

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

FORM 10-K

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2023**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period to
Commission File No.: 001-32401

MANITEX INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Michigan (State of incorporation)	42-1628978 (I.R.S. Employer Identification No.)
9725 Industrial Drive Bridgeview, Illinois (Address of principal executive offices)	60455 (Zip Code)

Registrant's telephone number, including area code: (708) 430-7500

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>
<u>Common Stock, no par value</u>	<u>MNTX</u>	<u>The NASDAQ Stock Market LLC</u>

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

None

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

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 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 (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

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

Large Accelerated Filer	<input type="checkbox"/>		Accelerated Filer	<input checked="" type="checkbox"/>
Non-Accelerated Filer	<input type="checkbox"/>		Smaller reporting company	<input checked="" type="checkbox"/>
			Emerging growth company	<input type="checkbox"/>

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

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

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

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

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

The aggregate market value of the shares of common stock, no par value ("Common Stock"), held by non-affiliates of the registrant as of February 21, 2024 was approximately \$80.6 million based upon the closing price for the Common Stock of \$6.49 on the NASDAQ Stock Market on such date.

The number of shares of the registrant's common stock outstanding as of February 27, 2024 was 20,273,085.

DOCUMENTS INCORPORATED BY REFERENCE

Part III of this Annual Report on Form 10-K incorporates by reference information (to the extent specific sections are referred to herein) from the registrant's Proxy Statement for its 2023 Annual Meeting (the "2023 Proxy Statement") to be filed with the SEC within 120 days after the end of the fiscal year ended December 31, 2023.

Auditor Name:	Grant Thornton LLP	Auditor Location:	Chicago, IL, United States of America
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TABLE OF CONTENTS

PART I		1
ITEM 1.	BUSINESS	2
ITEM 1A.	RISK FACTORS	7
ITEM 1B.	UNRESOLVED STAFF COMMENTS	14
ITEM 1C.	CYBERSECURITY	14
ITEM 2.	PROPERTIES	15
ITEM 3.	LEGAL PROCEEDINGS	15
ITEM 4.	MINE SAFETY DISCLOSURES	15
PART II		16
ITEM 5.	MARKET FOR REGISTRANT’S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES	16
ITEM 6.	[RESERVED]	16
ITEM 7.	MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	17
ITEM 7A.	QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	22
ITEM 8.	FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA	23
ITEM 9.	CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE	59
ITEM 9A.	CONTROLS AND PROCEDURES	59
ITEM 9B.	OTHER INFORMATION	59
ITEM 9C.	DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	59
PART III		60
ITEM 10.	DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE	60
ITEM 11.	EXECUTIVE COMPENSATION	60
ITEM 12.	SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS	60
ITEM 13.	CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE	60
ITEM 14.	PRINCIPAL ACCOUNTANT FEES AND SERVICES	60
PART IV		61
ITEM 15.	EXHIBITS, AND FINANCIAL STATEMENT SCHEDULES	61
ITEM 16.	FORM 10-K SUMMARY	64
SIGNATURES	66

PART I

References to the “Company,” “we” “our” and “us” refer to Manitex International, Inc., together in each case with our subsidiaries and any predecessor entities unless the context suggests otherwise.

Forward-Looking Statements

When reading this Annual Report on Form 10-K, it is important that you also read the financial statements and related notes thereto. This Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. All statements contained in this Annual Report on Form 10-K, other than statements that are purely historical, are forward-looking statements and are based upon management’s present expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future. We use words such as “anticipate,” “estimate,” “plan,” “project,” “continuing,” “ongoing,” “expect,” “believe,” “intend,” “may,” “will,” “should,” “could,” and similar expressions to identify forward-looking statements. Forward-looking statements in this Annual Report on Form 10-K include, without limitation: (1) projections of revenue, earnings, capital structure and other financial items, (2) statements of our plans and objectives, (3) statements regarding the capabilities and capacities of our business operations, (4) statements of expected future economic conditions and the effect on us and on our customers, (5) expected benefits of our cost reduction measures, and (6) assumptions underlying statements regarding us or our business. Our actual results may differ from information contained in these forward-looking statements for many reasons, including those described below and in the section entitled “Item 1A. Risk Factors”:

- a future substantial deterioration in economic conditions, especially in the United States and Europe;
- the reliance of our customers on government spending, fluctuations in activity levels in the construction industry;
- our level of indebtedness and our ability to meet financial covenants required by our debt agreements;
- our ability to negotiate extensions of our credit agreements and to obtain additional debt or equity financing when needed;
- any failure on our part to maintain an effective system of internal controls;
- the cyclical nature of the markets we operate in;
- a substantial portion of our revenues are attributed to a limited number of customers which may decrease or cease purchasing at any time;
- a further increase in interest rates;
- our increasingly international operations expose us to additional risks and challenges associated with conducting business internationally, including currency exchange risks;
- difficulties in implementing new systems, integrating acquired businesses, managing anticipated growth, and responding to technological change;
- the availability of the third-party financing that some of our customers rely on to purchase our products;
- our operations are in a highly competitive industry and the Company is particularly subject to the risks of such competition;
- our dependency upon third-party suppliers makes us vulnerable to supply shortages;
- price increases in materials could reduce our profitability;
- our rental fleet ages causing significant impact to profitability;
- the Company is unable to collect on rental revenue;
- our rental fleet is subject to residual value risk;
- the Company faces product liability claims and other liabilities due to the nature of its business;
- the Company’s success depends upon the continued protections of its trademarks and the Company may be forced to incur substantial costs to maintain, defend, protect and enforce its intellectual property rights;
- volatility relating to our stock price;
- our ability to access the capital markets to raise funds and provide liquidity;
- the willingness of our shareholders and directors to approve mergers, acquisitions, and other business transactions;

- compliance with changing laws and regulations;
- a disruption or breach in our information technology systems;
- the significant percentage of our common stock is held by principal shareholders, executive officers and directors;
- our reliance on the management and leadership skills of our senior executives;
- impairment in the carrying value of goodwill and/or other intangible assets could negatively affect our operating results;
- provisions of the Michigan Business Corporation Act and the Company’s Articles of Incorporation, may discourage or prevent a change in control of the Company; and
- other factors.

The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or operating results. All forward-looking statements are made only as of the date hereof. We do not undertake, and expressly disclaim, any obligation to update this forward-looking information, except as required under applicable law.

ITEM 1. BUSINESS

Our Business

The Company is a leading provider of engineered lifting solutions. The Company designs, manufactures and distributes a diverse group of products that serve different functions and are used in a variety of industries. Following the completion of the Rabern acquisition in 2022, the Company reports in two business segments and has five operating segments which there are five reporting units.

