



## 2023 ANNUAL REPORT

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Form 10-K



# OPTIMAL SOLUTIONS



# Transforming the way the world moves materials from Port to Home



# CUSTOMER CARE



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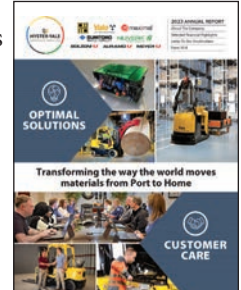
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# ABOUT THE COVER

Hyster-Yale's success revolves around our promise to deliver optimal solutions to meet the specific materials handling needs of our customers at the lowest cost of ownership through our portfolio of exceptional brands.

Hyster-Yale also promises to provide exceptional customer care by never letting the customer down and by creating increasing value from initial engagement through the product lifecycle and on to the next ownership experience.

*See the inside back cover for further information about cover photos.*



Hyster-Yale's vision is to transform  
the way the world moves materials from  
*Port to Home*



# ABOUT THE COMPANY

**H**yster-Yale Materials Handling, Inc., headquartered in Cleveland, Ohio, is a globally integrated company offering a full line of lift trucks and solutions, including attachments and hydrogen fuel cell power products, aimed at meeting the specific materials handling needs of its customers.

## MISSION AND CORE STRATEGIES

The Company's mission is to provide customers with a more customizable product, at the right price, that better meets their needs, and to provide these optimal solutions with exceptional customer care. The Company is working to accomplish these objectives through its core strategies:

- Provide the lowest cost of ownership while enhancing productivity for customers
- Be the leader in the delivery of industry- and customer-focused solutions
- Be the leader in independent distribution
- Be the leader in the attachments business
- Be a leader in fuel cells and their applications

The Company provides value creation through a synergistic portfolio of brands.

## LIFT TRUCKS: HYSTER®, YALE®, MAXIMAL®, SUMITOMO NACCO

The Company's operating subsidiary, Hyster-Yale Group, Inc., designs, engineers, manufactures, sells and services a comprehensive line of lift trucks, attachments and aftermarket parts marketed globally primarily under the Hyster® and Yale® brand names, mainly to independent, exclusive Hyster® and Yale® retail dealerships. The Company owns a 90% majority interest in Hyster-Yale Maximal Forklift (Zhejiang) Co., Ltd., a Chinese manufacturer of low-intensity and standard lift trucks and specialized materials handling equipment. Hyster-Yale Maximal also designs and produces specialized products in the

port equipment and rough terrain forklift markets. In addition, Hyster-Yale Group has a joint venture in Japan (Sumitomo NACCO). The Company manufactures lift trucks and component parts in the United States, Northern Ireland, China, Mexico, the Netherlands, Brazil, the Philippines, Italy, Japan and Vietnam.

Lift truck unit volume drives the Company's economic engine, and its worldwide distribution strength drives volume, economies of scale and installed truck population. Higher volumes will help to generate cash and the resources to grow the Company's worldwide footprint and strengthen its solutions set, which will drive market share growth. Hyster-Yale had an estimated installed population base of over one million lift trucks in operation in more than 900 industries worldwide at the end of 2023. This population, in turn, generates high-margin aftermarket parts and ancillary services revenue for both Hyster-Yale and its dealers.

## ATTACHMENTS: BOLZONI®, AURAMO®, MEYER®

Bolzoni S.p.A. is a leading worldwide producer of attachments, forks and lift tables marketed under the Bolzoni®, Auramo® and Meyer® brand names. Bolzoni also produces components for lift truck manufacturers. Bolzoni products are manufactured in the United States, Italy, China, Germany and Finland. Through the design, production and distribution of a wide range of attachments, Bolzoni has a strong presence in the niche market of lift truck attachments and industrial materials handling.

## HYDROGEN POWER: NUVERA® FUEL CELLS

The Company's hydrogen power business, Nuvera Fuel Cells, LLC, is an alternative-power, technology company focused on the design, manufacture and sale of hydrogen fuel cell stacks and engines. Nuvera supplies fuel cell engines to Hyster-Yale Group for integrated lift truck engines. It also supplies fuel cell stacks and engines to external customers, integrators and partners who use them to develop clean-energy power solutions.



# SELECTED FINANCIAL HIGHLIGHTS

	Year Ended December 31				
	2023	2022	2021 <sup>(1)</sup>	2020	2019
	(In millions, except per share, percentage and employee data)				
<b>Operating Statement Data:</b>					
Revenues .....	\$ 4,118.3	\$ 3,548.3	\$ 3,075.7	\$ 2,812.1	\$ 3,291.8
Operating profit (loss) .....	\$ 208.7	\$ (39.1)	\$ (152.3)	\$ 49.9	\$ 53.9
Net income (loss) .....	\$ 128.1	\$ (71.6)	\$ (183.2)	\$ 38.5	\$ 36.6
Noncontrolling interest .....	(2.2)	(2.5)	10.2	(1.4)	(0.8)
Net income (loss) attributable to stockholders .....	\$ 125.9	\$ (74.1)	\$ (173.0)	\$ 37.1	\$ 35.8
Basic earnings (loss) per share attributable to stockholders .....	\$ 7.35	\$ (4.38)	\$ (10.29)	\$ 2.21	\$ 2.15
Diluted earnings (loss) per share attributable to stockholders .....	\$ 7.24	\$ (4.38)	\$ (10.29)	\$ 2.21	\$ 2.14
<b>Balance Sheet Data at December 31:</b>					
Cash .....	\$ 78.8	\$ 59.0	\$ 65.5	\$ 151.4	\$ 64.6
Total assets .....	\$ 2,079.1	\$ 2,026.2	\$ 1,970.1	\$ 1,859.5	\$ 1,847.2
Long-term debt .....	\$ 241.3	\$ 267.0	\$ 261.7	\$ 206.1	\$ 204.7
Stockholders' equity .....	\$ 389.9	\$ 204.4	\$ 357.1	\$ 616.9	\$ 544.3
Working capital <sup>(2)</sup> .....	\$ 783.0	\$ 715.7	\$ 697.0	\$ 493.4	\$ 611.1
Working capital as a percentage of sales <sup>(3)</sup> .....	19.0%	20.2%	22.7%	17.5%	18.6%
<b>Cash Flow Data:</b>					
Provided by (used for) operating activities .....	\$ 150.7	\$ 40.6	\$ (253.5)	\$ 166.9	\$ 76.7
Used for investing activities .....	\$ (34.5)	\$ (35.4)	\$ (24.5)	\$ (43.7)	\$ (42.0)
<b>Cash flow before financing activities<sup>(4)</sup> .....</b>	<b>\$ 116.2</b>	<b>\$ 5.2</b>	<b>\$ (278.0)</b>	<b>\$ 123.2</b>	<b>\$ 34.7</b>
Provided by (used for) financing activities .....	\$ (100.5)	\$ (10.9)	\$ 193.6	\$ (40.6)	\$ (51.6)
<b>Per Share Data:</b>					
Cash dividends .....	\$ 1.2975	\$ 1.2900	\$ 1.2850	\$ 1.2700	\$ 1.2625
Market value at December 31 .....	\$ 62.19	\$ 25.31	\$ 41.10	\$ 59.55	\$ 58.96
Stockholders' equity at December 31 .....	\$ 22.69	\$ 12.07	\$ 21.22	\$ 36.71	\$ 32.66
<b>Other:</b>					
Actual shares outstanding at December 31 .....	17,186	16,939	16,827	16,805	16,667
Basic weighted average shares outstanding .....	17,137	16,901	16,818	16,775	16,645
Diluted weighted average shares outstanding .....	17,385	16,901	16,818	16,799	16,726
Total employees at December 31 <sup>(5)</sup> .....	8,600	8,200	8,100	7,600	7,900

(1) During 2021, Hyster-Yale recognized \$26.1 million of non-cash adjustments to inventory and property, plant and equipment at Nuvera, a non-cash goodwill impairment charge of \$55.6 million, which includes \$11.7 million for the noncontrolling interest share and resulted in a \$43.9 million net impact on the net loss, and a \$58.6 million non-cash charge for additional valuation allowances primarily on certain U.S. and U.K. deferred tax assets.

(2) Working capital is equal to accounts receivable, net plus inventories, net less accounts payable.

(3) Working capital as a percentage of sales is equal to working capital divided by the sum of the previous four quarters' revenues.

(4) Cash flow before financing activities is equal to net cash provided by (used for) operating activities less net cash used for investing activities.

(5) Excludes temporary employees.



**Calculation of Return on Total Capital Employed**

Year Ended December 31  
2023\*                      2022\*\*  
(In millions, except percentage data)

	<u>Consolidated</u>	<u>Consolidated</u>
Average stockholders' equity.....	\$ 288.9	\$ 241.9
Average debt .....	532.2	535.2
Average cash .....	(69.3)	(66.8)
<b>Average capital employed .....</b>	<b>\$ 751.8</b>	<b>\$ 710.3</b>
Net income (loss) attributable to stockholders, as reported .....	\$ 125.9	\$ (74.1)
Plus: Interest expense, net, as reported .....	34.7	27.3
Less: Income taxes on interest expense, net of tax*** .....	(8.7)	(6.8)
<b>Actual return on capital employed = actual net income (loss) before interest expense, net, after tax .....</b>	<b>\$ 151.9</b>	<b>\$ (53.6)</b>
<b>Actual return on capital employed percentage<sup>(6)</sup> .....</b>	<b>20.2%</b>	<b>(7.5)%</b>
<b>Actual return on equity percentage<sup>(7)</sup> .....</b>	<b>43.6%</b>	<b>(30.6)%</b>

(6) Return on capital employed is provided solely as a supplemental disclosure with respect to income generation because management believes it provides useful information with respect to earnings in a form that is comparable to the Company's cost of capital employed, which includes both equity and debt securities, net of cash.

(7) Return on equity is defined as net income divided by average stockholders' equity.

\*2023 Average stockholders' equity, debt and cash are calculated using 12/31/22 and each of 2023's quarter ends.

\*\*2022 Average stockholders' equity, debt and cash are calculated using 12/31/21 and each of 2022's quarter ends.

\*\*\*Tax rate of 25% in both 2023 and 2022 represents the Company's target U.S. marginal tax rate compared with the effective income tax rates of 29.2% and (14.7)% in 2023 and 2022, respectively.

**>\$4 BILLION**  
REVENUES

**>1 MILLION**  
LIFT TRUCK  
UNITS WORLDWIDE

**>102,000**  
LIFT TRUCK  
SHIPMENTS

**>900**  
INDUSTRIES SERVED  
WORLDWIDE

**8,600**  
EMPLOYEES

▲ *Technicians from LiftOne, an exclusive, independent Hyster® and Yale® dealer, are shown at their facility.*

# TO OUR STOCKHOLDERS



*A great year for Hyster-Yale.  
We are proud of our global team for  
delivering exceptional 2023 results.*

**Rajiv K. Prasad**

*President and Chief Executive Officer,  
Hyster-Yale Materials Handling, Inc. and  
Hyster-Yale Group, Inc.*

**Alfred M. Rankin, Jr.**

*Executive Chairman,  
Hyster-Yale Materials Handling, Inc. and  
Chairman, Hyster-Yale Group, Inc.*

Hyster-Yale had an excellent 2023, building on positive momentum that began in late 2022. We expected a strong recovery, and we believe we delivered. The Company's robust performance was built on its core capabilities. We shipped 102,200 lift trucks in 2023 – more than any previous year. This led to revenues of \$4.1 billion, a level not previously achieved. From that growth, the Company generated net income of \$126 million – a \$200 million increase over 2022. Further, the Hyster-Yale team did an excellent job in 2023 laying the foundation for another strong performance in 2024.

In May, the Company completed its planned leadership transition. Rajiv Prasad, previously the President of Hyster-Yale Materials Handling, was appointed President and Chief Executive Officer and elected to its Board of Directors. He also continues as President and Chief Executive Officer of Hyster-Yale Group, the Company's operating subsidiary. Al Rankin moved to the role of Executive Chairman after serving for over 30 years as Chief Executive Officer of Hyster-Yale Materials Handling and its predecessor parent, NACCO Industries.

The Company had many notable achievements in 2023. The Lift Truck business:

- Shipped its remaining low-margin 2021 and 2022 backlog units early in the year. The combination of shipping higher-margin backlog units throughout most of 2023 and a steadily improving price-to-cost ratio led to significantly improved product margins, and in turn, very strong Lift Truck results.

- Generated significantly higher cash from operations compared with 2022.
- Continued to expand its range of modular, scalable products.
- Launched a new brand identity for its Yale® products. Yale® Lift Truck Technologies reflects Yale's focus on solving the toughest labor, safety and productivity challenges in the fast-paced, fast-growing warehouse segment.
- Delivered its first electrified Hyster® ReachStacker, powered by Nuvera® Fuel Cell engines, to the Port of Valencia, Spain.
- Began testing the first internally developed, fully automated trucks in materials handling applications at Hyster-Yale manufacturing plants.
- Signed an agreement with a leading technology-service provider to co-develop further robotics software technology for automated lift truck solutions.

Nuvera Fuel Cells, the Company's hydrogen fuel cell business, increased demonstrations of fuel cell engines in various applications and identified several new growth opportunities. Most recently, Nuvera announced a project with Helinor Energy for maritime zero-emission energy solutions.

## OUR VISION AND CORE STRATEGIES

Hyster-Yale is a globally integrated company made up of three highly interrelated, but independently managed businesses: Lift Truck, Bolzoni and Nuvera Fuel Cells. Each business is managed separately, with its own chief executive officer and leadership team that meet individually with the Company's Board of Directors. Each company also has separate financial statements and tailored incentive plans.

The Company's vision is to transform the way the world moves materials from *Port to Home*. This transformation includes

**Full-year revenues of \$4.1 billion; Net income of \$126 million-a \$200 million increase from 2022.**

Bolzoni, the Company's attachment business, continued to streamline its operations into a more integrated global operating entity. Bolzoni also generated higher product margins and reduced operating costs as a percent of sales in 2023 compared with the prior year.

engaging the imagination and creativity of the Company's employees to lessen the impact of material movement on people, the environment and the economy. The vision is supported by a customer-centric mission based on delivering two promises: (1) thoroughly understanding customer



A rendering of a Yale® Pantograph Reach Truck and a Yale® 3-wheel stand, both equipped with Yale Reliant™ Proximity Detection.

applications and offering optimal solutions that will improve productivity at the lowest cost of ownership, and (2) providing exceptional customer care by never letting the customer down and by creating increased value from initial engagement through the product lifecycle and on to the next ownership experience.

Hyster-Yale participates in attractive global markets that support solid long-term growth potential. Success in these markets revolves around delivering the customer-centric solutions which are at the core of Hyster-Yale’s mission. To meet specific customers’ materials handling needs, the Company, through its subsidiaries, offers a full line of high-quality, application-

tailored lift trucks and solutions, including attachments and hydrogen fuel cell powered products, as well as telematics, automation and other technology-driven services.

The Company is focused on ensuring it has the right products and the necessary infrastructure to fully serve its customers. In addition, it operates using a differentiated business model that is built around deploying limited capital efficiently to generate high returns. As a result, Hyster-Yale makes investments in its areas of expertise, while minimizing capital deployed by partnering with exclusive, independent dealers and “center of gravity” suppliers, as well as through joint ventures with financial partners.

## Hyster-Yale’s success revolves around delivering customer-centric solutions.

The Company believes this approach can generate a 7% operating profit margin, which should in turn support a targeted Return on Total Capital Employed (ROTCE) of greater than 20%. In 2023, the Company met its capital return objective, reporting a ROTCE of 20.2%. 2023’s consolidated



### ▲ Left to right

Yale® Lift Truck Technologies, a new brand identity, was introduced in 2023 to reflect the Company’s focus on technology-enabled lift trucks and customer-driven design philosophy to deliver solutions for the labor, safety and productivity challenges in today’s fast-paced, fast-growing warehouse segment. • A Bolzoni Auramo® Bale Clamp on a Hyster® 4.5-tonne Fortens truck is shown moving recycled corrugated materials in Weeze, Germany. • The Nuvera® 45kW engine in use in a bus in China. The engine has met local certification requirements.

operating profit margin improved to 5.1%. Further progress, however, will be needed to achieve and sustain the targeted level across the business cycle.

Hyster-Yale is confident that its structure will allow it to deliver on its two promises since each business has built strong competitive advantages that will allow it to fully participate in the relevant markets. Once each business engages customers, the customer's needs can be translated into a value proposition that can deliver the individual customer's desired results and experience.

In general, the Company's core lift truck market grows at a rate just above GDP levels. After a period of significant expansion in 2021 and 2022, this market pulled back in 2023. Other global trends provide opportunities for the Company's three businesses to expand even more rapidly. These trends, largely concentrated around productivity, employee safety, labor shortages, electrification, information as a service and low-cost competition, provide Hyster-Yale with opportunities to adapt and grow. The Company has five core strategic initiatives focused on addressing these trends. These strategies are designed to

## Hyster-Yale's five core strategic initiatives interact to create a unique and sustainable competitive advantage.



FINANCIAL  
TARGETS

>20%  
ROTCE

7%  
OPERATING PROFIT  
MARGIN

15%  
WORKING CAPITAL  
AS A PERCENTAGE  
OF SALES

interact and create unique and sustainable competitive advantage over time.

The Company's five strategies are to:

- (1) Provide the lowest cost of ownership while enhancing productivity for customers,
- (2) Be the leader in the delivery of industry- and customer-focused solutions,
- (3) Be the leader in independent distribution,
- (4) Be the leader in the attachments business, and
- (5) Be a leader in fuel cells and their applications.

Collectively, execution of these strategies is projected to increase market share and generate profitable growth, resulting in higher volume and operating margins at the Lift Truck and Bolzoni businesses and increased bookings and shipments at Nuvera.

Each business has key projects to execute these strategies and, as a result, achieve the Company's growth objectives. Many of these projects are interrelated and all focus on revenue and profit growth, increased cash generation and accretive capital deployment. Succeeding in one should foster success in others, with each building on the others to provide sustainable competitive advantage over time. ❖







**Shown here:** The first hydrogen fuel cell-powered Hyster® ReachStacker operating at the Port of Valencia, Spain, powered by two Nuvera® 45kW E-Series fuel cell engines. Hyster electric container handlers are designed to lift laden containers with a similar performance to their diesel counterparts, a capability that has the potential to help transform ports to zero-emission operations, supporting sustainability goals.

# OUR CORE BUSINESS

# LIFT TRUCKS



▲ A Hyster® H40-70UT internal combustion, pneumatic tire truck equipped with standard forks.

◀ The rendering showcases Yale Reliant™, a suite of operator assistance technologies designed to help support lift truck safety best practices. The technology automatically adjusts truck performance such as travel speed or hydraulic functions based on truck stability, facility rules and proximity to obstacles, people and other trucks. Clockwise from left to right: A Yale® 3-wheel stand equipped with Yale Reliant, a Yale® Very Narrow Aisle Turret truck, a Yale® Pantograph Reach Truck equipped with Yale Reliant shown in close proximity to a Yale® Order Selector also equipped with Yale Reliant, a Yale® Moving Mast Reach Truck and a Yale® End Rider.



The Company's core business, Hyster-Yale Group or the Lift Truck business, has an over 100-year history through its legacy brands, Hyster® and Yale®. The Lift Truck business' Hyster® brand has a strong position in industrial markets while the Yale® brand has a strong position in the warehouse category. Each brand has increasingly focused on applications specific to its core market segment. Hyster-Yale Group also distributes products under the Maximal® brand, a low-intensity brand manufactured in China, through its majority interest in Hyster-Yale Maximal, and under the Sumitomo NACCO brand through an over 50-year joint venture with Sumitomo Heavy Industries in Japan. Over this long history, the Company has developed an extensive knowledge of the global lift truck markets as well as deep and lasting relationships with a very large number of its customers.

## PRODUCTS/SOLUTIONS

The Lift Truck business has three core strategies. The first two focus on providing products that improve customer productivity at the lowest total cost of ownership and on delivering industry- and customer-focused solutions. Over 2024 and 2025, the Company

plans to concentrate on three key projects supporting these strategies:

- Expanding the lineup of modular, scalable counterbalanced lift trucks,
- Enhancing warehouse product and technology solutions, and
- Electrifying industrial internal combustion engine (ICE) Class 4 and 5 counterbalanced truck, including Big Truck, applications.

2025, the Company expects to increase the modular, scalable models available in its counterbalanced lineup, including new counterbalanced electric truck platforms.

These modular, scalable products are expected to enhance the Company's business in several ways, including reducing supply chain costs, improving working capital levels, enhancing unit margins and optimizing Hyster-Yale's

## Our modular, scalable product platform is expected to enhance multiple areas of the business.

The Lift Truck business' current primary focus is on expanding its modular, scalable platform for counterbalanced lift trucks. The Company's heart-of-the-line, modular, scalable 2- to 3.5-ton ICE lift trucks are now in production for the EMEA and Americas' markets. Bookings and shipments continue to accelerate. A first-half 2024 launch of the full 2- to 3-ton internal combustion product line is underway for the JAPIC and Brazil markets. During 2024 and

manufacturing footprint. Most importantly, these products provide customers with a more customized lift truck, at the right price, that better meets their needs.

The second key focus area relates to warehouse lift truck products and their related technology solutions. The warehouse segment represented 54% of the overall lift truck industry in 2023 (through September 30th) and has attractive growth opportunities. The Lift Truck business

## Yale's enhanced lineup of technology products creates a strong, differentiating value proposition for customers in the warehouse market.

has packaged a strong set of capabilities geared toward warehouse solutions under its Yale® Lift Truck Technologies branding. This includes an enhanced product lineup, combined with emerging technology solutions, such as operator assist systems (OAS), telemetry and on-truck robotics. The Company is making a concerted effort to drive industry adoption of these new technology solutions by focusing on their significant customer benefits. Overall, the enhanced lift truck lineup and technology products are creating strong, differentiated value propositions for warehouse customers. The Company has worked diligently to create strong technology adoption strategies and specialized training for its dealers to

grow in this market. Management believes that the business is positioned to expand share by scaling these solutions at above market growth rates.

Hyster-Yale is also focused on broadly expanding the electrification of its industrial counterbalanced product applications using lithium-ion batteries and fuel cell engines over time. These projects capitalize on the Company's long history of developing electric power trains, including with hydrogen fuel cells. While these efforts encompass all Class 4 and 5 products, a key focus is on hard-to-decarbonize, heavy-duty Class 5 vehicles, in which battery-only solutions provide less than optimal customer performance. This includes the Company's Big Truck and larger Class 5 product lines. These electric power options offer additional scalability solutions for existing ICE platforms, increasing the Company's solutions for customers who need or want to decarbonize. These products preserve the benefits of ICE ergonomics and performance while offering the advantages of electric motive power and a lower carbon footprint. This combined dynamic increases the likely adoption rate of these products.

The Company currently has its first electrified fuel cell Container Handler operating at the Port of Los Angeles in the



### ▲ Top to bottom

A Yale® ERC050VGL, fully-integrated lithium-ion lift truck is shown loading product into a trailer. • Hyster® and Yale® brand logos displayed at the Hyster-Yale Experience Center in Charlotte, North Carolina – a customer-centric facility dedicated to showcasing Hyster® and Yale® solutions, which also serves as a state-of-the-art training and meeting facility.



▲ Image above showcases multiple Hyster® A Series and Yale® Series N trucks all built on a modular, scalable platform, which allows lift trucks to be easily configured to match unique customer-specific requirements.

## Hyster-Yale has electrified ICE trucks operating at ports in Los Angeles, CA and Valencia, Spain with fuel cell engines.

United States and its first electrified fuel cell ReachStacker operating at the Port of Valencia in Spain. Both trucks are powered by Nuvera® Fuel Cell engines.

Hyster-Yale anticipates delivering a new electrified fuel cell Terminal Tractor and an electrified fuel cell Empty Container Handler to a customer in Hamburg, Germany in 2024. In addition, in February 2024, the Lift Truck business signed an agreement with APM Terminals to outfit its Port of Mobile (Alabama) terminal in the United States with a fleet of electric

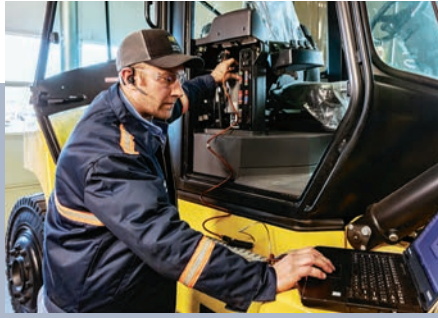
terminal tractors. The Company is also exploring options for additional electrification projects within the European Union, the United States and China.

### MARKET PARTICIPATION

The Lift Truck business sells products through two channels: first, by working directly with major accounts - large customers with centralized purchasing and geographically dispersed operations across several dealer territories, and second, by selling through the Company's exclusive, independent dealer network.

**Shown here:** *The first hydrogen-powered top-pick laden container handler working at Fenix Marine Services in the Port of Los Angeles, California. The Hyster® 1150 CH, 52-ton electrified truck is powered by two 45kW Nuvera® hydrogen fuel cells. It is designed to provide the zero-emission benefits of a battery electric option, with enough capacity to keep operations moving, thus avoiding the need to stop in the middle of a shift to refuel or recharge.*





**▲ Customer Care: Left to right**

*Sales person talks to a customer from Superior Fence & Rail about a new product. • Technician from Papé Material Handling, an exclusive, independent Hyster® and Yale® dealer, is shown performing diagnostic testing on a lift truck. • A technician from LiftOne is shown inspecting an engine component.*

## Our enhanced customer care program gives Hyster-Yale and its dealers the ability to deliver the promised experience in operational results for customers.

The Company works diligently to develop business with major accounts and will continue to increase direct engagement with these customers. In 2023, the Company's major account business grew to 19% of lift truck unit sales, up from 17% in 2022. The Lift Truck business is investing in additional resources to expand these programs across all regions and a broader population of potential key accounts.

The Lift Truck business' third core strategy is to be the leader in independent distribution. It continues to work closely with its dealer partners to expand the scale, capabilities and dual Hyster® and Yale® brand representation of the dealer network. The Company is also working with its dealer partners, through systematic collaboration, to maximize its participation in all market segments.

To enhance the market participation of its Big Truck line, the Lift Truck business is expanding global sourcing options for container handlers. The Company expects its Hyster® RS45 ReachStackers, as well as its Empty Container Handlers, to be sourced from production locations in both Nijmegen, the Netherlands, and Fuyang, China during 2024. This dual-source supply

chain will help the Company better meet the needs of the global market by providing customers with time-efficient delivery of Big Trucks that meet a broader variety of customer applications.

### COMPETITIVE ADVANTAGES

The Company believes that its innovative product and solution offerings and its distinct sales structure provide a differentiated competitive advantage over its competitors. Its scalable products and

technology solutions provide the customer with the right product at the right price, while its industry- and customer-focused sales process connects customers' needs to the solutions that will solve their toughest challenges.

Hyster-Yale is optimistic about prospects for its emerging technologies in both 2024 and for the years ahead. The Company expects to rapidly expand the rollout of its OAS solutions, launch the next generation of its internally developed robotics platform and release several new zero-emission Big Trucks.

Finally, Hyster-Yale will be managing an enhanced customer care program by leveraging the combined strength of itself and its dealers. Through a highly connected systems and process approach, the two should be able to jointly better deliver on its promised customer experience. ❖

*The Burns Equipment headquarters, located near Pittsburgh, Pennsylvania. Burns Equipment is the Hyster® and Yale® dealer covering territories in Ohio, Pennsylvania and West Virginia.*



# OUR ATTACHMENTS BUSINESS BOLZONI



▲ The Veracitor® VX series lift truck is designed for medium- to heavy-duty applications. Here a GC050VX is equipped with a Bolzoni bale clamp.

▲ A Hyster® Fortens, 3.5-tonne capacity lift truck with a multi-pallet handler attachment shown working in a warehouse environment.



▲ AGVs - Automated Guided Vehicles, are customized, fully-automated, driverless vehicles for continuous 24/7 operation, capable of transporting pallets, boxes, reels and other products throughout warehouses and production plants. In cooperation with main AGV producers, Bolzoni has developed a range of attachments equipped with specific sensors managed directly by the AGV control unit.

**B**olzoni's core strategy is to be the leader in the attachments business. Bolzoni is leveraging innovation to drive growth within a large but fragmented and limited lift truck attachment market. The business focuses on several core projects to drive growth beyond lift truck market growth rates.

## PRODUCTS/SOLUTIONS

In 2024 and 2025, Bolzoni plans to focus on cylinder manufacturing innovation, attachments for automated guided vehicles (AGVs) and extended options for current product offerings.

Bolzoni manufactures cylinders for Hyster-Yale's Lift Truck business but believes that opportunities exist for this business to grow through sales to other OEMs in the lift truck and other industries. These products are currently manufactured in Sulligent, Alabama. In addition to Bolzoni's plan to expand cylinder sales, it also expects to develop a strategy to reduce production costs for this component.

Interest in automating processes and products, including AGVs, continues to grow as customers want to manufacture and move goods more cost effectively and reduce the impact of labor shortages.

Today, there is a limited number of attachment makers for these AGVs. To address this, Bolzoni has established an AGV attachment-focused research and development center and is investing in new technologies that are expected to help the business expand its product offering in coming years.

**Bolzoni is unique in that it provides both premium and value product options.**

Bolzoni plans to introduce a new attachment which helps stack individual pallets of goods. This product, a complete layer picker, will be marketed to the U.S., UK and Australia where demand is expected to be the greatest. Bolzoni is also exploring options to enhance its current product offerings. For example, Bolzoni currently makes tire clamp attachments for small trucks and plans to expand this product offering to include significantly larger tire applications.



*A Yale® ERC/P 16 AAF lift truck equipped with a tire clamp is operating in a tire yard in Europe.*

### MARKET PARTICIPATION

Bolzoni continues to maintain a strong market presence in EMEA, with lower market coverage in the Americas and JAPIC. While the business expects to continue to work to maintain its strong EMEA presence through customer-focused solutions and aftermarket care, it is particularly focused on expanding its Americas market presence. Increased sales and marketing efforts combined with new innovative products, such as the planned layer picker attachment and solutions for the growing AGV market, are expected to help expand its Americas market participation.

Bolzoni is also focused on strengthening its ability to serve key attachment industries and customers in the JAPIC region. The business expects to do so by enhancing its coverage and sales using its Silver-Line value attachment product portfolio and by expanding lift truck fork sales.

### COMPETITIVE ADVANTAGES

In a manner similar to the Lift Truck business, Bolzoni believes that its industry-specific sales strategy is a competitive advantage. This strategy targets customers within the beverage, home appliance, paper, automotive and third-party logistics

industries by providing focused solutions to meet specific industry needs. This focus has strengthened Bolzoni's position within these industries in recent years and is expected to do so increasingly in the future.

Bolzoni's unique position of having both premium and value products also provides a distinguishing market advantage. In addition, the association with Hyster® and Yale® lift trucks provides advantages not available to competitors, such as the ability to factory-fit attachments to trucks as they are manufactured. ❖



### ▲ Left to right

*A Hyster® Fortens, 4.5-tonne capacity, lift truck equipped with a multi-pallet handler moves a load in a beverage application. • A Yale® ERP16-20VF 4-wheel electric, pneumatic tire lift truck equipped with a Bolzoni carton clamp is seen here moving appliances in a warehouse. • A lift truck moving a roll of paper utilizing a Bolzoni paper clamp attachment. • A Bolzoni attachment being used in a 3PL (Third-Party Logistics) application.*

# OUR HYDROGEN FUEL CELL BUSINESS NUVERA FUEL CELLS



▲ The Hyster® 1150 CH, 52-ton electrified Big Truck, powered by two 45kW Nuvera® hydrogen fuel cells, is seen here refueling during operations at the Port of Los Angeles, California.

Nuvera's core strategy is to be a leader in fuel cells and their applications. Nuvera remains focused on placing 45kW and 60kW fuel cell production engines into a limited number of niche, heavy-duty vehicle applications where batteries alone cannot meet the market's needs. These applications are expected to have significant, nearer-term fuel cell adoption potential.

## PRODUCTS/SOLUTIONS

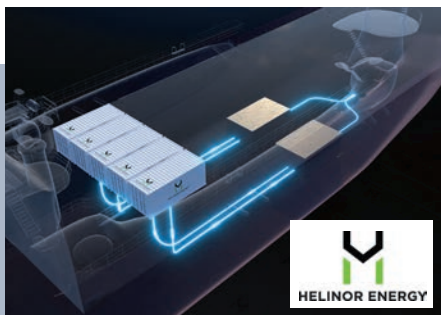
Nuvera has several projects with various third parties to test Nuvera® engines in

targeted applications, including tests already taking place in the Port of Los Angeles and the Port of Valencia. Nuvera is also working on a project centered around terminal tractors. These vehicles, powered by Nuvera® engines, are expected to be ready for testing in a German port in 2024. These projects are being executed jointly with the Company's Lift Truck business.

Separately, Nuvera is creating additional options for its 45kW and 60kW engines. The business plans to introduce a freeze option for engine production in 2024. This

allows the engine to start-up and function in sub-zero temperatures, which increases the engine's durability and applicability for certain industries. Nuvera also expects to have additional products in test bus applications in China and India in the near term.

Nuvera is developing a new, larger 125kW fuel cell engine for heavier-duty applications. This engine is expected to be in customer tests by the end of 2024 and available for sale in 2025. These larger engines are crucial for participation in other large heavy-duty markets. The



▲ Left to right

In January 2024, Nuvera announced a project with Helinor Energy for maritime zero-emission energy solutions. The new, larger 125kW fuel cell engine that Nuvera is developing for heavier-duty applications is expected to be used in this project. • A prototype car shown on a track in the United Kingdom is powered by a Nuvera 60kW fuel cell engine. • A hydrogen-fueled bus powered by a Nuvera® Fuel Cell engine is seen operating in India.



business recently announced an agreement with Helinor Energy for the use of this engine in a maritime application.

Nuvera is also focused on producing and selling modular fuel cells for stationary and mobile generator applications. It expects to introduce these products jointly with partners over the next two years.

Nuvera continues to look for opportunities to expand its product capabilities and applications. Funds received from the U.S. Department of Defense and the European Union for certain government-sponsored projects assist this effort. It also expects to receive additional funds from other government-funded green energy initiatives in 2024 and in future years.

### MARKET PARTICIPATION

Nuvera continues to expand its business and has enhanced its presence in Europe and China. Most recently, Nuvera established a customer support location in Nijmegen, the Netherlands. This location was selected due to its proximity to the Lift Truck business's center of electrification excellence, as well as to a growing number of Nuvera customers in Northern Europe. Nuvera also is working closely with Hyster-Yale to create a larger presence in India.

In addition to its European and Chinese teams, Nuvera has established a dedicated business development team in North America. This increased presence allows Nuvera to keep pace with North America's growing heavy-duty application market and provides avenues for penetrating the global marine and power generation markets.



A Hyster® Terminal Tractor powered by Nuvera® Fuel Cell engines

In the near future, Nuvera expects to expand its market participation as its customer base and customers grow. Many current customer engagements are in the test phase and are expected to scale to larger demonstrations and then to full production fleets. Nuvera is working closely with these customers to manage this process.

### COMPETITIVE ADVANTAGES

The Company believes Nuvera has unique competitive advantages. The latest Nuvera stack technology provides a higher level of fuel efficiency than previous stacks but still uses Nuvera's proprietary high-energy density technology. This enables the unit to run longer than the prior versions using the same size fuel tank, and provides a lower total cost of ownership for the end user. Nuvera's engine technology is also scalable. The same engine design is used for the 45kW, 60kW and 125kW engines,

with only the stack size being adjusted. This uniformity allows Nuvera to tailor its fuel cell engine portfolio for different applications.

To give it the agility to quickly respond to its customers' needs, Nuvera created dedicated global operating and advisory teams. These teams support the customer throughout the entire engagement process. ❖

**Nuvera is positioning itself to have best-in-class fuel efficiency, durability and scalability.**



### ▲ Left to right

Nuvera Fuel Cells in collaboration with the Lift Truck business's Hyster® brand is developing hydrogen-powered Big Trucks for port environments. • A power generator operating at the Nuvera Fuel Cell large-scale, automated, durability test facility in Osio, Italy. The module can simultaneously test up to eight fuel cell engines. • A Power Pack with twin Nuvera® E60kW engines is charging the battery of a crane at a marine construction test project in the Netherlands.

# LOOKING FORWARD

Hyster-Yale made significant progress in executing its strategies in 2023. Additional improvement is anticipated in 2024, which is expected to result in market share gains especially in the warehouse product segment. Overall, the Company's 2024 consolidated operating profit is expected to increase, with net income comparable to strong 2023 results. While the Company currently expects a stronger 2024 first half, it is working to mitigate the potential effect of possible tariff increases and selected potential market shifts in the second half of the year.

