1	Name and title of the representative of authorized person making election whom the IRS may call for more information	Representative's telephone number
	JOHN SMITH, TAX RETURN PREPARER	(111) 222-3333

2 For CFCs listed in Part I, Section A, Line 1, or Part II, Section A, Line 2, list Controlling Domestic Shareholders and EIN.

	(a) Name of CFC	**(b)** Identifying number	**(c)** Reference ID	**(d)** Name of U.S. Shareholder	**(e)** TIN of U.S. Shareholder	**(f)** Percent of voting stock
a						
b						
c						
d						
e						

Form **8964-TRA**

(December 2025)

Department of the Treasury
Internal Revenue Service

Section 987 Transition Information

See instructions for a list of products to which Form 8964-TRA can be attached.
Go to *www.irs.gov/form8964tra* for instructions and the latest information.

Information furnished for qualified business unit's tax year beginning 01/01 **, 20** 26 **, ending** 12/31 **, 20** 26

OMB No. 1545-0123

Name of filer	Filer's identifying number
SPANNER & HAMMER TOOLS INC	00-1120011

Name of QBU	Identifying number	Reference ID number
SPANNER & HAMMER TOOLS ASIA		SPANNERHAMMERASIA002

Part I Section 987 Transition Information

Provide a description of the prior method used by the taxpayer to determine its section 987 gain or (loss), deferred section 987 gain or (loss), or outbound section 987 (loss) with respect to the section 987 QBU including an explanation as to whether such method was an eligible pretransition method as defined in Regulations section 1.987-10(e)(4). Attach a statement if additional space is needed.

TO DETERMINE SECTION 987 GAIN OR (LOSS) FOR TAX YEARS PRIOR TO THETRANSITION DATE, TAXPAYER USED THE EARNINGS AND CAPITAL METHOD UNDER INTL-965-86, 56 FR 48457, THE 1991 PROPOSED REGULATIONS, WHICH IS AN ELIGIBLE PRETRANSTION METHOD PER REGULATIONS SECTION 1.987-10(e)(4).

Check applicable box:
- ☑ Owner of a Section 987 QBU
- ☐ Deferral QBU Owner
- ☐ Owner of an Outbound Loss QBU
- ☐ Owner of a Terminating QBU

Enter the applicable transition date pursuant to Regulations section 1.987-10(c) . . . . . 01 / 01 / 2026

Enter the applicable transition exchange rate pursuant to Regulations section 1.987-10(d)(3) 6.9972

Enter the applicable pretransition translation rate pursuant to Regulations section 1.987-10(e)(2)(i)(C) 6.9972

Part II Pretransition Gain or Loss for an Owner that Applied an Eligible Pretransition Method

1	Deemed termination amount of section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(2)(i)(A)			1	(1,500,000)
2	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the transition exchange rate	2	15,000,000		
3	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the pretransition translation rate	3	15,000,000		
4	Owner functional currency net value adjustment pursuant to Regulations section 1.987-10(e)(2)(i)(B). Subtract line 3 from line 2			4	0
5	**Amount of pretransition gain or (loss).** Add line 1 and line 4			5	(1,500,000)
6	**Amount of pretransition gain or (loss) of a deferral QBU owner.** See instructions			6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** See instructions			7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount			8	0

Part III Pretransition Gain or Loss for an Owner that did not Apply an Eligible Pretransition Method

1	Sum of the owner's annual unrecognized section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(3)(ii)(A) (attach statement)	1	
2	Total net amount of section 987 gain or (loss) recognized by the owner with respect to the section 987 QBU pursuant to Regulations section 1.987-10(e)(3)(ii)(B) (attach statement)	2	
3	**Amount of pretransition gain or (loss).** Subtract line 2 from line 1	3	
4	Reduction for deferred section 987 gain or (loss), determined under prior Regulations section 1.987-12, recognized before the transition date	4	
5	**Amount of pretransition gain or (loss) of a deferral QBU owner.** Subtract line 4 from line 3	5	
6	Reduction for any outbound section 987 (loss) recognized or added to the basis of stock under prior Regulations section 1.987-12 before the transition date	6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** Subtract line 6 from line 3	7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount	8	

Form **8964-TRA**

(December 2025)

Department of the Treasury
Internal Revenue Service

Section 987 Transition Information

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Information furnished for qualified business unit's tax year beginning 01/01 **, 20** 26 **, ending** 12/31 **, 20** 26

OMB No. 1545-0123

Name of filer	Filer's identifying number
SPANNER & HAMMER TOOLS INC	00-1120011

Name of QBU	Identifying number	Reference ID number
SPANNER & HAMMER TOOLS LATIN AMERICA		SPANNERHAMMERLA003

Part I Section 987 Transition Information

Provide a description of the prior method used by the taxpayer to determine its section 987 gain or (loss), deferred section 987 gain or (loss), or outbound section 987 (loss) with respect to the section 987 QBU including an explanation as to whether such method was an eligible pretransition method as defined in Regulations section 1.987-10(e)(4). Attach a statement if additional space is needed.

TO DETERMINE SECTION 987 GAIN OR (LOSS) FOR TAX YEARS PRIOR TO THETRANSITION DATE, TAXPAYER USED THE EARNINGS AND CAPITAL METHOD UNDER INTL-965-86, 56 FR 48457, THE 1991 PROPOSED REGULATIONS, WHICH IS AN ELIGIBLE PRETRANSTION METHOD PER REGULATIONS SECTION 1.987-10(e)(4).