Lifting Equipment Segment

Manitex markets a comprehensive line of boom trucks, truck cranes, aerial platforms and electrical industrial cranes. Manitex’s boom trucks and crane products are primarily used for industrial projects, energy exploration, energy distribution and infrastructure development, including roads, bridges and commercial construction and the tree care industry.

PM and Oil and Steel S.p.A. (“PM” or “PM Group”) is a leading Italian manufacturer of truck-mounted hydraulic knuckle boom cranes with a 65-year history of technology and innovation, and a product range spanning more than 50 models. PM has an innovative line of 1.5 to 210 ton hydraulic articulated cranes serving the power generation, transmission and distribution industry, tree care and landscaping industry and mining and mineral industries. PM is also a manufacturer of truck-mounted and self-propelled aerial platforms with a diverse product line and an international client base. Truck mounted aerial work platforms are widely used in several diverse applications. High reach aerial work platforms are used in highway signage maintenance and construction, parking lot lighting applications, as well as telecommunication maintenance and upgrades. Medium reach aerial work platforms cover most retail shopping and commercial advertising. Larger capacity aerial work platforms are used as support vehicles to service and maintain equipment in mining applications. Cranes and aerial platforms are configured for tree management and removal, both manned and remote applications. Through its consolidated subsidiaries, PM Group has locations in Modena, Italy; Valencia, Spain; Arad, Romania; Chassieu, France; Buenos Aires, Argentina; Santiago, Chile; Singapore and Querétaro, Mexico. PM cranes are also distributed by the Company's subsidiary, Manitex Inc, in Georgetown, Texas.

The Company’s subsidiary, Manitex Valla S.r.L. (“Valla”) produces a full range of precision pick and carry industrial cranes using electric, diesel, and hybrid power options. Its cranes offer wheeled or tracked, and fixed or swing boom configurations, with special applications designed specifically to meet the needs of its customers. The cranes have a lifting capacity of 2 to 25 metric tons and serve the industrial manufacturing, general construction and maintenance, signs and lifting industries. These products are sold internationally through dealers and into the rental distribution channel.

Rental Equipment Segment

On April 11, 2022, the Company entered into a Membership Interest Purchase Agreement (the “Agreement”) with Rabern Rentals, LLC (“Rabern”) and Steven Berner, as owner of 100% of Rabern’s outstanding membership interests. Pursuant to the Agreement, the Company acquired a 70% membership interest in Rabern from Steven Berner for a purchase price of approximately \$26 million in cash plus assumed debt of \$14 million. Rabern is a construction rental equipment provider, headquartered in Amarillo, Texas, primarily servicing business in the Texas panhandle.

The Company’s majority-owned subsidiary, Rabern, rents heavy duty and light duty commercial construction equipment, mainly to commercial contractors on a short-term rental basis. Rabern also rents equipment to homeowners for do-it-yourself projects. Rabern

operates through commercial distribution and delivery stores (branches). Rabern has four branches: three located in the greater Amarillo, Texas market and one located in Lubbock, Texas.

General Corporate Information

Our predecessor company was formed in 1993 and was purchased in 2003 by Veri-Tek International, Corp., which changed its name to Manitek International, Inc. in 2008. Our principal executive offices are located at 9725 Industrial Drive, Bridgeview, Illinois 60455 and our telephone number is (708) 430-7500. Our website address is www.manitekinternational.com. Information contained on our website is not incorporated by reference into this report and such information should not be considered to be part of this report.

INFORMATION ABOUT OUR BUSINESS

Boom Trucks

A boom truck is a straight telescopic boom crane outfitted with a hook and winch which is mounted on a standard flatbed commercial (Class 7 or 8) truck chassis. Relative to other lifting equipment, boom trucks provide increased versatility, with some models capable of transporting relatively large payloads from site to site at highway speeds. A boom truck is usually sold with outriggers, pads and devices for reinforcing the chassis in order to improve safety and stability. Although produced in a wide range of models and sizes, boom trucks can be broadly distinguished by their normal lifting capability as light, medium, and heavy-cranes. Various models of medium or heavy-lift boom trucks can safely lift loads from 17- to 85-tons and operating radii can exceed 200 feet. Another advantage of the boom truck is the ability to provide occasional man lift capabilities at a very low cost to height ratio. While it is not uncommon to see a very old boom truck, most replacement cycles trend less than ten years. The market for boom trucks has historically been cyclical.

Although the Company offers a complete line of boom trucks from light to heavy capacity cranes, much of our efforts have been devoted to the development of higher capacity boom trucks specifically designed to meet the particular needs of customers including those in energy production and electrical power distribution. We believe it is an advantage to be skewed towards the heavier lifting capacity, since the heavier capacity cranes have higher margins.

The Company has developed an electric option called Manitek ECSY (Electric Crane System). The ECSY system is a practical innovation, allowing owners the flexibility to operate the crane remotely on chassis diesel hydraulic power with a supplemental electric motor, which can be engaged when the crane is stationary and operate on locally available electric power sources.

Markets that drive demand for boom trucks include power distribution, oil and gas recovery, infrastructure and new home, commercial and industrial construction. Historically, the new home construction market, which uses lower capacity cranes, has been the most cyclical. Over the past few years, demand from the energy sector has become more cyclical in part due to changes in oil prices.

The Company sells its boom trucks through a network of over forty full-service dealers in the United States, Canada, Mexico, South America, and the Middle East. A number of our dealers maintain a rental fleet of their own. Boom trucks can be rented for either short or long-term periods.

Knuckle Boom Cranes

PM knuckle boom cranes are hydraulic folding and articulating cranes, mounted on a commercial chassis, with lifting capacities that range from small (lifting capacity up to three-ton meter) to super heavy (lifting capacity up to two-hundred-and-ten-ton meter), often supplied with a jib for additional reach. The knuckle boom has a compact design and footprint which can be mounted on a chassis to maximize the load carrying capability. Combined with the crane's ability to operate in a compact footprint the ability to carry a payload provides a competitive advantage over other truck mounted cranes and makes the knuckle boom crane particularly attractive for a variety of end uses in the construction and product delivery sectors.

The knuckle boom crane market is a global market with a wide variety of end sector applications, but focused particularly on residential and non-residential construction, road and bridge infrastructure development, waste management and utility applications. PM knuckle boom cranes are sold into a variety of geographies including West and East Europe, Central Asia, Africa, North and Central America, South America, the Middle East and the Far East and Pacific region. Historically, PM focused on its domestic and local Western European markets, but in recent years has expanded its sales and distribution efforts internationally. PM has six international sales and distribution offices located in Argentina, Chile, France, Mexico, Spain, and Singapore.