The Company is committed to achieving its long-term financial goals, including reaching its 7% operating profit margin target and maintaining a ROTCE of greater than 20%. The Company expects to make continued progress in 2024 on these goals. At each of the Company's businesses, investments in people, products and manufacturing and supply

chain projects support efforts to increase sales volumes and lower financial break-even points to better absorb business cyclicality. As these investments mature, they are expected to help Hyster-Yale sustain its performance over the full business cycle.

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**Hyster-Yale is fully committed to achieving its 7% operating profit margin target and maintaining its ROTCE of greater than 20%.**

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**Lift Trucks:** The Lift Truck business had an exceptional year, with a full-year operating profit margin of 5.9%. Continued execution on the Company's strategic

initiatives is expected to drive margins toward its 7% goal. In 2024, Lift Truck revenues and operating profit are expected to increase compared with 2023. Strong operating profit levels in first-half 2024 are likely to ease in the second half of the year largely due to the anticipated expiration of tariff exemptions and the mix effect from increased warehouse product shipments.

**Bolzoni:** Bolzoni has significant long-term upside sales and profit potential with its new product and industry-support plans, particularly in the Americas market. In 2024, Bolzoni anticipates a modest revenue increase over 2023 as core attachment volumes increase and legacy product sales to the Lift Truck business begin to phase out. Operating profit is expected to improve year-over-year as higher product margins and anticipated manufacturing efficiency improvements should more than offset higher material and operating costs. Bolzoni's operating profit margin was 4.1% in 2023 and is expected to improve toward the 7% goal over the next several years.

**Nuvera:** Nuvera has a clear path forward. It is focused on increasing customer product demonstrations and bookings in 2024 while also expanding its global presence. Orders from current customers are booked and are expected to increase sales volumes in 2024 compared with 2023. Nuvera expects the benefits from these higher sales to be offset by increased product development costs, leading to comparable year-over-year operating results. The expected increase in engine demonstration volumes should significantly enhance the foundation for fuel cell engine technology adoption and improved financial returns in future years.

## LIQUIDITY AND CASH FLOW

Hyster-Yale is committed to enhancing its cash flows over time. Working capital efficiency is central to these efforts. The Company recently established a goal for working capital levels to be at or below 15% of sales. Achieving this level would significantly boost cash flows. Today, the Company's inventory remains elevated and above pre-pandemic levels but is slowly declining from its peak in mid-2023. Efforts to maximize the use of on-hand inventory are expected to significantly reduce excess inventory levels in 2024. In addition to its working capital focus, the Company plans to leverage its fixed assets more efficiently by increasing output levels and optimizing its global manufacturing footprint. As a result of these actions, the Company expects improved cash conversion rates in 2024 compared with 2023. This will generate increased cash flow.

The Company reduced its financial leverage in 2023. The debt-to-total capital ratio dropped 1,600 basis points across the year, from 71% at year-end 2022 to 55% at year-

## Hyster-Yale has two strong and mature businesses with outsized opportunities and a dynamic green energy business with demonstrated technologies.

end 2023. The Company intends to reduce leverage further in 2024, while investing in its strategic growth and efficiency initiatives.

### VALUATION

Hyster-Yale's overarching objectives is to create long-term shareholder value. Management is optimistic about the Company's future and believes that Hyster-Yale offers a compelling, long-term investment opportunity. It is an innovative and disciplined company with a long-term focus on consistently strengthening its core lift truck and attachment businesses within a dynamic, global materials handling industry. This market offers high barriers to entry, solid profit generation opportunities for innovative new products and technologies and the potential for strong operating cash generation.

The Company also has an emerging technology business focused on fuel cell stacks and engines that it believes provides significant long-term growth opportunities. Nuvera's next-generation technologies are backed by substantial patent protections. This business is building for the future with a clear focus on increasing near-term revenues.

Hyster-Yale has two strong and mature businesses with outsized opportunities in their markets, and a dynamic green energy business with demonstrated technologies and a growing customer base. This potential, combined with innovation and disciplined execution, is expected to drive strong business outcomes and increasing shareholder returns. As part of the Company's commitment to stockholders, it expects to continue its long-standing practice of paying quarterly dividends.

## CORPORATE RESPONSIBILITY

While we are focused on strategic projects and financial results, we embrace a strong corporate responsibility ethic. Hyster-Yale believes that the long-term interests of its stockholders are best served by addressing economic, social, environmental and health and safety needs throughout the organization, at our customers and in the communities in which we operate. The Company has established specific, cost-effective corporate projects through its 2026 Aspirations Program that are expected to reduce its impact on the environment and conserve natural resources. All of this is carried out in the context of leadership in electrifying lift trucks, especially using fuel cell products, which have the potential for zero emissions. Hyster-Yale's Corporate Responsibility report is available on the Company's website ([hyster-yale.com](http://hyster-yale.com)). That report outlines the Company's commitment to promoting a responsible culture throughout the business and its product value chain as it moves toward its 2026 Aspirations Program. ❖



## NAME CHANGE

Hyster-Yale Materials Handling was spun off from NACCO Industries as an independent public company in 2012. At that time, the Company sold lift trucks and the related parts and services. Since then, the Company has evolved into three distinct, but interrelated businesses, with lift trucks at its core. It is important for the Company's name and operating structure to reflect who the Company is and what it does today. In this context, management has made the decision to change the Company's name to Hyster-Yale, Inc. The Hyster-Yale Materials Handling, Inc. name will move to the core Lift Truck business, better aligning it with its foundational materials handling activities. As a result, the Company's three segments, including Bolzoni and Nuvera, will operate under the umbrella of Hyster-Yale, Inc., allowing each to have a unique identity linked to its respective brands and solutions. The name change is expected to take effect in late May 2024.



In conclusion, we would like to recognize our global team for delivering exceptional 2023 results. The Company made substantial progress on its strategic initiatives and long-term financial goals in 2023. As we head into 2024, demand for our products and solutions

## We have a strong and growing path forward.

remains healthy and in line with pre-pandemic norms. We have sound long-term core strategies, solidly backed by key projects. Those projects have a clear path to completion and are being executed in a disciplined manner. Collectively, we believe that our projects are leading us to sustainable competitive advantage, which

we expect to lead to revenue and profit growth, as well as increased cash generation. We believe that this approach, combined with our low capital intensity business model, supports a 7% operating profit margin and a ROTCE of greater than 20%.

The team has done an outstanding job moving the business forward and laying the foundation for sustainable and significant profitability and cash generation over the long term. We believe that we have the right team and business structure to:

- execute our key strategic programs,
- deliver strong 2024 performance,
- achieve our long-term financial goals, and
- provide differentiated total shareholder returns over time.

Importantly, we have welcomed Colleen Batcheler to our board of directors in 2023. Colleen brings a wealth of knowledge, experience and fresh perspectives from her long legal career, including as general counsel of two public companies. We are privileged to have her as a director.

We would also like to thank our customers, dealers, suppliers, lenders, Board of Directors and stockholders for their continued support. We are looking forward to a strong 2024 and even better results in the years beyond. ❖

**Rajiv K. Prasad**

**Alfred M. Rankin, Jr.**

This annual report to stockholders contains forward-looking statements. For a discussion of the factors that may cause the Company's actual results to differ from these forward-looking statements, please see page 28 in the attached Form 10-K.

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549  
FORM 10-K**

(Mark One)

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the fiscal year ended: December 31, 2023**

or

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

Commission File No. 000-54799

**HYSTER-YALE MATERIALS HANDLING, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

**31-1637659**

(State or other jurisdiction of incorporation or organization)

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

**5875 Landerbrook Drive**

**Suite 300**

**Cleveland**

**44124-4069**

**OH**

(Zip code)

(Address of principal executive offices)

Registrant's telephone number, including area code: **(440) 449-9600**

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
<b>Class A Common Stock, Par Value \$0.01 Per Share</b>	<b>HY</b>	<b>New York Stock Exchange</b>

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

**Class B Common Stock, Par Value \$0.01 Per Share**

(Title of class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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

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

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

Large accelerated filer  **Accelerated filer**  Non-accelerated filer  Smaller reporting company  Emerging growth company

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

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

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

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

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

Aggregate market value of Class A Common Stock and Class B Common Stock held by non-affiliates as of June 30, 2023 (the last business day of the registrant's most recently completed second fiscal quarter): \$637,678,449

Number of shares of Class A Common Stock outstanding at February 23, 2024: 14,019,963

Number of shares of Class B Common Stock outstanding at February 23, 2024: 3,468,848

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Company's Proxy Statement for its 2024 annual meeting of stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K.

**HYSTER-YALE MATERIALS HANDLING, INC.**  
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## PART I

### Item 1. BUSINESS

#### General

Hyster-Yale Materials Handling, Inc. ("Hyster-Yale" or the "Company") and its subsidiaries, including its operating company Hyster-Yale Group, Inc. ("HYG"), is a globally integrated company offering a full line of high-quality, application-tailored lift trucks and solutions aimed at meeting the specific materials handling needs of its customers. The Company's solutions include attachments and hydrogen fuel cell power products, telematics, automation and fleet management services, as well as a variety of other power options for its lift trucks. The Company is headquartered in Cleveland, Ohio. Through HYG, the Company designs, engineers, manufactures, sells and services a comprehensive line of lift trucks, attachments and aftermarket parts marketed globally, primarily under the Hyster® and Yale® brand names, mainly to independent Hyster® and Yale® retail dealerships. The Company owns a 90% majority interest in Hyster-Yale Maximal Forklift (Zhejiang) Co., Ltd. ("Hyster-Yale Maximal"), a Chinese manufacturer of low-intensity and standard lift trucks and specialized material handling equipment. Hyster-Yale Maximal also designs and produces specialized products in the port equipment and rough terrain forklift markets. Lift trucks and component parts are manufactured in the United States, Northern Ireland, China, Mexico, the Netherlands, Brazil, the Philippines, Italy, Japan and Vietnam. Hyster-Yale was incorporated as a Delaware corporation in 1999.

The Company's segments for the lift truck business include the following: the Americas, EMEA and JAPIC. Americas includes lift truck operations in the United States, Canada, Mexico, Brazil, Latin America and the corporate headquarters. EMEA includes operations in Europe, the Middle East and Africa. JAPIC includes operations in the Asia and Pacific regions, including China, as well as the equity earnings of SN operations.

The Company operates Bolzoni S.p.A. ("Bolzoni"). Bolzoni is a leading worldwide producer and distributor of attachments, forks and lift tables marketed under the Bolzoni®, Auramo® and Meyer® brand names. Bolzoni also produces components for lift truck manufacturers. Bolzoni products are manufactured in the United States, Italy, China, Germany and Finland. Through the design, production and distribution of a wide range of attachments, Bolzoni has a strong presence in the market niche of lift truck attachments and industrial material handling.

The Company operates Nuvera Fuel Cells, LLC ("Nuvera"). Nuvera is an alternative-power technology company focused on the design, manufacture and sale of hydrogen fuel cell stacks and engines.

The Company makes its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports available, free of charge, through its website, [www.hyster-yale.com](http://www.hyster-yale.com), as soon as reasonably practicable after such material is electronically filed with, or furnished to, the Securities and Exchange Commission ("SEC").

The components of the Company's revenues were as follows for the year ended December 31:

	2023	2022	2021
Lift trucks	74 %	73 %	73 %
Parts	15 %	15 %	15 %
Service, rental and other	6 %	7 %	6 %
Bolzoni	5 %	5 %	6 %
Nuvera	less than 1%	less than 1%	less than 1%

Sales of internal combustion engine and electric lift trucks as a percentage of the Company's revenues were as follows for the year ended December 31:

	2023	2022	2021
Internal combustion	44 %	43 %	42 %
Electric	30 %	30 %	31 %
Total lift truck sales	74 %	73 %	73 %

#### Manufacturing and Assembly

The Company manufactures components, such as frames, masts and transmissions, and assembles lift trucks in the market of sale whenever practical to minimize freight cost and balance currency mix. In some instances, however, it utilizes one worldwide location to manufacture specific components or assemble specific lift trucks. Additionally, components and assembled lift trucks are exported when it is advantageous to meet demand in certain markets. The Company operates eleven lift truck manufacturing and assembly facilities worldwide with four plants in the Americas, three in EMEA and four in JAPIC, including joint venture operations. In addition, the Company operates six principal Bolzoni manufacturing facilities worldwide.

## Aftermarket Parts

The Company offers a line of aftermarket parts to service its large installed base of lift trucks currently in use in the industry. The Company offers online technical reference databases specifying the required aftermarket parts to service lift trucks and an aftermarket parts ordering system.

The Company sells Hyster<sup>®</sup>- and Yale<sup>®</sup>-branded aftermarket parts to dealers for Hyster<sup>®</sup> and Yale<sup>®</sup> lift trucks. The Company also sells aftermarket parts under the UNISOURCE<sup>™</sup> and PREMIER<sup>™</sup> brands to Hyster<sup>®</sup> and Yale<sup>®</sup> dealers for the service of competitor lift trucks. The Company has a contractual relationship with a third-party, multi-brand, aftermarket parts wholesaler in the Americas and EMEA whereby orders from the Company's dealers for parts are fulfilled by the third party who then pays the Company a commission.

## Marketing

The Company's marketing organization is structured in three regional divisions: the Americas; EMEA, which includes Europe, the Middle East and Africa; and JAPIC, which includes Japan, Asia, Pacific, India and China. In each region, certain marketing support functions for the Hyster<sup>®</sup> and Yale<sup>®</sup> brands are carried out by shared-services teams. These activities include sales and service training, information systems support, product launch coordination, specialized sales material development, help desks, order entry, marketing strategy and field service support.

## Patents, Trademarks and Licenses

The Company relies on a combination of trade secret protection, trademarks, copyrights, and patents to establish and protect the Company's proprietary rights. These intellectual property rights may not have commercial value or may not be sufficiently broad to protect the aspect of the Company's technology to which they relate or competitors may design around the patents. The Company is not materially dependent upon patents or patent protection; however, as materials handling equipment has become more technologically advanced, the Company and its competitors have increasingly sought patent protection for inventions incorporated into their respective products. The Company owns the Hyster<sup>®</sup>, Yale<sup>®</sup>, Maximal<sup>®</sup>, Bolzoni<sup>®</sup>, Auramo<sup>®</sup>, Meyer<sup>®</sup> and Nuvera<sup>®</sup> trademarks and believes these trademarks are material to its business.

## Distribution Network

The Company distributes lift trucks and attachments primarily through two channels: independent dealers and a direct sales program to major customers. In addition, the Company distributes aftermarket parts and services for its lift trucks through its independent dealers. The Company's end-user base is diverse and fragmented, including but not limited to the following industries: light and heavy manufacturers, trucking and automotive, rental, building materials and paper suppliers, lumber, metal products, warehouses, retailers, food and beverage distributors, container handling and U.S. and non-U.S. governmental agencies.

### Independent Dealers

The Company's dealers, located in 123 countries, are generally independently owned and operated. The following table summarizes the Company's dealers as of December 31, 2023:

	Hyster <sup>®</sup>	Yale <sup>®</sup>	Dual-Branded	Maximal <sup>®</sup>
Americas	12	22	33	15
EMEA	59	52	16	22
JAPIC	72	10	4	14
	<u>143</u>	<u>84</u>	<u>53</u>	<u>51</u>

### Global Accounts

The Company operates a direct sales program to major customers or global accounts for both Hyster<sup>®</sup> and Yale<sup>®</sup>. This program focuses on large customers with centralized purchasing and geographically dispersed operations in multiple dealer territories. This program accounted for 19%, 17% and 20% of new lift truck unit volume in 2023, 2022 and 2021, respectively. The independent dealers support these major customers by providing aftermarket parts and service on a local basis. Dealers receive a commission for the support they provide in connection with these major customer sales and for the preparation and delivery of lift trucks to customer locations. In addition to selling new lift trucks, this global accounts program markets services, including full maintenance leases and fleet management.

### Financing of Sales

The Company is engaged in a joint venture with Wells Fargo Financial Leasing, Inc. ("WF") to provide dealer and customer financing of new lift trucks in the United States. The Company owns 20% of the joint venture entity, HYG Financial Services, Inc. ("HYGFS"), and receives fees and certain remarketing profits under a joint venture agreement. During 2022, the agreement was amended to extend the term through December 2028. The agreement automatically renews for additional one-year terms



unless written notice is given by either party at least 180 days prior to termination. The Company accounts for its ownership of HYGFS using the equity method of accounting.

Under the joint venture agreement with HYGFS, the Company's dealers and certain customers are extended credit for the purchase of lift trucks to be placed in the dealer's floor plan inventory or the financing of lift trucks that are sold or leased to customers. For some of these arrangements, the Company provides recourse or repurchase obligations to HYGFS or to others. In substantially all of these transactions, a perfected security interest is maintained in the lift trucks financed, so that in the event of a default, the Company has the ability to take title to the assets financed and sell it through the Hyster® or Yale® dealer network. Furthermore, the Company has established reserves for exposures under these agreements when required. In addition, the Company has an agreement with WF to limit its exposure to losses at certain eligible dealers. Under this agreement, losses related to guarantees for these certain eligible dealers are limited to 7.5% of their original loan balance. See Notes 17 and 18 to the Consolidated Financial Statements in this Annual Report on Form 10-K for further discussion.

### Backlog

The following table outlines the Company's backlog of unfilled orders placed with its manufacturing and assembly operations for new lift trucks:

	December 31, 2023	September 30, 2023	December 31, 2022
Units (in thousands)	78.4	85.3	102.1
Backlog, approximate sales value (in millions)	\$ 3,330	\$ 3,540	\$ 3,730

As of December 31, 2023, the Company expects substantially all of its backlog of unfilled orders placed with its manufacturing and assembly operations for new lift trucks to be sold during the next twelve months. Backlog represents unfilled lift truck orders placed with the Company's manufacturing and assembly facilities from dealers and direct sales to customers. In general, unfilled orders may be canceled at any time prior to the time of sale; however, the Company can assess cancellation penalties on dealer orders within a certain period prior to initiating production. In certain circumstances, dealer orders may be cancelled, for a limited time period without penalty, after receiving notice of a surcharge on the order from the Company. The dollar value of backlog is calculated using the current unit backlog and the forecasted average sales price per unit.

### Key Suppliers and Raw Materials

During 2022 and 2021, the Company experienced significant increases in material costs, primarily from global price increases for industrial metals, including steel, lead and copper and other commodity products, such as rubber, as a result of increased demand and limited supply. During 2023 the Company experienced declines in some material costs which helped sustain the Company's strong margin position, however ongoing volatility in global markets and the impact on demand and supply may result in unanticipated cost increases for our product. The Company attempts to pass these increased costs along to its customers in the form of higher prices for its products. However, given a certain portion of the Company's current backlog is subject to fixed pricing, it may not be able to fully offset the increased market-based costs of industrial metals and other commodities due to overall market conditions and the lag time involved in implementing price increases for its products.

Steel is a significant raw material required by the Company's manufacturing operations and is generally purchased from steel producing companies in the geographic area near each of the Company's manufacturing facilities. Other significant components for the Company's lift trucks are engines, axles, brakes, transmissions, batteries and chargers. In addition, the Company depends on a limited number of suppliers for some of the Company's crucial components, including diesel and gasoline engines, which are supplied by, among others, Power Solutions International, Inc., Yanmar Power Technology Co., LTD. and Kubota Corp., drive-system components, which are supplied by, among others, Dana Corporation, ZF Company and Zapi Inc., and cast-iron counterweights used to counter balance some lift trucks, which are obtained from, among others, Eagle Quest International Ltd. and BTS5 Incorporated. Some of these critical components are imported and subject to regulations, such as customary inspection by the U.S. Customs and Border Protection under the auspices of the U.S. Department of Homeland Security, as well as the Company's own internal controls and security procedures. Although most components are available from numerous sources or in quantities sufficient to meet requirements, the Company has experienced and may continue to experience significant shortages of key components for certain products, which has negatively affected and may in the future negatively affect production levels.

### Government and Trade Regulations

The Company has been impacted by ongoing trade disputes with China, which led to the imposition of tariffs resulting in higher material costs. In addition, the Company's business has been affected in the past by trade disputes between the United States and Europe. In the future, the Company's results of operations may be materially adversely affected to the extent the Company is affected by trade disputes with other foreign jurisdictions, and increased tariffs are levied on its goods or the materials the Company purchases.

## **Competition**

The Company is one of the leaders in the lift truck industry with respect to market share in the Americas and worldwide. Competition in the lift truck industry is based primarily on strength and quality of dealers, brand loyalty, customer service, new lift truck sales prices, availability of products and aftermarket parts, comprehensive product line offerings, product performance, quality and innovation, including features, and the cost of ownership over the life of the lift truck. The Company competes with several global lift truck manufacturers that operate in all major markets, as well as other niche companies. The lift truck industry also competes with alternative methods of materials handling, including conveyor systems and automated guided vehicles and systems. The Company's aftermarket parts offerings compete with parts manufactured by other lift truck manufacturers, as well as companies that focus solely on the sale of generic parts.

The use of fuel-cell technology in industrial and commercial applications is a relatively new development. Companies implementing such technology face competitors that integrate more traditional energy technologies into their product lines, as well as competitors that have implemented or are implementing alternatives to traditional energy technologies, such as lithium batteries, fuel additives and other high efficiency or “renewable” technologies.

## **Cyclical Nature of Lift Truck Business**

The Company's lift truck business historically has been cyclical. Fluctuations in the rate of orders for lift trucks, attachments and fuel-cell technology reflect the capital investment decisions of the Company's customers, which depend to a certain extent on the general level of economic activity in the various industries the lift truck customers serve. During economic downturns, customers tend to delay new lift truck and parts purchases. Consequently, the Company has experienced, and in the future may continue to experience, significant fluctuations in its revenues and net income.

## **Research and Development**

The Company's lift truck research and development capability is organized around four major engineering centers that are coordinated on a global basis. Products are designed for each brand concurrently and generally each center is focused on the global requirements for a single product line. The Company's counterbalanced development center, which has global design responsibility for several classes of lift trucks for a highly diverse customer base, is located in Fairview, Oregon. The Company's big truck development center is located in Nijmegen, the Netherlands, adjacent to a dedicated global big truck assembly facility. Big trucks are primarily used in handling shipping containers and other specialized heavy lifting applications, including steel, concrete and energy-related industries. Warehouse trucks, which are primarily used in distribution applications, are designed based on regional differences in stacking and storage practices. The Company designs warehouse equipment for sale in the Americas market in Greenville, North Carolina, adjacent to the Americas manufacturing and assembly facility. The Company designs warehouse equipment for the European market in Masate, Italy, adjacent to its manufacturing and assembly facility for warehouse equipment. The Company also has an engineering Concept Center in the United Kingdom to support advanced design activities and an engineering office in India to support its global design activities for its four major engineering centers. The Company also has the Emerging Market Development Center in China to support low-intensity product development.

The Company's lift truck engineering centers utilize a three-dimensional CAD/CAM system and are interconnected with each of the Company's manufacturing and assembly facilities and certain suppliers. This allows for collaboration in technical engineering designs and collaboration with these suppliers. Additionally, the Company solicits customer feedback throughout the design phase to improve product development efforts.

Development and innovation of attachments occurs in each of the Bolzoni manufacturing plants for the specific products produced in that location.

Nuvera has two research and development locations. In the United States, Billerica, Massachusetts is the primary location for design, development and testing of fuel-cell stacks and engines. In Europe, the operations at San Donato, Italy are primarily focused on fuel-cell systems integration and testing.

## **Sumitomo-NACCO Joint Venture**

The Company has a 50% ownership interest in Sumitomo NACCO Forklift Co., Ltd. ("SN"), a limited liability company that was formed in 1970 primarily to manufacture and distribute Sumitomo-branded lift trucks in Japan and export Hyster<sup>®</sup>- and Yale<sup>®</sup>-branded lift trucks and related components and service parts outside of Japan. Sumitomo Heavy Industries, Ltd. owns the remaining 50% interest in SN. Each stockholder of SN is entitled to appoint directors representing 50% of the vote of SN's board of directors. All matters related to policies and programs of operation, manufacturing and sales activities require mutual agreement between the Company and Sumitomo Heavy Industries, Ltd. prior to a vote of SN's board of directors. As a result, the Company accounts for its ownership in SN using the equity method of accounting. The Company purchases Hyster<sup>®</sup>- and Yale<sup>®</sup>-branded lift trucks and related component and aftermarket parts from SN for sale outside of Japan under agreed-upon terms. The Company also contracts with SN for engineering design services on a cost plus basis and charges SN for technology used by SN but developed by the Company. During 2023, SN sold approximately 8,000 lift trucks.

## Human Capital Resources

As of January 31, 2024, the Company had approximately 8,600 employees. The employees are distributed among each of the Company's businesses as follows:

Lift Truck	7,200
Bolzoni	1,200
Nuvera	200

Certain employees in the Danville, Illinois parts depot operations are unionized. The Danville union contract expires every three years at which time salaries, certain employee policies and a limited number of benefits are negotiated for the following three-year period. The Company's contract with the Danville union expires in June 2024. Generally, employee benefits for Danville union employees are aligned with non-union U.S. employees. All other employees at the Company's facilities in the United States are not represented by unions. In Brazil, all employees are represented by a union. The Company's contracts with the Brazilian unions expire annually at which time salaries and certain benefits are negotiated for the following year. In Mexico, certain employees are unionized. The Company's contract with the Mexican union expires annually in March, at which time salaries are negotiated for the following year. Benefits in Mexico are negotiated every other year.

In Europe, certain employees in the Helsinki, Finland, Salzgitter, Germany, Craigavon, Northern Ireland, Masate, Italy, Piacenza, Italy, San Donato, Italy and Nijmegen, the Netherlands facilities are represented by a union or a works council. All of the European employees are part of works councils or employee forums, which perform a consultative role on business and employment matters. The Company believes its current labor relations with both union and non-union employees are generally satisfactory.

The Company believes the long-term best interests of its stockholders are best served by embracing economic, social, environmental and health and safety objectives throughout its organization, which also contributes benefits to its customers and the communities in which it operates. The Company has established specific cost-effective corporate projects through its 2026 Aspirations program that are expected to reduce its impact on the environment and conserve natural resources.

The Company considers its employees a primary focus area of corporate responsibility. The Company's priority on people focuses on five main areas: occupational health and safety, employment, diversity and equal opportunity, training and education and engagement with local communities.

### Occupational Health & Safety

A robust focus on health and safety performance is a fundamental driver of the Company's achievements. Within the "Safety First" framework, there is diligent oversight and assessment of key performance indicators, a testament to the Company's dedication to safeguarding the holistic well-being of our workforce. The Company's safety aspiration is for zero occupational injury or illness rates, based on the philosophy that all such injuries and illnesses are preventable.

The Company requires comprehensive training and accountability from all employees to uphold safety as a daily priority. The Company's workforce is empowered to initiate safety improvements, engage in safety committees and reinforce safety behaviors at all times. The Company recognizes that employees engaged in the work are the most knowledgeable about associated risks. Therefore, the Company requires that the local safety/environmental improvement teams contain employee representatives reflective of their workforce, including hourly employees.

As expressed in the Global Environmental/Occupational Health and Safety Policy, the Company considers environmental protection, occupational health and safety and site security to be paramount to our employees, contractors and visitors and seeks to minimize and control risks to people and the environment and do so by participating in industry standard third-party certifications. Furthermore, the Company's facilities undergo annual internal inspections against our environmental, occupational health and safety and security standards.

### Employment

The Company thrives when employees feel valued, motivated and involved. Knowing this, the Company actively seeks to align our employees with fulfilling and impactful tasks which leverage their skills, talent and potential. The Company is committed to investing in initiatives for recruitment and talent development aimed at attracting and retaining a diverse, competent and qualified pool of skilled individuals.

Some of the employment initiatives offered include various training opportunities, an educational assistance program, competitive wage and benefit programs, promotion of diversity and inclusion initiatives, a wellness program and cultivation of an energetic corporate atmosphere. In each country where the Company operates, the Company reviews the competitive markets to develop comprehensive benefits packages that address health and well-being, such as medical, dental and vision coverages; financial security programs such as retirement and savings plans; paid time off for vacation and holiday time and more.

## **Diversity and Equal Opportunity**

The Company is dedicated to fostering a respectful and inclusive work environment. The aspiration is for every employee and potential employee to be treated with dignity and fairness, free from any discrimination or harassment on the basis of race, color, national origin, religion, age, gender, sexual orientation or disability. The Company firmly stands against inappropriate behavior or remarks in the workplace. This includes conduct that creates a hostile or offensive atmosphere, disrupts work performance or harms employment opportunities. All forms of harassment, including sexual, verbal, physical or visual, are strictly prohibited. The Anti-Harassment and Anti-Discrimination Policy is a key component of the Company's Corporate Compliance Program.

The Company recognizes the importance of different voices and experiences in steering our growth and innovation forward. The Company continues to develop our female employees through our Leadership Exploration and Development (LEAD) program, which is an eight-month program empowering women with skills and mindset for impactful leadership. Through interactive sessions, readings and reflective activities, participants develop a comprehensive understanding of their strengths and learn to lead with clarity, courage, compassion and a strong business acumen. Attendees are nominated based on their current roles as well as their potential for leadership, their career goals and aspirations as well as other key criteria.

The Company also maintains several Employee Resource Groups ("ERG"), such as the W41 Women's Network, HYG Veterans Group, Emerging Professionals Network, Green Team and the Young Professionals Network. These groups are employee-led and employee-run which promote diversity by bringing together employees who share similar interests or affinities. They offer access to resources, development and leadership opportunities, and are designed to leverage the individual talents, perspectives and experiences of employees to support an inclusive workplace environment. All regular, full-time employees are eligible to join any ERG. Furthermore, each ERG must have a leadership sponsor who provides guidance and feedback on the group's strategies and objectives.

## **Training and Education**

The Company believes in the 70/20/10 Model of Employee Development, where 70% of development occurs through on-the-job experiences, 20% is learned from others and 10% is through formal training. The Company also believes in developing its existing employee base, seeking to retain the best and brightest talent. Therefore, employees are encouraged to seek out a mix of opportunities to enhance their professional and personal growth.

A multitude of training and educational opportunities are offered through the Company's Learning and Development Guide and the Hyster-Yale Learning Center. Each employee is provided access to this guide and to a digital learning platform, receiving a detailed overview of the wide variety of development opportunities available to all employees at little or no cost to them.

The Company's dedication to the growth and advancement of its employees is emphasized in the Performance Management Program ("PMP"). This program harmonizes individual performance with business objectives, creating a platform for employees to make meaningful contributions to the organization through ongoing feedback and development while ultimately driving outstanding business outcomes. The PMP encourages employee reviews in a structured manner that allows for the employee and their manager to reflect upon and discuss progress at mid-year and at year-end. All salaried employees participate in the program, and the Company is piloting the program with hourly employees.

## **Engagement with Local Communities**

The Company believes it has a civic obligation to support educational and charitable causes. The Board of Director's Charitable Contributions Committee encourages the Company and each of its subsidiaries to maintain programs in support of the local communities where employees live and work. This committee focuses its efforts on charitable contributions towards programs of the arts and sponsoring cultural, education, civic, health and welfare organizations, health care programs and minority and women's groups, as well as other charitable programs in areas in which the Company operates.

## **Environmental Health and Safety Responsibility**

As the scope of environmental laws and regulations increases across the world, it is imperative to stay focused on the Company's compliance obligations. In response, the Company has developed policies and procedures to address standards for the environment, which are designed to meet or exceed applicable laws and regulations. At a minimum, all employees must adhere to the Code of Corporate Conduct, including compliance with applicable environmental, health and safety requirements as well as laws and regulations.

The Company's strategy comprises three key tenants:

- comply with all applicable environmental and health and safety requirements;
- keep all work areas free from environmental health and safety hazards; and
- comply with reporting requirements of the Company and government agencies

The Company strives to efficiently manage operational energy use and mitigate the carbon footprint across global operations. The Company reviews and validates globally reported environmental data and seeks to normalize environmental metrics according to sequence of event hours, allowing better understanding of the efficiency of key performance indicators while accounting for changes in business volume. Periodically, the Company will partner with a third party to perform external reviews and validations to enhance the program and build confidence with our stakeholders.

To effectively manage this program, the Company's energy and emissions management strategy is built upon three pillars:

- Efficiency
  - reduce energy consumption within the Company's operations; and
  - pursue renewable energy and other low-carbon sources
- Engagement
  - collaborate with suppliers to understand their energy challenges and develop solutions
- Innovation
  - design and deliver products that improve energy efficiency and decrease operating costs

The Company has a deep appreciation for energy and energy efficiency. The Company consumes energy to create powerful equipment and this equipment, in turn, consumes energy while in-use. The Company recognizes the importance of managing energy consumption as efficiently as possible both during the production and use phase of products. To ensure there is internal accountability, oversight and focus in place for managing energy usage reduction, the Company has established divisional waste and energy committees in both the Americas and EMEA. These committees meet monthly to discuss progress and updates on current year energy and waste reduction projects as well as plans for future initiatives. The committees provide quarterly updates to key stakeholders within the organization to keep the business engaged with the topic and updated on the steps the Company is taking to decrease its environmental footprint among other priorities.

The Company is implementing site-specific energy policies at manufacturing facilities to support local energy management practices. These policies ask each location to define a strategy for reducing energy consumption, to set objectives and aspirations and to periodically review and track the reduction of energy use and carbon emissions. The implementation of these local energy policies is expected to guide the energy consumption reduction progress across the Company's internal operations.

The Company understands the importance of responsible material use, including how to manage and dispose of wastes generated within its operations. The Company has documented source reduction as a universal first step in minimizing waste generated within chemical and waste management procedures. Furthermore, as waste disposal options vary based on several factors, each of the Company's sites has specific policies and procedures in place to guide their materials management processes, including waste reuse and recycling efforts. The Company also provides formal training to address handling and storage of materials, including spill prevention and emergency response procedures. Relevant employees who routinely handle hazardous materials go through additional training, including handling, storage and disposal methods as well as additional spill response and emergency procedures. For these employees, the Company administers an annual hazardous material management test to confirm they are prepared to work with and around such materials.

The Company's approach to waste management is built upon three pillars.

**Reduce:** This pillar of the Company's waste management program is threaded throughout its operations from the design stage to raw materials selection to safe and efficient operations at the Company's facilities. The reduction of raw materials purchased and consumed reduces not only operational costs but also lowers environmental impacts from the upstream raw materials to the downstream disposal methods. Curtailing the storage of excessive materials and limiting exposure to on-site chemicals also reduces potential safety and environmental hazards. As a result, raw material reduction and efficiency efforts are a concerted focus across the Company.

**Reuse:** With regards to raw materials and the circular economy, the Company's "Remanufacturing" program covers 12 key components, which enable customers to exchange used parts for remanufactured items. The Company has strived to optimize its use of raw materials and allow valuable resources to remain in circulation. As part of the Company's Supplier Engagement Manual, specific procedures are in place to assess whether its customers are supported and their expectations are met. The Company has also implemented rules around packaging to assess whether the design and strength of the packaging minimizes cost of materials, labor and shipping.

**Recycle:** The Company's sites prioritize waste minimization first, followed by reuse and recycling. Waste reduction efforts have been further supported by ongoing initiatives and campaigns to increase awareness of recycling capabilities.

The three pillar approach drives zero waste to landfill aspirations within the Company's 2026 Aspirations program:

- Minimize and reduce landfilled waste at all global facilities
- Encourage non-pollution technologies in product research and development

- Remanufacturing program to return used parts and replace them with remanufactured parts
- Ensure multiple lifecycles of the Company's reusable parts, mitigating the need for raw materials for new parts
- Widespread use of returnable packaging across the Company's product lines
- Emphasized use of material reduction and recyclability for expendable packaging
- Supplier packaging guidelines to promote the use of recyclable materials

### **Environmental Matters**

The Company's manufacturing operations are subject to laws and regulations relating to the protection of the environment, including those governing the management and disposal of hazardous substances. The Company's policies stress compliance, and the Company believes it is currently in substantial compliance with existing environmental laws. If the Company fails to comply with these laws or its environmental permits, it could incur substantial costs, including cleanup costs, operational disruptions, fines and civil and criminal sanctions. In addition, future changes to environmental laws could require the Company to incur significant additional expense or restrict operations. Based on current information, the Company does not expect compliance with environmental requirements to have a material adverse effect on the Company's financial condition or results of operations.

The Company's products may also be subject to laws and regulations relating to the protection of the environment, including those governing vehicle exhaust. Regulatory agencies in the United States and Europe have issued or proposed various regulations and directives designed to reduce emissions from spark-ignited engines and diesel engines used in off-road vehicles, such as industrial lift trucks. These regulations require the Company and other lift truck manufacturers to incur costs to modify designs and manufacturing processes and to perform additional testing and reporting. While there can be no assurance, the Company believes the impact of the additional expenditures to comply with these requirements will not have a material adverse effect on its business.

The Company is investigating or remediating historical contamination at some current and former sites caused by its operations or those of businesses it acquired. While the Company is not currently aware that any material outstanding claims or obligations exist with regard to these sites, the discovery of additional contamination at these or other sites could result in significant cleanup costs that could have a material adverse effect on the Company's financial conditions and results of operations.