Check applicable box:
- ☑ Owner of a Section 987 QBU
- ☐ Deferral QBU Owner
- ☐ Owner of an Outbound Loss QBU
- ☐ Owner of a Terminating QBU

Enter the applicable transition date pursuant to Regulations section 1.987-10(c) . . . . . 01 / 01 / 2026

Enter the applicable transition exchange rate pursuant to Regulations section 1.987-10(d)(3) 5.5043

Enter the applicable pretransition translation rate pursuant to Regulations section 1.987-10(e)(2)(i)(C) 5.5043

Part II Pretransition Gain or Loss for an Owner that Applied an Eligible Pretransition Method

1	Deemed termination amount of section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(2)(i)(A)			1	750,000
2	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the transition exchange rate	2	1,000,000		
3	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the pretransition translation rate	3	1,000,000		
4	Owner functional currency net value adjustment pursuant to Regulations section 1.987-10(e)(2)(i)(B). Subtract line 3 from line 2			4	0
5	**Amount of pretransition gain or (loss).** Add line 1 and line 4			5	750,000
6	**Amount of pretransition gain or (loss) of a deferral QBU owner.** See instructions			6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** See instructions			7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount			8	0

Part III Pretransition Gain or Loss for an Owner that did not Apply an Eligible Pretransition Method

1	Sum of the owner's annual unrecognized section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(3)(ii)(A) (attach statement)	1	
2	Total net amount of section 987 gain or (loss) recognized by the owner with respect to the section 987 QBU pursuant to Regulations section 1.987-10(e)(3)(ii)(B) (attach statement)	2	
3	**Amount of pretransition gain or (loss).** Subtract line 2 from line 1	3	
4	Reduction for deferred section 987 gain or (loss), determined under prior Regulations section 1.987-12, recognized before the transition date	4	
5	**Amount of pretransition gain or (loss) of a deferral QBU owner.** Subtract line 4 from line 3	5	
6	Reduction for any outbound section 987 (loss) recognized or added to the basis of stock under prior Regulations section 1.987-12 before the transition date	6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** Subtract line 6 from line 3	7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount	8	

Form **8964-TRA**
(December 2025)
Department of the Treasury
Internal Revenue Service

Section 987 Transition Information

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Information furnished for qualified business unit's tax year beginning 01/01 **, 20** 26 **, ending** 12/31 **, 20** 26

OMB No. 1545-0123

Name of filer	Filer's identifying number
SPANNER & HAMMER TOOLS INC	00-1120011

Name of QBU	Identifying number	Reference ID number
SPANNER & HAMMER TOOLS UK		SPANNERHAMMERUK001

Part I Section 987 Transition Information

Provide a description of the prior method used by the taxpayer to determine its section 987 gain or (loss), deferred section 987 gain or (loss), or outbound section 987 (loss) with respect to the section 987 QBU including an explanation as to whether such method was an eligible pretransition method as defined in Regulations section 1.987-10(e)(4). Attach a statement if additional space is needed.

TO DETERMINE SECTION 987 GAIN OR (LOSS) FOR TAX YEARS PRIOR TO THETRANSITION DATE, TAXPAYER USED THE EARNINGS AND CAPITAL METHOD UNDER INTL-965-86, 56 FR 48457, THE 1991 PROPOSED REGULATIONS, WHICH IS AN ELIGIBLE PRETRANSTION METHOD PER REGULATIONS SECTION 1.987-10(e)(4).

Check applicable box:
- ☑ Owner of a Section 987 QBU
- ☐ Deferral QBU Owner
- ☐ Owner of an Outbound Loss QBU
- ☐ Owner of a Terminating QBU

Enter the applicable transition date pursuant to Regulations section 1.987-10(c) . . . . . 01 / 01 / 2026

Enter the applicable transition exchange rate pursuant to Regulations section 1.987-10(d)(3) 0.7438

Enter the applicable pretransition translation rate pursuant to Regulations section 1.987-10(e)(2)(i)(C) 0.7438

Part II Pretransition Gain or Loss for an Owner that Applied an Eligible Pretransition Method

1	Deemed termination amount of section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(2)(i)(A)			1	100,000
2	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the transition exchange rate	2	(150,000)		
3	Basis of the assets, reduced by the amount of liabilities, that are attributable to the section 987 QBU on the day before the transition date translated into the owner's functional currency at the pretransition translation rate	3	(150,000)		
4	Owner functional currency net value adjustment pursuant to Regulations section 1.987-10(e)(2)(i)(B). Subtract line 3 from line 2			4	0
5	**Amount of pretransition gain or (loss).** Add line 1 and line 4			5	100,000
6	**Amount of pretransition gain or (loss) of a deferral QBU owner.** See instructions			6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** See instructions			7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount			8	0

Part III Pretransition Gain or Loss for an Owner that did not Apply an Eligible Pretransition Method

1	Sum of the owner's annual unrecognized section 987 gain or (loss) pursuant to Regulations section 1.987-10(e)(3)(ii)(A) (attach statement)	1	
2	Total net amount of section 987 gain or (loss) recognized by the owner with respect to the section 987 QBU pursuant to Regulations section 1.987-10(e)(3)(ii)(B) (attach statement)	2	
3	**Amount of pretransition gain or (loss).** Subtract line 2 from line 1	3	
4	Reduction for deferred section 987 gain or (loss), determined under prior Regulations section 1.987-12, recognized before the transition date	4	
5	**Amount of pretransition gain or (loss) of a deferral QBU owner.** Subtract line 4 from line 3 . . .	5	
6	Reduction for any outbound section 987 (loss) recognized or added to the basis of stock under prior Regulations section 1.987-12 before the transition date	6	
7	**Amount of pretransition (loss) of an owner of an outbound loss QBU.** Subtract line 6 from line 3 . .	7	
8	Enter amount of adjustments to prevent duplications or omissions under Regulations section 1.987-10(j). Attach a statement with description and amount	8	