The market for knuckle boom cranes has been growing in recent years as the acceptability of the product has grown and its advantages have been accepted. Growth in North America, where the straight-mast boom truck crane has been the more dominant product, has been

more rapid in recent years in combination with the overall improvement in the North American construction sector. PM's share of the North American market has been historically low; however, we believe that this is an area of growth opportunity for the Company.

Aerial Work Platforms

Oil & Steel aerial platforms are self-propelled or truck mounted and places an operator in a basket in the air in order to perform maintenance, repairs or similar activities. The equipment is used in a variety of applications including utilities, sign work and industrial maintenance and is often sold to rental operations.

Oil & Steel serves a number of geographies in North America, Western and Eastern Europe and sells through dealers as well as its own sales and distribution offices and two subsidiaries in Spain and France. In North America, products are sold under the Manitex brand and through its distribution network. The market generally follows the domestic economic cycle for any particular country. Consequently, the market has shown a positive trend in the past several years.

Valla Cranes

Valla product line of industrial cranes is a full range of precision pick and carry cranes from 2 to 90 tons, using electric, diesel, and hybrid power options. Its cranes offer wheeled or tracked, and fixed or swing boom configurations, with special applications designed specifically to meet the needs of its customers. The product is sold internationally through dealers and into the rental distribution channel.

Part Sales

As part of our operations, we supply repair and replacement parts for our products. The parts business margins are generally higher than our overall margins. Part sales as a percentage of revenues tend to increase when there is a down-turn in the industry.

Company Revenues by Sources

The sources of the Company's revenues are summarized below:

	2023	2022
Boom trucks and knuckle boom cranes	60%	53%
Aerial platforms	12%	14%
Part and merchandise sales	10%	12%
Rental	9%	7%
Other equipment	8%	12%
Services	1%	2%
Net Revenue	<u>100%</u>	<u>100%</u>

In 2023 and 2022 no customer accounted for 10% or more of the Company's revenue.

Raw Materials

The Company purchases a variety of components used in the production of its products. The Company purchases steel and a variety of machined parts, components and subassemblies including weldments, winches, cylinders, frames, rims, axles, wheels, tires, suspensions, cables, booms and cabs, as well as engines, transmissions and cabs. Additionally, Manitex and PM mount their cranes on commercial truck chassis, which are either purchased by the Company or supplied by the customer. Lead times for these materials (including chassis) historically varied from several weeks to many months. The Company is vulnerable to a supply interruption in instances when only one supplier has been qualified. Identifying and qualifying alternative suppliers can be very time consuming, and in some cases, could take longer than a year. The Company has been working on qualifying secondary sources of some products to assure supply consistency and to reduce costs. The degree to which our supply base can respond to changes in market demand directly affects our ability to increase production and the Company attempts to maintain some additional inventory in order to react to unexpected increases in demand.

Supply chain issues have impacted the Company and we expect this to continue to cause disruption in 2024. The disruptions continue to put a strain on our team and resources, specifically on our electronic components and steel products. Future supply chain issues that might impact the Company will in part depend on how fast the rate of growth is for a product. Strong general economic growth could

put us in competition for parts with other industries. Additionally, events or circumstances at a particular supplier could impact the availability of a necessary component.

Patents and Trademarks

The Company protects its trade names and trademarks through registration. Its technology consists of bill of materials, drawings, plans, vendor sources and specifications and although the Company's technology has considerable value, it does not generally have patent protection. The Company has (on rare occasions) filed for patent protection on a specific feature. In the future, the Company will consider seeking patent protection on any new design features believed to present a significant future benefit.

The Company owns and uses several trademarks relating to its brands that have significant value and are instrumental to the Company's ability to market its products. The Company's most significant trademark is "Manitex" (presently registered with the United States Patent and Trademark Office until 2027). Valla markets its products under the "Valla" tradename. PM sells its products using the trademark "PM" and PM subsidiary, PM Oil & Steel S.p.A. sells its products using the "OIL & STEEL" trademark. The Manitex, Valla, PM and OIL & STEEL trademarks and trade names are important to the marketing and operation of the Company's business as a significant number of our products are sold under those names. PM has three patents. One is registered with the Italian Patents and Trademarks Office until 2028. PM has two additional patents registered with The Office for Harmonization in the Internal Market for Trademarks, ("OHIM") that are in force until 2031 and 2034, respectively.

Seasonality

Traditionally, the Company's peak selling periods for cranes are the second and fourth quarters of a calendar year. A significant portion of cranes sold over the last several years have been deployed in specialized industries or applications, such as energy, residential and commercial construction. Sales in these markets are subject to significant fluctuations which correlate more with general economic conditions and the prices of commodities and generally are not of a seasonal nature. Crane repairs are performed throughout the year, but are somewhat affected by the slowdown in construction activity during the typically harsh winters in the Midwestern United States.

The sale of parts is much less seasonal given the geographic breadth of the customer base.

Competition

The market for the Company's boom trucks, knuckle boom cranes, and industrial cranes is highly competitive. The Company competes based on product design, quality of products and services, product performance, maintenance costs and price. Several competitors have greater financial, marketing, manufacturing and distribution resources than we do. The Company believes that it effectively competes with its competitors.

The Company's boom cranes compete with cranes manufactured by National Crane, Custom Truck One Source, Elliott and Altec and Weldco Beales. The Company's knuckle boom cranes compete with Palfinger, Fassi, Effer and HIAB.

While no geographic limitations exist regarding the business's ability to sell cranes internationally, the lack of any barriers to entry and the heavy use of the internet make this a highly active and competitive market in which to distribute cranes.

Parts sales are global in scope and benefit greatly from the internet and the tenure and expertise of our employees. While competition in this area is extensive, we believe that the breadth of the products offered and our long history in this part of the business is a competitive advantage.

The Company's rental business competes based on the design, quality and performance of the products it makes available for rental, price and the good maintenance and repair of the equipment it provides. Several competitors have greater financial, marketing and distribution resources than we do. The Company, however, believes that it effectively competes with its competitors.

Backlog

Backlog, which includes firm orders for equipment which we have not yet shipped as well as orders by foreign subsidiaries for international deliveries, was \$170.3 million at the end of the fourth quarter of 2023, down 26.0% from the end of 2022.