In connection with any acquisition made by the Company, the Company could, under some circumstances, be held financially liable for or suffer other adverse effects due to environmental violations or contamination caused by prior owners of businesses the Company has acquired. In addition, under some of the agreements through which the Company has sold businesses or assets, the Company has retained responsibility for certain contingent environmental liabilities arising from pre-closing operations. These liabilities may not arise, if at all, until years later and could require the Company to incur significant additional expenses.

### **Item 1A. RISK FACTORS**

In addition to the other information in this Annual Report on Form 10-K and the Company's other filings with the SEC, the following risk factors should be carefully considered in evaluating the Company and its business before investing in the Company's common stock. The risks and uncertainties described below are not the only ones facing the Company. Additional risks and uncertainties, not presently known to the Company or otherwise, may also impair the Company's business. Although the risks are organized by headings, and each risk is discussed separately, many are interrelated. If any of the risks actually occur, the Company's business, financial condition, results of operations or stock price could be materially and adversely affected.

#### **Risks Related to Our Business and Operations**

##### ***The Company is subject to risks relating to its global operations.***

The Company is a U.S.-based multinational corporation that has global operations. Operating globally subjects the Company to a number of operational risks relating to changes in government regulations and policies in a large number of jurisdictions around the world, including those related to tariffs and trade barriers, investments, property ownership rights, taxation, and exchange controls. Increasing emphasis and changing expectations with respect to environmental, social and governance matters may impose additional costs on the Company or expose the Company to new or additional risks. In addition, changes in the relative values of currencies occur from time to time and could affect the Company's operating results.

Further, existing free trade laws and regulations provide certain beneficial duties and tariffs for qualifying imports and exports, subject to compliance with the applicable classification and other requirements. Changes in laws or policies governing the terms of international trade, and in particular increased trade restrictions, tariffs or taxes on imports from countries where the Company manufactures products could have a material adverse impact on the Company's business and financial results.

Part of the strategy to expand worldwide market share is strengthening the Company's non-U.S. distribution network. A part of this strategy also includes decreasing costs by sourcing basic components in lower-cost countries. Implementation of this part of the strategy may increase the impact of the risks to global operations and there can be no assurance that such risks will not have an adverse effect on the Company's revenues, profitability or market share.

Economic and political conditions in the United States and abroad may lead to significant changes in tax rules and regulations. For example, proposals to reform non-U.S. tax laws or other regulations could significantly impact how multinational corporations do business. The Company's effective income tax rate could be volatile and materially change as a result of changes in tax laws, mix of earnings and other factors. Although the Company cannot predict the final form or impact of any regulation or other proposal, if adopted at all, such regulations and proposals could, if enacted, have a material adverse impact on the Company's profitability.

Furthermore, international trade may also be disrupted by geopolitical conflict and hostilities in the regions or involving the countries in which the Company operates. This could aggravate each of the foregoing risks, as well as disrupt our ability to operate in affected areas, including collecting on commercial receivables.

The Company relies on the timely and free flow of goods through open and operational international shipping lanes and ports from suppliers and manufacturing locations. Disruptions of shipping lanes from labor disputes or sea piracy, or at ports, common carriers, or suppliers could create significant risks, particularly if these disputes result in work slowdowns, lockouts, strikes, or other disruptions during periods of significant importing or manufacturing. These factors could potentially result in delayed or cancelled orders by customers, unanticipated inventory accumulation or shortages, and harm to the business, results of operations, and financial condition.

In addition, operating globally subjects the Company to risks related to the health and welfare of its employees and the employees of suppliers, as well as the workplaces where the Company's products or critical components from suppliers are manufactured. Conditions resulting from natural disasters or global health epidemics or pandemics may prevent or delay the Company's ability to obtain critical components or manufacture and sell the Company's products. These disruptions could materially affect the Company's liquidity, operations and revenues and profitability could be significantly reduced.

***The Company depends on a limited number of suppliers for specific critical components.***

The Company depends on a limited number of suppliers for some of its critical components, including diesel, gasoline and fuel cell engines and cast-iron counterweights used to counterbalance some lift trucks. Some of these critical components are imported and subject to regulation, primarily with respect to customary inspection of such products by the U.S. Customs and Border Protection under the auspices of the U.S. Department of Homeland Security. Although most components are available from numerous sources or in quantities sufficient to meet requirements, the Company has experienced significant shortages of key components for certain products which has negatively affected and may in the future negatively affect production levels. The results of operations and liquidity position have been and could be adversely affected if the Company is unable to obtain these critical components, or if the costs of these critical components were to continue to increase, due to inflation, regulatory compliance or otherwise, and the Company is unable to pass the cost increases on to its customers.

Furthermore, disruptions associated with suppliers have impacted and may continue to impact the Company's liquidity position. If the normalization of supply chains and inflationary pressures is longer than anticipated, the Company may not be able to generate sufficient cash from operations which, among other things, could negatively impact the Company's debt levels and ability to access its credit facilities, or require the Company to seek additional financing sources, which may not be available on favorable terms or at all. If the Company suffers a liquidity shortage, the Company may be forced to reduce production levels, reduce planned capital investments, reduce workforce, decrease or suspend planned dividends, or adopt other measures.

***The cost of raw materials used by the Company's products has fluctuated and may continue to fluctuate, which could materially reduce the Company's profitability.***

The Company has experienced and may continue to experience significant increases in materials costs, primarily as a result of inflationary pressures and global increases in the costs of industrial metals, including steel, lead and copper and other commodities, such as rubber, as a result of increased demand and limited supply. The Company manufactures products that include raw materials that consist of steel, rubber, copper, lead, castings and counterweights. The Company also purchases parts provided by suppliers that are manufactured from castings and steel or contain lead. The cost of these parts is affected by the same economic conditions that impact the cost of the parts the Company manufactures. The cost to manufacture lift trucks and related service parts has been and may continue to be affected by fluctuations in prices for these raw materials. If costs of these raw materials increase, the Company's profitability could be materially reduced.

***If the Company's strategic initiatives, including the introduction of new products, do not prove effective, revenues, profitability and market share could be significantly reduced.***

Changes in the timing of implementation of the Company's current strategic initiatives may result in a delay in the expected recognition of future costs and realization of future benefits. In addition, if future industry demand levels are lower than

expected or customers' demands change, the Company may not be successful in implementing its strategic initiatives. If the Company is unable to successfully implement these strategic initiatives, revenues, profitability, growth prospects and market share could be significantly reduced.

***Failure to compete effectively within the Company's industry could result in a significant decrease in revenues and profitability.***

The Company experiences intense competition in the sale of lift trucks and aftermarket parts. Competition in the lift truck industry is based primarily on strength and quality of dealers, brand loyalty, customer service, new lift truck sales prices, availability of products and aftermarket parts, comprehensive product line offerings, product performance, quality and innovation, including features, and the cost of ownership over the life of the lift truck. The Company competes with several global manufacturers that operate in all major markets. These manufacturers may have lower manufacturing costs and greater financial resources than the Company, which may enable them to commit larger amounts of capital in response to changing market conditions. If the Company fails to compete effectively, revenues and profitability could be significantly reduced.

***The lift truck business is cyclical. Any downturn in the general economy could result in significant decreases in the Company's revenue and profitability and an inability to sustain or grow the business.***

The Company's lift truck business historically has been cyclical. Fluctuations in the rate of orders for lift trucks, attachments and fuel-cell technology reflect the capital investment decisions of the Company's customers, which depend to a certain extent on the general level of economic activity in the various industries the customers serve. During economic downturns, customers tend to delay new lift truck and parts purchases. Consequently, the Company has experienced, and in the future may continue to experience, significant fluctuations in revenues and net income. If there is a downturn in the general economy, or in the industries served by lift truck customers, the Company's revenue and profitability could decrease significantly, and the Company may not be able to sustain or grow the business.

***The pricing and costs of the Company's products have been and may continue to be impacted by currency fluctuations, which could materially increase costs, and result in material exchange losses and reduce operating margins.***

Because the Company conducts transactions in various currencies, including euros, Japanese yen, U.S. dollars, Chinese renminbi, British pounds, Swedish kroner, Mexican pesos and Australian dollars, lift truck pricing is subject to the effects of fluctuations in the value of these currencies and fluctuations in the related currency exchange rates. As a result, the Company's sales have historically been affected by, and may continue to be affected by, these fluctuations. In addition, exchange rate movements between currencies in which the Company purchases materials and components and manufactures certain products and the currencies in which the Company sells those products have been affected by and may continue to result in exchange losses that could materially reduce operating margins. Furthermore, the Company's hedging contracts may not fully offset risks from changes in currency exchange rates.

***The Company relies primarily on its network of independent dealers to sell lift trucks and aftermarket parts and the Company has no direct control over sales by those dealers to customers. The loss of or ineffective or poor performance by these independent dealers could result in a significant decrease in revenues and profitability and the inability to sustain or grow the business.***

The Company relies primarily on independent dealers for sales of lift trucks and aftermarket parts. Sales of the Company's products are therefore subject to the quality and effectiveness of the dealers, who are not subject to the Company's direct control. As a result, ineffective or poorly performing dealers could result in a significant decrease in revenues and profitability and the Company may not be able to sustain or grow its business.

***The Company may not be successful in commercializing Nuvera's technology, which success would depend, in part, on the Company's ability to protect Nuvera's intellectual property.***

The Company may not be able to commercialize Nuvera's fuel-cell technologies on economically efficient terms. Unforeseen difficulties, such as delays in development due to design defects or changes in specifications and insufficient research and development resources or cost overruns, may hinder the Company's ability to incorporate Nuvera's technologies into its product lines on an economically favorable basis or at all.

Furthermore, Nuvera's commercial success will depend largely on the Company's ability to maintain patent and other intellectual property protection covering certain of Nuvera's technologies. Nuvera's fuel-cell technology may not be economically viable if the Company is unable to prevent others from infringing or successfully challenging the validity of certain patents and other intellectual property rights attributable to Nuvera.

***If the global capital goods market declines, the cost saving efforts the Company has implemented may not be sufficient to achieve the benefits expected.***

If the global economy or the capital goods market declines, revenues could decline. If revenues are lower than expected, the programs the Company has implemented may not achieve the benefits expected. Furthermore, the Company may be forced to



take additional cost saving steps that could result in additional charges that materially adversely affect the ability to compete or implement the Company's current business strategies.

***The Company is subject to recourse or repurchase obligations with respect to the financing arrangements of some of its customers.***

Through arrangements with WF and others, dealers and other customers are provided financing for new lift trucks in the United States and in major countries of the world outside of the United States. Through these arrangements, the Company's dealers and certain customers are extended credit for the purchase of lift trucks to be placed in the dealer's floor plan inventory or the financing of lift trucks that are sold or leased to customers. For some of these arrangements, the Company provides recourse or repurchase obligations such that it would become obligated in the event of default by the dealer or customer. Total amounts subject to these types of obligations were \$162.4 million and \$133.2 million at December 31, 2023 and 2022, respectively. Generally, the Company maintains a perfected security interest in the related assets financed such that, in the event the Company becomes obligated under the terms of the recourse or repurchase obligations, it may take title to the assets financed. The Company cannot be certain, however, that the security interest will equal or exceed the amount of the recourse or repurchase obligations. In addition, the Company cannot be certain that losses under the terms of the recourse or repurchase obligations will not exceed the reserves that have been set aside in the consolidated financial statements. The Company could incur a charge to earnings if reserves prove to be inadequate, which could have a material adverse effect on results of operations and liquidity for the period in which the charge is taken.

***Other products may be introduced to the market by competitors, making the Nuvera technology less marketable.***

The use of fuel-cell technology in industrial and commercial applications is a relatively new development. Companies implementing such technology face competition from competitors that integrate more traditional energy technologies into their product lines, as well as competitors that have implemented or are implementing alternatives to traditional energy technologies, such as lithium-ion batteries, fuel additives and other high efficiency or "renewable" technologies. Any of these technologies may have more established or otherwise more attractive manufacturing, distribution and operating cost features, which could negatively impact customers' preferences for product lines that incorporate fuel-cell technology and, as a result, diminish the marketability of products incorporating Nuvera technology.

#### **Risks Related to Cybersecurity**

***The Company may be unable to protect its information systems against service interruptions, data corruption, cyber-based attacks or network breaches, which have in the past and could in the future disrupt business operations and could materially adversely affect the Company's operating results, financial position or reputation.***

The Company relies on information technology networks and systems, some of which are managed by third parties, in connection with various business activities. These activities include processing, transmitting and storing electronic information, and managing or supporting a variety of business processes and activities, including supply chain, manufacturing, distributing, invoicing and collection. The Company uses information systems to record, process and summarize financial information and results of operations for internal reporting purposes and to comply with regulatory financial reporting and legal and tax requirements.

The Company's information systems have been and may in the future be susceptible to damage, disruptions or shutdowns due to failures during the process of upgrading or replacing software, databases or components; power outages; hardware failures; user error; insider threats; or cybersecurity threats, including, but not limited to, ransomware, malware, phishing and denial of service attacks, which are increasing in frequency and sophistication. In addition, security breaches, whether in the Company's systems or those of third parties on which the Company relies, could result in unauthorized access to and disclosure of confidential, personal or sensitive information and loss of intellectual property and pose a risk to the security, confidentiality, availability and integrity of the Company's data, as well as the data of the Company's suppliers, customers and employees. While various procedures and controls have been and are being utilized to mitigate such risks, there can be no guarantee that the actions and controls the Company implements, or which the Company has caused or will cause third-party service providers to implement, will be sufficient to protect and mitigate associated risks to the Company's information systems, information or other property. Moreover, the Company may not be aware of all vulnerabilities associated with its information systems.

The Company has experienced cyber security threats and vulnerabilities in the Company's information systems and those of the Company's third-party providers. Such prior events have not had a material impact on the Company's financial condition, results of operations or liquidity. In addition, the amount of insurance coverage the Company maintains may be inadequate or difficult to obtain in order to cover claims or liabilities relating to a cybersecurity attack. If, in the future, the Company's or a third party's information systems suffer severe damage, disruption, breach, or shutdown, and business continuity plans do not effectively resolve the issues in a timely manner, then the Company could be subject to litigation with third parties, government enforcement actions, penalties, disruption to operations and product systems, unauthorized release of confidential or otherwise protected information, corruption of data, or remediation costs, which could result in a negative impact on the Company's operating results, financial condition or reputation. Reports of unauthorized access to the Company's products, systems and

data, regardless of their veracity, may result in the perception that the products, systems or data are capable of being hacked, which could harm its brands, prospects and operating results. Further, the amount of insurance coverage the Company maintains may be inadequate to cover claims or liabilities relating to a cybersecurity attack.

***Security breaches with respect to the Company's products could interfere with its business, dealers, and customers, exposing it to liability that would cause its business and reputation to suffer.***

Some of the Company's products include cyberphysical components and systems typically used for telematics services, automated vehicles and remote system updates. While the Company has implemented security measures intended to prevent unauthorized access to these products, malicious actors have attempted, and may attempt in the future, to gain unauthorized access to such products including through such components and systems in order to gain control of the products, change the products' functionality, user interface, or performance characteristics, or gain access to data stored in or generated by the products. Any unauthorized access to or control of the products or systems or any loss of data could result in litigation with third parties, government enforcement actions, penalties, disruption to product systems, unauthorized release of confidential or otherwise protected information, corruption of data, or remediation costs, which could materially adversely affect the Company's operating results, financial position, growth opportunities or reputation.

### **Risks Related to Legal and Regulatory Matters**

***The Company is subject to import and export controls, which could subject the Company to liability or impair the Company's ability to compete in international markets.***

Due to the international scope of the Company's operations, the Company is subject to a complex system of import- and export-related laws and regulations, including U.S. export control and customs regulations and customs regulations of other countries. These regulations are complex and vary among the legal jurisdictions in which the Company operates. Obtaining the necessary authorizations, including any required license, for a particular transaction may be time-consuming, is not guaranteed, and may result in the delay or loss of sales opportunities. Furthermore, U.S. export control laws and economic sanctions laws prohibit certain transactions with U.S. embargoed or sanctioned countries, governments, persons and entities. Any alleged or actual failure to comply with such laws and regulations may subject the Company to government scrutiny, investigation, and civil and criminal penalties, and may limit the Company's ability to import or export products or to provide services outside the United States. Depending on severity, any of these penalties could have a material impact on the Company's business, financial condition and results of operations. There can be no assurance that laws and regulations will not be changed in ways which will require the Company to modify its business models and objectives or affect the Company's returns on investments by restricting existing activities and products, subjecting them to escalating costs or prohibiting them outright.

***Actual liabilities relating to pending lawsuits may exceed the Company's expectations.***

The Company is a defendant in pending lawsuits involving, among other things, product liability claims. The Company cannot be sure that it will succeed in defending these claims, that judgments will not be rendered against the Company with respect to any or all of these proceedings or that reserves set aside or insurance policies will be adequate to cover any such judgments. In addition, insurance coverage is increasingly expensive, contains more stringent terms, may be difficult to obtain in the future and may be inadequate to cover related claims and liabilities. The Company could incur a charge to earnings if reserves prove to be inadequate or the average cost per claim or the number of claims exceed estimates, which could have a material adverse effect on results of operations and liquidity for the period in which the charge is taken and any judgment or settlement amount is paid.

***Actual liabilities relating to environmental matters may exceed the Company's expectations.***

The Company's manufacturing operations are subject to laws and regulations relating to the protection of the environment, including those governing the management and disposal of hazardous substances. If the Company fails to comply with these laws or the Company's environmental permits, then the Company could incur substantial costs, including cleanup costs, fines and civil and criminal sanctions. In addition, future changes to environmental laws could require the Company to incur significant additional expenses or restrict operations.

The Company's products may also be subject to laws and regulations relating to the protection of the environment, including those governing vehicle exhausts. Regulatory agencies in the United States and Europe have issued or proposed various regulations and directives designed to reduce emissions from spark-ignited engines and diesel engines used in off-road vehicles, such as industrial lift trucks. These regulations require the Company and other lift truck manufacturers to incur costs to modify designs and manufacturing processes and to perform additional testing and reporting.

The Company is investigating or remediating historical contamination at some current and former sites caused by its operations or those of businesses it acquired. While the Company is not currently aware that any material outstanding claims or obligations exist with regard to these sites, the discovery of additional contamination at these or other sites could result in significant cleanup costs that could have a material adverse effect on the Company's financial condition and results of operations.

In connection with any acquisition the Company has made, it could, under some circumstances, be held financially liable for or suffer other adverse effects due to environmental violations or contamination caused by prior owners of businesses the Company has acquired. In addition, under some of the agreements through which the Company has sold businesses or assets, it has retained responsibility for certain contingent environmental liabilities arising from pre-closing operations. These liabilities may not arise, if at all, until years later and could require the Company to incur significant additional expenses, which could materially adversely affect the results of operations and financial condition.

***The Company may become subject to claims under non-U.S. laws and regulations, which may require expensive, time-consuming and distracting litigation.***

Because the Company has employees, property and business operations outside of the United States, it is subject to the laws and the court systems of many jurisdictions. The Company may become subject to claims outside the United States based in non-U.S. jurisdictions for violations of their laws with respect to the Company's non-U.S. operations. In addition, these laws may be changed or new laws may be enacted in the future, including, for example, with respect to environmental, climate change, health and safety and cybersecurity matters. Non-U.S. litigation is often expensive, time consuming and distracting. As a result, any of these risks could significantly reduce profitability and the Company's ability to operate its businesses effectively.

### **Risks Related to Key Personnel and Ownership**

***The Company is dependent on key personnel, and the loss of these key personnel could significantly reduce profitability.***

The Company is highly dependent on the skills, experience and services of key personnel, and the loss of key personnel could have a material adverse effect on its business, operating results and financial condition. Competition for, and availability of skilled personnel is challenging in the markets in which the Company competes, and employment and retention of qualified and skilled front-line personnel is important to the successful conduct of the Company's business. The Company's success depends upon its ability to recruit, hire, train and retain additional skilled and experienced management personnel. The Company's inability to hire and retain personnel with the requisite skills could impair its ability to manage and operate its business effectively and could significantly reduce profitability.

***Certain members of the Company's extended founding family own a substantial amount of its Class A and Class B common stock and, if they were to act in concert, could control the outcome of director elections and other stockholder votes on significant corporate actions.***

The Company has two classes of common stock: Class A common stock and Class B common stock. Holders of Class A common stock are entitled to cast one vote per share and, as of December 31, 2023, accounted for approximately 28 percent of the voting power of the Company. Holders of Class B common stock are entitled to cast ten votes per share and, as of December 31, 2023, accounted for the remaining voting power of the Company. As of December 31, 2023, certain members of the Company's extended founding family held approximately 30 percent of the Company's outstanding Class A common stock and approximately 95 percent of the Company's outstanding Class B common stock. On the basis of this common stock ownership, certain members of the Company's extended founding family could have exercised 77 percent of the Company's total voting power. Although there is no voting agreement among such extended family members, in writing or otherwise, if they were to act in concert, they could control the outcome of director elections and other stockholder votes on significant corporate actions, such as certain amendments to the Company's certificate of incorporation and sale of the Company or substantially all of its assets. Because certain members of the Company's extended founding family could prevent other stockholders from exercising significant influence over significant corporate actions, the Company may be a less attractive takeover target, which could adversely affect the market price of its common stock.

### **Item 1B. UNRESOLVED STAFF COMMENTS**

None.

### **Item 1C. CYBERSECURITY**

The Company's Board of Directors, directly and through its committees, is responsible for overseeing cybersecurity risks that affect the Company. As such, the Board has delegated oversight of risks related to cybersecurity to the Audit Review Committee of the Board of Directors (the "ARC"). The ARC is charged with reviewing the Company's cybersecurity risks, controls and procedures. The ARC reviews the Company's plans to mitigate cybersecurity risks and the Company's ability to respond to and remediate cybersecurity incidents. The ARC is informed of such risks through regular reviews with management regarding any specific cybersecurity issues that could affect the adequacy of internal controls over financial reporting.

The Company's cybersecurity risk management processes are a component of the Company's overall risk management program. The Company's Cybersecurity Committee (the "CSC") oversees the establishment and operations of cybersecurity risk management processes and strategies and directs activities to identify and detect cybersecurity threats, protect the Company's assets and to respond and recover from cybersecurity incidents. The CSC is responsible for coordination with the Company's internal audit, risk management and/or crisis management teams to review and respond to cybersecurity threats.

The CSC is chaired by a member of the Office of the Chief Information Security Officer (“Office of the CISO”) and includes members of senior management from operations, finance and legal. The CSC is expected to meet quarterly. In coordination with the Office of the CISO, the CSC reviews and reports on the Company’s cybersecurity activities to the ARC on a quarterly basis and to the full Board of Directors on at least an annual basis.

The CSC works with the Company’s Office of the CISO, which is responsible for the daily direction of cybersecurity risk activities. The Office of the CISO uses various data protection frameworks and conducts vulnerability assessments, cybersecurity monitoring and recovery software, employee, supplier and dealer training programs and monitoring of incidents and threats. Members of the Office of the CISO also engage with the Company’s internal audit department to review cybersecurity threats focusing on operational applications and databases through the course of their activities. The Office of the CISO consists of the Director of Cybersecurity, the Chief Information Officer and other information technology and cybersecurity specialists. The Office of the CISO has extensive experience in information technology including roles in cybersecurity, privacy, software engineering, systems engineering, infrastructure and data center management.

In addition, the Company engages third parties to assist in assessing, enhancing, implementing and monitoring the Company’s cybersecurity risk-management programs. The Company maintains processes to oversee and identify risks from cybersecurity threats associated with its use of third-party service providers.

The Company has experienced cybersecurity threats and vulnerabilities in its information systems and those of third-party providers. Such prior events have not had a material impact on the Company’s financial condition, results of operations or liquidity. If, in the future, the Company’s or a third-party provider’s information systems suffer severe damage, disruption, breach, or shutdown, and business continuity plans do not effectively resolve the issues in a timely manner, then the Company could be subject to litigation with third parties, government enforcement actions, penalties, disruption to operations and product systems, unauthorized release of confidential or otherwise protected information, corruption of data or remediation costs, which could materially adversely affect the Company’s operating results, financial position or reputation. See “Risks Related to Cybersecurity” in “Risk Factors” beginning on page 11 of this Annual Report on Form 10-K.

## Item 2. PROPERTIES

The following table presents the principal assembly, manufacturing, distribution and office facilities that the Company owns or leases:

Segment	Facility Location	Owned/ Leased	Function(s)
<b>Lift Truck</b>			
<b>Americas</b>	Berea, Kentucky	Owned	Assembly of lift trucks and manufacture of component parts
	Charlotte, North Carolina	Leased	Customer experience and training center
	Cleveland, Ohio	Leased	Global headquarters
	Danville, Illinois	Owned	Americas parts distribution center
	Fairview, Oregon	Owned	Counterbalanced development center for design and testing of lift trucks, prototype equipment and component parts
	Greenville, North Carolina	Owned	Divisional headquarters and marketing and sales operations for Hyster® and Yale® in the Americas; Americas warehouse development center; assembly of lift trucks and manufacture of component parts
	Itu, Brazil	Owned	Assembly of lift trucks and parts distribution center
Ramos Arizpe, Mexico	Owned	Assembly of lift trucks and manufacture of component parts	
<b>EMEA</b>	Craigavon, Northern Ireland	Owned	Manufacture of lift trucks and component parts
	Frimley, Surrey, UK	Leased	Divisional headquarters and marketing and sales operations for Hyster® and Yale® in EMEA
	Irvine, Scotland	Leased	European administrative center
	Masate, Italy	Leased	Assembly of lift trucks; European warehouse development center
	Nijmegen, the Netherlands	Owned	Big trucks development center; manufacture and assembly of big trucks and component parts; European parts distribution center
<b>JAPIC</b>	Fuyang, China	Owned	Manufacture and assembly of lift trucks
	Pune, India	Leased	Engineering, supply chain and marketing services
	Shanghai, China	Owned	Sale of parts and marketing operations of China
<b>Bolzoni</b>	Helsinki, Finland	Leased	Manufacture and distribution of Bolzoni products
	Hebei, China	Owned	Manufacture and distribution of Bolzoni products
	Piacenza, Italy	Owned	Bolzoni headquarters; manufacture and distribution of Bolzoni products
	Salzgitter, Germany	Owned	Manufacture and distribution of Bolzoni products
	Sulligent, Alabama	Owned	Manufacture of Bolzoni products and manufacture of component parts for lift trucks
	Wuxi, China	Owned	Manufacture and distribution of Bolzoni products
<b>Nuvera</b>	Billerica, Massachusetts	Leased	Nuvera research and development laboratory

SN's operations are supported by three facilities. SN's headquarters are located in Obu, Japan at a facility owned by SN. The Obu facility also has assembly and distribution capabilities for lift trucks and parts. In Cavite, the Philippines and Hanoi, Vietnam, SN owns facilities for the manufacture of components for SN and the Company's products.

### Item 3. LEGAL PROCEEDINGS

The Company is, and will likely continue to be, involved in a number of legal proceedings which the Company believes generally arise in the ordinary course of the business, given its size, history and the nature of its business and products. The Company does not believe that any of these legal proceeding will have a material effect on its financial condition or results of operations.

### Item 4. MINE SAFETY DISCLOSURES

None.

### Item 4A. INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The following tables set forth the name, age, current position and principal occupation and employment during the past five years of the Company's executive officers.

Name	Age	Current Position	Other Positions
Alfred M. Rankin, Jr.	82	Executive Chairman of the Board of Directors of Hyster-Yale (from May 2023).	Chairman and Chief Executive Officer of Hyster-Yale (from February 2021 to May 2023), Chairman of HYG (from prior to 2019 to May 2023), Chairman, President and Chief Executive Officer of Hyster-Yale (from prior to 2019 to February 2021).
Rajiv K. Prasad	60	President and Chief Executive Office of Hyster-Yale (from May 2023), President and Chief Executive Officer of HYG (from January 2020).	President of Hyster-Yale (from February 2021 to May 2023), Chief Product and Operations Officer of HYG (from prior to 2019 to December 2019).
Stephen J. Karas	54	Senior Vice President, President APIC (from February 2020).	Vice President, Global Supply Chain of HYG (from prior to 2019 to January 2020).
Jennifer M. Langer	50	Vice President, Controller and Chief Accounting Officer of Hyster-Yale (from May 2021), Vice President, Finance - EMEA (from January 2024).	Vice President, Controller of Hyster-Yale (from prior to 2019 to May 2021). Vice President, Controller of HYG (from prior to 2019 to December 2023).
Scott A. Minder	50	Senior Vice President, Chief Financial Officer and Treasurer of Hyster-Yale (from September 2022).	Vice President, Treasurer and Investor Relations of ATI Inc. (a global specialty materials and component company) (from prior to 2019 to August 2022).
Stewart D. Murdoch	53	Senior Vice President, Managing Director, Europe, Middle East and Africa of HYG (from October 2020).	General Manager, Director and Head of EMEA North and Australasia, Habasit (UK), Ltd. (an industrial company) (from prior to 2019 to September 2020).
Charles F. Pascarelli	64	Senior Vice President, President, Americas of HYG (from prior to 2019).	
Anthony J. Salgado	53	Chief Operating Officer of HYG (from July 2019).	Senior Vice President, JAPIC of HYG (from prior to 2019 to June 2019).
Jon C. Taylor	59	Chief Financial Officer of HYG (from February 2022)	VP Finance of HYG (from July 2020 to January 2022), President, Nuvera Fuel Cells (from prior to 2019 to June 2020).
Suzanne S. Taylor	61	Senior Vice President, General Counsel and Secretary of Hyster-Yale (from prior to 2019), Senior Vice President, General Counsel and Secretary of HYG (from prior to 2019).	

The information under this Item is furnished pursuant to Instruction 3 to Item 401(b) of Regulation S-K. There exists no arrangement or understanding between any executive officer and any other person pursuant to which such executive officer was elected. Each executive officer serves until his or her successor is elected and qualified.

## PART II

### Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's Class A common stock is traded on the New York Stock Exchange under the ticker symbol "HY." There is no established public trading market for the Company's Class B common stock, and no alternative trading or quotation system for the Company's Class B common stock has been or is expected to be established. The Class B common stock is convertible into Class A common stock on a one-for-one basis.

At December 31, 2023, there were approximately 790 Class A common stockholders of record and 840 Class B common stockholders of record.

#### Purchases of Equity Securities by the Issuer and Affiliated Purchasers

There have been no issuer purchases of equity securities and no publicly announced repurchase program currently exists.

### Item 6. [RESERVED]

## **Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

### **HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**

*(Tabular Amounts in Millions, Except Per Share, Percentage Data and as Otherwise Noted)*

#### **OVERVIEW**

Hyster-Yale Materials Handling, Inc. ("Hyster-Yale" or the "Company") and its subsidiaries, including its operating company Hyster-Yale Group, Inc. ("HYG"), is a globally integrated company offering a full line of high-quality, application-tailored lift trucks and solutions aimed at meeting the specific materials handling needs of its customers. The Company's solutions include attachments and hydrogen fuel cell power products, telematics, automation and fleet management services, as well as a variety of other power options for its lift trucks. The Company, through HYG, designs, engineers, manufactures, sells and services a comprehensive line of lift trucks, attachments and aftermarket parts marketed globally, primarily under the Hyster® and Yale® brand names, mainly to independent Hyster® and Yale® retail dealerships. The materials handling business historically has been cyclical because the order rate for lift trucks fluctuates depending on the economic activity level in the various industries and countries its customers serve. The Company owns a 90% majority interest in Hyster-Yale Maximal Forklift (Zhejiang) Co., Ltd. ("Hyster-Yale Maximal"), a Chinese manufacturer of low-intensity and standard lift trucks and specialized material handling equipment. Hyster-Yale Maximal also designs and produces specialized products in the port equipment and rough terrain forklift markets. Lift trucks and component parts are manufactured in the United States, Northern Ireland, China, Mexico, the Netherlands, Brazil, the Philippines, Italy, Japan and Vietnam.

The Company operates Bolzoni S.p.A. ("Bolzoni"). Bolzoni is a leading worldwide producer and distributor of attachments, forks and lift tables marketed under the Bolzoni®, Auramo® and Meyer® brand names. Bolzoni also produces components for lift truck manufacturers. Bolzoni products are manufactured in the United States, Italy, China, Germany and Finland. Through the design, production and distribution of a wide range of attachments, Bolzoni has a strong presence in the market niche of lift truck attachments and industrial material handling.

The Company operates Nuvera Fuel Cells, LLC ("Nuvera"). Nuvera is an alternative-power technology company focused on the design, manufacture and sale of hydrogen fuel cell stacks and engines.

Competition in the lift truck industry is based primarily on strength and quality of dealers, brand loyalty, customer service, new lift truck sales prices, availability of products and aftermarket parts, comprehensive product line offerings, product performance, quality and innovation, including features, and the cost of ownership over the life of the lift truck. The Company competes with several global lift truck manufacturers that operate in all major markets, as well as other niche companies. The lift truck industry also competes with alternative methods of materials handling, including conveyor systems and automated guided vehicle systems. The Company's aftermarket parts offerings compete with parts manufactured by other lift truck manufacturers, as well as companies that focus solely on the sale of generic parts.

See Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's 2022 Annual Report on Form 10-K for discussion of financial condition and results of operations for 2022 compared with 2021.

#### **Critical Accounting Policies and Estimates**

The discussion and analysis of financial condition and results of operations are based upon the Company's consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles. The preparation of these financial statements requires the use of estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities, if any. On an ongoing basis, the Company evaluates its estimates based on historical experience, actuarial valuations and various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from those estimates.

The Company believes the following are critical accounting policies. Certain of these are critical accounting estimates as they require significant judgments and estimates used in the preparation of the consolidated financial statements.

*Deferred Income Taxes:* Deferred tax assets and liabilities are recognized based on the future tax consequences attributable to temporary differences that exist between the financial statement carrying value of assets and liabilities and their respective tax bases, and operating loss and tax credit carryforwards on a taxing jurisdiction basis. The Company measures deferred tax assets and liabilities using enacted tax rates that will apply in the years in which it expects the temporary differences to be recovered or paid. U.S. generally accepted accounting principles for income taxes requires a reduction of the carrying amounts of deferred tax assets by recording a valuation allowance if, based on the available evidence, it is more likely than not (defined as a likelihood of more than 50%) such assets will not be realized. The valuation of deferred tax assets requires judgment in assessing the likely future tax consequences of events that have been recognized in the Company's financial statements or tax returns and future profitability. The Company's accounting for deferred tax consequences represents its best estimate of those future events. Changes in the Company's estimates, due to unanticipated events or otherwise, could have a material effect on its

financial condition and results of operations. The Company continually evaluates its deferred tax assets to determine if a valuation allowance is required or no longer needed. At December 31, 2023, the Company had gross deferred tax assets of \$145.9 million which were reduced by valuation allowances of \$126.6 million and gross deferred tax liabilities of \$29.0 million.

*Goodwill:* Goodwill is tested for impairment annually as of May 1, and is tested for impairment between annual tests if an event occurs or circumstances change that would indicate the carrying amount may be impaired. The Company completed the annual goodwill impairment testing as of May 1, 2023 at the reporting unit level for the related goodwill. The Company uses either a qualitative or quantitative analysis to determine whether fair value exceeds carrying value. An estimate of the fair value of the reporting unit is determined through a combination of comparable market values for similar businesses and discounted cash flows. These estimates can change significantly based on such factors as the reporting unit's financial performance, economic conditions, interest rates, growth rates, pricing, changes in business strategies and competition. Based on the annual testing, the fair value of each reporting unit was in excess of its carrying value and no impairment existed. As of December 31, 2023, Bolzoni had \$50.6 million of goodwill. Based on the most recent interim impairment test, Bolzoni's fair value of equity exceeded the carrying value by approximately \$50 million or 30%.

Factors which could result in future impairment charges include, but are not limited to, changes in worldwide economic conditions, changes in competitive conditions and customer preferences. These risk factors are discussed in Item 1A, "Risk Factors," of this Annual Report on Form 10-K. In addition, changes in the weighted average cost of capital could also impact impairment testing results. The Company will continue to monitor its reporting units and asset groups for any indicators of impairment.

*Product liabilities:* The Company is generally self-insured for product liability claims, although catastrophic insurance coverage is retained for potentially significant individual claims, and the Company also has insurance for certain historic claims. The Company provides for the estimated cost of personal and property damage relating to its products based on a review of historical experience and consideration of any known trends. Reserves are recorded for estimates of the costs for known claims and estimates of the costs of incidents that have occurred but for which a claim has not yet been reported. While the Company engages in extensive product quality reviews and customer education programs, the product liability provision is affected by the number and magnitude of claims of alleged product-related injury and property damage and the cost to defend those claims. In addition, the estimates regarding the magnitude of claims are affected by changes in assumptions regarding medical costs, legal defense costs, inflation rates and trends in damages awarded by juries. Changes in the assumptions regarding any one of these factors could result in a change in the estimate of the magnitude of claims. A one percent increase in the estimate of the number of claims or the magnitude of claims would increase the product liability reserve and reduce operating profit by approximately \$0.1 million to \$0.8 million. Although there can be no assurances, the Company is not aware of any circumstances that would be reasonably likely to materially change the estimates in the future.