The majority of the Company's backlog is expected to be filled within one year, although there can be no assurance that all such backlog orders will be filled within that time. Our backlog orders represent primarily new equipment orders. Parts sales are generally filled as ordered.

Employees

As of December 31, 2023, the Company had 705 full-time employees. The Company has not experienced any work stoppages and anticipates continued good employee relations. None of our employees are covered by collective bargaining agreements.

Governmental Regulation

The Company is subject to various governmental regulations, such as environmental regulations, employment and health regulations, and safety regulations. We have various internal controls and procedures designed to maintain compliance with these regulations. The cost of compliance programs is not material but is subject to additions to or changes in federal, state or local legislation or changes in regulatory implementation or interpretation of government regulations.

Available Information

The Company makes available free of charge our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished as required by Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), through our Internet Website (www.manitexinternational.com) as soon as is reasonably practicable after we electronically file such material with, or furnish it to, the Securities and Exchange Commission (the “SEC”). The SEC also maintains a website (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Information contained in or incorporated into our Internet Website or the SEC’s website is not incorporated by reference herein.

ITEM 1A. RISK FACTORS

The reader should carefully consider the following risks, together with the cautionary statement under the caption “Forward-Looking Statements” and the other information included in this report. The risks described below represent all of the material risks currently known to us; however, they are not the only ones the Company faces. Additional risks that are currently unknown to the Company or that the Company currently considers to be immaterial may also impair its business or adversely affect the Company’s financial condition or results of operations. If any of the following risks actually occur, the Company’s business, financial condition or results of operation could be adversely affected.

Risks Relating to the Company’s Business and Operations

A future substantial deterioration in economic conditions, especially in the United States and Europe, would adversely impact the Company’s results of operations and cash flows.

Economic conditions affect the Company’s sales volumes, pricing levels and overall profitability. Demand for many of the Company’s products depends on end-use markets. Challenging economic conditions may reduce demand for our products and may also impair the ability of customers to pay for products they have purchased. As a result, the Company’s allowance for credit losses and write-offs for accounts receivable may increase. Significant deterioration in economic conditions, especially in the United States and Europe, has had and may again have negative effects on the Company’s results of operations and cash flows.

A significant deterioration in economic conditions has caused and may again cause deterioration in the credit quality of our customers and the estimated residual value of our equipment. This could further negatively impact the ability of our customers to obtain the resources they need to make purchases of our equipment or to fulfill their obligations under our rental agreements. Reduced credit availability will diminish our customers’ ability to invest in their businesses, refinance maturing debt obligations, and meet ongoing working capital needs. If customers do not have sufficient access to credit, demand for the Company’s products will likely decline. Reduced access to credit and the capital markets will also negatively affect the Company’s ability to invest in strategic growth initiatives such as acquisitions.

Our revenues and profitability are impacted by government spending and fluctuations in the construction industry.

Many of the Company’s customers depend substantially on government spending, including highway construction and maintenance and other infrastructure projects by U.S. federal and state governments as well as foreign governments. Any decrease or delay in government funding of highway construction and maintenance and other infrastructure projects could cause the Company’s revenues and profits to decrease.

The Company’s level of indebtedness reduces our financial flexibility and meeting financial covenants required by our debt agreements could impede our ability to successfully operate.

As of December 31, 2023, the Company’s total debt was \$94.9 million, which includes notes payable and finance lease obligations.

Our level of debt affects our operations in several important ways, including the following:

- a significant portion of our cash flow from operations is likely to be dedicated to the payment of the principal and interest on our indebtedness;
- our ability to obtain additional financing in the future for working capital, capital expenditures or acquisitions may be limited;
- we may be unable to refinance our indebtedness on terms acceptable to us or at all;
- our cash flow may be insufficient to meet our required principal and interest payments; and
- we may be unable to obtain additional loans as a result of covenants and agreements with existing debt holders.

The Company’s existing debt agreements contain a number of significant covenants which may limit our ability to, among other things, borrow additional money, make capital expenditures, pay dividends, dispose of assets and acquire new businesses. These covenants also require the Company to meet certain financial tests. A default or other event of non-compliance, if not waived or otherwise permitted by the Company’s lenders, could result in acceleration of the Company’s debt and possibly bankruptcy.

The Company may be unable to negotiate extensions of our credit agreements and to obtain additional debt or equity financing when needed.

Our future capital requirements will depend on the amount of cash generated or required by our current operations, as well as additional funds which may be needed to finance future acquisitions. Future cash needs are subject to substantial uncertainty.

Adequate funds may not be available when needed, and if we do not receive sufficient capital, we may be required to alter or reduce the scope of our operations or to forego making future acquisitions. If we raise additional funds by issuing equity securities, existing stockholders may be diluted.

If we fail to maintain an effective system of internal controls, we may not be able to accurately and timely report our financial results, which could negatively impact our business, investor confidence, and the price of our common stock.

SEC Rules require that we perform an annual assessment of the design and effectiveness of our internal controls over financial reporting. If we are unable to maintain effective internal control over financial reporting or disclosure controls and procedures in the future, our ability to record, process, and report financial information accurately and to prepare financial statements within required time periods could be adversely affected, which could subject us to litigation, investigations, or penalties; negatively affect our liquidity, our access to capital markets, our ability to maintain compliance with covenants, any of which may require substantial time, expense and management resources to remediate, or cause our stock price to decline.

The Company's business is affected by the cyclical nature of its markets.

A substantial portion of our Lifting Equipment business's revenues are attributed to a limited number of customers which may decrease or cease purchasing any time, since the Company's products depend upon the general economic conditions of the markets in which the Company competes. The Company's sales depend in part upon its customers replacement or repair cycles. Adverse economic conditions, including a decrease in commodity prices, may cause customers to forego or postpone new purchases in favor of repairing existing machinery. Downward economic cycles may result in reductions in sales of the Company's products, which may reduce the Company's profits.

A large portion of the Company's revenues are attributed to a limited number of customers which may decrease or cease purchasing any time.

The Company's revenues from its Lifting Equipment business are largely attributed to a limited number of customers. We generally do not have long-term supply agreements with our customers. Even if a multi-year contract exists, the customer is not required to commit to minimum purchases and can cease purchasing at any time. Our Rental Equipment business's rental agreements with commercial and consumer customers are also on a short-term basis. If we were to lose either a significant customer or several smaller customers our operating results and cash flows would be adversely impacted.

The Company's business is sensitive to increases in interest rates.

The Company is exposed to interest rate volatility with regard to its existing variable rate debt, which exposure could increase if the Company incurs additional variable rate debt in the future. If interest rates rise, it becomes more costly for the Company to borrow money and costlier for our customers to pay for the equipment they buy from the Company, which could result in a reduction of product sales or profit margins and adversely affect our financial results.

Our increasingly international operations expose us to additional risks and challenges associated with conducting business internationally.

The international expansion of our business may expose us to risks inherent in conducting foreign operations. These risks include:

- challenges associated with managing geographically diverse operations, which require an effective organizational structure and appropriate business processes, procedures and controls;
- the increased cost of doing business in foreign jurisdictions, including compliance with international and U.S. laws and regulations that apply to our international operations;
- currency exchange and interest rate fluctuations and the resulting effect on our revenue and expenses, and the cost and risk of entering into hedging transactions, if we continue to do so in the future;
- cash requirements to finance business growth;

- potentially adverse tax consequences;
- complexities and difficulties in obtaining protection and enforcing our intellectual property;
- compliance with additional regulations and government authorities in a highly regulated business;
- general economic and political conditions internationally; and
- public health concerns.

Additionally, changes to the United States participation in, withdrawal from, renegotiation of certain international trade agreements or other major trade related issues including the non-renewal of expiring favorable tariffs granted to developing countries, tariff quotas, and retaliatory tariffs, trade sanctions, new or onerous trade restrictions, embargoes and other stringent government controls could have a material adverse effect on our business, results of operations and financial condition.

The reporting currency for our consolidated financial statements is the U.S. Dollar. Certain of our assets, liabilities, expenses, revenues, and earnings are denominated in other countries' currencies, including the Euro, Chilean Peso, and Argentinean Peso. Those assets, liabilities, expenses, revenues and earnings are translated into U.S. Dollars at the applicable exchange rates to prepare our consolidated financial statements. Therefore, increases or decreases in exchange rates between the U.S. Dollar and those other currencies affect the value of those items as reflected in our consolidated financial statements, even if their value remains unchanged in their original currency.

In connection with the ongoing war between Russia and Ukraine, the U.S. government has imposed enhanced export controls on certain products and sanctions on certain industry sectors and parties in Russia. The Company is not accepting orders from Russia at this time. This region does not represent a material portion of our international operations, and we do not rely on any material goods from suppliers in the region. However, the fluidity and continuation of the conflict may result in additional economic sanctions and other impacts which could have a negative impact on the Company's financial condition, results of operations and cash flows. These include decreased sales, supply chain, increases to European energy costs and logistics disruptions; volatility in foreign exchange rates and interest rates; inflationary pressures on raw materials and energy and heightened cybersecurity threats.

The risks that the Company faces in its international operations may continue to intensify if the Company further develops and expands its international operations.

The Company may face limitations on its ability to integrate acquired businesses and manage anticipated growth and may be unable to effectively respond to technological change and implementing new systems.

The successful integration of new business depends on the Company's ability to manage these new businesses and cut excess costs. The Company cannot ensure that these acquired companies will operate profitably or that the intended beneficial effect from these acquisitions will be realized.

If the Company fails to manage growth, the Company's financial results and business prospects may be harmed. To manage the Company's growth and to execute its business plan efficiently, the Company will need to institute, maintain and continue to improve operational, financial and management controls, as well as reporting systems and procedures. The Company also must effectively expand, train and manage its employee base. The Company may not be successful in any of these endeavors.

The markets served by the Company are not historically characterized by rapidly changing technology. Nevertheless, the Company's future success will depend in part upon the Company's ability to enhance its current products and to develop and introduce new products and successfully operate and grow its Equipment Rental business. If the Company fails to anticipate or respond adequately to competitors' product improvements and new product introductions, future results of operations and financial condition will be negatively affected.

Some of our customers rely on financing with third parties to purchase our products.

Our Lifting Equipment business relies on sales of our products to generate cash from operations. Significant portions of our sales are financed by third-party finance companies on behalf of our customers. The availability and terms of financing by third parties are affected by general economic conditions, credit worthiness of our customers and estimated residual value of our equipment. Deterioration in credit quality of our customers or estimated residual value of our equipment, increases in interest rates or changes in the terms of third-party financing agreements could negatively impact the ability or willingness of our customers to obtain resources they need to purchase our equipment. There can be no assurance that third-party finance companies will continue to extend credit to our customers.

The Company operates in a highly competitive industry and the Company is particularly subject to the risks of such competition.

The Company competes in a highly competitive industry and the competition which the Company encounters has an effect on its product prices, market share, revenues and profitability. Because certain competitors have substantially greater financial, production, research and development resources and substantially greater name recognition than the Company, the Company is particularly subject to the risks inherent in competing with them and may be put at a competitive disadvantage. To compete successfully, the Company's products must excel in terms of quality, price, product line, ease of use, safety and comfort, and the Company must also provide excellent customer service. The greater financial resources of the Company's competitors may put it at a competitive disadvantage. If competition in the Company's industry intensifies or if the Company's current competitors enhance their products or lower their prices for competing products, the Company may lose sales or be required to lower its prices. This may reduce revenue from the Company's products and services, lower its gross margins or cause the Company to lose market share. The Company may not be able to differentiate its products from those of competitors, successfully develop or introduce less costly products, offer better performance than competitors or offer purchasers of our products payment and other commercial terms as favorable as those offered by competitors.

The Company is dependent upon third-party suppliers, making us vulnerable to supply shortages.

The Company obtains materials and manufactured components from third-party suppliers. Any delay in the ability of the Company's suppliers to provide the Company with necessary materials and components may affect the Company's capabilities at a number of its manufacturing locations, or may require the Company to seek alternative supply sources. Delays in obtaining supplies may result from a number of factors affecting the Company's suppliers' including capacity constraints, labor disputes, the impaired financial condition of a particular supplier, suppliers' allocations to other purchasers, difficulties in obtaining raw materials, shipping delays or disruptions, public health emergencies, weather emergencies or acts of war or terrorism. Any delay in receiving supplies could impair the Company's ability to deliver products to its customers and, accordingly, could have a material adverse effect on business, results of operations and financial condition.

In addition, the Company purchases materials and services from suppliers on extended terms based on the Company's overall credit rating. Negative changes in the Company's credit rating may impact suppliers' willingness to extend terms and increase the cash requirements of the business.

Price increases in materials could reduce our profitability.

We use large amounts of steel and other items in the manufacture of our products. In the past, market prices of some of our key raw materials increased significantly. If we experience future significant increases in material costs, including steel, we may not be able to reduce product cost in other areas or pass raw material price increases on to our customers and our margins could be adversely affected. The cost of material and manufactured components has increased due to inflation and has a direct affect to our business and outlook.