*Product warranties:* The Company provides for the estimated cost of product warranties at the time revenues are recognized. While the Company engages in extensive product quality programs and processes, including actively monitoring and evaluating the quality of component suppliers, the warranty obligation is affected by product failure rates, labor costs and replacement component costs incurred in correcting a product failure. If actual product failure rates, labor costs or replacement component costs differ from the Company's estimates, which are based on historical failure rates and consideration of known trends, revisions to the estimate of the cost to correct product failures would be required. If the estimate of the cost to correct product failures were to increase by one percent over 2023 levels, the product warranties reserves would increase and reduce operating profit by approximately \$3.2 million. The Company's past results of operations have not been materially affected by a change in the estimate of product warranties and although there can be no assurances, the Company is not aware of any circumstances that would be reasonably likely to materially change the estimates in the future.

## CONSOLIDATED FINANCIAL REVIEW

The following table identifies the components of change for 2023 compared with 2022 by segment:

	Revenues	Gross Profit	Operating Profit (Loss)
2022	\$ 3,548.3	\$ 433.9	\$ (39.1)
Increase (decrease) in 2023			
Americas	493.9	261.5	186.3
EMEA	116.3	76.0	58.7
JAPIC	(48.9)	2.9	(5.0)
Lift truck business	561.3	340.4	240.0
Bolzoni	19.6	11.5	9.1
Nuvera	0.9	(1.0)	(2.1)
Eliminations	(11.8)	0.8	0.8
<b>2023</b>	<b>\$ 4,118.3</b>	<b>\$ 785.6</b>	<b>\$ 208.7</b>

## FINANCIAL REVIEW

The segment and geographic results of operations for the Company were as follows for the year ended December 31:

	2023	2022	Favorable / (Unfavorable) % Change
<b>Lift truck unit shipments (in thousands)</b>			
Americas	67.1	58.4	14.9 %
EMEA	25.1	29.2	(14.0)%
JAPIC	10.0	13.2	(24.2)%
	<b>102.2</b>	<b>100.8</b>	<b>1.4 %</b>
<b>Revenues</b>			
Americas	\$ 2,899.3	\$ 2,405.4	20.5 %
EMEA	820.5	704.2	16.5 %
JAPIC	201.1	250.0	(19.6)%
Lift truck business	3,920.9	3,359.6	16.7 %
Bolzoni	375.3	355.7	5.5 %
Nuvera	4.3	3.4	26.5 %
Eliminations	(182.2)	(170.4)	6.9 %
	<b>\$ 4,118.3</b>	<b>\$ 3,548.3</b>	<b>16.1 %</b>
<b>Gross profit (loss)</b>			
Americas	\$ 564.9	\$ 303.4	86.2 %
EMEA	121.0	45.0	168.9 %
JAPIC	25.5	22.6	12.8 %
Lift truck business	711.4	371.0	91.8 %
Bolzoni	82.2	70.7	16.3 %
Nuvera	(8.2)	(7.2)	(13.9)%
Eliminations	0.2	(0.6)	n.m.
	<b>\$ 785.6</b>	<b>\$ 433.9</b>	<b>81.1 %</b>



	2023	2022	Favorable / (Unfavorable) % Change 2023 vs. 2022
<b>Selling, general and administrative expenses</b>			
Americas	\$ 331.8	\$ 256.6	(29.3)%
EMEA	108.9	91.6	(18.9)%
JAPIC	41.1	33.2	(23.8)%
Lift truck business	481.8	381.4	(26.3)%
Bolzoni	66.9	64.5	(3.7)%
Nuvera	28.2	27.1	(4.1)%
	<b>\$ 576.9</b>	<b>\$ 473.0</b>	<b>(22.0)%</b>
<b>Operating profit (loss)</b>			
Americas	\$ 233.1	\$ 46.8	398.1 %
EMEA	12.1	(46.6)	n.m.
JAPIC	(15.6)	(10.6)	(47.2)%
Lift truck business	229.6	(10.4)	n.m.
Bolzoni	15.3	6.2	146.8 %
Nuvera	(36.4)	(34.3)	(6.1)%
Eliminations	0.2	(0.6)	n.m.
	<b>\$ 208.7</b>	<b>\$ (39.1)</b>	<b>n.m.</b>
<b>Interest expense</b>	<b>37.3</b>	<b>28.4</b>	<b>(31.3)%</b>
<b>Other income</b>	<b>(9.6)</b>	<b>(5.1)</b>	<b>88.2 %</b>
<b>Income (loss) before income taxes</b>	<b>181.0</b>	<b>(62.4)</b>	<b>n.m.</b>
<b>Net income (loss) attributable to stockholders</b>	<b>\$ 125.9</b>	<b>\$ (74.1)</b>	<b>n.m.</b>
<b>Diluted earnings (loss) per share</b>	<b>\$ 7.24</b>	<b>\$ (4.38)</b>	<b>n.m.</b>
<b>Reported income tax rate</b>	<b>29.2 %</b>	<b>(14.7)%</b>	

n.m. - not meaningful

Following is the detail of the Company's unit shipments, bookings and backlog of unfilled orders placed with its manufacturing and assembly operations for new lift trucks, reflected in thousands of units. As of December 31, 2023, substantially all of the Company's backlog is expected to be sold within the next twelve months.

	YEAR ENDED December 31, 2023	NINE MONTHS ENDED September 30, 2023	YEAR ENDED December 31, 2022
Unit backlog, beginning of period	102.1	102.1	105.3
Unit shipments	(102.2)	(78.6)	(100.8)
Unit bookings	78.5	61.8	97.6
Unit backlog, end of period	<u>78.4</u>	<u>85.3</u>	<u>102.1</u>

The following is the detail of the approximate sales value of the Company's lift truck unit bookings and backlog, reflected in millions of dollars. The dollar value of bookings and backlog is calculated using the current unit bookings and backlog and the forecasted average sales price per unit.

	YEAR ENDED December 31, 2023	NINE MONTHS ENDED September 30, 2023	YEAR ENDED December 31, 2022
Bookings, approximate sales value	\$ 2,430	\$ 1,950	\$ 3,080
Backlog, approximate sales value	\$ 3,330	\$ 3,540	\$ 3,730

## 2023 Compared with 2022

The following table identifies the components of change in revenues for 2023 compared with 2022:

	Revenues			
	Total	Lift truck		
		Americas	EMEA	JAPIC
2022	\$ 3,548.3	\$ 2,405.4	\$ 704.2	\$ 250.0
Increase (decrease) in 2023 from:				
Unit price	270.6	163.8	102.8	4.0
Unit volume and product mix	188.9	244.8	(8.4)	(47.5)
Parts	84.9	80.0	5.1	(0.2)
Bolzoni revenues	19.6	—	—	—
Foreign currency	16.3	2.7	18.2	(4.6)
Nuvera revenues	0.9	—	—	—
Other	0.6	2.6	(1.4)	(0.6)
Eliminations	(11.8)	—	—	—
<b>2023</b>	<b>\$ 4,118.3</b>	<b>\$ 2,899.3</b>	<b>\$ 820.5</b>	<b>\$ 201.1</b>

Revenues increased 16.1% to \$4,118.3 million in 2023 from \$3,548.3 million in 2022 mainly from improvements at the Lift Truck business. The increase at Lift Truck was primarily due to improved pricing, higher unit and parts volume in the Americas and a shift in sales to higher-priced lift trucks in the Americas and EMEA. The improvement in Lift Truck revenue was partially offset by a decline in unit shipments in JAPIC and EMEA.

Bolzoni revenues increased in 2023 compared with 2022 mainly from higher volume and price increases, partially offset by an increase in the sale of lower-priced products.

The following table identifies the components of change in operating profit (loss) for 2023 compared with 2022:

	Operating Profit (Loss)			
	Total	Lift truck		
		Americas	EMEA	JAPIC
2022	\$ (39.1)	\$ 46.8	\$ (46.6)	\$ (10.6)
Increase (decrease) in 2023 from:				
Lift truck gross profit and eliminations	341.2	261.5	76.0	2.9
Lift truck selling, general and administrative expenses	(100.4)	(75.2)	(17.3)	(7.9)
Bolzoni operations	9.1	—	—	—
Nuvera operations	(2.1)	—	—	—
<b>2023</b>	<b>\$ 208.7</b>	<b>\$ 233.1</b>	<b>\$ 12.1</b>	<b>\$ (15.6)</b>

The Company recognized an operating profit of \$208.7 million in 2023 compared with an operating loss of \$39.1 million in 2022. The increase in Lift Truck operating profit was primarily due to improved gross profit from higher pricing of \$270.6 million, mainly in the Americas and EMEA, a shift in sales to higher margin lift trucks, lower material costs net of manufacturing inefficiencies, primarily in the Americas, and higher unit and parts sales compared with 2022. These items were partially offset by higher selling, general and administrative expenses primarily due to increased employee-related costs, including incentive compensation, as well as higher marketing, product liability and product development costs.

Operating profit in the Americas increased primarily due to improved gross profit from higher pricing of \$163.8 million, lower material costs net of manufacturing inefficiencies, a shift in sales to higher margin lift trucks and increased unit and parts sales. These improvements were partially offset by higher selling, general and administrative expenses, primarily related to higher employee costs, including incentive compensation, higher marketing and product development to support the Company's strategic initiatives and higher product liability costs.

EMEA's operating profit improved mainly due to improved gross profit from improved pricing of \$102.8 million, partially offset by lower volumes and manufacturing inefficiencies.

JAPIC's operating loss increased to \$15.6 million in 2023 from \$10.6 million in 2022, primarily due to higher selling, general and administrative expenses, partially offset by higher gross profit from a shift in mix to higher-margin products and material cost deflation.

Bolzoni's operating profit increased to \$15.3 million in 2023 compared with \$6.2 million in 2022, primarily due to higher gross profit from improved pricing, lower manufacturing costs and higher volumes. The increase was partially offset by a shift to lower margin products and higher selling, general and administrative expenses, mainly related to higher employee costs, including incentive compensation.

The Company recognized net income attributable to stockholders of \$125.9 million in 2023 compared with a net loss attributable to stockholders of \$74.1 million in 2022. The improvement was primarily the result of the factors affecting operating profit (loss), partially offset by higher income taxes and interest expense. See Note 6 to the consolidated financial statements in this Annual Report on Form 10-K for further discussion of income taxes.

## LIQUIDITY AND CAPITAL RESOURCES

### Cash Flows

The following tables detail the change in cash flow for the years ended December 31:

	2023	2022	Change
<b>Operating activities:</b>			
Net income (loss)	\$ 128.1	\$ (71.6)	\$ 199.7
Depreciation and amortization	45.1	43.4	1.7
Dividends from unconsolidated affiliates	10.5	15.6	(5.1)
Stock-based compensation	29.3	6.4	22.9
Working capital changes:			
Accounts receivable	26.8	(89.5)	116.3
Inventories	(4.3)	(39.1)	34.8
Accounts payable and other liabilities	(112.5)	173.6	(286.1)
Other current assets	(8.4)	(5.4)	(3.0)
Other operating activities	36.1	7.2	28.9
<b>Net cash provided by operating activities</b>	<b>150.7</b>	<b>40.6</b>	<b>110.1</b>
<b>Investing activities:</b>			
Expenditures for property, plant and equipment	(35.4)	(28.8)	(6.6)
Proceeds from the sale of assets, businesses and investments	4.1	1.8	2.3
Purchase of noncontrolling interest	(3.2)	(8.4)	5.2
<b>Net cash used for investing activities</b>	<b>(34.5)</b>	<b>(35.4)</b>	<b>0.9</b>
<b>Cash flow before financing activities</b>	<b>\$ 116.2</b>	<b>\$ 5.2</b>	<b>\$ 111.0</b>

The change in net cash provided by operating activities of \$110.1 million in 2023 compared with 2022 was primarily a result of the improved net income (loss) partially offset by changes in working capital items. The changes in working capital were mainly due to a decrease in accounts payable in 2023 compared to 2022 and lower customer deposits for down payments on orders.

The change in net cash used for investing activities during 2023 compared with 2022 is mainly due to higher capital expenditures in 2023, partially offset by the purchase of Bolzoni's noncontrolling interest in 2023 compared with the first installment purchase of the noncontrolling interest of Hyster-Yale Maximal in 2022.

	2023	2022	Change
<b>Financing Activities:</b>			
Net increase (decrease) in long-term debt and revolving credit agreements	\$ (76.0)	\$ 11.1	\$ (87.1)
Cash dividends paid	(23.6)	(21.8)	(1.8)
Other	(0.9)	(0.2)	(0.7)
<b>Net cash used for financing activities</b>	<b>\$ (100.5)</b>	<b>\$ (10.9)</b>	<b>\$ (89.6)</b>

The change in net cash used for financing activities was primarily due to debt repayments during 2023 compared with additional borrowings in 2022.

### Financing Activities

The Company has a \$320.8 million secured, floating-rate revolving credit facility (the "Facility") that expires in June 2026 and a \$225.0 million term loan (the "Term Loan"), which matures in May 2028. The Facility was amended in the second quarter of 2023 for the purpose of, among other items, (i) establishing a new tranche of revolving loans with aggregate commitments of \$25.0 million under the Facility and (ii) changing the benchmark interest rate for U.S. dollar-denominated borrowings under the Facility from LIBOR to Term SOFR, each as defined in the Facility.

The Term Loan was also amended in the second quarter of 2023 for the purpose of changing the benchmark interest rate for borrowings under the Term Loan from LIBOR to Term SOFR, each as defined in the Term Loan. See Note 13 to the consolidated financial statements in this Annual Report on Form 10-K for further discussion.

The Facility can be increased up to \$400.0 million over the term of the Facility in minimum increments of \$10.0 million, subject to approval by the lenders. The obligations under the Facility are generally secured by a first priority lien on working capital assets of the borrowers and guarantors in the Facility, which includes but is not limited to cash and cash equivalents, accounts receivable and inventory, and a second priority lien on the present and future shares of capital stock, fixtures and general intangibles consisting of intellectual property. The approximate book value of assets held as collateral under the Facility was \$1.2 billion as of December 31, 2023.

The Facility includes restrictive covenants, which, among other things, limit additional borrowings and investments of the Company subject to certain thresholds, as provided in the Facility. The Facility limits the payment of dividends and other restricted payments the Company may make unless certain total excess availability and/or fixed charge coverage ratio thresholds, each as set forth in the Facility, are satisfied. The Facility also requires the Company to achieve a minimum fixed charge coverage ratio when total excess availability is less than the greater of 10% of the total borrowing base, as defined in the Facility, and \$20.0 million. At December 31, 2023, the Company was in compliance with the covenants in the Facility.

The \$25.0 million tranche will terminate on May 1, 2024 unless otherwise terminated prior to such date by the Company in accordance with the terms of the Facility. Commencing December 1, 2023, the \$25.0 million tranche began to amortize on a monthly basis in the amount of \$4.2 million per month. At December 31, 2023, \$20.8 million was outstanding.

Key terms of the Facility as of December 31, 2023 were as follows:

	<b>FACILITY</b>
U.S. borrowing capacity	\$ 230.8
Non-U.S. borrowing capacity	90.0
Outstanding	78.1
Availability restrictions	6.7
Availability	<u>\$ 236.0</u>

	FILO LOANS	LOANS OTHER THAN FILO LOANS
<b>Applicable margins, as defined in agreement</b>		
U.S. base rate loans	2.25%	0.25% to 0.75%
SOFR, EURIBOR and non-U.S. base rate loans	3.25%	1.25% to 1.75%
SOFR adjustment, as defined in agreement	0.10%	0.10%
<b>Applicable margins, for amounts outstanding</b>		
U.S. base rate loans	—	0.50%
SOFR loans	3.25%	1.50%
Non-U.S. base rate loans	—	1.50%
<b>Applicable interest rate, for amounts outstanding</b>		
U.S. base rate	—	9.00%
SOFR	8.69 %	6.95%
Facility fee, per annum on unused commitment	—	0.25%

The Term Loan requires quarterly principal payments on the last day of each March, June, September and December, which commenced September 30, 2021, in an amount equal to \$562,500 and the final principal repayment is due in May 2028. The Company may also be required to make mandatory prepayments, in certain circumstances, as provided in the Term Loan.

The obligations under the Term Loan are generally secured by a first priority lien on the present and future shares of capital stock, U.S. material real property, fixtures and general intangibles consisting of intellectual property and a second priority lien on U.S. working capital assets of the borrowers and guarantors of the Term Loan, which includes, but is not limited to cash and cash equivalents, accounts receivable and inventory. The approximate book value of assets held as collateral under the Term Loan was \$780 million as of December 31, 2023.

In addition, the Term Loan includes restrictive covenants, which, among other things, limit additional borrowings and investments of the Company subject to certain thresholds, as provided in the Term Loan. The Term Loan limits the payment of dividends and other restricted payments the Company may make in any fiscal year, unless the consolidated total net leverage ratio, as defined in the Term Loan, does not exceed 2.50 to 1.00 at the time of the payment. At December 31, 2023, the Company was in compliance with the covenants in the Term Loan.

Key terms of the Term Loan as of December 31, 2023 were as follows:

	TERM LOAN
<b>Outstanding</b>	<b>\$ 219.4</b>
Discounts and unamortized deferred financing fees	3.3
<b>Net amount outstanding</b>	<b>\$ 216.1</b>
<b>Applicable margins, as defined in agreement</b>	
U.S. base rate loans	2.50%
SOFR	3.50%
SOFR adjustment, as defined in the agreement	0.11%
SOFR floor	0.50%
<b>Applicable interest rate, for amounts outstanding</b>	<b>8.97%</b>

The Company incurred fees of \$0.8 million and \$7.6 million in 2023 and 2021, respectively. These fees related to amending the Facility and the Term Loan. These fees were deferred and are being amortized as interest expense over the term of the applicable debt agreements. No fees were incurred in 2022. Fees related to the Term Loan are presented as a direct deduction of the corresponding debt.

The Company had other debt outstanding, excluding finance leases, of approximately \$172.5 million at December 31, 2023. In addition to the excess availability under the Facility of \$236.0 million, the Company had remaining availability of \$33.7 million related to other non-U.S. revolving credit agreements.

The Company believes funds available from cash on hand, the Facility, other available lines of credit and operating cash flows will provide sufficient liquidity to meet its operating needs and commitments during the next twelve months and until the expiration of the Facility in June 2026.

### Contractual Obligations, Contingent Liabilities and Commitments

Following is a table summarizing the Company's material cash requirements from contractual obligations as of December 31, 2023:

Contractual Obligations	Payments Due by Period						
	Total	2024	2025	2026	2027	2028	Thereafter
Term Loan	\$ 219.4	\$ 2.3	\$ 2.3	\$ 2.2	\$ 2.2	\$ 210.4	\$ —
Variable interest payments on Term Loan	81.9	20.0	18.6	18.4	17.7	7.2	—
Revolving credit agreements	83.3	83.3	—	—	—	—	—
Variable interest payments on revolving credit agreements	12.7	12.7	—	—	—	—	—
Other debt	167.3	154.2	9.9	2.5	0.7	—	—
Variable interest payments on other debt	6.9	6.1	0.7	0.1	—	—	—
Finance lease obligations including principal and interest	27.6	14.8	8.8	2.9	0.9	0.2	—
Operating leases	93.6	19.7	15.4	13.6	12.3	9.1	23.5
Purchase and other obligations	796.0	786.1	2.3	3.9	3.7	—	—

The principal sources of financing for these material contractual obligations are expected to be internally generated funds and bank financing.

An event of default, as defined in the agreements governing the Facility, the Term Loan, other debt agreements, and in operating and capital lease agreements, could cause an acceleration of the payment schedule. No such event of default has occurred or is anticipated under these agreements.

The purchase and other obligations are primarily for accounts payable, open purchase orders and accrued payroll and incentive compensation.

In addition, the Company has recourse and repurchase obligations with a maximum undiscounted potential liability of \$162.4 million at December 31, 2023. Recourse and repurchase obligations primarily represent contingent liabilities assumed by the Company to support financing agreements made between the Company's customers and third-party finance companies for the customer's purchase of lift trucks from the Company. For these transactions, the Company or a third-party finance company retains a perfected security interest in the lift truck, such that the Company would take possession of the lift truck in the event it would become liable under the terms of the recourse and repurchase obligations. Generally, these commitments are due upon demand in the event of default by the customer. The security interest is normally expected to equal or exceed the amount of the commitment. To the extent the Company would be required to provide funding as a result of these commitments, the Company believes the value of its perfected security interest and amounts available under existing credit facilities are adequate to meet these commitments in the foreseeable future.

The amount of the recourse or repurchase obligations changes over time as obligations under existing arrangements expire and new obligations arise in the ordinary course of business. Losses anticipated under the terms of the recourse or repurchase obligations were not significant at December 31, 2023 and reserves have been provided for such losses in the consolidated financial statements included elsewhere in this Annual Report on Form 10-K. See also "Related-Party Transactions" below.

### Capital Expenditures

The following table summarizes actual and planned capital expenditures:

	Planned 2024	Actual 2023	Actual 2022
Lift truck business	\$ 75.0	\$ 26.8	\$ 20.3
Bolzoni	9.1	5.1	5.5
Nuvera	2.9	3.5	3.0
	<u>\$ 87.0</u>	<u>\$ 35.4</u>	<u>\$ 28.8</u>

Planned expenditures in 2024 are primarily for improvements at manufacturing locations and manufacturing equipment, product development and improvements to information technology infrastructure. The primary sources of financing for these capital expenditures are expected to be internally generated funds and bank financing.

## Capital Structure

	December 31		Change
	2023	2022	
Cash and cash equivalents	\$ 78.8	\$ 59.0	\$ 19.8
Other net tangible assets	729.4	625.0	104.4
Intangible assets	39.3	42.7	(3.4)
Goodwill	53.3	51.3	2.0
Net assets	900.8	778.0	122.8
Total debt	(494.0)	(552.9)	58.9
Total temporary and permanent equity	\$ 406.8	\$ 225.1	\$ 181.7
Debt to total capitalization	55 %	71 %	(16)%

## RELATED-PARTY TRANSACTIONS

See Note 18 to the consolidated financial statements in this Annual Report on Form 10-K for further discussion of related-party transactions.

## PERSPECTIVE AND OUTLOOK

### Market Commentary

Generally, the 2023 global economy performed better than anticipated. The Company's core lift truck market remains strong and above pre-pandemic levels in most regions. Nonetheless, some external market factors, including ongoing geopolitical instability, most recently evidenced by the tensions in the Red Sea, continue to create a significant amount of uncertainty within the global economic outlook. Due to this and abnormally high industry volumes from 2020 to 2022, global market activity declined across 2023, particularly in EMEA.

The latest publicly available lift truck market data indicates that new unit, third-quarter 2023 booking activity decreased globally and in all major geographies except China and India compared with strong 2022 levels. Internal company estimates suggest that fourth-quarter 2023 global lift truck market bookings decreased compared with the prior year. Its estimated that the rate of decline slowed in EMEA and accelerated somewhat in the Americas.

In 2024, global market bookings are expected to be generally comparable to 2023 levels. An anticipated first-half decline is expected to be offset by a second-half increase. For both full-years 2023 and 2024, market unit volumes are projected to remain strong.

### Consolidated Strategic Perspective

The Company's significantly improved 2023 results are due to the global team's ongoing execution of strategic initiatives and actions to offset external headwinds and improve the business' resiliency over time. These actions include key projects and process improvements to help the Company achieve long-term growth rates above the material handling market's expected growth rates. The Company's mature Lift Truck and Bolzoni businesses are the foundation for growth, while the Company believes the Nuvera's substantial growth prospects should be additive in future years. The Company is focused on transforming the way the world moves materials from Port to Home. The Company plans to do this through two customer promises. First, by providing optimized product solutions and second, by providing exceptional customer care. The Company believes these actions will contribute to an increased and sustainable competitive advantage over time.

### Operational Perspectives - Lift Truck Business

Given the Company's extended backlog position, it continues to prioritize booking orders with strong margins. This focus combined with declining market demand, particularly in the Americas, resulted in an 8% decrease in fourth-quarter 2023 lift truck bookings compared with third-quarter 2023 and a 20% decline from strong prior-year levels.

Looking forward, the Company expects to be price competitive with the market, but will work to maintain targeted bookings margins even as backlog levels are reduced. Overall, the Company expects 2024 bookings to increase compared to 2023. This improvement is primarily due to anticipated market share gains, especially in warehouse products, within an overall flat global lift truck market. These expected increases are primarily the result of the Company's strategic initiatives, particularly those focused on emerging technology solutions for warehouse-related markets. These technology solutions had strong 2023 growth rates, and the Company expects to build on that momentum in 2024. Planned production rate increases combined with

anticipated market decreases in the first half of 2024 should help the Company reduce its extended lead times and backlog closer to pre-pandemic levels over 2024. However, given current expectations, the Company believes lead times and backlog levels will likely remain above optimal levels on certain product lines for an extended period. Specific lines, such as warehouse products, are expected to return to more normal lead time and backlog levels in 2024.

The Company's extended backlog, valued at \$3.3 billion, represents almost ten months of revenue and should serve as a cushion for the business if bookings decline more than anticipated in 2024. Overall, customer cancellations, which can impact backlog levels, trended up modestly in 2023 from prior year rates. The Company's cancellation rate remains substantially below the industry average.

Full-year 2024 production and shipment rates are expected to increase compared with 2023 as production launch issues and lingering component and labor constraints dissipate. The Company's focus remains on maintaining a full production pipeline across its facilities within this moderated market demand environment.

The trend of higher average unit backlog prices and margins continued in the fourth quarter. This trend was largely due to the Company's ongoing focus on booking orders at strong margins and benefits from prior-year price increases to offset inflation. Fourth-quarter 2023 average booking prices decreased compared with both the third-quarter 2023 and the prior year largely due to the shift toward lower-priced warehouse products with shorter average lead times.

While material costs decreased modestly in 2023, forward economic indicators suggest stabilizing material costs and moderately higher labor costs in 2024. Elevated freight costs tied to geopolitical events are expected throughout 2024, particularly in the first half of the year. In this context, the Company expects to maintain its strong price-to-cost ratio in the first half of 2024 as higher-priced backlog units are shipped. This, combined with an anticipated increase in unit volumes, is expected to lead to higher gross margins and an improved operating profit in the first half of the year compared with 2023.

The expiration of tariff exemptions in late May 2024, shipment of trucks ordered in 2024's more competitive pricing environment and the mix effect of increased warehouse product shipments are likely to temper unit margins in the second half of the year. For the full-year, gross profit margins should be comparable to 2023 levels. The Company is working to reduce the earnings impact from externally driven factors through increased manufacturing productivity and expense control. The Company will continue to monitor labor and material costs closely, as well as the impacts from tariffs and competition, and will adjust forward pricing accordingly.

Overall, higher production and shipment rates along with stable gross profit margins are expected to generate increased Lift Truck revenues and operating profit in 2024 compared to the prior year.

### **Strategic Perspectives - Lift Truck**

From a broad perspective, the Lift Truck business has three core strategies that are expected to transform the Company's competitiveness, market position and economic performance over time. The first core strategy is to provide products that improve customer productivity at the lowest cost of ownership. The Lift Truck business' capabilities in this area are expected to be enhanced by bringing to market a wide variety of vehicle innovations, including new modular and scalable product families, truck electrification projects and technology advancements in operator assist systems (OAS), power options and vehicle automation.

The Company continues to make progress on its high priority projects. The Company's heart-of-the-line modular, scalable 2- to 3.5-ton internal combustion engine lift trucks have been launched in the EMEA and Americas markets. The production ramp-up continues to occur gradually given the current extended backlog. However, bookings and shipments accelerated in 2023. A first-quarter 2024 launch of the full 2-to 3-ton internal combustion product line, which includes value, standard and premium truck configurations, is expected for the JAPIC market. Similar enhancements to the 2- to 3.5-ton electric truck platforms are also expected over 2024 and 2025. The modular, scalable product platform is expected to enhance multiple areas of the business, including reducing supply chain costs, improving working capital levels and helping optimize the Company's manufacturing footprint, while providing customers with a more customizable product that better meets their needs.

Other key projects include electrifying trucks used for applications now dominated by internal combustion engine trucks that capitalize on advancements in electric powertrain options. The Company currently has its first electrified fuel cell Container Handler operating at the Port of Los Angeles, and its first electrified fuel cell Reach Stacker operating at the Port of Valencia, Spain. Hyster-Yale anticipates delivering a new electrified fuel cell Terminal Tractor and an electrified fuel cell Empty Container Handler to a customer in Hamburg, Germany in 2024.

The Company is exploring options for additional electrification projects within the European Union and the United States. The Company also has key projects focused on applying its technology advancements to additional OAS and automated product options. Notably, during third-quarter 2023, the Company entered into an agreement with a technology-service provider to co-develop further robotics software technology for automated lift truck solutions.



The Lift Truck business also has a key project focused on expanding global sourcing options of container handlers. The Company expects its Hyster® RS45 ReachStackers, as well as Empty Container Handlers, to be sourced from production locations in both Nijmegen, the Netherlands, and Fuyang, China during 2024. This dual-source supply chain will help the Company better meet the needs of the global market, enabling customers to benefit from time efficient delivery for economically viable trucks.

The second core strategy is to be the leader in the delivery of industry- and customer-focused solutions by transforming the Company's sales approach to ensure it meets a wide variety of customer needs across a broad set of end markets. To meet diversified customer product needs, the Company is transforming its sales processes by using an industry-focused approach. The Company believes that understanding the customers' applications is best done by segmenting the market into two broad umbrella categories: industrial and warehousing applications. The Company's Hyster® brand will increasingly focus on industrial applications, while the Yale® brand will increasingly focus on warehouse applications. This focus separation will reinforce a natural differentiation between the two brands that already exists in the marketplace.

The third core strategy is to be the leader in independent distribution by focusing on effectively coordinating dealer and major account coverage, enhancing dealer excellence and ensuring outstanding dealer ownership globally. The Company is committed to helping its excellent dealer group be the leaders in their territories.

### **Operational and Strategic Perspectives - Bolzoni**

Bolzoni anticipates a modest increase in 2024 revenues compared with 2023 as legacy products begin to be phased out and attachment volumes increase. Operating profit is expected to increase year-over-year as higher product margins and anticipated manufacturing efficiency improvements are projected to more than offset higher material and operating costs.

Bolzoni's core strategy is to be the leader in the attachments business. In this context, Bolzoni continues to concentrate on driving its "One Company - 3 Brands" approach globally, increasing its Americas business and focusing on strengthening its ability to serve key attachment industries and customers in global markets. As part of this approach, Bolzoni also intends to increase its sales, marketing and product capabilities especially in North America to support its industry-specific sales strategy.

### **Operational and Strategic Perspectives - Nuvera**

Nuvera's core strategy is to be a leader in the heavy-duty fuel cell market. Nuvera continues to focus on placing 45kW and 60kW fuel cell production engines for demonstration in a limited number of niche, heavy-duty vehicle applications with expected significant fuel cell adoption potential where batteries alone cannot meet the market's need. As a result, these applications are expected to have nearer-term fuel cell adoption potential. Nuvera has announced several projects with various third parties to test Nuvera® engines in targeted applications, including the Port of Los Angeles and the Port of Valencia, and most recently with Helinor Energy for zero-emission energy solutions for maritime applications. Nuvera expects to have additional products being tested in bus applications in China and India and in a German port by mid-2024. Nuvera is also developing a new, larger 125kW fuel cell engine for heavier-duty applications, which is projected to be available in 2025, and is working with customers to launch modular fuel cells for stationary and mobile generator applications.

Nuvera is focused on increasing customer product demonstrations and customer bookings in 2024. Nuvera is also expanding its presence in Europe and China. Orders from current customers have been booked and are expected to result in higher sales in 2024 compared with 2023. Nuvera expects these higher sales to be offset by increased development costs, leading to comparable year-over-year operating results. The increased engine demonstration volumes should significantly enhance the foundation for future fuel cell engine technology adoption and improved financial returns in future years.

### **Consolidated Outlook**

At the consolidated level, the Company expects 2024 operating profit to increase while net income is expected to be comparable to 2023. The latter is due to higher projected 2024 income tax expense driven by an elevated income tax rate. This results from full utilization of U.S. net operating losses in 2023 combined with ongoing capitalization of research and development costs for tax purposes in 2024. The Company anticipates continued strong product margins from shipments of fixed-price backlog units to drive year-over-year profit growth in the first half of the year. However, the expiration of tariff exemptions and shipments of orders placed in 2024's more competitive pricing environment will likely temper second half results. As an offset to any competitive pricing adjustments, the Company will continue to focus on effectively managing its ongoing component and labor costs and production levels. The Company made solid progress toward its 7% operating profit margin and greater than 20% return on total capital employed goals at both the Lift Truck and Bolzoni businesses in 2023 and will work to make continued progress in 2024 toward achieving these goals.

The Company is committed to continuing to reduce its leverage and enhance its cash flows through ongoing working capital reductions and continued discipline over operating expenses. Capital expenditures were \$35.4 million in 2023 and are expected to be \$87 million in 2024. This full-year increase over restrained 2023 levels includes a return to investing for business growth and network efficiency. While the Company expects to make these substantial additional investments in the business, maintaining liquidity also continues to be a priority. Working capital control continues to be an area of intense focus for the

Company. Inventory levels remain elevated and above pre-pandemic levels but are slowly declining from their peak in mid-2023. Efforts to maximize the use of on-hand inventory are expected to help significantly reduce excess inventory levels in 2024 despite intermittent supply chain and some periodic labor constraints. As a result of these actions, the Company expects a significant increase in cash flow from operations in 2024 compared with 2023.

## **RECENTLY ISSUED ACCOUNTING STANDARDS**

For information regarding recently issued accounting standards refer to Note 2 to the Consolidated Financial Statements in this Annual Report on Form 10-K.

## **EFFECTS OF FOREIGN CURRENCY**

The Company operates internationally and enters into transactions denominated in foreign currencies. As a result, the Company is subject to the variability that arises from exchange rate movements. The effects of foreign currency fluctuations on revenues, operating profit and net income are addressed in the previous discussions of operating results. The Company's use of foreign currency derivative contracts is discussed in Item 7A, "Quantitative and Qualitative Disclosures About Market Risk," of this Form 10-K.

## **FORWARD-LOOKING STATEMENTS**

The statements contained in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere throughout this Annual Report on Form 10-K that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are made subject to certain risks and uncertainties, which could cause actual results to differ materially from those presented. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof. Among the factors that could cause plans, actions and results to differ materially from current expectations are, without limitation: (1) delays in delivery and other supply chain disruptions, or increases in costs as a result of inflation or otherwise, including materials, critical components and transportation costs and shortages, the imposition of tariffs, or the renewal of tariff exclusions, on raw materials or sourced products, and labor, or changes in or unavailability of quality suppliers or transporters, including the impacts of the foregoing risks on the Company's liquidity, (2) delays in manufacturing and delivery schedules, (3) customer acceptance of pricing, (4) the ability of the Company and its dealers, suppliers and end-users to access credit in the current economic environment, or obtain financing at reasonable rates, or at all, as a result of interest rate volatility and current economic and market conditions, including inflation, (5) reduction in demand for lift trucks, attachments and related aftermarket parts and service on a global basis, including any cyclical reduction in demand in the lift truck industry, (6) unfavorable effects of geopolitical and legislative developments on global operations, including without limitation the entry into new trade agreements and the imposition of tariffs and/or economic sanctions, including the Uyghur Forced Labor Prevention Act (the "UFLPA") which could impact the Company's imports from China, as well as armed conflicts, including the Russia/Ukraine conflict, the Israel and Gaza conflict and/or the conflict in the Red Sea, and their regional effects, (7) exchange rate fluctuations, interest rate volatility and monetary policies and other changes in the regulatory climate in the countries in which the Company operates and/or sells products, (8) the effectiveness of the cost reduction programs implemented globally, including the successful implementation of procurement and sourcing initiatives, (9) the successful commercialization of Nuvera's technology, (10) the political and economic uncertainties in the countries where the Company does business, as well as the effects of any withdrawals from such countries, (11) bankruptcy of or loss of major dealers, retail customers or suppliers, (12) customer acceptance of, changes in the costs of, or delays in the development of new products, (13) introduction of new products by, more favorable product pricing offered by or shorter lead times available through competitors, (14) product liability or other litigation, warranty claims or returns of products, (15) changes mandated by federal, state and other regulation, including tax, health, safety or environmental legislation, (16) the ability to attract, retain, and replace workforce and administrative employees, (17) disruptions resulting from natural disasters, public health crises, political crises or other catastrophic events, and (18) the ability to protect the Company's information technology infrastructure against service interruptions, data corruption, cyber-based attacks or network breaches.