If Rabern's rental fleet ages, its operating costs may increase, it may be unable to pass along such costs, and our earnings from the Rental Equipment segment may decrease. The costs of new equipment Rabern uses in its fleet have increased, and may continue to increase, requiring Rabern to spend more for replacement equipment or preventing Rabern from procuring equipment on a timely basis.

If Rabern's rental equipment ages, the costs of maintaining such equipment, if not replaced within a certain period of time, will likely increase. The costs of maintenance may materially increase in the future and could lead to material adverse effects on our results of operations.

The cost of new equipment for use in Rabern's rental fleet has increased, and could continue to increase in the future, due to increased material costs from its suppliers (including tariffs on raw materials) or other factors beyond its control. Such increases could materially adversely impact the rental equipment segment's financial condition and results of operations in future periods. Furthermore, changes in customer demand could cause certain of Rabern's existing equipment to become obsolete and require Rabern to purchase new equipment at increased costs.

If Rabern is unable to collect on its rental contracts with customers, our operating results could be adversely affected.

One of the reasons some of Rabern's customers find it more attractive to rent equipment than own that equipment is the need to deploy their capital elsewhere. This has been particularly true in industries with recent high growth rates such as the construction industry. However, some of Rabern's customers may have liquidity issues and ultimately may not be able to fulfill the terms of their rental agreements with Rabern. If Rabern is unable to manage credit risk issues adequately, or if a large number of customers have financial difficulties at the same time, Rabern's allowance for credit losses could increase and our operating results for the Rental Equipment segment would be adversely affected. Further, a worsening of economic conditions would be expected to result in increased delinquencies and credit losses.

Rabern's rental fleet is subject to residual value risk upon disposition, and may not sell at the prices or in the quantities we expect.

The market value of any given piece of rental equipment could be less than its depreciated value at the time it is sold. The market value of used rental equipment depends on several factors, including:

- the market price for new equipment of a like kind;
- wear and tear on the equipment relative to its age and the performance of preventive maintenance;
- the time of year that it is sold;
- the supply of used equipment on the market;
- the existence and capacities of different sales outlets;
- the age of the equipment at the time it is sold;
- worldwide and domestic demand for used equipment; and
- general economic conditions.

Our rental equipment segment includes in income from operations the difference between the sales price and the depreciated value of an item of equipment sold. Changes in our assumptions regarding depreciation could change the rental equipment segment's depreciation expense, as well as the gain or loss realized upon disposal of equipment. Sales of Rabern's used rental equipment at prices that fall significantly below our projections and/or in lesser quantities than we anticipate will have a negative impact on the Rental Equipment segment's results of operations and cash flows.

The Company faces product liability claims and other liabilities due to the nature of its business.

In the Company's lines of business numerous suits have been filed alleging damages for accidents that have occurred during the use or operation of the Company's products. The Company is self-insured, up to certain limits, for these product liability exposures, as well as for certain exposures related to general, worker's compensation and automobile liability. Insurance coverage is obtained for catastrophic losses as well as those risks required to be insured by law or contract. Any material liabilities not covered by insurance could have an adverse effect on the Company's financial condition.

The Company's success depends upon the continued protection of its trademarks and the Company may be forced to incur substantial costs to maintain, defend, protect and enforce its intellectual property rights.

The Company's registered and common law trademarks, as well as certain of the Company's licensed trademarks, have significant value and are instrumental to the Company's ability to market its products. The Company's trademarks "Manitex", "Valla", "PM" and "Oil and Steel" are important to the Company's business as the majority of the Company's products are sold (or services are provided) under those names. The Company has not registered all of its trademarks in the United States nor in the foreign countries where it does business. Third parties could assert claims against such intellectual property that the Company could be unable to successfully resolve. If the Company has to change the names of any of its products, it may experience a loss of goodwill associated with its brand names, customer confusion and a loss of sales.

In addition, international protection of the Company's intellectual property may not be available in some foreign countries to the same extent permitted by the laws of the United States. The Company could also incur substantial costs to defend legal actions relating to use of its intellectual property, which could have a material adverse effect on the Company's business, results of operations or financial condition.

The Company may be unable to access the capital markets to raise funds and provide liquidity when needed.

Our access to capital markets to raise funds through the sale of equity or debt securities is subject to various factors, including general economic and/or financial market conditions which are outside our control, as well as our historical and expected future financial performance and perceived credit worthiness. Significant changes in market liquidity conditions or our actual or perceived financial condition could impact access to funding and associated funding costs, which could reduce our earnings and cash flows.

Compliance with changing laws and regulations may increase our costs or reduce our business flexibility.

Our operations are subject to a number of potential risks. Such risks principally include:

- trade protection measures and currency exchange controls;
- labor unrest;
- global and regional economic conditions;
- political instability;
- terrorist activities and the U.S. and international response thereto;
- restrictions on the transfer of funds into or out of a country;
- export duties and quotas;
- domestic and foreign customs and tariffs;
- current and changing regulatory environments;
- difficulties protecting our intellectual property;
- transportation delays and interruptions;
- difficulty in obtaining distribution support;
- natural disasters; and
- current and changing tax laws.

The Company must comply with all applicable laws, including the Foreign Corrupt Practices Act (“FCPA”) and other laws that prohibit engaging in corruption for the purpose of obtaining or retaining business. These anti-corruption laws prohibit companies and their intermediaries from making improper payments or providing anything of value to improperly influence government officials or private individuals for the purpose of obtaining or retaining a business advantage regardless of whether those practices are legal or culturally expected in a particular jurisdiction. Our global activities and distribution model are subject to risk of corruption by our employees and in addition, our sales agents, distributors, dealers and other third parties that transact Manitex business may be subject to a higher risk of corruption because these parties are generally not subject to our control.

The Company depends on its information technology systems. If its information technology systems do not perform in a satisfactory manner or if the security of them is breached, it could be disruptive and or adversely affect the operations and results of operations of the Company.

The Company depends on its information technology systems, some of which are managed by third parties, to process, transmit and store electronic information (including sensitive data such as confidential business information and personally identifiable data relating to employees, customers and other business partners), and to manage or support a variety of critical business processes and activities. If our information technology systems do not perform in a satisfactory manner, it could be disruptive and or adversely affect the operations and results of operations of the Company, including the ability of the Company to report accurate and timely financial results. The risk of a security breach or disruption, particularly through cyber-attack or cyber intrusion, has increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased.