## **Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

### **INTEREST RATE RISK**

The Company has entered into certain financing arrangements that require interest payments based on floating interest rates. As such, the Company's financial results are subject to changes in the market rate of interest. The Company has entered into interest rate swap agreements to reduce the exposure to changes in the market rate of interest. The Company does not enter into interest rate swap agreements for trading purposes. Terms of the interest rate swap agreements require the Company to receive a variable interest rate and pay a fixed interest rate. See also Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K.

For purposes of risk analysis, the Company uses sensitivity analysis to measure the potential loss in fair value of financial instruments sensitive to changes in interest rates. The Company assumes that a loss in fair value is either a decrease to its assets or an increase to its liabilities. The fair value of the Company's interest rate swap agreements was a net asset of \$11.9 million at December 31, 2023. A hypothetical 10% decrease in interest rates would cause a decrease in the fair value of interest rate swap agreements and the asset would decrease by approximately \$2.9 million.

#### **FOREIGN CURRENCY EXCHANGE RATE RISK**

The Company operates internationally and enters into transactions denominated in foreign currencies. As such, the Company's financial results are subject to the variability that arises from exchange rate movements. The Company uses forward foreign currency exchange contracts to partially reduce risks related to transactions denominated in foreign currencies and not for trading purposes. These contracts generally mature within 36 months and require the companies to buy or sell euros, Japanese yen, U.S. dollars, Chinese renminbi, British pounds, Swedish kroner, Mexican pesos and Australian dollars for its functional currency at rates agreed to at the inception of the contracts. The fair value of these contracts was a net liability of \$12.2 million at December 31, 2023. See also Note 8 to the Consolidated Financial Statements in this Annual Report on Form 10-K.

For purposes of risk analysis, the Company uses sensitivity analysis to measure the potential loss in fair value of financial instruments sensitive to changes in foreign currency exchange rates. The Company assumes that a loss in fair value is either a decrease to its assets or an increase to its liabilities. Assuming a hypothetical 10% weakening of the U.S. dollar compared with other foreign currencies at December 31, 2023, the fair value of the liability of foreign currency-sensitive financial instruments, which primarily represent forward foreign currency exchange contracts, would be increased by \$19.7 million compared with the fair value at December 31, 2023. It is important to note that the change in fair value indicated in this sensitivity analysis would be somewhat offset by changes in the revaluation of the underlying receivables and payables.

#### **Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The information required by this Item 8 is set forth in the Financial Statements and Supplementary Data contained in Part IV of this Annual Report on Form 10-K and is hereby incorporated herein by reference to such information.

#### **Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE**

There were no disagreements with accountants on accounting and financial disclosure for the three-year period ended December 31, 2023.

#### **Item 9A. CONTROLS AND PROCEDURES**

**Evaluation of disclosure controls and procedures:** An evaluation was carried out under the supervision and with the participation of the Company's management, including the principal executive officer and the principal financial officer, of the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, these officers have concluded that the Company's disclosure controls and procedures were effective.

**Management's report on internal control over financial reporting:** Management is responsible for establishing and maintaining adequate internal control over financial reporting. Under the supervision and with the participation of management, including the principal executive officer and principal financial officer, the Company conducted an evaluation of the effectiveness of internal control over financial reporting based on the framework in Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 Framework). Based on this evaluation under the framework in Internal Control — Integrated Framework, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2023. The Company's effectiveness of internal control over financial reporting has been audited by Ernst & Young, LLP, an independent registered public accounting firm, as stated in its report, which is included in Item 15 of this Annual Report on Form 10-K and is incorporated herein by reference.

**Changes in internal control:** During the fourth quarter of 2023, there have been no changes in the Company's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

#### **Item 9B. OTHER INFORMATION**

None of the Company's directors or officers (as defined in Rule 16a-1(f) promulgated under the Securities Exchange Act of 1934) adopted, modified, or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as each term is defined in Item 408 of Regulation S-K) during the Company's fiscal quarter ended December 31, 2023.

#### **Item 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS**

Not applicable.

## PART III

### Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information required by this Item 10 of Part III will be included in the 2024 Proxy Statement, which information is incorporated herein by reference.

Information regarding the executive officers of the Company is included in this Annual Report on Form 10-K as Item 4A of Part I as permitted by the Instruction to Item 401 of Regulation S-K.

The Company has adopted a code of ethics applicable to all Company personnel, including the principal executive officer, principal financial officer, principal accounting officer and controller, or other persons performing similar functions. The code of ethics, entitled the “Code of Corporate Conduct,” is posted on the Company's website at [www.hyster-yale.com](http://www.hyster-yale.com) under “Corporate Governance.” Amendments and waivers of the Company's Code of Corporate Conduct for directors or executive officers of the Company, if any, will be disclosed on the Company's website or on a current report on Form 8-K. Information on the Company's website is not incorporated by reference in, and does not form part of, this Annual Report on Form 10-K.

### Item 11. EXECUTIVE COMPENSATION

Information required by this Item 11 of Part III will be included in the 2024 Proxy Statement, which information is incorporated herein by reference.

### Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Information required by this Item 12 of Part III will be included in the 2024 Proxy Statement, which information is incorporated herein by reference.

#### Equity Compensation Plan Information

The following table sets forth information as of December 31, 2023 with respect to our compensation plans (including individual compensation arrangements) under which equity securities are authorized for issuance, aggregated as follows:

Plan Category	Number of Securities to Be Issued Upon Exercise of Outstanding Options, Warrants and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column(a))
	(a)	(b)	(c)
<b>Class A Shares:</b>			
Equity compensation plans approved by security holders	—	N/A	889,400
Equity compensation plans not approved by security holders	—	N/A	—
Total	—	N/A	889,400
<b>Class B Shares:</b>			
Equity compensation plans approved by security holders	—	N/A	—
Equity compensation plans not approved by security holders	—	N/A	—
Total	—	N/A	—

### Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

Information required by this Item 13 of Part III will be included in the 2024 Proxy Statement, which information is incorporated herein by reference.

### Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by this Item 14 of Part III will be included in the 2024 Proxy Statement, which information is incorporated herein by reference.

## PART IV

### Item 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) (1) The response to Item 15(a)(1) is set forth beginning at page F-1 of this Annual Report on Form 10-K.

(a) (3) Listing of Exhibits — See the exhibit index beginning at page 31 of this Annual Report on Form 10-K.

(b) The response to Item 15(b) is set forth beginning at page 31 of this Annual Report on Form 10-K.

## EXHIBIT INDEX

### (3) Articles of Incorporation and By-laws.

- 3.1(i) Second Amended and Restated Certificate of Incorporation of Hyster-Yale Materials Handling, Inc. is incorporated by reference to Exhibit 3.1 to Hyster-Yale Materials Handling, Inc.'s Amendment No. 5 to the Registration Statement on Form S-1, dated September 26, 2012, Commission File No. 333-182388.
- 3.1(ii) Amended and Restated By-laws of Hyster-Yale Materials Handling, Inc. are incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated February 17, 2015, Commission File No. 000-54799.

### (4) Instruments defining the rights of security holders, including indentures.

- 4.1 Specimen of Hyster-Yale Materials Handling, Inc. Class A Common Stock certificate is incorporated by reference to Exhibit 4.1 to Hyster-Yale Materials Handling, Inc.'s Registration Statement on Form S-1, dated June 28, 2012, Commission File No. 333-182388.
- 4.2 Specimen of Hyster-Yale Materials Handling, Inc. Class B Common Stock certificate is incorporated by reference to Exhibit 4.2 to Hyster-Yale Materials Handling, Inc.'s Registration Statement on Form S-1, dated June 28, 2012, Commission File No. 333-182388.
- 4.3 Description of Securities is incorporated by reference to Exhibit 4.3 to the Company's Annual Report on Form 10-K, filed by the Company on February 25, 2020, Commission File Number 000-54799.

### (10) Material Contracts.

- 10.1 Tax Allocation Agreement, dated September 28, 2012, by and between NACCO Industries, Inc. and Hyster-Yale Materials Handling, Inc. is incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated October 4, 2012, Commission File Number 1-35646.
- 10.2 Stockholders' Agreement, dated as of September 28, 2012, by and among the Participating Stockholders (as defined therein), Hyster-Yale Materials Handling, Inc. and the Depository (as defined therein) is incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, dated October 4, 2012, Commission File No. 1-35646.
- 10.3 First Amendment to Stockholders' Agreement, dated as of December 31, 2012, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K, filed by the Company on February 19, 2013, Commission File Number 000-54799.
- 10.4 Second Amendment to Stockholders' Agreement, dated as of January 18, 2013, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K, filed by the Company on February 19, 2013, Commission File Number 000-54799.
- 10.5 Third Amendment to Stockholders' Agreement, dated as of March 27, 2015, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on April 29, 2015, Commission File Number 000-54799.
- 10.6 Fourth Amendment to Stockholders' Agreement, dated as of December 29, 2015, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10 filed with Amendment No. 4 to the Statement on Schedule 13D, filed by the Reporting Persons named therein on February 16, 2016, Commission File Number 005-87003.
- 10.7 Fifth Amendment to Stockholders' Agreement, dated as of December 2, 2016, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit No. 11 filed with Amendment No. 5 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 14, 2017, Commission File Number 005-38001.
- 10.8 Sixth Amendment to Stockholders' Agreement, dated as of December 22, 2016, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit No. 12 filed with Amendment No. 5 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 14, 2017, Commission File Number 005-38001.
- 10.9 Seventh Amendment to Stockholders' Agreement, dated as of February 6, 2017, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on May 2, 2017, Commission File Number 000-54799.
- 10.10 Eighth Amendment to Stockholders' Agreement, dated as of October 30, 2018, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K, filed by the Company on February 26, 2019, Commission File Number 000-54799.
- 10.11 Ninth Amendment to Stockholders' Agreement, dated as of December 5, 2019, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 28 filed with Amendment No. 8 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 13, 2020, Commission File Number 005-38001.
- 10.12 Tenth Amendment to Stockholders' Agreement, dated as of December 31, 2020, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholders identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 30 filed with Amendment No. 9 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 12, 2021, Commission File Number 005-38001.

- 10.13 Eleventh Amendment to Stockholders' Agreement, dated as of December 7, 2021, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholders identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 4.15 to the Company's Registration Statement on Form S-8, dated February 1, 2022, Commission File Number 333-262448.
- 10.14 Twelfth Amendment to Stockholders' Agreement, dated as of December 12, 2022, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 41 filed with Amendment No. 11 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 14, 2023, Commission File Number 005-87003.
- 10.15\* Thirteenth Amendment to Stockholders' Agreement, dated as of February 12, 2024, by and among the Depository, Hyster-Yale Materials Handling, Inc., the new Participating Stockholder identified on the signature pages thereto and the Participating Stockholders under the Stockholders' Agreement, dated as of September 28, 2012, as amended, by and among the Depository, Hyster-Yale Materials Handling, Inc. and the Participating Stockholders is incorporated by reference to Exhibit 43 filed with Amendment No. 12 to the Statement on Schedule 13D, filed by the reporting persons named therein on February 13, 2024, Commission File Number 005-87003.
- 10.16\* The Hyster-Yale Group, Inc. Executive Excess Retirement Plan (Effective as of January 1, 2016) is incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K, filed by the Company on February 28, 2017, Commission File Number 000-54799.
- 10.17\* Amendment No. 1 to the Hyster-Yale Group, Inc. Executive Excess Retirement Plan (As Amended and Restated as of January 1, 2016) is incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated April 30, 2020, Commission File Number 000-54799.
- 10.18\* Hyster-Yale Materials Handling, Inc. 2020 Long-Term Equity Incentive Plan, is incorporated by reference to Appendix A to the Company's Definitive Proxy Statement on Form DEF 14A, filed by the Company on March 31, 2020, Commission File Number 000-54799.
- 10.19\* Hyster-Yale Materials Handling, Inc. Supplemental Long-Term Equity Incentive Plan (Effective as of the Spin-Off Date) is incorporated by reference to Exhibit 10.67 to Hyster-Yale Materials Handling, Inc.'s Amendment No. 3 to the Registration Statement on Form S-1, dated September 13, 2012, Commission File Number 333-182388.
- 10.20\* Form Award Agreement for the Hyster-Yale Materials Handling, Inc. Supplemental Long-Term Equity Incentive Plan (Effective as of the Spin-Off Date) is incorporated by reference to Exhibit 10.68 to Hyster-Yale Materials Handling, Inc.'s Amendment No. 3 to the Registration Statement on Form S-1, dated September 13, 2012, Commission File Number 333-182388.
- 10.21\* Hyster-Yale Materials Handling, Inc. Non-Employee Directors' Equity Compensation Plan (Amended and Restated Effective May 17, 2019) is incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K, filed by the Company on February 25, 2020, Commission File Number 000-54799.
- 10.22\* Hyster-Yale Materials Handling, Inc. Non-Employee Directors' Equity Compensation Plan (Amended and Restated Effective May 9, 2023) is incorporated herein by reference to Appendix A to the Company's Definitive Proxy Statement on Schedule 14A filed by the Company on March 29, 2023, Commission File No. 000-54799.
- 10.23\* Hyster-Yale Materials Handling, Inc. and Subsidiaries Director Fee Policy (Amended Effective as of January 1, 2022) is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on May 3, 2022, Commission File Number 000-54799.
- 10.24\* Hyster-Yale Materials Handling, Inc. and Subsidiaries Director Fee Policy (Amended Effective as of January 1, 2023) is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on May 2, 2023, Commission File Number 000-54799.
- 10.25\* The Hyster-Yale Group, Inc. Long-Term Incentive Compensation Plan (Amended and Restated Effective as of January 1, 2016) is incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K, filed by the Company on February 28, 2017, Commission File Number 000-54799.
- 10.26\* The Hyster-Yale Group Inc. Annual Incentive Compensation Plan (Amended and Restated Effective as of January 1, 2016) is incorporated by reference to Exhibit 10.25 to the Company's Annual Report on Form 10-K, filed by the Company on February 28, 2017, Commission File Number 000-54799.
- 10.27\* Hyster-Yale Group, Inc. Excess Retirement Plan (Amended and Restated Effective January 1, 2016) is incorporated by reference to Exhibit 10.35 to the Company's Annual Report on Form 10-K, filed by the Company on February 17, 2016, Commission File Number 000-54799.
- 10.28\* Amendment No. 1 to the Hyster-Yale Group, Inc. Excess Retirement Plan (As Amended and Restated as of January 1, 2016) is incorporated by reference to Exhibit 10.24 to the Company's Annual Report on Form 10-K, filed by the Company on February 26, 2019, Commission File Number 000-54799.
- 10.29\* Amendment No. 2 to the Hyster-Yale Group, Inc. Executive Excess Retirement Plan (As Amended and Restated as of January 1, 2016) is incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated January 21, 2021, Commission File Number 000-54799.
- 10.30\* Offer Letter, dated August 1, 2022, between Scott A. Minder and Hyster-Yale Materials Handling, Inc. is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on November 1, 2022, Commission File Number 000-54799.
- 10.31 Equity joint venture contract, dated November 27, 1997, between Shanghai Perfect Jinqiao United Development Company Ltd., People's Republic of China, NACCO Materials Handling Group, Inc., USA, and Sumitomo-Yale Company Ltd., Japan is incorporated by reference to Exhibit 10.3 to NMHG Holding Co.'s Registration Statement on Form S-4, dated May 28, 2002, Commission File Number 333-89248.
- 10.32 Third Amended and Restated Joint Venture and Shareholders Agreement between Wells Fargo Financial Leasing, Inc. and Hyster-Yale Group, Inc., dated September 17, 2018 is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, Commission File Number 000-54799.
- 10.33 Amendment to Third Amended and Restated Joint Venture and Shareholders Agreement between Wells Fargo Financial Leasing, Inc. and Hyster-Yale Group, Inc., dated December 19, 2022 is incorporated by reference to Exhibit 10.30 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, Commission File Number 000-54799.
- 10.34 AS Facility Agreement, dated November 22, 2000, between GE Capital Australia and National Fleet Network Pty Limited is incorporated by reference to Exhibit 10.12 to NMHG Holding Co.'s Registration Statement on Form S-4, dated May 28, 2002, Commission File Number 333-89248.
- 10.35 Second Amended and Restated Recourse and Indemnity Agreement, dated September 17, 2018, by and between Wells Fargo Financial Leasing, Inc., HYG Financial Services, Inc. and Hyster-Yale Group, Inc. is incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, Commission File Number 000-54799.
- 10.36 First Amended and Restated Guarantee Agreement, dated September 17, 2018, by Hyster-Yale Materials Handling, Inc. in favor of Wells Fargo Financial Leasing, Inc. is incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, Commission File Number 000-54799.

- 10.37 First Amended and Restated Guarantee Agreement, dated September 17, 2018, by Hyster-Yale Group, Inc. in favor of Wells Fargo Financial Leasing, Inc. is incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, Commission File Number 000-54799.
- 10.38 Second Amended and Restated Loan, Security and Guaranty Agreement, dated as of June 24, 2021, among Hyster-Yale Materials Handling, Inc., Bolzoni Auramo, Inc. and Hyster-Yale Group, Inc., as U.S. Borrowers, Hyster-Yale Nederland B.V., as a Dutch Borrower, Hyster-Yale UK Limited, as a UK Borrower, any other Borrowers party thereto from time to time and certain Persons party thereto from time to time as Guarantors, certain financial institutions, as Lenders, Bank of America, N.A., as Administrative Agent and Security Trustee, BOFA Securities, Inc. and CitiBank, N.A., as Joint Lead Arrangers and Joint Book Managers and CitiBank, N.A., as Syndication Agent is incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed by the Company on August 3, 2021, Commission File Number 000-54799.
- 10.39 First Amendment to Second Amended and Restated Loan, Security and Guaranty Agreement, dated as of May 25, 2023, among Hyster-Yale Materials Handling, Inc., Bolzoni Auramo, Inc. and Hyster-Yale Group, Inc., as U.S. Borrowers, Hyster-Yale Nederland B.V., as the Dutch Borrower, and Hyster-Yale UK Limited, as the UK Borrower, certain Persons party thereto from time to time as Guarantors, certain financial institutions, as Lenders, and Bank of America, N.A., as Administrative Agent and Security Trustee is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on August 1, 2023, Commission File Number 000-54799.
- 10.40 Amended and Restated Term Loan Credit Agreement, dated as of May 28, 2021, among Hyster-Yale Group, Inc., as the Borrower, Hyster-Yale Materials Handling, Inc., as Holdings, Bank of America, N.A., as Administrative Agent, and the Other Lenders party thereto is incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q, filed by the Company on August 3, 2021, Commission File Number 000-54799.
- 10.41 Conforming Changes Amendment, dated as of June 23, 2023, by Bank of America, N.A., as administrative agent is incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q, filed by the Company on August 1, 2023, Commission File Number 000-54799.
- 10.42 Equity Transfer Agreement, dated December 6, 2017, by and between KNSN Pipe & Pile Company Limited and Hyster-Yale Acquisition Holding LTD Regarding Zhejiang Maximal Forklift Co., LTD. is incorporated by reference to Exhibit 10.57 to the Company's Annual Report on Form 10-K, filed by the Company on February 27, 2018, Commission File Number 000-54799.
- 10.43 Equity Transfer Agreement between Y-C HongKong Holding Co., Limited and Hyster-Yale Acquisition Holding LTD regarding Hyster-Yale Maximal Forklift (Zhejiang) Co., Ltd. dated May 26, 2021 is incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q, filed by the Company on August 3, 2021, Commission File Number 000-54799.

(21) Subsidiaries.

- 21.1 A list of the subsidiaries of the Company.

(23) Consents of experts and counsel.

- 23.1 Consent of Ernst & Young LLP.

(24) Powers of Attorney.

- 24.1 Power of attorney for Colleen R. Batcheler.
- 24.2 Power of attorney for James B. Bemowski.
- 24.3 Power of attorney for John C. Butler Jr.
- 24.4 Power of attorney for Carolyn Corvi.
- 24.5 Power of attorney for Edward T. Eliopoulos.
- 24.6 Power of attorney for John P. Jumper.
- 24.7 Power of attorney for Dennis W. LaBarre.
- 24.8 Power of attorney for H. Vincent Poor.
- 24.9 Power of attorney for Alfred M. Rankin, Jr.
- 24.10 Power of attorney for Claiborne R. Rankin.
- 24.11 Power of attorney for Britton T. Taplin.
- 24.12 Power of attorney for David B. H. Williams.

(31) Rule 13a-14(a)/15d-14(a) Certifications.

- 31(i)(1) Certification of Rajiv K. Prasad pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
- 31(i)(2) Certification of Scott A. Minder pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act.
- (32) Certifications pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, signed and dated by Rajiv K. Prasad and Scott A. Minder.

(97) Policy relating to the recovery of erroneously awarded compensation.

- 97.1 Hyster-Yale Materials Handling, Inc. Compensation Clawback Policy.

- 101.INS Inline XBRL Instance Document - The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
- 101.SCH Inline XBRL Taxonomy Extension Schema Document.
- 101.CAL Inline XBRL Taxonomy Extension Calculation Linkbase Document.
- 101.DEF Inline XBRL Taxonomy Extension Definition Linkbase Document.
- 101.LAB Inline XBRL Taxonomy Extension Label Linkbase Document.
- 101.PRE Inline XBRL Taxonomy Extension Presentation Linkbase Document.
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).
- \* Management contract or compensation plan or arrangement required to be filed as an exhibit pursuant to Item 15(b) of this Annual Report on Form 10-K.

**Item 16. FORM 10-K SUMMARY**

None

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Hyster-Yale Materials Handling, Inc.

By: /s/ Jennifer M. Langer

Jennifer M. Langer

Vice President, Controller and Chief Accounting Officer (principal accounting officer)

February 27, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities on February 27, 2024.

/s/ Rajiv K. Prasad President and Chief Executive Officer (principal executive officer), Director  
Rajiv K. Prasad

/s/ Scott A. Minder Senior Vice President, Chief Financial Officer and Treasurer (principal financial officer)  
Scott A. Minder

/s/ Jennifer M. Langer Vice President, Controller and Chief Accounting Officer (principal accounting officer)  
Jennifer M. Langer

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\* Colleen R. Batcheler Director                      \* Dennis W. LaBarre Director  
Colleen R. Batcheler                                      Dennis W. LaBarre

\* James B. Bemowski Director                      \* H. Vincent Poor Director  
James B. Bemowski                                      H. Vincent Poor

\* J.C. Butler, Jr. Director                              \* Alfred M. Rankin, Jr. Director  
J.C. Butler, Jr.    Alfred M. Rankin, Jr.

\* Carolyn Corvi Director                              \* Claiborne R. Rankin Director  
Carolyn Corvi    Claiborne R. Rankin

\* Edward T. Eliopoulos Director                      \* Britton T. Taplin Director  
Edward T. Eliopoulos                                      Britton T. Taplin

\* John P. Jumper Director                              \* David B. H. Williams Director  
John P. Jumper    David B. H. Williams

\* Scott A. Minder, by signing his name hereto, does hereby sign this Annual Report on Form 10-K on behalf of each of the above named and designated directors of the Company pursuant to a Power of Attorney executed by such persons and filed with the Securities and Exchange Commission.

/s/ Scott A. Minder  
Scott A. Minder, Attorney-in-Fact

February 27, 2024



**ANNUAL REPORT ON FORM 10-K**  
**ITEM 8 AND ITEM 15(a)(1)**  
**FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**  
**LIST OF FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2023**  
**HYSTER-YALE MATERIALS HANDLING, INC.**  
**CLEVELAND, OHIO**

**FORM 10-K**

**ITEM 15(a)(1)**

**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**

**LIST OF FINANCIAL STATEMENTS**

The following consolidated financial statements of Hyster-Yale Materials Handling, Inc. and Subsidiaries are incorporated by reference in Item 8:

Report of Ernst & Young LLP, Independent Registered Public Accounting Firm — For each of the three years in the period ended December 31, 2023	F-3
Report of Ernst & Young LLP, Independent Registered Public Accounting Firm on Internal Control over Financial Reporting — as of December 31, 2023	F-5
Consolidated Statements of Operations	F-6
Consolidated Statements of Comprehensive Income (Loss)	F-7
Consolidated Balance Sheets	F-8
Consolidated Statements of Cash Flows	F-9
Consolidated Statements of Equity	F-10
Notes to Consolidated Financial Statements.	F-12

All schedules for which provision is made in the applicable accounting regulation of the SEC are not required under the related instructions or are inapplicable, and therefore have been omitted.

Ernst & Young LLP [PCAOB ID: 42]

## Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Hyster-Yale Materials Handling, Inc.

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Hyster-Yale Materials Handling, Inc. and subsidiaries (“the Company”) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), cash flows and equity for each of the three years in the period ended December 31, 2023, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 27, 2024 expressed an unqualified opinion thereon.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

#### *Valuation of Goodwill - Bolzoni*

*Description of the Matter* At December 31, 2023, the Company's goodwill balance associated with Bolzoni was \$50.6 million. As discussed in Note 12, Goodwill and Intangible Assets, to the consolidated financial statements, the Company evaluates the carrying amount of goodwill for impairment annually as of May 1st and between annual evaluations if changes in circumstances or the occurrence of certain events indicate potential impairment. The Company applied a quantitative assessment for all material reporting units in fiscal 2023. As part of the quantitative approach, the Company estimates the fair value of the reporting unit using a discounted cash flow approach from the perspective of a market participant and comparable market values for similar businesses. Significant estimates within the discounted cash flow analysis include cash flow forecasts, the discount rate and the terminal business value.

Auditing management's annual goodwill impairment assessment was complex and highly judgmental due to the significant estimation required to determine the fair value of the Bolzoni reporting unit utilizing the discounted cash flow analysis. In particular, the fair value estimate was sensitive to significant assumptions utilized in the discounted cash flow analysis, such as changes in the discount rate applied, revenue growth rates, including the terminal growth rate, and operating margins, which are affected by expectations about future market or economic conditions.

### ***Valuation of Goodwill - Bolzoni***

#### *How We Addressed the Matter in Our Audit*

We obtained an understanding and evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment process whereby the Company develops significant assumptions that are used as inputs to the annual goodwill impairment test. This included controls over management's review of the valuation model and the significant assumptions (e.g., discount rate applied, revenue growth rates, operating margin and terminal growth rate) used to develop the prospective financial information (PFI).

To test the estimated fair value of the Company's Bolzoni reporting unit, we performed audit procedures that included, among others, assessing the methodologies used and directly testing the significant assumptions and the underlying data used by the Company in its analyses, including assessing the completeness and accuracy of such underlying data. We utilized internal valuation specialists in assessing the fair value methodologies applied and evaluating the reasonableness of the discount rate selected by management. We compared the significant assumptions used by management to current industry and economic trends, historical performance, guideline public companies in the same industry and strategic plans. We assessed the historical accuracy of management's estimates, and we performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions.

### ***Income Taxes - Valuation Allowance***

#### *Description of the Matter*

At December 31, 2023, the Company maintained a valuation allowance for its deferred tax assets in the amount of \$126.6 million. As discussed in Note 6, a valuation allowance is required where realization of its deferred tax assets is determined to no longer meet the "more likely than not" standard. As a part of this evaluation management considered all available evidence, both positive and negative, and based on the weight of that evidence determined whether a valuation allowance is needed and to what extent. On the basis of the assessment, the Company continues to record a valuation allowance to reduce the carrying amount of deferred tax assets to an amount that is more likely than not to be realized.

Auditing the Company's assessment of whether its deferred tax assets are realizable was complex, as determining whether a valuation allowance for the Company's deferred tax assets was necessary required an extensive analysis of positive and negative evidence regarding the realization of the deferred tax assets and, inherent in that, an assessment of the likelihood of sufficient future taxable income of the appropriate character, which is judgmental in nature.

#### *How We Addressed the Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process to assess the realizability of its deferred tax assets, including identifying and weighting the available positive and negative evidence.

With the assistance of our income tax professionals, we considered the weighting of the available positive and negative evidence. Specifically, we evaluated the type and nature of the Company's temporary differences, including considering whether the estimated future sources of taxable income were of the appropriate character to utilize the deferred tax assets and assessing the impacts of current tax legislation. We evaluated the Company's cumulative loss position for the three-year cumulative period ended December 31, 2023, and considered the impact of unusual or infrequent items. We evaluated management's ability to utilize the deferred tax assets through carryback provisions allowable by law within certain jurisdictions or through prudent and feasible tax planning strategies. We assessed management's model of estimated future reversals of existing taxable temporary differences. We evaluated management's projections of future taxable income, including existing contracts and backlog, as well as any potential circumstances that could adversely affect future operations and profit levels. In addition, we evaluated the Company's income tax disclosures related to the matters described above.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2002.

Cleveland, Ohio  
February 27, 2024

## Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Hyster-Yale Materials Handling, Inc.

### Opinion on Internal Control Over Financial Reporting

We have audited Hyster-Yale Materials Handling, Inc. and subsidiaries' internal control over financial reporting as of December 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Hyster-Yale Materials Handling, Inc. and subsidiaries (“the Company”) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), cash flows and equity for each of the three years in the period ended December 31, 2023 and the related notes and our report dated February 27, 2024 expressed an unqualified opinion thereon.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management’s report on internal control over financial reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Cleveland, Ohio  
February 27, 2024

**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

	Year Ended December 31		
	2023	2022	2021
	(In millions, except per share data)		
<b>Revenues</b>	<b>\$ 4,118.3</b>	<b>\$ 3,548.3</b>	<b>\$ 3,075.7</b>
Cost of sales	<b>3,332.7</b>	3,114.4	2,712.3
<b>Gross Profit</b>	<b>785.6</b>	433.9	363.4
<b>Operating Expenses</b>			
Selling, general and administrative expenses	576.9	473.0	450.1
Impairment loss	—	—	65.6
	<b>576.9</b>	473.0	515.7
<b>Operating Profit (Loss)</b>	<b>208.7</b>	(39.1)	(152.3)
<b>Other (income) expense</b>			
Interest expense	37.3	28.4	15.5
Income from unconsolidated affiliates	(9.8)	(11.0)	(11.7)
Other, net	0.2	5.9	(1.2)
	<b>27.7</b>	23.3	2.6
<b>Income (Loss) Before Income Taxes</b>	<b>181.0</b>	(62.4)	(154.9)
Income tax provision	52.9	9.2	28.3
<b>Net Income (Loss)</b>	<b>128.1</b>	(71.6)	(183.2)
Net (income) loss attributable to noncontrolling interest	(0.6)	(1.5)	10.2
Net income attributable to redeemable noncontrolling interests	(0.7)	(0.5)	—
Accrued dividend to redeemable noncontrolling interests	(0.9)	(0.5)	—
<b>Net Income (Loss) Attributable to Stockholders</b>	<b>\$ 125.9</b>	<b>\$ (74.1)</b>	<b>\$ (173.0)</b>
<b>Basic Earnings (Loss) per Share Attributable to Stockholders</b>	<b>\$ 7.35</b>	<b>\$ (4.38)</b>	<b>\$ (10.29)</b>
<b>Diluted Earnings (Loss) per Share Attributable to Stockholders</b>	<b>\$ 7.24</b>	<b>\$ (4.38)</b>	<b>\$ (10.29)</b>

See Notes to Consolidated Financial Statements.

**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	Year Ended December 31		
	2023	2022	2021
	(In millions)		
<b>Net Income (Loss)</b>	<b>\$ 128.1</b>	<b>\$ (71.6)</b>	<b>\$ (183.2)</b>
Other comprehensive income (loss)			
Foreign currency translation adjustment	18.7	(39.3)	(40.1)
Current period cash flow hedging activity, net of \$0.2 tax expense in 2023, net of \$0.7 tax expense in 2022 and net of \$0.9 tax benefit in 2021	(2.2)	(40.0)	(38.8)
Reclassification of hedging activities into earnings, net of \$0.1 tax expense in 2023, net of \$0.8 tax benefit in 2022 and net of \$0.1 tax benefit in 2021	30.9	34.3	(5.7)
Current period pension adjustment, net of \$0.1 tax benefit in 2023, net of \$0.3 tax expense in 2022 and net of \$0.1 tax expense in 2021	1.5	(3.7)	9.8
Reclassification of pension into earnings, net of \$0.1 tax benefit in 2022, net of \$0.0 tax benefit in 2021 and net of \$0.1 tax benefit in 2021	3.0	4.8	5.6
<b>Comprehensive Income (Loss)</b>	<b>\$ 180.0</b>	<b>\$ (115.5)</b>	<b>\$ (252.4)</b>
Other comprehensive income (loss) attributable to noncontrolling interests			
Net (income) loss attributable to noncontrolling interest	(0.6)	(1.5)	10.2
Net income attributable to redeemable noncontrolling interests	(0.7)	(0.5)	—
Accrued dividend to noncontrolling interest	(0.9)	(0.5)	—
Foreign currency translation adjustment attributable to noncontrolling interests	—	2.8	(2.0)
<b>Comprehensive Income (Loss) Attributable to Stockholders</b>	<b>\$ 177.8</b>	<b>\$ (115.2)</b>	<b>\$ (244.2)</b>

See Notes to Consolidated Financial Statements.

**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

	December 31	
	2023	2022
	(In millions, except share data)	
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 78.8	\$ 59.0
Accounts receivable, net of allowances of \$9.0 in 2023 and \$7.2 in 2022	497.5	523.6
Inventories, net	815.7	799.5
Prepaid expenses and other	98.1	76.6
<b>Total Current Assets</b>	<b>1,490.1</b>	<b>1,458.7</b>
<b>Property, Plant and Equipment, Net</b>	<b>313.9</b>	<b>310.0</b>
<b>Intangible Assets</b>	<b>39.3</b>	<b>42.7</b>
<b>Goodwill</b>	<b>53.3</b>	<b>51.3</b>
<b>Deferred Income Taxes</b>	<b>3.0</b>	<b>2.6</b>
<b>Investment in Unconsolidated Affiliates</b>	<b>56.8</b>	<b>59.4</b>
<b>Other Non-current Assets</b>	<b>122.7</b>	<b>101.5</b>
<b>Total Assets</b>	<b>\$ 2,079.1</b>	<b>\$ 2,026.2</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 523.5	\$ 585.8
Accounts payable, affiliates	6.7	21.6
Revolving credit facilities	83.3	137.1
Short-term debt and current maturities of long-term debt	169.4	148.8
Accrued payroll	87.4	64.4
Deferred revenue	77.9	139.8
Other current liabilities	270.4	245.4
<b>Total Current Liabilities</b>	<b>1,218.6</b>	<b>1,342.9</b>
<b>Long-term Debt</b>	<b>241.3</b>	<b>267.0</b>
<b>Self-insurance Liabilities</b>	<b>51.1</b>	<b>33.5</b>
<b>Pension Obligations</b>	<b>5.2</b>	<b>6.2</b>
<b>Deferred Income Taxes</b>	<b>12.7</b>	<b>13.4</b>
<b>Other Long-term Liabilities</b>	<b>143.4</b>	<b>138.1</b>
<b>Total Liabilities</b>	<b>1,672.3</b>	<b>1,801.1</b>
<b>Temporary Equity</b>		
Redeemable Noncontrolling Interest	14.8	14.2
<b>Stockholders' Equity</b>		
Common stock:		
Class A, par value \$0.01 per share, 13,715,755 shares outstanding (2022 - 13,154,918 shares outstanding)	0.1	0.1
Class B, par value \$0.01 per share, convertible into Class A on a one-for-one basis, 3,469,875 shares outstanding (2022 - 3,783,597 shares outstanding)	0.1	0.1
Capital in excess of par value	327.7	297.7
Retained earnings	256.3	152.7
Accumulated other comprehensive loss	(194.3)	(246.2)
<b>Total Stockholders' Equity</b>	<b>389.9</b>	<b>204.4</b>
<b>Noncontrolling Interest</b>	<b>2.1</b>	<b>6.5</b>
<b>Total Permanent Equity</b>	<b>392.0</b>	<b>210.9</b>
<b>Total Liabilities and Equity</b>	<b>\$ 2,079.1</b>	<b>\$ 2,026.2</b>

See Notes to Consolidated Financial Statements.



**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

	Year Ended December 31		
	2023	2022	2021
	(In millions)		
<b>Operating Activities</b>			
Net income (loss)	\$ 128.1	\$ (71.6)	\$ (183.2)
Adjustments to reconcile net income (loss) to net cash provided by (used for) operating activities:			
Depreciation and amortization	45.1	43.4	46.2
Amortization of deferred financing fees	1.4	1.4	3.1
Deferred income taxes	(1.1)	(0.1)	19.8
Goodwill impairment charges	—	—	55.6
Long-lived asset impairment charges	—	—	10.0
Stock-based compensation	29.3	6.4	4.0
Dividends from unconsolidated affiliates	10.5	15.6	5.5
Other non-current liabilities	15.1	(20.1)	(1.4)
Other	20.7	26.0	(32.3)
Working capital changes:			
Accounts receivable	26.8	(89.5)	(54.6)
Inventories	(4.3)	(39.1)	(289.7)
Other current assets	(8.4)	(5.4)	(12.5)
Accounts payable	(81.4)	78.7	129.5
Other liabilities	(31.1)	94.9	46.5
<b>Net cash provided by (used for) operating activities</b>	<b>150.7</b>	<b>40.6</b>	<b>(253.5)</b>
<b>Investing Activities</b>			
Expenditures for property, plant and equipment	(35.4)	(28.8)	(44.3)
Purchase of noncontrolling interest	(3.2)	(8.4)	—
Proceeds from the sale of assets	1.9	1.3	4.1
Proceeds from the sale of businesses	1.1	—	—
Proceeds from the sale of investments	1.1	0.5	15.7
<b>Net cash used for investing activities</b>	<b>(34.5)</b>	<b>(35.4)</b>	<b>(24.5)</b>
<b>Financing Activities</b>			
Additions to long-term debt	138.8	135.0	119.6
Reductions of long-term debt	(161.1)	(97.6)	(62.0)
Net additions (reductions) to revolving credit agreements	(53.7)	(26.3)	165.4
Cash dividends paid	(22.3)	(21.8)	(21.6)
Cash dividends paid to noncontrolling interest	(1.3)	(0.2)	(0.2)
Financing fees paid	(0.8)	—	(7.6)
Other	(0.1)	—	—
<b>Net cash provided by (used for) financing activities</b>	<b>(100.5)</b>	<b>(10.9)</b>	<b>193.6</b>
Effect of exchange rate changes on cash	4.1	(0.8)	(1.5)
<b>Cash and Cash Equivalents</b>			
Increase (decrease) for the year	19.8	(6.5)	(85.9)
Balance at the beginning of the year	59.0	65.5	151.4
<b>Balance at the end of the year</b>	<b>\$ 78.8</b>	<b>\$ 59.0</b>	<b>\$ 65.5</b>

See Notes to Consolidated Financial Statements.

**HYSTER-VALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**

	Permanent Equity										
	Temporary Equity	Accumulated Other Comprehensive Income (Loss)									
		Class A Common Stock	Class B Common Stock	Treasury Stock	Capital in Excess of Par Value	Retained Earnings	Foreign Currency Translation Adjustment	Deferred Gain (Loss) on Cash Flow Hedging	Pension Adjustment	Total Stockholders' Equity	Noncontrolling Interests
	(In millions)										
Balance, December 31, 2020	\$ 0.1	\$ 0.1	\$ (6.0)	\$ 312.6	\$ 443.2	\$ (57.6)	\$ 12.5	\$ (88.0)	\$ 616.9	\$ 34.2	\$ 651.1
Stock-based compensation	—	—	—	4.0	—	—	—	—	4.0	—	4.0
Stock issued under stock compensation plans	—	—	1.5	(1.5)	—	—	—	—	—	—	—
Net income (loss)	—	—	—	—	(173.0)	—	—	—	(173.0)	(10.2)	(183.2)
Cash dividends	—	—	—	—	(21.6)	—	—	—	(21.6)	(0.2)	(21.8)
Current period other comprehensive income (loss)	—	—	—	—	—	(40.1)	(38.8)	9.8	(69.1)	—	(69.1)
Reclassification adjustment to net income (loss)	—	—	—	—	—	—	(5.7)	5.6	(0.1)	—	(0.1)
Foreign currency translation on noncontrolling interest	—	—	—	—	—	—	—	—	—	2.0	2.0
Balance, December 31, 2021	\$ 0.1	\$ 0.1	\$ (4.5)	\$ 315.1	\$ 248.6	\$ (97.7)	\$ (32.0)	\$ (72.6)	\$ 357.1	\$ 25.8	\$ 382.9
Stock-based compensation	—	—	—	6.4	—	—	—	—	6.4	—	6.4
Stock issued under stock compensation plans	—	—	4.5	(4.5)	—	—	—	—	—	—	—
Net income (loss)	0.5	—	—	—	(74.1)	—	—	—	(74.1)	1.5	(72.6)
Cash dividends	—	—	—	—	(21.8)	—	—	—	(21.8)	(0.2)	(22.0)
Accrued dividends	0.5	—	—	—	—	—	—	—	—	—	—
Current period other comprehensive income (loss)	—	—	—	—	—	(39.3)	(40.0)	(3.7)	(83.0)	—	(83.0)
Reclassification adjustment to net income (loss)	—	—	—	—	—	—	34.3	4.8	39.1	—	39.1
Acquisition of business	—	—	—	—	—	—	—	—	—	—	—
Purchase of noncontrolling interest	—	—	—	(12.8)	—	—	—	—	(12.8)	(11.1)	(23.9)
Reclassification from permanent equity to temporary equity	13.1	—	—	(6.5)	—	—	—	—	(6.5)	(6.6)	(13.1)
Foreign currency translation on noncontrolling interest	0.1	—	—	—	—	—	—	—	—	(2.9)	(2.9)
Balance, December 31, 2022	\$ 14.2	\$ 0.1	\$ —	\$ 297.7	\$ 152.7	\$ (137.0)	\$ (37.7)	\$ (71.5)	\$ 204.4	\$ 6.5	\$ 210.9

**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF EQUITY**

	Permanent Equity										
	Temporary Equity	Accumulated Other Comprehensive Income (Loss)									
		Class A Common Stock	Class B Common Stock	Treasury Stock	Capital in Excess of Par Value	Retained Earnings	Foreign Currency Translation Adjustment	Deferred Gain (Loss) on Cash Flow Hedging	Pension Adjustment	Total Stockholders' Equity	Noncontrolling Interests
Balance, December 31, 2022	\$ 14.2	\$ 0.1	\$ 0.1	\$ 297.7	\$ 152.7	\$ (137.0)	\$ (37.7)	\$ (71.5)	\$ 204.4	\$ 6.5	\$ 210.9
Stock-based compensation	—	—	—	29.3	—	—	—	—	29.3	—	29.3
Stock issued under stock compensation plans	—	—	0.1	(0.1)	—	—	—	—	—	—	—
Purchase of treasury stock	—	—	(0.1)	—	—	—	—	—	(0.1)	—	(0.1)
Net income (loss)	0.7	—	—	—	125.9	—	—	—	125.9	0.6	126.5
Cash dividends	(0.9)	—	—	—	(22.3)	—	—	—	(22.3)	(0.4)	(22.7)
Accrued dividends	0.9	—	—	—	—	—	—	—	—	—	—
Current period other comprehensive income (loss)	—	—	—	—	—	18.7	(2.2)	1.5	18.0	—	18.0
Reclassification adjustment to net income (loss)	—	—	—	—	—	—	30.9	3.0	33.9	—	33.9
Purchase of noncontrolling interest	—	—	—	0.8	—	—	—	—	0.8	(4.0)	(3.2)
Sale of noncontrolling interest	—	—	—	—	—	—	—	—	—	(0.7)	(0.7)
Reclassification from permanent equity to temporary equity	—	—	—	—	—	—	—	—	—	—	—
Foreign currency translation on noncontrolling interest	(0.1)	—	—	—	—	—	—	—	—	0.1	0.1
Balance, December 31, 2023	\$ 14.8	\$ 0.1	\$ 0.1	\$ 327.7	\$ 256.3	\$ (118.3)	\$ (9.0)	\$ (67.0)	\$ 389.9	\$ 2.1	\$ 392.0

See Notes to Consolidated Financial Statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**HYSTER-YALE MATERIALS HANDLING, INC. AND SUBSIDIARIES**

*(Tabular Amounts in Millions, Except Per Share and Percentage Data)*

**NOTE 1—Principles of Consolidation and Nature of Operations**

The consolidated financial statements include the accounts of Hyster-Yale Materials Handling, Inc., a Delaware corporation, and the accounts of Hyster-Yale's wholly owned domestic and international subsidiaries and majority-owned joint ventures (collectively, "Hyster-Yale" or the "Company"). All intercompany accounts and transactions among the consolidated companies are eliminated in consolidation.

The Company, through its wholly owned operating subsidiary, Hyster-Yale Group, Inc. ("HYG"), designs, engineers, manufactures, sells and services a comprehensive line of lift trucks, attachments and aftermarket parts marketed globally primarily under the Hyster<sup>®</sup> and Yale<sup>®</sup> brand names, mainly to independent Hyster<sup>®</sup> and Yale<sup>®</sup> retail dealerships. Lift trucks and component parts are manufactured in the United States, Northern Ireland, China, Mexico, the Netherlands, Brazil, the Philippines, Italy, Japan and Vietnam. The sale of service parts represents approximately 15% of total revenues as reported in 2023, 2022 and 2021, respectively.

As of December 31, 2023, the Company owned a 90% majority interest in Hyster-Yale Maximal Forklift (Zhejiang) Co., Ltd. ("Hyster-Yale Maximal"), a Chinese manufacturer of low-intensity and standard lift trucks and specialized material handling equipment. Hyster-Yale Maximal also designs and produces specialized products in the port equipment and rough terrain forklift markets.

The Company operates Bolzoni S.p.A. ("Bolzoni"). Bolzoni is a leading worldwide producer and distributor of attachments, forks and lift tables marketed under the Bolzoni<sup>®</sup>, Auramo<sup>®</sup> and Meyer<sup>®</sup> brand names. Bolzoni also produces components for lift truck manufacturers. Bolzoni products are manufactured in the United States, Italy, China, Germany and Finland. Through the design, production and distribution of a wide range of attachments, Bolzoni has a strong presence in the market niche of lift-truck attachments and industrial material handling.

The Company operates Nuvera Fuel Cells, LLC ("Nuvera"). Nuvera is an alternative-power technology company focused on the design, manufacture and sale of hydrogen fuel-cell stacks and engines.

Investments in Sumitomo NACCO Forklift Co., Ltd. ("SN"), a 50% owned joint venture, and HYG Financial Services, Inc. ("HYGFS"), a 20% owned joint venture, are accounted for by the equity method. SN operates manufacturing facilities in Japan, the Philippines and Vietnam from which the Company purchases certain components, service parts and lift trucks. Sumitomo Heavy Industries, Ltd. owns the remaining 50% interest in SN. Each stockholder of SN is entitled to appoint directors representing 50% of the vote of SN's board of directors. All matters related to policies and programs of operation, manufacturing and sales activities require mutual agreement between the Company and Sumitomo Heavy Industries, Ltd. prior to a vote of SN's board of directors. HYGFS is a joint venture with Wells Fargo Financial Leasing, Inc. ("WF"), formed primarily for the purpose of providing financial services to independent Hyster<sup>®</sup> and Yale<sup>®</sup> lift truck dealers and National Account customers in the United States. National Account customers are large customers with centralized purchasing and geographically dispersed operations in multiple dealer territories. The Company's percentage share of the net income or loss from these equity investments is reported on the line "Income from unconsolidated affiliates" in the "Other (income) expense" portion of the Consolidated Statements of Operations.

**NOTE 2—Significant Accounting Policies**

**Use of Estimates:** The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and judgments. These estimates and judgments affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities (if any) at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents:** Cash and cash equivalents include cash in banks and highly liquid investments with original maturities of three months or less.

**Accounts Receivable, Net of Allowances:** Allowances are maintained against accounts receivable for doubtful accounts. Allowances for doubtful accounts are maintained for estimated losses resulting from the inability or unwillingness of customers to make required payments. These allowances are based on historical experience, existing economic trends and both recent trends of specific customers estimated to be a greater credit risk as well as general trends of the entire customer pool. Accounts are written off against the allowance when it becomes evident collection will not occur.

Changes in the Company's allowance for doubtful accounts, including write-offs, are as follows:

	2023	2022
Balance at January 1	\$ 11.2	\$ 10.3
Charged to costs and expenses	5.2	3.1
Write-offs	(2.5)	(0.5)
Recoveries	(1.0)	(1.0)
Foreign currency effect	0.3	(0.7)
<b>Balance at December 31</b>	<b>\$ 13.2</b>	<b>\$ 11.2</b>

The allowance for doubtful accounts balance includes allowance of receivables classified as long-term of \$4.2 million and \$4.0 million in 2023 and 2022, respectively.

**Self-insurance Liabilities:** The Company is generally self-insured for product liability, environmental liability and medical and workers' compensation claims. For product liability, catastrophic insurance coverage is retained for potentially significant individual claims. The Company also has insurance for certain historic product liability claims. An estimated provision for claims reported and for claims incurred but not yet reported under the self-insurance programs is recorded and revised periodically based on industry trends, historical experience and management judgment. In addition, industry trends are considered within management judgment for valuing claims. Changes in assumptions for such matters as legal judgments and settlements, legal defense costs, inflation rates, medical costs and actual experience could cause estimates to change in the near term.

**Advertising Costs:** Advertising costs are expensed as incurred. Total advertising expense was \$10.6 million, \$8.6 million and \$9.0 million in 2023, 2022 and 2021, respectively.

**Research and Development Costs:** Expenses associated with the development of new products and changes to existing products are charged to expense as incurred. These costs amounted to \$119.7 million, \$100.7 million and \$108.3 million in 2023, 2022 and 2021, respectively.

**Foreign Currency:** Assets and liabilities of non-U.S. operations are translated into U.S. dollars at the fiscal year-end exchange rate. The related translation adjustments are recorded as a separate component of equity, except for the Company's Mexican operations. The U.S. dollar is considered the functional currency for the Company's Mexican operations and, therefore, the effect of translating assets and liabilities from the Mexican peso to the U.S. dollar is recorded in results of operations. Revenues and expenses of all non-U.S. operations are translated using average monthly exchange rates prevailing during the year. The following table includes other significant accounting policies that are described in other notes to the consolidated financial statements, including the footnote number:

Significant Accounting Policy	Note
Revenue Recognition	Revenue Recognition (Note 3)
Reportable segments	Business Segments (Note 4)
Stock-based compensation	Common Stock and Earnings per Share (Note 5)
Income taxes	Income Taxes (Note 6)
Derivatives and hedging activities	Financial Instruments and Derivative Financial Instruments (Note 8)
Fair value of financial instruments	Financial Instruments and Derivative Financial Instruments (Note 8) and Retirement Benefit Plans (Note 9)
Pension	Retirement Benefit Plans (Note 9)
Inventories	Inventories (Note 10)
Property, plant and equipment	Property, Plant and Equipment, Net (Note 11)
Impairment or disposal of long-lived assets	Property, Plant and Equipment, Net (Note 11)
Goodwill and intangible assets	Goodwill and Intangible Assets (Note 12)
Contingencies	Contingencies (Note 16)

### Recently Issued Accounting Standards

In 2023, the Company did not adopt any recent accounting standard updates ("ASU") which had a material effect on the Company's financial position, results of operations, cash flows or related disclosures.

The following table provides a brief description of ASUs not yet adopted:

Standard	Description	Required Date of Adoption	Effect on the financial statements or other significant matters
ASU 2020-04 and ASU 2022-06, Reference Rate Reform (Topic 848)	The guidance provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships, and other transactions affected by reference rate reform if certain criteria are met.	From the date of issuance through December 31, 2024	The Company does not expect the guidance to have a material effect on its financial position, results of operations, cash flows and related disclosures.
ASU 2023-05, Business Combinations - Joint Venture Formations (Subtopic 805-60)	The guidance provides a basis of accounting for newly-formed joint venture entities which will recognize and measure assets and liabilities at fair value upon formation.	January 1, 2025	The Company is currently evaluating the guidance and the effect on its financial position, results of operations, cash flows and related disclosures.
ASU 2023-07, Segment Reporting (Topic 280)	The guidance provides requirements for new and updated segment disclosures.	December 31, 2024	The Company is currently evaluating the guidance and the effect on its related disclosures.
ASU 2023-09, Improvements to Income Tax Disclosures (Topic 740)	The guidance provides requirements for new and updated income tax disclosures.	January 1, 2025	The Company is currently evaluating the guidance and the effect on its related disclosures.

### NOTE 3—Revenue

Revenue is recognized when obligations under the terms of a contract with the customer are satisfied, which occurs when control of the trucks, parts, or services are transferred to the customer. Revenue is measured as the amount of consideration expected to be received in exchange for transferring goods or providing services. The satisfaction of performance obligations under the terms of a revenue contract generally gives rise for the right to payment from the customer. The Company's standard payment terms vary by the type and location of the customer and the products or services offered. Generally, the time between when revenue is recognized and when payment is due is not significant. Given the insignificant days between revenue recognition and receipt of payment, financing components do not exist between the Company and its customers. Taxes collected from customers are excluded from revenue. The estimated costs of product warranties are recognized as expense when the products are sold. See Note 15 for further information on product warranties.

The majority of the Company's sales contracts contain performance obligations satisfied at a point in time when title and risks and rewards of ownership have transferred to the customer. Revenues for service contracts are recognized as the services are provided.

The Company also records variable consideration in the form of estimated reductions to revenues for customer programs and incentive offerings, including special pricing agreements, promotions and other volume-based incentives. Lift truck sales revenue is recorded net of estimated discounts. The estimated discount amount is based upon historical experience and trend analysis for each lift truck model. In addition to standard discounts, dealers can also request additional discounts that allow them to offer price concessions to customers. From time to time, the Company offers special incentives to increase market share or dealer stock and offers certain customers volume rebates if a specified cumulative level of purchases is obtained.

For contracts with customers that include multiple performance obligations, judgment is required to determine whether performance obligations specified in these contracts are distinct and should be accounted for as separate revenue transactions for recognition purposes. For such arrangements, revenue is allocated to each performance obligation based on its relative standalone selling price. Standalone selling prices are generally determined based on the prices charged to customers or using expected cost plus margin. Impairment losses recognized on receivables or contract assets were not significant for the years ended December 31, 2023, 2022 and 2021.

The Company generally expenses sales commissions when incurred because the amortization period would have been one year or less. These costs are reported on the line "Selling, general and administrative expenses" in the Consolidated Statements of Operations.

The Company pays for shipping and handling activities regardless of when control is transferred and has elected to account for shipping and handling as activities to fulfill the promise to transfer the good, rather than a promised service. These costs are reported on the line "Cost of sales" in the Consolidated Statements of Operations.

The following table disaggregates revenue by category:

	YEAR ENDED						
	DECEMBER 31, 2023						
	Lift truck business			Bolzoni	Nuvera	Elims	Total
Americas	EMEA	JAPIC					
Dealer sales	\$ 1,565.6	\$ 679.2	\$ 172.9	\$ —	\$ —	\$ —	\$ 2,417.7
Direct customer sales	541.3	9.4	—	—	—	—	550.7
Aftermarket sales	700.0	110.7	27.9	—	—	—	838.6
Other	92.4	21.2	0.3	375.3	4.3	(182.2)	311.3
<b>Total Revenues</b>	<b>\$ 2,899.3</b>	<b>\$ 820.5</b>	<b>\$ 201.1</b>	<b>\$ 375.3</b>	<b>\$ 4.3</b>	<b>\$ (182.2)</b>	<b>\$ 4,118.3</b>

	YEAR ENDED						
	DECEMBER 31, 2022						
	Lift truck business			Bolzoni	Nuvera	Elims	Total
Americas	EMEA	JAPIC					
Dealer sales	\$ 1,234.3	\$ 569.0	\$ 220.2	\$ —	\$ —	\$ —	\$ 2,023.5
Direct customer sales	461.6	13.2	—	—	—	—	474.8
Aftermarket sales	609.8	102.6	29.1	—	—	—	741.5
Other	99.7	19.4	0.7	355.7	3.4	(170.4)	308.5
<b>Total Revenues</b>	<b>\$ 2,405.4</b>	<b>\$ 704.2</b>	<b>\$ 250.0</b>	<b>\$ 355.7</b>	<b>\$ 3.4</b>	<b>\$ (170.4)</b>	<b>\$ 3,548.3</b>

	YEAR ENDED						
	DECEMBER 31, 2021						
	Lift truck business			Bolzoni	Nuvera	Elims	Total
Americas	EMEA	JAPIC					
Dealer sales	\$ 935.4	\$ 540.7	\$ 202.7	\$ —	\$ —	\$ —	\$ 1,678.8
Direct customer sales	452.5	8.7	—	—	—	—	461.2
Aftermarket sales	478.5	106.7	30.2	—	—	—	615.4
Other	118.2	22.8	1.0	347.8	0.7	(170.2)	320.3
<b>Total Revenues</b>	<b>\$ 1,984.6</b>	<b>\$ 678.9</b>	<b>\$ 233.9</b>	<b>\$ 347.8</b>	<b>\$ 0.7</b>	<b>\$ (170.2)</b>	<b>\$ 3,075.7</b>

Dealer sales are recognized when the Company transfers control based on the shipping terms of the contract, which is generally when the truck is shipped from the manufacturing facility to the dealers. The majority of direct customer sales are to National Account customers. In these transactions, the Company transfers control and recognizes revenue when it delivers the product to the customer according to the terms of the contract. Aftermarket sales represent parts sales, extended warranty and maintenance services. For the sale of aftermarket parts, the Company transfers control and recognizes revenue when parts are shipped to the customer. When customers are given the right to return eligible parts and accessories, the Company estimates the expected returns based on an analysis of historical experience. The Company adjusts estimated revenues at the earlier of when the most likely amount of consideration expected to be received changes or when the consideration becomes fixed. The Company recognizes revenue for extended warranty and maintenance agreements based on the standalone selling price over the life of the contract, which reflects the costs to perform under these contracts and corresponds with, and thereby depicts, the transfer of control to the customer. Bolzoni revenue from external customers is primarily the sale of attachments to customers. In these transactions, the Company transfers control and recognizes revenue according to the shipping terms of the contract. In the United States, Bolzoni also has revenue for sales of forklift components to HYG plants. Nuvera's revenues include development funding from third-party agreements and the sale of fuel cell stacks and engines to third parties and the lift truck business. In all revenue transactions, the Company receives cash equal to the invoice price and amount of consideration received and the revenue recognized may vary with changes in marketing incentives. Intercompany revenues between Bolzoni, Nuvera and the lift truck business have been eliminated.

**Deferred Revenue:** The Company defers revenue for transactions that have not met the criteria for recognition at the time payment is collected, including extended warranties and maintenance contracts. In addition, for certain products, services and customer types, the Company collects payment prior to the transfer of control to the customer. Changes in the Company's deferred revenue are as follows:

	2023	2022
Balance, January 1	\$ 153.8	\$ 76.2
Customer deposits and billings	62.4	158.5
Revenue recognized	(123.8)	(80.9)
Foreign currency effect	0.1	—
Balance, December 31	<u>\$ 92.5</u>	<u>\$ 153.8</u>

#### NOTE 4—Business Segments

The Company's reportable segments for the lift truck business include the following three management units: the Americas, EMEA and JAPIC. Americas includes lift truck operations in the United States, Canada, Mexico, Brazil, Latin America and the corporate headquarters. EMEA includes operations in Europe, the Middle East and Africa. JAPIC includes operations in the Asia and Pacific regions, including China, as well as the equity earnings of SN operations. Certain amounts are allocated to these geographic management units and are included in the segment results presented below, including product development costs, corporate headquarter's expenses and information technology infrastructure costs. These allocations among geographic management units are determined by senior management and not directly incurred by the geographic operations. In addition, other costs are incurred directly by these geographic management units based upon the location of the manufacturing plant or sales units, including manufacturing variances, product liability, warranty and sales discounts, which may not be associated with the geographic management unit of the ultimate end user sales location where revenues and margins are reported. Therefore, the reported results of each segment for the lift truck business cannot be considered stand-alone entities as all segments are inter-related and integrate into a single global lift truck business.

The Company reports the results of both Bolzoni and Nuvera as separate segments. Intercompany sales between Nuvera, Bolzoni and the lift truck business have been eliminated.

Operating profit is the measure of segment profit or loss. Financial information for each of the reportable segments is presented in the following table. See Note 1 for a discussion of the Company's product lines. Refer to Note 2 for a description of the accounting policies of the reportable segments as well as a reference table for the remaining accounting policies described in the accompanying footnotes.

	2023	2022	2021
<b>Revenues from external customers</b>			
Americas	\$ 2,899.3	\$ 2,405.4	\$ 1,984.6
EMEA	820.5	704.2	678.9
JAPIC	201.1	250.0	233.9
Lift truck business	<u>3,920.9</u>	<u>3,359.6</u>	<u>2,897.4</u>
Bolzoni	375.3	355.7	347.8
Nuvera	4.3	3.4	0.7
Eliminations	(182.2)	(170.4)	(170.2)
Total	<u>\$ 4,118.3</u>	<u>\$ 3,548.3</u>	<u>\$ 3,075.7</u>
<b>Operating profit (loss)</b>			
Americas	\$ 233.1	\$ 46.8	\$ (19.7)
EMEA	12.1	(46.6)	0.3
JAPIC	(15.6)	(10.6)	(67.5)
Lift truck business	<u>229.6</u>	<u>(10.4)</u>	<u>(86.9)</u>
Bolzoni	15.3	6.2	(1.8)
Nuvera	(36.4)	(34.3)	(62.3)
Eliminations	0.2	(0.6)	(1.3)
Total	<u>\$ 208.7</u>	<u>\$ (39.1)</u>	<u>\$ (152.3)</u>



	2023	2022	2021
<b>Total assets</b>			
Americas	\$ 1,715.4	\$ 1,700.0	\$ 1,558.2
EMEA	808.5	811.0	843.7
JAPIC	276.8	339.5	329.3
Eliminations	(575.2)	(693.2)	(682.8)
Lift truck business	2,225.5	2,157.3	2,048.4
Bolzoni	303.8	315.2	323.8
Nuvera	25.4	18.9	16.0
Eliminations	(475.6)	(465.2)	(418.1)
Total	\$ 2,079.1	\$ 2,026.2	\$ 1,970.1
<b>Depreciation and amortization</b>			
Americas	\$ 16.6	\$ 15.8	\$ 17.3
EMEA	8.2	7.8	8.1
JAPIC	7.9	7.4	6.9
Lift truck business	32.7	31.0	32.3
Bolzoni	11.7	11.7	12.7
Nuvera	0.7	0.7	1.2
Total	\$ 45.1	\$ 43.4	\$ 46.2
<b>Capital expenditures</b>			
Americas	\$ 16.9	\$ 5.1	\$ 16.1
EMEA	6.6	4.9	10.7
JAPIC	3.3	10.3	3.8
Lift truck business	26.8	20.3	30.6
Bolzoni	5.1	5.5	10.4
Nuvera	3.5	3.0	3.3
Total	\$ 35.4	\$ 28.8	\$ 44.3

#### Data by Geographic Region

No single country outside of the United States comprised 10% or more of revenues from unaffiliated customers. The “Other” category below includes Canada, Mexico, South America and the Asia and Pacific regions. In addition, no single customer comprised 10% or more of revenues from unaffiliated customers.

	United States	Europe, Africa and Middle East	Other	Consolidated
<b>2023</b>				
Revenues from unaffiliated customers, based on the customers' location	\$ 2,542.9	\$ 930.5	\$ 644.9	\$ 4,118.3
Long-lived tangible assets	\$ 179.1	\$ 90.5	\$ 101.1	\$ 370.7
<b>2022</b>				
Revenues from unaffiliated customers, based on the customers' location	\$ 1,973.8	\$ 886.5	\$ 688.0	\$ 3,548.3
Long-lived tangible assets	\$ 164.3	\$ 97.7	\$ 107.4	\$ 369.4
<b>2021</b>				
Revenues from unaffiliated customers, based on the customers' location	\$ 1,671.1	\$ 866.1	\$ 538.5	\$ 3,075.7
Long-lived tangible assets	\$ 185.3	\$ 97.4	\$ 119.5	\$ 402.2

## NOTE 5—Common Stock and Earnings per Share

The Company's Class A common stock is traded on the New York Stock Exchange under the ticker symbol "HY." Because of transfer restrictions on Class B common stock, no trading market has developed, or is expected to develop, for the Company's Class B common stock. The Class B common stock is convertible into Class A common stock on a one-for-one basis at any time at the request of the holder. The Company's Class A common stock and Class B common stock have the same cash dividend rights per share. The Class A common stock has one vote per share and the Class B common stock has ten votes per share. The total number of authorized shares of Class A common stock and Class B common stock at December 31, 2023 was 125 million shares and 35 million shares, respectively. No treasury shares of either class were outstanding at December 31, 2023 and 2022, respectively.

**Stock Compensation:** The Company has stock compensation plans for certain employees in the U.S. that allow the grant of shares of Class A common stock, subject to restrictions, as a means of retaining and rewarding them for long-term performance and to increase ownership in the Company. Shares awarded under the plans are fully vested and entitle the stockholder to all rights of common stock ownership except that shares may not be assigned, pledged or otherwise transferred during the restriction period. In general, the restriction period ends at the earliest of (i) five years after the participant's retirement date, (ii) four, seven or ten years from the award date, as defined in the award, or (iii) the participant's death or permanent disability. Pursuant to the plans, the Company issued 423,596, 220,114 and 64,058 shares related to the years ended December 31, 2023, 2022 and 2021, respectively. After the issuance of these shares, there will be 292,802 shares of Class A common stock available for issuance under these plans. Compensation expense related to these share awards was \$27.5 million (\$23.5 million net of tax), \$5.5 million (\$5.5 million net of tax) and \$2.6 million (\$2.0 million net of tax) for the years ended 2023, 2022 and 2021, respectively. Compensation expense at the grant date represents fair value based on the market price of the shares of Class A common stock. The Company also has a stock compensation plan for non-employee directors of the Company under which a portion of the non-employee directors' annual retainer is paid in restricted shares of Class A common stock. For the year ended December 31, 2023, \$140,000 of each non-employee director's retainer of \$208,000 was paid in restricted shares of Class A common stock. For the year ended December 31, 2022, \$96,000 of \$200,000 was paid in restricted shares of Class A common stock. For the year ended December 31, 2021, \$127,000 of \$188,000 was paid in restricted shares of Class A common stock. Shares awarded under the plan are fully vested and entitle the stockholder to all rights of common stock ownership except that shares may not be assigned, pledged or otherwise transferred during the restriction period. In general, the restriction period ends at the earliest of (i) ten years from the award date, (ii) the date of the director's death or permanent disability, (iii) five years (or earlier with the approval of the Board of Directors) after the director's date of retirement from the Board of Directors, or (iv) the date on which the director has both retired from the Board of Directors and reached 70 years of age. Pursuant to this plan, the Company issued 34,239, 29,898 and 22,176 shares related to the years ended December 31, 2023, 2022 and 2021, respectively. In addition to the mandatory retainer fee received in restricted stock, directors may elect to receive shares of Class A common stock in lieu of cash for up to 100% of the balance of their annual retainer, meeting attendance fees, committee retainer and any committee chairman's fees. These voluntary shares are not subject to any restrictions. Total shares issued under voluntary elections were 726, 1,075 and 1,168 in 2023, 2022 and 2021, respectively. After the issuance of these shares, there were 165,038 shares of Class A common stock available for issuance under this directors' plan. Compensation expense related to these awards was \$1.8 million (\$1.5 million net of tax), \$0.9 million (\$0.9 million net of tax) and \$1.4 million (\$1.1 million net of tax) for the years ended December 31, 2023, 2022 and 2021, respectively. Compensation expense at the grant date represents fair value based on the market price of the shares of Class A common stock.

**Earnings per Share:** For purposes of calculating earnings per share, no adjustments have been made to the reported amounts of net income attributable to stockholders. In addition, basic and diluted earnings per share for Class A common stock are the same as Class B common stock. The weighted average number of shares of Class A common stock and Class B common stock outstanding used to calculate basic and diluted earnings per share were as follows:

	2023	2022	2021
Basic weighted average shares outstanding	17.137	16.901	16.818
Dilutive effect of restricted stock awards	0.248	—	—
Diluted weighted average shares outstanding	17.385	16.901	16.818
Basic earnings per share	\$ 7.35	\$ (4.38)	\$ (10.29)
Diluted earnings per share	\$ 7.24	\$ (4.38)	\$ (10.29)
Cash dividends per share	\$ 1.2975	\$ 1.2900	\$ 1.2850

In the table above, 2022 and 2021 exclude 0.223 million and 0.074 million, respectively, of anti-dilutive restricted stock awards. Restricted stock awards for 2023 are expected to be issued in 2024.

## NOTE 6—Income Taxes

The components of income (loss) before income taxes and provision for income taxes for the years ended December 31 are as follows:

	2023	2022	2021
<b>Income (loss) before income taxes</b>			
U.S.	\$ 114.1	\$ (40.1)	\$ (147.9)
Non-U.S.	66.9	(22.3)	(7.0)
Total	<u>\$ 181.0</u>	<u>\$ (62.4)</u>	<u>\$ (154.9)</u>
<b>Income tax provision</b>			
Current tax provision (benefit):			
Federal	\$ 32.0	\$ 0.6	\$ (1.2)
State	8.0	0.5	1.1
Non-U.S.	14.0	8.2	8.6
Total current	<u>\$ 54.0</u>	<u>\$ 9.3</u>	<u>\$ 8.5</u>
Deferred tax provision (benefit):			
Federal	\$ 0.6	\$ 1.9	\$ 14.1
State	—	0.3	3.8
Non-U.S.	(1.7)	(2.3)	1.9
Total deferred	<u>\$ (1.1)</u>	<u>\$ (0.1)</u>	<u>\$ 19.8</u>
Total	<u>\$ 52.9</u>	<u>\$ 9.2</u>	<u>\$ 28.3</u>

The Company made income tax payments of \$53.2 million, \$13.1 million and \$11.7 million during 2023, 2022 and 2021, respectively. The Company received income tax refunds of \$0.3 million, \$2.3 million and \$0.3 million during 2023, 2022 and 2021, respectively.

A reconciliation of the U.S. federal statutory rate to the reported income tax rate for the year ended December 31 is as follows:

	2023	2022	2021
<b>Income (loss) before income taxes</b>	<u>\$ 181.0</u>	<u>\$ (62.4)</u>	<u>\$ (154.9)</u>
Statutory taxes at 21%	\$ 38.0	\$ (13.1)	\$ (32.5)
Valuation allowance	12.1	27.5	58.6
State income taxes	5.8	(1.3)	(5.3)
Nondeductible compensation	4.2	1.4	0.4
Non-U.S. rate differences	3.2	5.4	10.0
Global intangible low-taxed income	1.7	(4.6)	5.0
Federal income tax credits	(4.0)	(1.4)	(2.6)
Foreign derived intangible income	(3.4)	(0.3)	—
Tax controversy resolution	(3.0)	(4.7)	(4.5)
Equity interest earnings	(1.3)	(1.4)	(1.8)
Other	(0.3)	0.3	1.8
Base-erosion and anti-abuse tax	(0.1)	1.4	(0.8)
Income tax provision	<u>\$ 52.9</u>	<u>\$ 9.2</u>	<u>\$ 28.3</u>
Reported income tax rate	<u>29.2 %</u>	<u>(14.7)%</u>	<u>(18.3)%</u>

The Company has determined that it is impracticable to calculate the amount of deferred taxes that would be applicable to all of its investments in non-U.S. subsidiaries. However, the Company has provided for anticipated taxes on unremitted non-U.S. earnings for which no reinvestment plan has been identified and that may be repatriated in the foreseeable future.

The Company has elected to account for the global intangible low-taxed income ("GILTI") tax in the period in which it is incurred, and therefore has not provided any deferred tax amounts for GILTI.

Beginning in 2022, the Tax Cuts and Jobs Act of 2017 (the "Tax Reform Act") eliminated the option to deduct research and development expenditures immediately in the year incurred and requires U.S. taxpayers to amortize such expenditures over five

to fifteen years depending upon whether the activities are performed in the U.S. or outside of the U.S. This change has had and will continue to have a material impact on the Company's future cash payments for income taxes. If this legislation is not modified or repealed, the impact will continue to unfavorably impact cash taxes but decreasingly over time.