Furthermore, our information technology systems may be damaged, disrupted or shut down due to attacks by computer hackers, computer viruses, employee error or malfeasance, power outages, hardware failures, telecommunication or utility failures, catastrophes or other unforeseen events, and in any such circumstances our system redundancy and other disaster recovery planning may be ineffective or inadequate. A failure of or breach in information technology security could expose us and our customers, distributors and suppliers to risks of misuse of information or systems, the compromise of confidential information, manipulation and destruction of data, defective products, production downtime and operations disruptions. In addition, such breaches in security could result in litigation, regulatory action and potential liability, as well as the costs and operational consequences of implementing further data protection measures, each of which could have a material adverse effect on our business or results of operations.

The Company’s principal shareholders, executive officers and directors hold a significant percentage of the Company’s common stock, and these shareholders may take actions that may be adverse to your interests.

The Company’s principal shareholders, executive officers and directors beneficially own, in the aggregate approximately 39% of the Company’s common stock as of February 14, 2024. As a result, these shareholders, acting together, will be able to significantly influence

all matters requiring shareholder approval, including the election and removal of directors and approval of significant corporate transactions such as mergers, consolidations, sales and purchases of assets. They also could dictate the management of the Company's business and affairs. This concentration of ownership could have the effect of delaying, deferring or preventing a change in control or impeding a merger or consolidation, takeover or other business combination, even if smaller shareholders support such a transaction, which could cause the market price of our common stock to fall or prevent smaller shareholders from receiving a premium in such a transaction.

The Company relies on key management.

The Company relies on the management and leadership skills of Michael Coffey, its Chief Executive Officer. Although Mr. Coffey entered into an employment agreement with the Company commencing on April 11, 2022, his employment is at will, and may be terminated by either party at any time, with or without cause. The loss of his services could have a significant and negative impact on the Company's business. In addition, the Company relies on the management and leadership skills of other senior executives. The Company could be harmed by the loss of key personnel in the future.

The Company may be required to record goodwill, other intangibles and fixed assets impairment charges on all or a significant amount of the goodwill, other intangibles and fixed assets on its Consolidated Balance Sheets.

The Company reviews goodwill, long-lived assets, including property and identifiable amortizing intangible assets, for impairment whenever changes in circumstances or events may indicate that the carrying amounts are not recoverable. As of December 31, 2023, the Company had no impairment charges to goodwill, other intangibles and fixed assets. Although the Company believes its estimates and assumptions relating to the carrying value of these assets are reasonable and reflect market conditions forecast at the assessment date, any changes to these assumptions and estimates due to market conditions or otherwise may lead to an outcome where impairment charges would be required in future periods. An impairment of a significant portion of goodwill, intangible assets or fixed assets could materially and negatively affect the Company's results of operations.

Provisions of the Michigan Business Corporation Act and the Company's Articles of Incorporation and Amended and Restated Bylaws may discourage or prevent a takeover of the Company.

Provisions of the Company's Articles of Incorporation and Amended and Restated Bylaws and Michigan law could make it more difficult for a third-party to acquire the Company, even if doing so would be perceived to be beneficial to you. These provisions could discourage potential takeover attempts and could adversely affect the market price of the Company's shares. Because of these provisions, you might not be able to receive a premium on your investment. These provisions:

- authorize the Company's Board of Directors, with approval by a majority of its independent directors but without requiring shareholder consent, to issue shares of "blank check" preferred stock that could be issued by the Company's Board of Directors to significantly dilute the ownership percentage of existing shareholders and prevent a takeover attempt;
- limit our shareholders' ability to call a special meeting of the Company's shareholders;
- limit the Company's shareholders' ability to amend, alter or repeal the Company bylaws; and
- restrict business combinations with certain shareholders.

The provisions described above could prevent, delay or defer a change in control of the Company or its management.

The trading price of our common stock is highly volatile.

The trading price of the Company's common stock is highly volatile and could be subject to wide fluctuations in price in response to various factors, many of which are beyond the Company's control, including:

- the degree to which the Company successfully implements its business strategy;
- actual or anticipated variations in quarterly or annual operating results;
- changes in recommendations by the investment community or in their estimates of the Company's revenues or operating results;
- failure to meet expectations of industry analysts;
- speculation in the press or investment community;
- strategic actions by the Company's competitors;
- announcements of technological innovations or new products by the Company or its competitors;

- changes in business conditions affecting the Company and its customers; and
- potential to be delisted.

In the past, following periods of volatility in the market price of a company's securities, class action litigation has often been brought against companies. If a securities class action suit is filed against us, whether or not meritorious, we would incur substantial legal fees and our management's attention and resources would be diverted from operating our business in order to respond to the litigation.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None

ITEM 1C. CYBERSECURITY

The Company recognizes the critical importance of identifying, assessing and managing material risks from cybersecurity threats. We have an enterprise-wide cybersecurity risk management program to adapt to the changing cybersecurity landscape and respond to emerging threats in a timely and effective manner.

Our cybersecurity risk management program leverages the Center for Internet Security (CIS) framework. This includes the CIS Risk Assessment Method (CIS RAM) and CIS Controls Self-Assessment (CSAT). We are implementing CIS Critical Security Controls to assess and strengthen our risk management and cybersecurity posture against an evolving threat landscape.

Key elements of our cybersecurity risk management program include:

- The formalization and implementation of enterprise-wide IT and Information Security Policies which include encryption standards, antivirus protection, vulnerability management and reporting, multifactor authentication, granting and removing of access, confidential information, credential standards, and the baseline hardening of devices;
- Conducting vulnerability assessments and penetration tests;
- Enhancement of segregation of duties to mitigate the risk of self-review of transactions within the system;
- Revision of user access request documentation to clearly define the roles and permissions assigned to users;
- Thorough review of the accuracy and completeness of user listings and access;
- Monthly evaluations to identify and assess cybersecurity risk to our enterprise information technology environment;
- Continued collaboration with external specialists to aid in the ongoing evaluation of existing policies and assess, test or otherwise assist with aspects of our security controls; and
- General cybersecurity training for all employees and role-based specialized training for certain roles to enhance the awareness of shared responsibility for cybersecurity risk management.

We continue to face multiple cybersecurity risks, and, in the past, we have had minor incidents. None of the prior incidents had a material effect on our reputation, business strategy, results of operations or financial condition. For more information on the cybersecurity threats and risks we face, see Part I, Item 1A. – Risk Factors.