A detailed summary of the total deferred tax assets and liabilities in the Consolidated Balance Sheets resulting from differences in the book and tax basis of assets and liabilities is as follows:

	December 31	
	2023	2022
<b>Deferred tax assets</b>		
Research and development capitalization	\$ 58.1	\$ 32.5
Tax attribute carryforwards	35.6	62.5
Accrued expenses and reserves	13.9	17.3
Product warranties	12.5	9.7
Accrued product liability	9.6	6.7
Inventories	4.1	1.8
Other	12.1	8.7
Total deferred tax assets	145.9	139.2
Less: Valuation allowance	126.6	121.7
	19.3	17.5
<b>Deferred tax liabilities</b>		
Depreciation and amortization	23.9	23.8
Accrued pension benefits	3.5	2.2
Unremitted earnings	1.6	2.3
Total deferred tax liabilities	29.0	28.3
Net deferred tax asset (liability)	\$ (9.7)	\$ (10.8)

The following table summarizes the tax carryforwards and associated carryforward periods and related valuation allowances where the Company has determined that realization is uncertain:

	December 31, 2023		
	Net deferred tax asset	Valuation allowance	Carryforwards expire during:
Non-U.S. net operating loss	\$ 25.5	\$ 23.4	2024-Indefinite
Non-U.S. capital losses	7.5	7.5	Indefinite
State net operating losses and credits	3.9	3.8	2024-Indefinite
Less: Unrecognized tax benefits	(1.3)	—	
Total	\$ 35.6	\$ 34.7	
	December 31, 2022		
	Net deferred tax asset	Valuation allowance	Carryforwards expire during:
Non-U.S. net operating loss	\$ 26.3	\$ 24.2	2023 - Indefinite
U.S. net operating loss	17.2	16.4	Indefinite
Non-U.S. capital losses	7.3	7.3	Indefinite
State net operating losses and credits	6.7	6.6	2023 - Indefinite
Disallowed interest and other	5.7	5.7	2026 - Indefinite
Research and development credit	1.3	1.3	2041 - 2042
Less: Unrecognized tax benefits	(2.0)	—	
Total	\$ 62.5	\$ 61.5	

The Company continually evaluates its deferred tax assets to determine if a valuation allowance is required. A valuation allowance is required where realization is determined to no longer meet the "more likely than not" standard. The establishment of a valuation allowance does not have an impact on cash, nor does such an allowance preclude the Company from using its

loss carryforwards or other deferred tax assets in future periods. The tax net operating losses attributable to Brazil, China and the United Kingdom comprise a substantial portion of the non-U.S. net operating loss deferred tax assets. The Brazilian and United Kingdom net operating losses do not expire under local law, while Chinese losses expire after five years.

During 2021, the Company recognized a tax charge of \$24.8 million, for the establishment of a valuation allowance against the beginning of the year balance of the Company's U.S. and United Kingdom deferred tax assets, excluding the portion of assets available to be carried back to the prior tax year. Based upon a review of the Company's operations, including cumulative U.S. pretax losses, lack of available tax planning strategies and declining forecasts due to supply and logistics constraints, the evidence available no longer supported a more likely than not standard for realization of these deferred tax assets. Although the Company projected earnings over the longer term for these operations, due to the cumulative losses such longer-term forecasts were not sufficient evidence to support the future utilization of deferred tax assets. Additionally, \$32.5 million of valuation allowance expense, related to these operations, was provided against deferred tax assets generated in 2021.

During 2023 and 2022, the valuation allowance provided against deferred tax assets increased by \$4.9 million and \$27.3 million, respectively. The change in the total valuation allowance in 2023 and 2022 included a net increase in tax expense of \$12.1 million and \$27.4 million, respectively, and a net decrease of \$7.2 million and \$0.1 million in 2023 and 2022, respectively, recorded directly in equity.

Based upon a review of historical earnings and trends, forecasted earnings and the relevant expiration of carryforwards, the Company believes the valuation allowances provided are appropriate. As of December 31, 2023, the Company had gross net operating loss carryforwards in U.S. state jurisdictions of \$16.4 million and non-U.S. jurisdictions of \$94.7 million.

The following is a reconciliation of total gross unrecognized tax benefits, defined as the aggregate tax effect of differences between the Company's tax return positions and the benefits recognized in the consolidated financial statements for the years ended December 31, 2023, 2022 and 2021. Approximately \$3.8 million, \$5.4 million and \$8.2 million of these amounts as of December 31, 2023, 2022 and 2021, respectively, relate to permanent items that, if recognized, would impact the reported income tax rate.

	2023	2022	2021
Balance at January 1	\$ 5.4	\$ 8.2	\$ 10.8
Additions based on tax positions related to the current year	0.4	0.4	0.7
Additions (reductions) for tax positions of prior years	(0.1)	0.2	1.2
Reductions due to settlements with taxing authorities and the lapse of the applicable statute of limitations	(1.9)	(3.1)	(4.3)
Other changes in unrecognized tax benefits including foreign currency translation adjustments	—	(0.3)	(0.2)
<b>Balance at December 31</b>	<b>\$ 3.8</b>	<b>\$ 5.4</b>	<b>\$ 8.2</b>

The Company records interest and penalties on uncertain tax positions as a component of the income tax provision. The Company recorded a net decrease of \$1.4 million, \$2.2 million and \$2.1 million during 2023, 2022 and 2021, respectively, in interest and penalties. As a result of foreign currency translation into U.S. dollars, the total amount of interest and penalties decreased by \$0.3 million during 2022, and increased by \$0.2 million during 2021. There was no foreign currency translation impact in 2023. The total amount of interest and penalties accrued was \$0.9 million, \$2.3 million and \$4.8 million as of December 31, 2023, 2022 and 2021, respectively.

The Company expects the amount of unrecognized tax benefits will change within the next twelve months; however, the change is not expected to have a significant effect on the Company's financial position or results of operations. It is reasonably possible the Company will record unrecognized tax benefits, including interest and penalties, within the next twelve months up to \$1.4 million resulting from the possible expiration of certain statutes of limitation and settlement of audits. If recognized, the previously unrecognized tax benefits will be recorded as discrete tax benefits in the interim period in which the items are effectively settled.

The tax returns of the Company and its non-U.S. subsidiaries are routinely examined by various taxing authorities. The Company has not been informed of any material assessment for which an accrual has not been previously provided. In addition, in certain circumstances where the Company is contesting an assessment and believes it has a strong probability of success, no accrual has been provided. The Company would vigorously contest any material assessment. Management believes any potential adjustment would not materially affect the Company's financial condition or results of operations.

In general, the Company operates in taxing jurisdictions that provide a statute of limitations period ranging from three to five years for the taxing authorities to review the applicable tax filings. The examination of U.S. federal tax returns for all years

prior to 2020 have been settled with the Internal Revenue Service or otherwise have essentially closed under the applicable statute of limitations. However, the Company has filed a protective claim for 2017 in order to preserve its right to a future refund pending the favorable resolution of a U.S. Supreme Court decision. The Company is routinely under examination in various state and non-U.S. jurisdictions and in most cases the statute of limitations has not been extended. The Company believes these examinations are routine in nature and are not expected to result in any material tax assessments.

#### NOTE 7—Reclassifications from OCI

The following table summarizes reclassifications out of accumulated other comprehensive income (loss) ("OCI") for each year ended December 31 as recorded in the Consolidated Statements of Operations:

Details about OCI Components	Amount Reclassified from OCI			Affected Line Item in the Statement Where Net Income Is Presented
	2023	2022	2021	
<b>Gain (loss) on cash flow hedges:</b>				
Interest rate contracts	\$ 6.3	\$ 1.2	\$ 3.2	Interest expense
Foreign exchange contracts	(37.3)	(34.7)	2.6	Cost of sales
Total before tax	(31.0)	(33.5)	5.8	Income (loss) before income taxes
Tax expense (benefit)	0.1	(0.8)	(0.1)	Income tax provision
Net of tax	\$ (30.9)	\$ (34.3)	\$ 5.7	Net income (loss)
<b>Amortization of defined benefit pension items:</b>				
Actuarial loss	\$ (2.8)	\$ (4.7)	\$ (5.4)	Other, net
Prior service (cost) credit	(0.1)	(0.1)	(0.1)	Other, net
Total before tax	(2.9)	(4.8)	(5.5)	Income (loss) before income taxes
Tax expense (benefit)	(0.1)	—	(0.1)	Income tax provision
Net of tax	\$ (3.0)	\$ (4.8)	\$ (5.6)	Net income (loss)
<b>Total reclassifications for the period</b>	<b>\$ (33.9)</b>	<b>\$ (39.1)</b>	<b>\$ 0.1</b>	

#### NOTE 8—Financial Instruments and Derivative Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable approximate fair value due to the short-term maturities of these instruments. The fair values of revolving credit agreements and long-term debt, excluding finance leases, were determined using current rates offered for similar obligations taking into account company credit risk. This valuation methodology is Level 2 as defined in the fair value hierarchy. At December 31, 2023, the total carrying value and total fair value of revolving credit agreements and long-term debt, excluding finance leases, was \$466.7 million and \$464.0 million, respectively. At December 31, 2022, the total carrying value and total fair value of revolving credit agreements and long-term debt, excluding finance leases, was \$523.3 million and \$501.1 million, respectively.

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of accounts receivable and derivatives. The large number of customers comprising the Company's customer base and their dispersion across many different industries and geographies mitigates concentration of credit risk on accounts receivable. To further reduce credit risk associated with accounts receivable, the Company performs periodic credit evaluations of its customers, and in certain circumstances may require advance payments or collateral. The Company enters into derivative contracts with high-quality financial institutions and limits the amount of credit exposure to any one institution.

#### Derivative Financial Instruments

Financial instruments held by the Company include cash and cash equivalents, accounts receivable, accounts payable, revolving credit agreements, long-term debt, interest rate swap agreements and forward foreign currency exchange contracts. The Company does not hold or issue financial instruments or derivative financial instruments for trading purposes.

The Company uses forward foreign currency exchange contracts to partially reduce risks related to transactions denominated in foreign currencies. These contracts hedge firm commitments and forecasted transactions relating to cash flows associated with sales and purchases denominated in non-functional currencies. The Company offsets fair value amounts related to foreign currency exchange contracts executed with the same counterparty. Changes in the fair value of forward foreign currency exchange contracts that are effective as hedges are recorded in OCI. Deferred gains or losses are reclassified from OCI to the

Consolidated Statements of Operations in the same period as the gains or losses from the underlying transactions are recorded and are generally recognized in cost of sales.

The Company periodically enters into foreign currency exchange contracts that do not meet the criteria for hedge accounting. These derivatives are used to reduce the Company's exposure to foreign currency risk related to forecasted purchase or sales transactions or forecasted intercompany cash payments or settlements. Gains and losses on these derivatives are generally recognized in cost of sales.

The Company uses interest rate swap agreements to partially reduce risks related to floating rate financing agreements that are subject to changes in the market rate of interest. Terms of the interest rate swap agreements require the Company to receive a variable interest rate and pay a fixed interest rate. The Company's interest rate swap agreements and the associated variable rate financings are predominately based upon the one-month SOFR. Changes in the fair value of interest rate swap agreements that are effective as hedges are recorded in OCI. Deferred gains or losses are reclassified from OCI to the consolidated statements of operations in the same period as the gains or losses from the underlying transactions are recorded and are generally recognized in interest expense.

Cash flows from hedging activities are reported in the Consolidated Statements of Cash Flows in the same classification as the hedged item, generally as a component of cash flows from operations.

The Company measures its derivatives at fair value on a recurring basis using significant observable inputs. This valuation methodology is Level 2 as defined in the fair value hierarchy. The Company uses a present value technique that incorporates yield curves and foreign currency spot rates to value its derivatives and also incorporates the effect of the Company's and its counterparties' credit risk into the valuation.

The Company does not currently hold any nonderivative instruments designated as hedges or any derivatives designated as fair value hedges.

**Foreign Currency Derivatives:** The Company held forward foreign currency exchange contracts with a total notional amount of \$0.9 billion at December 31, 2023, primarily denominated in euros, Japanese yen, U.S. dollars, Chinese renminbi, British pounds, Swedish kroner, Mexican pesos and Australian dollars. The Company held forward foreign currency exchange contracts with total notional amounts of \$0.8 billion at December 31, 2022, primarily denominated in euros, Japanese yen, U.S. dollars, Chinese renminbi, British pounds, Mexican pesos, Swedish kroner and Australian dollars. The fair value of these contracts approximated a net liability of \$12.2 million and \$43.5 million at December 31, 2023 and 2022, respectively.

For the years ended December 31, 2023 and 2022, there was no material ineffectiveness of forward foreign currency exchange contracts that qualify for hedge accounting. Forward foreign currency exchange contracts that qualify for hedge accounting are generally used to hedge transactions expected to occur within the next 36 months. The mark-to-market effect of forward foreign currency exchange contracts that are considered effective as hedges has been included in OCI. Based on market valuations at December 31, 2023, \$20.6 million of the amount of net deferred loss included in OCI at December 31, 2023 is expected to be reclassified as expense into the Consolidated Statements of Operations over the next twelve months, as the transactions occur.

**Interest Rate Derivatives:** The following table summarizes the notional amounts, related rates, excluding spreads, and remaining terms of interest rate swap agreements at December 31, 2023 and 2022:

Notional Amount		Average Fixed Rate		Term at December 31, 2023
December 31	December 31	December 31	December 31	
2023	2022	2023	2022	
\$ 180.0	\$ 180.0	1.65 %	1.68 %	Extending to May 2027
7.5	22.4	0.51 %	0.18 %	Extending to May 2027

The fair value of all interest rate swap agreements was a net asset of \$11.9 million and \$16.1 million at December 31, 2023 and 2022, respectively. The mark-to-market effect of interest rate swap agreements that are considered effective as hedges has been included in OCI. Based on market valuations at December 31, 2023, \$6.0 million of the net deferred gain included in OCI is expected to be reclassified as income in the Consolidated Statement of Operations over the next twelve months, as cash flow payments are made in accordance with the interest rate swap agreements.

The following table summarizes the fair value of derivative instruments at December 31 as recorded in the Consolidated Balance Sheets:

	Asset Derivatives			Liability Derivatives		
	Balance sheet location	2023	2022	Balance sheet location	2023	2022
<b>Derivatives designated as hedging instruments</b>						
Cash Flow Hedges						
Interest rate swap agreements						
Current	Prepaid expenses and other	\$ 5.6	\$ 5.9	Prepaid expenses and other	\$ —	\$ —
Long-term	Other non-current assets	6.3	10.2	Other non-current assets	—	—
Foreign currency exchange contracts						
Current	Prepaid expenses and other	1.2	—	Prepaid expenses and other	1.4	—
	Other current liabilities	7.2	2.6	Other current liabilities	22.2	32.1
Long-Term	Other non-current assets	2.7	0.7	Other non-current assets	0.5	0.3
	Other long-term liabilities	—	1.0	Other long-term liabilities	0.4	17.3
Total derivatives designated as hedging instruments		<u>\$ 23.0</u>	<u>\$ 20.4</u>		<u>\$ 24.5</u>	<u>\$ 49.7</u>
<b>Derivatives not designated as hedging instruments</b>						
Cash Flow Hedges						
Foreign currency exchange contracts						
Current	Prepaid expenses and other	\$ 1.1	\$ —	Prepaid expenses and other	\$ 0.6	\$ —
	Other current liabilities	2.3	4.9	Other current liabilities	1.6	3.0
Total derivatives not designated as hedging instruments		<u>\$ 3.4</u>	<u>\$ 4.9</u>		<u>\$ 2.2</u>	<u>\$ 3.0</u>
<b>Total derivatives</b>		<u>\$ 26.4</u>	<u>\$ 25.3</u>		<u>\$ 26.7</u>	<u>\$ 52.7</u>

The following table summarizes the offsetting of the fair value of derivative instruments on a gross basis by counterparty at December 31, 2023 and 2022 as recorded in the Consolidated Balance Sheets:

	Derivative Assets as of December 31, 2023				Derivative Liabilities as of December 31, 2023			
	Gross Amounts of Recognized Assets	Gross Amounts Offset	Net Amounts Presented	Net Amount	Gross Amounts of Recognized Liabilities	Gross Amounts Offset	Net Amounts Presented	Net Amount
Cash Flow Hedges								
Interest rate swap agreements	\$ 11.9	\$ —	\$ 11.9	\$ 11.9	\$ —	\$ —	\$ —	\$ —
Foreign currency exchange contracts	2.5	(2.5)	—	—	14.7	(2.5)	12.2	12.2
<b>Total derivatives</b>	<u>\$ 14.4</u>	<u>\$ (2.5)</u>	<u>\$ 11.9</u>	<u>\$ 11.9</u>	<u>\$ 14.7</u>	<u>\$ (2.5)</u>	<u>\$ 12.2</u>	<u>\$ 12.2</u>
	Derivative Assets as of December 31, 2022				Derivative Liabilities as of December 31, 2022			
	Gross Amounts of Recognized Assets	Gross Amounts Offset	Net Amounts Presented	Net Amount	Gross Amounts of Recognized Liabilities	Gross Amounts Offset	Net Amounts Presented	Net Amount
Cash Flow Hedges								
Interest rate swap agreements	\$ 16.1	\$ —	\$ 16.1	\$ 16.1	\$ —	\$ —	\$ —	\$ —
Foreign currency exchange contracts	0.4	(0.4)	—	—	43.9	(0.4)	43.5	43.5
<b>Total derivatives</b>	<u>\$ 16.5</u>	<u>\$ (0.4)</u>	<u>\$ 16.1</u>	<u>\$ 16.1</u>	<u>\$ 43.9</u>	<u>\$ (0.4)</u>	<u>\$ 43.5</u>	<u>\$ 43.5</u>



The following table summarizes the pre-tax impact of derivative instruments for each year ended December 31 as recorded in the Consolidated Statements of Operations:

Derivatives in Cash Flow Hedging Relationships	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)			Location of Gain or (Loss) Reclassified from OCI into Income (Effective Portion)	Amount of Gain or (Loss) Reclassified from OCI into Income (Effective Portion)		
	2023	2022	2021		2023	2022	2021
<b>Cash Flow Hedges</b>							
Interest rate swap agreements	\$ 1.9	\$ 21.9	\$ 5.8	Interest expense	\$ 6.3	\$ 1.2	\$ 3.2
Foreign currency exchange contracts	(4.3)	(61.2)	(45.6)	Cost of sales	(37.3)	(34.7)	2.6
	<u>\$ (2.4)</u>	<u>\$ (39.3)</u>	<u>\$ (39.8)</u>		<u>\$ (31.0)</u>	<u>\$ (33.5)</u>	<u>\$ 5.8</u>

Derivatives Not Designated as Hedging Instruments	Location of Gain or (Loss) Recognized in Income on Derivative	Amount of Gain or (Loss) Recognized in Income on Derivative		
		2023	2022	2021
<b>Cash flow hedges</b>				
Foreign currency exchange contracts	Cost of sales	\$ (4.3)	\$ (32.5)	\$ (6.9)
<b>Total</b>		<u>\$ (4.3)</u>	<u>\$ (32.5)</u>	<u>\$ (6.9)</u>

#### NOTE 9—Retirement Benefit Plans

**Defined Benefit Plans:** The Company maintains various defined benefit pension plans that provide benefits based on years of service and average compensation during certain periods. The Company's policy is to make contributions to fund these plans within the range allowed by applicable regulations. Plan assets consist primarily of publicly traded stocks and government and corporate bonds.

Pension benefits for employees covered under the Company's U.S. and U.K. plans are frozen. Only certain grandfathered employees in the Netherlands still earn retirement benefits under defined benefit pension plans. All other eligible employees of the Company, including employees whose pension benefits are frozen, receive retirement benefits under defined contribution retirement plans.

During 2022 and 2021, the Company recognized a settlement loss of \$1.8 million and \$1.1 million, respectively, resulting from lump-sum distributions exceeding the total projected interest cost for the plan year for its U.S. pension plan.

The assumptions used in accounting for the defined benefit plans were as follows for the years ended December 31:

	2023	2022	2021
<b>United States Plans</b>			
Weighted average discount rates	5.03%	5.36%	2.58%
Expected long-term rate of return on assets	5.50%	5.50%	5.50%
Cash balance interest crediting rate	3.50%-5.73%	1.39%-3.50%	3.50%
<b>Non-U.S. Plans</b>			
Weighted average discount rates	3.08%-4.50%	3.60%-4.80%	1.00%-1.30%
Rate of increase in compensation levels	2.60%-3.00%	2.80%-3.00%	2.45%-2.50%
Expected long-term rate of return on assets	3.30%-4.50%	3.60%-4.50%	1.00%-4.50%

Each year, the assumptions used to calculate the benefit obligation are used to calculate the net periodic pension expense for the following year.

Set forth below is a detail of the net periodic pension expense for the defined benefit plans for the years ended December 31:

	2023	2022	2021
<b>United States Plans</b>			
Interest cost	\$ 2.5	\$ 1.9	\$ 1.5
Expected return on plan assets	(2.5)	(3.3)	(4.5)
Amortization of actuarial loss	2.1	1.9	2.0
Settlements	—	1.8	1.1
Net periodic pension expense	<u>\$ 2.1</u>	<u>\$ 2.3</u>	<u>\$ 0.1</u>
<b>Non-U.S. Plans</b>			
Service cost	\$ —	\$ 0.2	\$ 0.3
Interest cost	5.4	3.1	2.6
Expected return on plan assets	(7.4)	(7.4)	(10.5)
Amortization of actuarial loss	0.7	2.8	3.5
Amortization of prior service cost	0.1	0.1	0.1
Net periodic pension benefit	<u>\$ (1.2)</u>	<u>\$ (1.2)</u>	<u>\$ (4.0)</u>

Set forth below is a detail of other changes in plan assets and benefit obligations recognized in other comprehensive income (loss) for the year ended December 31:

	2023	2022	2021
<b>United States Plans</b>			
Current year actuarial (gain) loss	\$ (1.2)	\$ 4.5	\$ 0.2
Amortization of actuarial loss	(2.1)	(1.9)	(2.0)
Settlements	—	(1.8)	(1.1)
Total recognized in other comprehensive income (loss)	<u>\$ (3.3)</u>	<u>\$ 0.8</u>	<u>\$ (2.9)</u>
<b>Non-U.S. Plans</b>			
Current year actuarial (gain) loss	\$ (0.2)	\$ 1.0	\$ (8.9)
Amortization of actuarial loss	(0.7)	(2.8)	(3.5)
Amortization of prior service cost	(0.1)	(0.1)	(0.1)
Total recognized in other comprehensive income (loss)	<u>\$ (1.0)</u>	<u>\$ (1.9)</u>	<u>\$ (12.5)</u>

The following table sets forth the changes in the benefit obligation and the plan assets during the year and the funded status of the defined benefit plans at December 31:

	2023		2022	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
<b>Change in benefit obligation</b>				
Projected benefit obligation at beginning of year	\$ 50.1	\$ 117.0	\$ 67.5	\$ 197.8
Service cost	—	—	—	0.2
Interest cost	2.5	5.4	1.9	3.1
Actuarial (gain) loss	1.0	3.1	(12.3)	(58.8)
Benefits paid	(5.3)	(6.5)	(4.4)	(7.0)
Employee contributions	—	0.1	—	0.1
Lump sum payments	—	—	(2.6)	—
Foreign currency exchange rate changes	—	6.9	—	(18.4)
Projected benefit obligation at end of year	<u>\$ 48.3</u>	<u>\$ 126.0</u>	<u>\$ 50.1</u>	<u>\$ 117.0</u>
<b>Accumulated benefit obligation at end of year</b>	<u>\$ 48.3</u>	<u>\$ 124.0</u>	<u>\$ 50.1</u>	<u>\$ 116.6</u>

	2023		2022	
	U.S. Plans	Non-U.S. Plans	U.S. Plans	Non-U.S. Plans
<b>Change in plan assets</b>				
Fair value of plan assets at beginning of year	\$ 48.5	\$ 126.3	\$ 69.0	\$ 202.7
Actual return on plan assets	4.7	10.7	(13.5)	(52.1)
Employer contributions	—	0.5	—	2.4
Employee contributions	—	0.1	—	0.1
Benefits paid	(5.3)	(6.5)	(4.4)	(7.0)
Settlements	—	—	(2.6)	—
Foreign currency exchange rate changes	—	7.9	—	(19.8)
Fair value of plan assets at end of year	\$ 47.9	\$ 139.0	\$ 48.5	\$ 126.3
<b>Funded status at end of year</b>	<b>\$ (0.4)</b>	<b>\$ 13.0</b>	<b>\$ (1.6)</b>	<b>\$ 9.3</b>
<b>Amounts recognized in the consolidated balance sheets consist of:</b>				
Noncurrent assets	\$ —	\$ 15.6	\$ —	\$ 11.9
Noncurrent liabilities	(0.4)	(2.6)	(1.6)	(2.6)
	<b>\$ (0.4)</b>	<b>\$ 13.0</b>	<b>\$ (1.6)</b>	<b>\$ 9.3</b>
<b>Components of accumulated other comprehensive income (loss) consist of:</b>				
Actuarial loss	\$ 29.2	\$ 55.5	\$ 32.6	\$ 56.5
Prior service cost	—	1.4	—	1.4
Deferred taxes	(8.3)	(13.2)	(8.3)	(13.0)
Foreign currency translation adjustment	—	2.5	—	2.3
	<b>\$ 20.9</b>	<b>\$ 46.2</b>	<b>\$ 24.3</b>	<b>\$ 47.2</b>

The projected benefit obligation included in the table above represents the actuarial present value of benefits attributable to employee service rendered to date, including the effects of estimated future pay increases. The accumulated benefit obligation also reflects the actuarial present value of benefits attributable to employee service rendered to date, but does not include the effects of estimated future pay increases.

In 2024, the Company expects to contribute \$0.2 million to its non-U.S. pension plans. The Company does not expect to contribute to its U.S. pension plan in 2024.

Pension benefit payments are made from assets of the pension plans. Future pension benefit payments expected to be paid from assets of the pension plans are:

	U.S. Plans	Non-U.S. Plans
2024	\$ 5.7	\$ 6.9
2025	5.2	7.0
2026	4.8	7.3
2027	4.5	7.4
2028	4.2	7.7
2027 - 2031	17.8	44.4
	<b>\$ 42.2</b>	<b>\$ 80.7</b>

The expected long-term rate of return on defined benefit plan assets reflects management's expectations of long-term rates of return on funds invested to provide for benefits included in the projected benefit obligations. The Company has established the expected long-term rate of return assumption for plan assets by considering the historical rates of return over a period of time that is consistent with the long-term nature of the underlying obligations of these plans as well as a forward-looking rate of return. The historical and forward-looking rates of return for each of the asset classes used to determine the Company's estimated rate of return assumption were based upon the rates of return earned or expected to be earned by investments in the equivalent benchmark market indices for each of the asset classes.

Expected returns for the U.K. pension plan is based on a calculated market-related value of assets. Under this methodology, asset gains and losses resulting from actual returns that differ from the Company's expected returns are recognized in the market-related value of assets ratably over three years.

The pension plans maintain an investment policy that, among other things, establishes a portfolio asset allocation methodology with percentage allocation bands for individual asset classes. The investment policy provides that investments are reallocated between asset classes as balances exceed or fall below the appropriate allocation bands.

The following is the actual allocation percentage and target allocation percentage for the Company's U.S. pension plan assets at December 31:

	2023 Actual Allocation	2022 Actual Allocation	Target Allocation
U.S. equity securities	<b>27.7%</b>	27.8%	25%
Non-U.S. equity securities	<b>11.9%</b>	11.9%	15%
Fixed income securities	<b>59.6%</b>	59.5%	60%
Money market	<b>0.8%</b>	0.8%	—%

The following is the actual allocation percentage and target allocation percentage for the Company's U.K. pension plan assets at December 31:

	2023 Actual Allocation	2022 Actual Allocation	Target Allocation
U.K. equity securities	<b>1.7%</b>	3.7%	2%
Non-U.K. equity securities	<b>18.3%</b>	36.3%	18%
Fixed income securities	<b>79.6%</b>	59.3%	80%
Money market	<b>0.4%</b>	0.7%	—%

The Company maintains a pension plan for certain employees in the Netherlands which has purchased annuity contracts to meet its obligations.

The defined benefit pension plans do not have any direct ownership of Hyster-Yale common stock.

The fair value of each major category of U.S. plan assets for the Company's pension plan are valued using quoted market prices in active markets for identical assets, or Level 1 in the fair value hierarchy. The fair value of each major category of Non-U.S. plan assets for the Company's pension plans are valued using observable inputs, either directly or indirectly, other than quoted market prices in active markets for identical assets, or Level 2 in the fair value hierarchy.

Following are the values as of December 31:

	Level 1		Level 2	
	2023	2022	2023	2022
U.S. equity securities	<b>\$ 13.3</b>	\$ 13.4	<b>\$ 8.8</b>	\$ 14.8
U.K. equity securities	—	—	<b>2.2</b>	4.3
Non-U.S., non-U.K. equity securities	<b>5.7</b>	5.8	<b>14.3</b>	27.4
Fixed income securities	<b>28.5</b>	28.9	<b>113.2</b>	79.0
Money market	<b>0.4</b>	0.4	<b>0.5</b>	0.8
Total	<b><u>\$ 47.9</u></b>	<b><u>\$ 48.5</u></b>	<b><u>\$ 139.0</u></b>	<b><u>\$ 126.3</u></b>

**Defined Contribution Plans:** The Company has defined contribution (401(k)) plans for substantially all U.S. employees and similar plans for employees outside of the United States. The Company generally matches employee contributions based on plan provisions. In addition, in the United States and United Kingdom, the Company has defined contribution retirement plans whereby the contribution to participants is determined annually based on a formula that includes the effect of actual compared with targeted operating results and the age and compensation of the participants. Total costs, including Company contributions, for these plans were \$33.5 million, \$21.0 million and \$17.1 million in 2023, 2022 and 2021, respectively.

## NOTE 10—Inventories

Inventories are stated at the lower of cost or market for last-in, first-out (“LIFO”) inventory or lower of cost or net realizable value for first-in, first-out (“FIFO”) inventory. At December 31, 2023 and 2022, 49% and 52%, respectively, of total inventories were determined using the LIFO method, which consists primarily of manufactured inventories, including service parts for the lift truck business in the United States. The FIFO method is used with respect to all other inventories.

The cost components of inventory include raw materials, purchased components, direct and indirect labor, utilities, depreciation, inbound freight charges, purchasing and receiving costs, inspection costs and warehousing costs. Reserves are maintained for estimated obsolescence or excess inventory equal to the difference between the cost of inventory and the net realizable value based upon assumptions about future demand and market conditions. Upon a subsequent sale or disposal of the impaired inventory, the corresponding reserve for impaired value is relieved to ensure that the cost basis of the inventory reflects any write-downs.

During 2021, Nuvera reduced its inventory by \$16.1 million to its estimated net realizable value during 2021, which is recorded in “Cost of Sales” in the Consolidated Statements of Operations. Refer to Note 11 for further discussion of the factors related to this adjustment.

Inventories are summarized as follows:

	December 31	
	2023	2022
Finished goods and service parts	\$ 395.9	\$ 335.8
Work in process	39.2	36.0
Raw materials	471.5	522.1
Total manufactured inventories	906.6	893.9
LIFO reserve	(90.9)	(94.4)
Total inventory	\$ 815.7	\$ 799.5

## NOTE 11—Property, Plant and Equipment, Net

Property, plant and equipment are recorded at cost. Depreciation and amortization are provided in amounts sufficient to amortize the cost of the assets, including assets recorded under finance leases, over their estimated useful lives using the straight-line method. Buildings are generally depreciated using a 20, 40 or 50-year life, improvements to land and buildings are depreciated over estimated useful lives ranging up to 40 years and equipment is depreciated over estimated useful lives ranging from three to 15 years. Capital grants received for the acquisition of equipment are recorded as reductions of the related equipment cost and reduce future depreciation expense. Repairs and maintenance costs are expensed when incurred.

The Company periodically evaluates long-lived assets, including intangible assets with finite lives, for impairment when changes in circumstances or the occurrence of certain events indicate the carrying amount of an asset may not be recoverable. Upon identification of indicators of impairment, assets and liabilities are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets or liabilities. The asset group would be considered impaired when the estimated future undiscounted cash flows generated by the asset group are less than carrying value. If the carrying value of an asset group is considered impaired, an impairment charge is recorded for the amount that the carrying value of the asset group exceeds its fair value. Fair value is estimated as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

In connection with the preparation of the financial statements during 2021, the Company identified indicators of impairment primarily related to the unexpected level of significant, on-going pandemic-related and other global supply chain constraints, component shortages, shipping container availability constraints and higher freight costs, as well as significant material cost inflation resulting from the accelerated pace of the market recovery, all of which had negatively impacted the Company. In addition, the effects of the COVID-19 pandemic, including border closures, halted Nuvera's progress on certain research and development agreements that were entered into prior to the start of the pandemic. In anticipation of fulfilling these agreements, Nuvera made significant investments in manufacturing and equipment expansion, as well as increased inventory levels. As a result, it was determined that carrying value of the Nuvera fixed assets exceeded the undiscounted cash flows from the assets and the carrying value of Nuvera's fixed assets exceeded the fair value by \$10.0 million. The impairment charge for property, plant and equipment was recorded in "Selling, general and administrative expenses" in the Consolidated Statements of Operations. The estimated fair value of property, plant and equipment was determined using a cost approach, which is Level 3 under the fair value hierarchy. Based on the Company's analysis, all other remaining long-lived assets with finite lives were not impaired as of December 31, 2021.

Property, plant and equipment, net includes the following:

	December 31	
	2023	2022
Land and land improvements	\$ 32.2	\$ 32.2
Plant and equipment	908.3	858.0
Property, plant and equipment, at cost	940.5	890.2
Allowances for depreciation and amortization	(626.6)	(580.2)
	<u>\$ 313.9</u>	<u>\$ 310.0</u>

Total depreciation and amortization expense on property, plant and equipment was \$40.8 million, \$38.9 million and \$40.8 million during 2023, 2022, and 2021, respectively.

#### NOTE 12—Goodwill and Intangible Assets

The Company evaluates the carrying amount of goodwill and indefinite-lived intangible assets for impairment annually as of May 1<sup>st</sup> and between annual evaluations if changes in circumstances or the occurrence of certain events indicate potential impairment. The Company uses either a qualitative or quantitative analysis to determine whether fair value exceeds carrying value. As part of the quantitative testing process for goodwill, the Company estimates fair values using a discounted cash flow approach from the perspective of a market participant and comparable market values for similar businesses. Significant estimates in the discounted cash flow approach are cash flow forecasts of the reporting units, the discount rate, the terminal business value and the projected income tax rate. The cash flow forecasts of the reporting units are based upon management's long-term view of markets and are the forecasts that are used by senior management and the Board of Directors to evaluate operating performance. The discount rate utilized is management's estimate of what the market's weighted average cost of capital is for a company with a similar debt rating and stock volatility, as measured by beta. The projected income tax rates utilized are the statutory tax rates for the countries where each reporting unit operates. The terminal business value is determined by applying a business growth factor to the latest year for which a forecast exists. As part of the goodwill quantitative testing process, the Company evaluates whether there are reasonably likely changes to management's estimates that would have a material impact on the results of the goodwill impairment testing.

The annual testing for impairment was conducted as of May 1, 2023. The fair value of each reporting unit was in excess of its carrying value and thus, no impairment exists.

During 2021, the Company completed the annual testing of impairment of goodwill as of May 1, 2021 and an interim impairment test as of December 31, 2021 at the reporting unit level for the related goodwill. Based on the annual testing, the fair value of each reporting unit was in excess of its carrying value and no impairment existed. During 2021, the Company continued to experience pandemic-related and other global supply chain constraints, component shortages, shipping container availability constraints and higher freight costs, as well as significant material cost inflation resulting from the accelerated pace of the market recovery. These items significantly impacted the Company's results of operations in 2021. In addition, the timeframe for the expected easing of these factors impacted the Company's near and long-term forecasts. Accordingly, in connection with the preparation of its 2021 financial statements, the Company conducted an interim goodwill impairment test as of December 31, 2021 for the JAPIC and Bolzoni reporting units. As a result, the Company recognized a \$55.6 million goodwill impairment charge for the JAPIC reporting unit in the fourth quarter of 2021, of which \$11.7 million was attributable to the noncontrolling interest. No impairment of goodwill for the Bolzoni reporting unit was identified.

The following table summarizes goodwill by segment as of December 31, 2023 and 2022:

	Carrying Amount of Goodwill			
	Americas	EMEA	Bolzoni	Total
Balance at January 1, 2022	\$ 1.7	\$ 1.0	\$ 53.8	\$ 56.5
Disposals	—	—	(1.7)	(1.7)
Foreign currency translation	—	—	(3.5)	(3.5)
Balance at December 31, 2022	\$ 1.7	\$ 1.0	\$ 48.6	\$ 51.3
Foreign currency translation	—	—	2.0	2.0
<b>Balance at December 31, 2023</b>	<u>\$ 1.7</u>	<u>\$ 1.0</u>	<u>\$ 50.6</u>	<u>\$ 53.3</u>

The Company has indefinite-lived intangible assets for the Bolzoni trademarks. Fair values used in testing for potential impairment of the trademarks are calculated by applying an estimated market value royalty rate to the forecasted revenues of the businesses that utilize those assets. The assumed cash flows from this calculation are discounted using Bolzoni's weighted

average cost of capital. The Company completed the annual testing of impairment as of May 1, 2023. The fair value of the indefinite-lived intangible assets was in excess of its carrying value and thus, no impairment existed.

The following table summarizes intangible assets, other than goodwill, recorded in the consolidated balance sheets:

December 31, 2023	Gross Carrying Amount	Accumulated Amortization	Net Balance
<b>Intangible assets not subject to amortization</b>			
Trademarks	\$ 16.7	\$ —	\$ 16.7
<b>Intangible assets subject to amortization</b>			
Customer and contractual relationships	37.2	(22.4)	14.8
Patents and technology	20.1	(15.7)	4.4
Trademarks	5.3	(1.9)	3.4
<b>Total</b>	<b>\$ 79.3</b>	<b>\$ (40.0)</b>	<b>\$ 39.3</b>
December 31, 2022	Gross Carrying Amount	Accumulated Amortization	Net Balance
<b>Intangible assets not subject to amortization</b>			
Trademarks	\$ 16.0	\$ —	\$ 16.0
<b>Intangible assets subject to amortization</b>			
Customer and contractual relationships	36.6	(19.9)	16.7
Patents and technology	19.6	(13.3)	6.3
Trademarks	5.4	(1.7)	3.7
<b>Total</b>	<b>\$ 77.6</b>	<b>\$ (34.9)</b>	<b>\$ 42.7</b>

Amortization expense for intangible assets, which is recognized on a straight-line basis over the estimated useful life of the related asset, was \$4.3 million and \$4.5 million in 2023 and 2022, respectively. Expected annual amortization expense of other intangible assets, based upon December 31, 2023 U.S. dollar values, for the next five years is as follows: \$3.9 million in 2024, \$3.4 million in 2025, \$3.1 million in 2026, \$2.2 million in 2027 and \$2.2 million in 2028. The weighted-average amortization period for intangible assets is as follows:

Intangible assets subject to amortization	Weighted-Average Useful Lives (Years)
Customer relationships	10
Patents and technology	3
Trademarks	13

## NOTE 13—Current and Long-Term Financing

The following table summarizes available and outstanding borrowings:

	December 31	
	2023	2022
<b>Total outstanding borrowings:</b>		
Revolving credit agreements	\$ 83.3	\$ 137.1
Term loan, net	216.1	217.5
Other debt	167.3	168.7
Finance lease obligations	27.3	29.6
Total debt outstanding	<u>\$ 494.0</u>	<u>\$ 552.9</u>
Plus: discount on term loan and unamortized deferred financing fees	3.3	4.1
Total debt outstanding, gross	<u>\$ 497.3</u>	<u>\$ 557.0</u>
Current portion of borrowings outstanding	<u>\$ 252.7</u>	<u>\$ 285.9</u>
Long-term portion of borrowings outstanding	<u>\$ 241.3</u>	<u>\$ 267.0</u>
Total available borrowings, net of limitations, under revolving credit agreements	<u>\$ 353.0</u>	<u>\$ 320.0</u>
Unused revolving credit agreements	<u>\$ 269.7</u>	<u>\$ 182.9</u>
Weighted average stated interest rate on total borrowings	<u>7.4 %</u>	<u>6.5 %</u>
Weighted average effective interest rate on total borrowings (including interest rate swap agreements)	<u>6.8 %</u>	<u>5.9 %</u>

Annual maturities of total debt, excluding finance leases, are as follows:

2024	\$ 239.8
2025	12.2
2026	4.7
2027	2.9
2028	210.4
Thereafter	—
	<u>\$ 470.0</u>

Interest paid on total debt was \$36.4 million, \$26.6 million and \$14.5 million during 2023, 2022 and 2021, respectively.

The Company has a \$320.8 million secured, floating-rate revolving credit facility (the "Facility") that expires in June 2026 and a \$225.0 million term loan (the "Term Loan"), which matures in May 2028.

On May 25, 2023, the Company entered into an amendment of the Facility. As a result of the amendment, among other items, (i) a tranche of revolving loans with aggregate commitments of \$25.0 million (the "FILO Commitments") was established under the Facility and (ii) the benchmark interest rate for U.S. dollar-denominated borrowings under the Facility changed from LIBOR to Term SOFR, each as defined in the Facility.

The FILO Commitments will terminate on May 1, 2024 unless otherwise terminated prior to such date by the Company in accordance with the terms of the Facility. Commencing December 1, 2023, the FILO Commitments amortize on a monthly basis in the amount of \$4.2 million per month. Loans under the FILO Commitments ("FILO Loans") bear interest at a floating rate, which can be a base rate or Term SOFR, plus an applicable margin. The applicable margins for FILO Loans are 2.25% for base rate loans and 3.25% for Term SOFR loans. Subsequent to the amendment, existing U.S. Loans (as defined in the Facility) were reallocated to the FILO Commitment. As a result of such reallocation, the FILO Commitment was fully utilized as of the closing of such amendment.

After giving effect to the amendment, the Facility consists of a domestic revolving credit facility in the amount of \$210.0 million, a foreign revolving credit facility in the amount of \$90.0 million and the FILO Commitments in the original amount of \$25.0 million, which was \$20.8 million at December 31, 2023 after giving effect to amortization.

The Facility can be increased up to \$400.0 million over the term of the Facility in minimum increments of \$10.0 million, subject to approval by the lenders. The obligations under the Facility are generally secured by a first priority lien on working



capital assets of the borrowers and guarantors in the Facility, which includes but is not limited to cash and cash equivalents, accounts receivable and inventory, and a second priority lien on the present and future shares of capital stock, fixtures and general intangibles consisting of intellectual property. The approximate book value of assets held as collateral under the Facility was \$1.2 billion as of December 31, 2023.

The Facility includes restrictive covenants, which, among other things, limit additional borrowings and investments of the Company subject to certain thresholds, as provided in the Facility. The Facility limits the payment of dividends and other restricted payments the Company may make unless certain total excess availability and/or fixed charge coverage ratio thresholds, each as set forth in the Facility, are satisfied. The Facility also requires the Company to achieve a minimum fixed charge coverage ratio when total excess availability is less than the greater of 10% of the total borrowing base, as defined in the Facility, and \$20.0 million. At December 31, 2023, the Company was in compliance with the covenants in the Facility.

Key terms of the Facility as of December 31, 2023 were as follows:

	<b>FACILITY</b>
U.S. borrowing capacity	\$ 230.8
Non-U.S. borrowing capacity	90.0
Outstanding	78.1
Availability restrictions	6.7
Availability	<u>\$ 236.0</u>

	<b>FILO LOANS</b>	<b>LOANS OTHER THAN FILO LOANS</b>
Applicable margins, as defined in agreement		
U.S. base rate loans	2.25%	0.25% to 0.75%
SOFR, EURIBOR and non-U.S. base rate loans	3.25%	1.25% to 1.75%
SOFR adjustment, as defined in agreement	0.10%	0.10%
Applicable margins, for amounts outstanding		
U.S. base rate loans	—	0.50%
SOFR loans	3.25%	1.50%
Non-U.S. base rate loans	—	1.50%
Applicable interest rate, for amounts outstanding		
U.S. base rate	—	9.00%
SOFR	8.69 %	6.95%
Facility fee, per annum on unused commitment	—	0.25%

The Term Loan was amended in the second quarter of 2023 for the purpose of changing the benchmark interest rate for borrowings under the Term Loan from LIBOR to Term SOFR, each as defined in the Term Loan.

The Term Loan requires quarterly principal payments on the last day of each March, June, September and December, which commenced September 30, 2021, in an amount equal to \$562,500 and the final principal repayment is due in May 2028. The Company may also be required to make mandatory prepayments, in certain circumstances, as provided in the Term Loan.

The obligations under the Term Loan are generally secured by a first priority lien on the present and future shares of capital stock, U.S. material real property, fixtures and general intangibles consisting of intellectual property and a second priority lien on U.S. working capital assets of the borrowers and guarantors of the Term Loan, which includes, but is not limited to cash and cash equivalents, accounts receivable and inventory. The approximate book value of assets held as collateral under the Term Loan was \$780 million as of December 31, 2023.

In addition, the Term Loan includes restrictive covenants, which, among other things, limit additional borrowings and investments of the Company subject to certain thresholds, as provided in the Term Loan. The Term Loan limits the payment of dividends and other restricted payments the Company may make in any fiscal year, unless the consolidated total net leverage ratio, as defined in the Term Loan, does not exceed 2.50 to 1.00 at the time of the payment. At December 31, 2023, the Company was in compliance with the covenants in the Term Loan.

Key terms of the Term Loan as of December 31, 2023 were as follows:

	<b>TERM LOAN</b>
Outstanding	\$ 219.4
Discounts and unamortized deferred financing fees	3.3
Net amount outstanding	<u>\$ 216.1</u>
Applicable margins, as defined in agreement	
U.S. base rate loans	2.50%
SOFR	3.50%
SOFR adjustment, as defined in the agreement	0.11%
SOFR floor	0.50%
Applicable interest rate, for amounts outstanding	8.97%

The Company incurred fees of \$0.8 million and \$7.6 million in 2023 and 2021, respectively. These fees related to amending the Facility and the Term Loan. These fees were deferred and are being amortized as interest expense over the term of the applicable debt agreements. No fees were incurred in 2022. Fees related to the Term Loan are presented as a direct deduction of the corresponding debt.

The Company had other debt outstanding, excluding finance leases, of approximately \$172.5 million at December 31, 2023. In addition to the excess availability under the Facility of \$236.0 million, the Company had remaining availability of \$33.7 million related to other non-U.S. revolving credit agreements.

#### NOTE 14—Leasing Arrangements

The Company determines if an arrangement contains a lease and the classification of that lease, if applicable, at inception. The Company does not recognize a lease liability or right-of-use ("ROU") asset for short-term leases (leases with an initial term of twelve months or less). For contracts with lease and non-lease components, the Company does not allocate the contract consideration, and accounts for the lease and non-lease components as a single lease component. ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments under the lease. Operating lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. The implicit rate within the operating leases are generally not determinable and the Company has obtained rates from third-party financiers for relevant geographies, currencies and lease terms to determine the incremental borrowing rate at the inception of new leases. The operating lease ROU asset also includes any lease prepayments, offset by lease incentives. Certain of the Company's leases include options to extend or terminate the lease. An option to extend the lease is considered in connection with determining the ROU asset and lease liability when it is reasonably certain the Company will exercise that option. An option to terminate is also considered in connection with determining the ROU asset and lease liability unless it is reasonably certain the Company will not exercise the option. Lease expense for operating lease payments is recognized on a straight-line basis over the term of the lease.

As of December 31, 2023 and 2022, the Company had the following amounts recorded on the Company's Consolidated Balance Sheets:

	Location on Balance Sheet	December 31, 2023	December 31, 2022
<b>Assets</b>			
Operating lease assets	Other non-current assets	\$ 75.1	\$ 57.2
Finance lease assets	Property, plant and equipment, net	39.5	37.0
Total		<u>\$ 114.6</u>	<u>\$ 94.2</u>
<b>Liabilities</b>			
Current			
Operating lease liabilities	Other current liabilities	15.9	14.4
Finance lease liabilities	Current maturities of long-term debt	13.7	12.8
Long-term			
Operating lease liabilities	Other long-term liabilities	62.0	45.9
Finance lease liabilities	Long-term debt	13.6	16.8
Total		<u>\$ 105.2</u>	<u>\$ 89.9</u>

Finance lease assets are recorded net of accumulated amortization of \$32.5 million and \$22.1 million as of December 31, 2023 and 2022, respectively. Amortization of plant and equipment under finance leases is included in depreciation expense. Finance lease obligations of \$11.1 million, \$12.1 million and \$12.4 million were incurred in connection with lease agreements to acquire machinery and equipment during 2023, 2022 and 2021, respectively. In addition, leases with HYGFS included in the Consolidated Balance Sheet at December 31, 2023 and 2022, include \$13.1 million and \$10.9 million of ROU assets and \$13.2 million and \$11.0 million of lease liabilities.

As of December 31, 2023, the Company had the following remaining lease term and weighted average discount rates:

	Operating Leases	Finance Leases
Weighted-average remaining lease term in years	6.77	2.36
Weighted-average discount rate	5.80 %	2.48 %

For the December 31, 2023, the Company recorded the following amounts:

	Location on Income Statement	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating lease cost	Cost of sales	\$ 7.7	\$ 8.8
Operating lease cost	Selling, general and administrative expenses	14.8	20.2
Finance lease cost			
Amortization of leased assets	Cost of sales	9.3	6.8
Interest on lease liabilities	Interest expense	1.5	0.6
Sublease income	Revenues	(7.8)	(8.7)
Total		\$ 25.5	\$ 27.7

The Company recognizes sublease income primarily related to lift trucks in which the Company records revenues over the term of the lease in accordance with the rental agreements with its customers. Aggregate future minimum rentals to be received under noncancellable subleases of lift trucks as of December 31, 2023 were \$28.4 million.

For the year ended December 31, 2023, the Company recorded the following amounts:

	Year Ended December 31, 2023	Year Ended December 31, 2022
Cash paid for lease liabilities		
Operating cash flows from operating leases	\$ 20.1	\$ 22.8
Operating cash flows from finance leases	1.5	0.6
Financing cash flows from finance leases	14.6	7.0
Non-cash amounts related to right-of-use assets obtained in exchange for lease obligations		
Operating	\$ 48.1	\$ 22.3
Finance	9.6	8.4

Annual maturities of lease liabilities are as follows:

	Operating Leases	Finance Leases	Total
2024	\$ 19.7	\$ 14.8	\$ 34.5
2025	15.4	8.8	24.2
2026	13.6	2.9	16.5
2027	12.3	0.9	13.2
2028	9.1	0.2	9.3
Thereafter	23.5	—	23.5
	93.6	27.6	121.2
Less: Interest	(15.7)	(0.3)	(16.0)
Net	\$ 77.9	\$ 27.3	\$ 105.2

The Company leases certain office, manufacturing and warehouse facilities and machinery and equipment under noncancellable finance and operating leases that expire at various dates through 2037. Many leases include renewal and/or fair value purchase options.

#### NOTE 15—Product Warranties

The Company provides a standard warranty on its lift trucks, generally for six to twelve months or 1,000 to 2,000 hours. For certain series of lift trucks, the Company provides a standard warranty of one to two years or 2,000 or 4,000 hours. For components in some series of lift trucks, the Company provides a standard warranty of two to three years or 4,000 to 6,000 hours. The Company estimates the costs which may be incurred under its standard warranty programs and records a liability for such costs at the time product revenue is recognized.

In addition, the Company sells separately priced extended warranty agreements that generally provide a warranty for an additional two to five years or up to 2,400 to 10,000 hours. The specific terms and conditions of those warranties vary depending upon the product sold and the country in which the Company does business. Revenue received for the sale of extended warranty contracts is deferred and recognized in the same manner as the costs incurred to perform under the warranty contracts.

The Company also maintains a quality enhancement program under which it provides for specifically identified field product improvements in its warranty obligation. Accruals under this program are determined based on estimates of the potential number of claims and the cost of those claims based on historical costs.

The Company periodically assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary. Factors that affect the warranty liability include the number of units sold, historical and anticipated rates of warranty claims and the cost per claim.

Changes in the Company's current and long-term warranty obligations, including deferred revenue on extended warranty contracts, are as follows:

	2023	2022
Balance at January 1	\$ 56.7	\$ 64.7
Current year warranty expense	45.1	28.7
Change in estimate related to pre-existing warranties	(7.6)	(6.1)
Payments made	(26.9)	(29.7)
Foreign currency effect	0.8	(0.9)
<b>Balance at December 31</b>	<b>\$ 68.1</b>	<b>\$ 56.7</b>

#### NOTE 16—Contingencies

Various legal and regulatory proceedings and claims have been or may be asserted against the Company relating to the conduct of its businesses, including product liability, environmental and other claims. These proceedings and claims are incidental to the ordinary course of business. Management believes that it has meritorious defenses and will vigorously defend the Company in these actions. Any costs that management estimates will be paid as a result of these claims are accrued when the liability is considered probable and the amount can be reasonably estimated. Although the ultimate disposition of these proceedings is not presently determinable, management believes, after consultation with its legal counsel, that the likelihood is remote that costs will be incurred materially in excess of accruals already recognized.

#### NOTE 17—Guarantees

Under various financing arrangements for certain customers, including independent retail dealerships, the Company provides recourse or repurchase obligations such that it would be obligated in the event of default by the customer. Terms of the third-party financing arrangements for which the Company is providing recourse or repurchase obligations generally range from one to five years. Total amounts subject to recourse or repurchase obligations at December 31, 2023 and 2022 were \$162.4 million and \$133.2 million, respectively. As of December 31, 2023, losses anticipated under the terms of the recourse or repurchase obligations were not significant and reserves have been provided for such losses based on historical experience in the accompanying consolidated financial statements. The Company generally retains a security interest in the related assets financed such that, in the event the Company would become obligated under the terms of the recourse or repurchase obligations, the Company would take title to the assets financed. The fair value of collateral held at December 31, 2023 was

approximately \$217.8 million based on Company estimates. The Company estimates the fair value of the collateral using information regarding the original sales price, the current age of the equipment and general market conditions that influence the value of both new and used lift trucks. The Company also regularly monitors the external credit ratings of the entities for which it has provided recourse or repurchase obligations. As of December 31, 2023, the Company did not believe there was a significant risk of non-payment or non-performance of the obligations by these entities; however, there can be no assurance that the risk may not increase in the future. In addition, the Company has an agreement with WF to limit its exposure to losses at certain eligible dealers. Under this agreement, losses related to \$33.2 million of recourse or repurchase obligations for these certain eligible dealers are limited to 7.5% of their original loan balance, or \$13.7 million as of December 31, 2023. The \$33.2 million is included in the \$162.4 million of total amounts subject to recourse or repurchase obligations at December 31, 2023.

Generally, the Company sells lift trucks through its independent dealer network or directly to customers. These dealers and customers may enter into a financing transaction with HYGFS or other unrelated third parties. HYGFS provides debt and lease financing to both dealers and customers. On occasion, the credit quality of a customer or credit concentration issues within WF may require the Company to provide recourse or repurchase obligations of the lift trucks purchased by customers and financed through HYGFS. At December 31, 2023, approximately \$152.6 million of the Company's total recourse or repurchase obligations of \$162.4 million related to transactions with HYGFS. In connection with the joint venture agreement, the Company also provides a guarantee to WF for 20% of HYGFS' debt with WF, such that the Company would become liable under the terms of HYGFS' debt agreements with WF in the case of default by HYGFS. At December 31, 2023, loans from WF to HYGFS totaled \$1.3 billion. Although the Company's contractual guarantee was \$263.1 million, the loans by WF to HYGFS are secured by HYGFS' customer receivables, of which the Company guarantees \$152.6 million. Excluding the HYGFS receivables guaranteed by the Company from HYGFS' loans to WF, the Company's incremental obligation as a result of this guarantee to WF is \$236.5 million, which is secured by 20% of HYGFS' customer receivables and other secured assets of \$306.3 million. HYGFS has not defaulted under the terms of this debt financing in the past, and although there can be no assurances, the Company is not aware of any circumstances that would cause HYGFS to default in future periods.

#### **NOTE 18—Debt and Equity Investments and Related-Party Transactions**

The Company maintains an interest in one variable interest entity, HYGFS. HYGFS is a joint venture with WF formed primarily for the purpose of providing financial services to independent Hyster<sup>®</sup> and Yale<sup>®</sup> lift truck dealers and National Account customers in the United States and is included in the Americas segment. The Company does not have a controlling financial interest or have the power to direct the activities that most significantly affect the economic performance of HYGFS. Therefore, the Company has concluded that the Company is not the primary beneficiary and uses the equity method to account for its 20% interest in HYGFS. The Company does not consider its variable interest in HYGFS to be significant.

Generally, the Company sells lift trucks through its independent dealer network or directly to customers. These dealers and customers may enter into a financing transaction with HYGFS or other unrelated third parties. HYGFS provides debt financing to dealers and lease financing to both dealers and customers. HYGFS' total purchases of Hyster<sup>®</sup> and Yale<sup>®</sup> lift trucks from dealers, and directly from the Company such that HYGFS could provide retail lease financing to customers for the years ended December 31, 2023, 2022 and 2021 were \$527.5 million, \$449.8 million and \$346.1 million, respectively. Of these amounts, \$78.9 million, \$75.6 million and \$66.7 million for the years ended December 31, 2023, 2022 and 2021, respectively, were invoiced directly from the Company to HYGFS so that the customer could obtain operating lease financing from HYGFS. Amounts receivable from HYGFS were \$14.2 million and \$5.4 million at December 31, 2023 and 2022, respectively. At December 31, 2023 and 2022, the Company had \$14.6 million and \$14.3 million, respectively, of notes payable to HYGFS for advance funding of inventory that will be financed by HYGFS upon sale. The Company provides recourse for certain financing provided by HYGFS to its dealers and customers. In addition, the Company also provides a guarantee to WF for their portion of HYGFS' debt. Refer to Note 17 for additional details relating to the guarantees provided to WF.

In addition to providing financing to dealers, HYGFS provides operating lease financing to the Company. Operating lease obligations primarily relate to specific sale-leaseback-sublease transactions for certain customers whereby the Company sells lift trucks to HYGFS, leases these lift trucks back under an operating lease agreement and then subleases those lift trucks to customers under an operating lease agreement. Total obligations to HYGFS under the operating lease agreements were \$17.2 million and \$14.3 million at December 31, 2023 and 2022, respectively. In addition, the Company provides certain subsidies to its dealers that are paid directly to HYGFS. Total subsidies were \$9.2 million, \$4.5 million and \$2.5 million for 2023, 2022 and 2021, respectively.

The Company provides certain services to HYGFS for which it receives compensation under the terms of the joint venture agreement. The services consist primarily of administrative functions and remarketing services. Total income recorded by the Company related to these services was \$5.8 million in 2023, \$5.4 million in 2022 and \$5.2 million in 2021.

The Company has a 50% ownership interest in SN, a limited liability company that was formed primarily to manufacture and distribute Sumitomo-branded lift trucks in Japan and export Hyster<sup>®</sup>- and Yale<sup>®</sup>- branded lift trucks and related components and service parts outside of Japan. The Company purchases products from SN under agreed-upon terms. The Company's ownership in SN is also accounted for using the equity method of accounting and is included in the JAPIC segment. The Company purchases products from SN under normal trade terms based on current market prices. In 2023, 2022 and 2021, purchases from SN were \$23.7 million, \$40.4 million and \$38.6 million, respectively. Amounts payable to SN at December 31, 2023 and 2022 were \$6.7 million and \$21.6 million, respectively.

The Company recognized income of \$0.4 million, \$0.3 million and \$0.4 million from SN for use of technology developed by the Company which is included in "Revenues" in the Consolidated Statements of Operations for the years ended December 31, 2023, 2022 and 2021, respectively.

Summarized unaudited financial information for equity investments is as follows:

	2023	2022	2021
<b>Statement of Operations</b>			
Revenues	\$ 411.5	\$ 428.8	\$ 418.0
Gross profit	\$ 160.6	\$ 169.9	\$ 163.4
Income from continuing operations	\$ 56.7	\$ 56.3	\$ 50.0
Net income	\$ 56.7	\$ 56.3	\$ 50.0
<b>Balance Sheet</b>			
Current assets	\$ 103.7	\$ 128.6	
Non-current assets	\$ 1,626.1	\$ 1,498.5	
Current liabilities	\$ 120.7	\$ 138.8	
Non-current liabilities	\$ 1,430.4	\$ 1,307.6	

The Company's equity investments in unconsolidated affiliates are included in "Investment in Unconsolidated Affiliates" in the Consolidated Balance Sheets as follows:

	December 31, 2023	December 31, 2022
HYGFS	\$ 22.2	\$ 21.8
SN	33.4	36.0
Bolzoni investments	0.4	0.4

Dividends received from unconsolidated affiliates for the year ended December 31, are summarized below:

	2023	2022	2021
HYGFS	\$ 10.5	\$ 14.9	\$ 5.1
SN	—	0.7	0.4
	\$ 10.5	\$ 15.6	\$ 5.5

During the first quarter of 2021, the Company sold its investment in preferred shares of a third party, OneH2, Inc. ("OneH2"), Inc. for \$15.7 million, including accrued dividends, and recognized a gain of \$4.6 million. The gain on the sale of the investment is included on the line "Other, net" in the "Other (income) expense" section of the Consolidated Statements of Operations. The Company's investment was \$0.8 million at each of December 31, 2023 and December 31, 2022.

During the fourth quarter of 2023, the Company sold its equity investment in a third party for \$1.1 million which is included on the line "Proceeds from the sale of investments" in the Consolidated Statements of Cash Flows for the year ended December 31, 2023. The Company's investment as of December 31, 2022 was \$0.5 million. Any gain or loss on the investment prior to the sale is included on the line "Other, net" in the "Other (income) expense" section of the Consolidated Statements of Operations for the years ended December 31, as follows:

	2023	2022	2021
Gain (loss) on equity investment	\$ 0.5	\$ (1.0)	\$ (0.2)

#### NOTE 19—Maximal Equity Transfer Agreement

During 2021, the Company signed an Equity Transfer Agreement ("ETA") with Y-C Hongkong Holding Co., Limited ("HK Holding Co"). In June 2022, the Company purchased 15% of the equity interest of Hyster-Yale Maximal from HK Holding Co

for an aggregate purchase price of \$25.2 million, which will be paid in annual installments of \$8.4 million beginning in June 2022 through June 2024. The Company has an option to purchase HK Holding Co's remaining 10% interest in Hyster-Yale Maximal at any time prior to June 8, 2056 for \$16.8 million. If this option is exercised, the Company will own 100% of the equity interest of Hyster-Yale Maximal. As of December 31, 2023, the Company owned a 90% majority interest in Hyster-Yale Maximal.

In addition, under the provisions of the ETA, HK Holding Co maintains a put option by which the Company could be required to exercise its purchase option. As one of the factors that could trigger the put option is outside of the Company's control, the remaining 10% purchase option is considered contingently redeemable. Accordingly, the redeemable noncontrolling interest is not considered to be a component of stockholders' equity and instead is reported as temporary equity in the Consolidated Balance Sheets. Because the occurrence of the event that would trigger the put option is not probable of occurring, the Company will continue to attribute the 10% portion of earnings and losses, as well as any dividends declared, to the noncontrolling interest after the closing date of the ETA. As of the closing date of the ETA, the Company recorded the estimated fair value of the purchase option of \$13.4 million as redeemable noncontrolling interest.

**Certifications**

I, Rajiv K. Prasad, certify that:

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

Date: February 27, 2024

/s/ Rajiv K. Prasad

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Rajiv K. Prasad

President and Chief Executive Officer  
(principal executive officer)



**Certifications**

I, Scott A. Minder, certify that:

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

Date: February 27, 2024

/s/ Scott A. Minder

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Scott A. Minder

Senior Vice President, Chief Financial Officer and  
Treasurer (principal financial officer)

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

In connection with the Annual Report of Hyster-Yale Materials Handling, Inc. (the “Company”) on Form 10-K for the year ended December 31, 2023, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), each of the undersigned officers of the Company certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to such officer's knowledge:

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

Date: February 27, 2024

/s/ Rajiv K. Prasad

Rajiv K. Prasad

President and Chief Executive Officer (principal executive officer)

Date: February 27, 2024

/s/ Scott A. Minder

Scott A. Minder

Senior Vice President, Chief Financial Officer and Treasurer (principal financial officer)

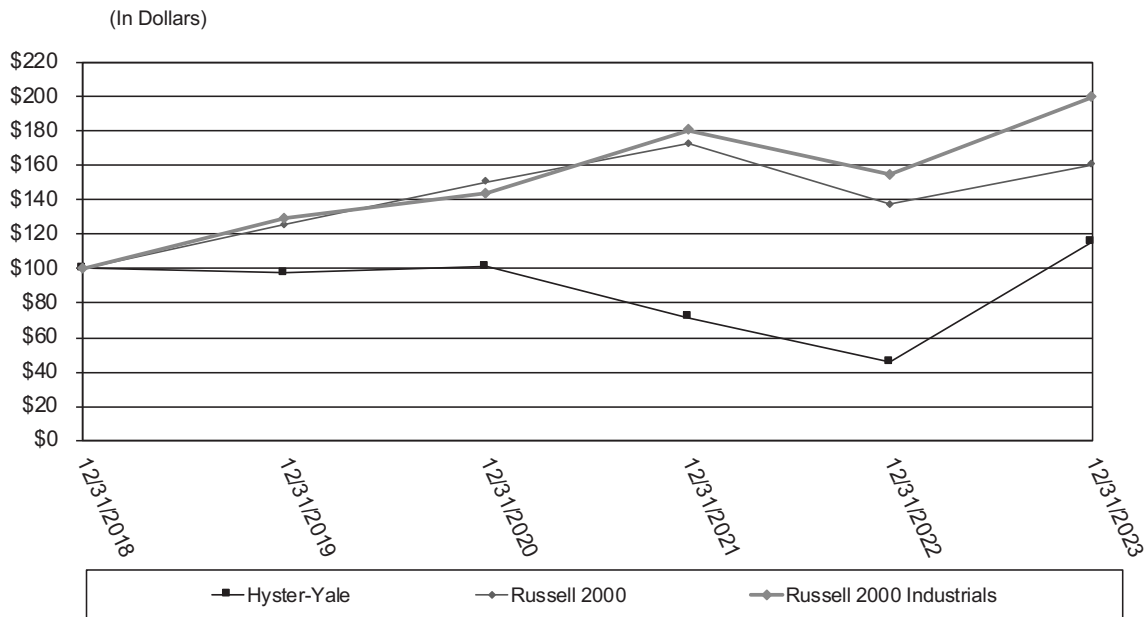
The following information related to the Company's stock performance was not included in or incorporated by reference into, and shall not be deemed to constitute a part of, the Company's Annual Report on Form 10-K filed with the SEC.

**Stock Price Performance Presentation**

The following graph compares the Company's total stock price performance on Class A Common Stock against the total stock price performance of the Russell 2000 Index and the Russell 2000 Producer Durables Index for the periods indicated. The graph presents the value of a \$100 investment, at the base point, for each index assuming the reinvestment of dividends.

In accordance with the regulations promulgated by the SEC, the following graph compares the stock price performance based upon the difference between the stock price at the beginning of each fiscal year and the stock price at the end of the fiscal year for the five-year period commencing January 1, 2019 (base point December 31, 2018) and ending December 31, 2023.

## 2019 – 2023 Stock Price Performance Graph



Assumes \$100 invested at December 31, 2018 with dividends reinvested.

# HYSTER-YALE LEADERSHIP

## DIRECTORS & OFFICERS of Hyster-Yale Materials Handling, Inc.

### DIRECTORS:

**Colleen R. Batcheler**

Executive Vice President, General Counsel and Secretary of Hertz Global Holdings, Inc.

**James B. Bemowski**

Retired Senior Advisor of Doosan Corporation

**J.C. Butler, Jr.**

President and Chief Executive Officer, NACCO Industries, Inc.® and NACCO Natural Resources Corporation®

**Carolyn Corvi**

Retired Vice President and General Manager –Airplane Programs of The Boeing Company

**Edward T. Eliopoulos**

Retired Partner, Ernst & Young LLP

**John P. Jumper**

Retired Chief of Staff, United States Air Force

**Dennis W. LaBarre**

Retired Partner, Jones Day

**H. Vincent Poor**

Michael Henry Strater University Professor of Electrical Engineering at Princeton University

**Rajiv K. Prasad**

President and Chief Executive Officer of Hyster-Yale Materials Handling, Inc. and Hyster-Yale Group

**Alfred M. Rankin, Jr.**

Executive Chairman of Hyster-Yale Materials Handling, Inc.

Non-Executive Chairman of NACCO Industries, Inc.

Non-Executive Chairman of Hamilton Beach Brands Holding Company

**Claiborne R. Rankin**

Manager of NCAF Management, LLC, the managing member of North Coast Angel Fund, LLC

**Britton T. Taplin**

Self-employed (personal investments)

**David B.H. Williams**

President and Partner, Williams, Bax & Saltzman, P.C.

### OFFICERS:

**Alfred M. Rankin, Jr.**

Executive Chairman

**Rajiv K. Prasad**

President and Chief Executive Officer

**Gregory J. Breier**

Vice President, Chief Tax Officer

**Dena R. McKee**

Vice President, Controller and Chief Accounting Officer

**Scott A. Minder**

Senior Vice President, Chief Financial Officer and Treasurer

**Anthony J. Salgado**

Chief Operating Officer, Hyster-Yale Group, Inc.

**Suzanne S. Taylor**

Senior Vice President, General Counsel and Secretary

## LEADERSHIP of Hyster-Yale Group, Bolzoni & Nuvera Fuel Cells

### HYSTER-YALE GROUP:

**Rajiv K. Prasad**

President and Chief Executive Officer

**Anthony J. Salgado**

Chief Operating Officer

**Stephen J. Karas**

Senior Vice President, President APIC

**Stewart D. Murdoch**

Senior Vice President and Managing Director, Europe, Middle East and Africa

**Charles F. Pascarelli**

Senior Vice President, President, Americas

**David M. LeBlanc**

President, Global Technology Solutions Division

**Michele Corini**

Vice President, Global Operations

**Tracy S. Hixson**

Vice President, Global Supply Chain

**Brian A. Jennings**

Vice President, Associate General Counsel - Americas, CBDC, APIC

**Gopichand Somayajula**

Senior Vice President, Global Product Development

**Jon C. Taylor**

Vice President, Chief Financial Officer

### BOLZONI:

**Roberto Scotti**

President and Chief Executive Officer

**Marco Rossi**

Chief Operating Officer

**Marco Bisagni**

Chief Financial Officer

**Vincenzo Gatto**

President, APIC

**Jon Riley**

President, Americas

**Emanuele Scotti**

President, EMEA

### NUVERA:

**Lucien M. J. Robroek**

President and Chief Executive Officer

**Ralph Clague**

Chief Development Officer

**Neil Gillen**

Chief Operations Officer

**Kedar Murthy**

Chief Commercial Officer

**Darwin Scussel**

Chief Financial Officer

# CORPORATE INFORMATION

## ANNUAL MEETING

The Annual Meeting of Stockholders of Hyster-Yale Materials Handling, Inc. will be held on May 8, 2024, at 9:00 a.m. at the corporate office located at: 5875 Landerbrook Drive Cleveland, Ohio 44124

## FORM 10-K

Additional copies of the Company's Form 10-K filed with the Securities and Exchange Commission are available free of charge through Hyster-Yale's website ([hyster-yale.com](http://hyster-yale.com)) or by request to Investor Relations.

## INVESTOR RELATIONS CONTACT

Investor questions may be addressed to: Investor Relations  
Hyster-Yale Materials Handling, Inc.  
5875 Landerbrook Drive, Suite 300  
Cleveland, Ohio 44124  
(440) 449-9589

## STOCK TRANSFER AGENT AND REGISTRAR

*Stockholder Correspondence:*  
Computershare Investor Services  
P.O. Box 43078  
Providence, RI 02940-3078

*Overnight Correspondence:*  
Computershare Investor Services  
150 Royall Street, Suite 101  
Canton, MA 02021

(877) 373-6374 (U.S., Canada and Puerto Rico)  
(781) 575-2879 (International)

## LEGAL COUNSEL

Jones Day  
North Point  
901 Lakeside Avenue  
Cleveland, Ohio 44114

## INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP  
1001 Lakeside Avenue, Suite 1800  
Cleveland, Ohio 44114

## STOCK EXCHANGE LISTING

The New York Stock Exchange  
Symbol: HY

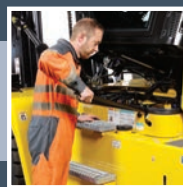
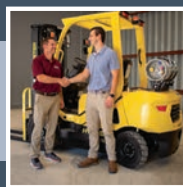
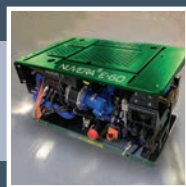
## COMPANY WEBSITE

Additional information about Hyster-Yale Materials Handling may be found on the corporate website, [hyster-yale.com](http://hyster-yale.com). The Company considers this website to be one of the primary sources of information for investors and other interested parties.

## BRAND WEBSITES:

Hyster Global: [hyster.com](http://hyster.com)  
Yale Global: [yale.com](http://yale.com)  
Nuvera Fuel Cells: [nuvera.com](http://nuvera.com)  
Bolzoni: [bolzonigroup.com](http://bolzonigroup.com)  
Hyster-Yale Maximal: [maxforklift.com](http://maxforklift.com)  
Sumitomo-NACCO: [sumitomonacco.com.jp](http://sumitomonacco.com.jp)

## COVER PHOTOS Information



### ▲ Left to right

Nuvera provides fuel cell, zero-emission solutions. The Nuvera® fuel cell 60kW engine was created for heavy-duty applications. • Bolzoni provides attachments to enhance productivity. Here, a Hyster S120FT Fortis® performs operations in a paper factory using a Bolzoni® paper roll attachment. • Yale® Robotic Tow Tractor with JTEC cart operating in a warehouse. • Hyster-Yale employees meeting to discuss the Company's enhanced customer care program. • Sales person talks to a customer from Superior Fence & Rail about a new product. • A technician working on a Yale® lift truck.



5875 Landerbrook Drive, Suite 300  
Cleveland, Ohio 44124 | [hyster-yale.com](http://hyster-yale.com)

*An Equal Opportunity Employer*