Cybersecurity Governance

The Board of Directors has delegated the oversight of cybersecurity risk to the Audit Committee. The Audit Committee oversees management's processes for identifying and mitigating risks, including cybersecurity risks, to help align our risk exposure with our strategic objectives. Senior leadership, including our CFO, regularly briefs the Audit Committee on our cybersecurity and information security posture and the Board of Directors is apprised of cybersecurity incidents deemed to have a moderate or higher business impact, even if immaterial to us.

Through our IT Steering Committee, the Director of Global IT provides regular reports to the CFO on cybersecurity metrics and any cybersecurity incidents. The Company's Director of Global IT is responsible for developing and implementing the information security program and reporting on cybersecurity matters to the CFO and the IT Steering Committee. Our IT Steering Committee is comprised of representatives from Information Security and Technology, Internal Audit and members of executive management. This committee meets periodically to discuss and review Manitex's information security program and receives updates from the Information Security and Technology Department and Internal Audit Department.

We have continued to expand our security controls, investment, and oversight of our cybersecurity program. The Information Security and Technology management team regularly monitors alerts and reviews the resolutions. We regularly test and review our defenses by performing internal tests, including phishing and vishing tests, external red team penetration testing, and by reviewing our operational policies, procedures, and controls with third-party experts. Prior to engaging a third-party vendor, IT management reviews and approves service organizational control reports. The review of vendor SOC reports for existing vendors is completed annually. Tests, reviews, and assessments are important tools for properly maintaining a robust cybersecurity program.

ITEM 2. PROPERTIES

The Company’s executive offices are located at 9725 Industrial Drive, Bridgeview, Illinois 60455. The Company currently has seven principal operating plants for the lifting equipment segment.

The Company has four locations for the rental equipment segment.

Business Segment	Facility Location
Lifting Equipment	Georgetown, TX
	Bridgeview, IL
	San Cesario sul Panaro, Italy (3 locations)
	Strada III Zona Industrială Arad Vest 1 Romania
Rental Equipment	Cortemaggiore, Italy
	Amarillo, TX (2 locations)
	Hereford, TX
	Lubbock, TX

The Company believes that its facilities are suitable for its business and will be adequate to meet our current needs. All operating leases are reasonably certain we will exercise and, accordingly, have been considered in the lease term used to recognize our Right of Use assets and lease liabilities ("ROU") .

ITEM 3. LEGAL PROCEEDINGS

The information set forth in Note 20 (Legal Proceedings and Other Contingencies) to the accompanying Consolidated Financial Statements included in Part II. Item 8 “Financial Statements” on Form 10-K is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

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

Market for the Company's Common Stock

The Company's common stock is listed on The NASDAQ Capital Market trading under the symbol MNTX.

Number of Common Stockholders

As of January 31, 2024 there were 143 record holders of the Company's common stock.

Dividends

During the fiscal years ended December 31, 2023 and 2022, the Company did not declare or pay any cash dividends on its common stock and the Company does not intend to pay any cash dividends in the foreseeable future. Furthermore, the terms of our credit facility do not allow us to declare or pay dividends without the prior written consent of the lender.

Issuer Purchases of Equity Securities

The following table provides information about the Company's purchases of equity securities during the year ended December 31, 2023.

Period	Total number of shares purchased (1)	Average price paid per share
January 1—January 31, 2023	—	\$ —
February 1—February 28, 2023	—	—
March 1—March 31, 2023	7,605	5.22
April 1—April 30, 2023	—	—
May 1—May 31, 2023	—	—
June 1—June 30, 2023	1,875	4.82
July 1—July 31, 2023	1,727	5.43
August 1—August 31, 2023	—	—
September 1—September 30, 2023	—	—
October 1 through October 31, 2023	—	—
November 1 through November 30, 2023	—	—
December 1 through December 31, 2023	177	6.96
Total	<u>11,384</u>	<u>\$ 5.21</u>

- (1) The Company purchased and canceled 11,384 shares of its common stock. The shares were purchased from employees throughout the year at an average market closing price of \$5.21. The employees used the proceeds from the sale of shares to satisfy their withholding tax obligations that arose when restricted shares vested on that date.

ITEM 6. [RESERVED]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Recent Developments

New Business Segment

On April 11, 2022, the Company entered into a Membership Interest Purchase Agreement (the "Purchase Agreement"), with Rabern and Steven Berner. Pursuant to the Purchase Agreement, the Company acquired a 70% membership interest in Rabern for a purchase price of approximately \$26 million in cash plus assumed debt of \$14 million, subject to the various adjustments, escrows and other provisions of the Purchase Agreement. The Rabern acquisition closed on April 11, 2022. The financial results include the Rabern operations since the date of the acquisition.

Rabern added a sales location in Lubbock Texas in April 2023. The Lubbock facility is approximately 15,000 square feet. The Lubbock facility will increase commercial revenue for the Rabern business.

Business Overview

The following management's discussion and analysis of financial condition and results of continuing operations should be read in conjunction with the Company's financial statements and notes, and other information included elsewhere in this Report.

When reading this section of this Annual Report on Form 10-K, it is important that you also read the financial statements and related notes thereto. This Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. See "Forward-Looking Statements".

The following table sets forth certain financial data for the years ended December 31, 2023 and 2022:

Results of Consolidated Operations

MANITEX INTERNATIONAL, INC.

(In thousands)

	For the Years Ended		\$ Change	% Change
	December 31,			
	2023	2022		
Net revenues	\$ 291,389	\$ 273,854	\$ 17,535	6.4%
Cost of sales	229,037	223,835	5,202	2.3
Gross profit	62,352	50,019	12,333	24.7
Operating expenses				
Research and development costs	3,388	2,989	399	13.3
Selling, general and administrative expenses	43,122	40,417	2,705	6.7
Transaction costs	-	2,236	(2,236)	(100)
Total operating expenses	46,510	45,642	868	1.9
Operating income	15,842	4,377	11,465	261.9%
Other income (expense)				
Interest expense	(7,774)	(4,637)	(3,137)	67.6
Interest income	211	2	209	10,450.0
Foreign currency transaction loss	(2,539)	(108)	(2,431)	2,250.9
Other income (expense)	(278)	(1,818)	1,540	(84.7)
Total other income (expense)	(10,380)	(6,561)	(3,819)	58.2
Income (loss) before income taxes	5,462	(2,184)	7,646	(350.0)
Income tax expense (benefit)	(2,395)	2,114	(4,509)	(213.3)
Net income (loss)	7,857	(4,298)	12,155	282.8
Net income attributable to noncontrolling interest	501	603	(102)	(16.9)
Net income (loss) attributable to shareholders of Manitex International, Inc.	\$ 7,356	\$ (4,901)	\$ 12,257	250.1%

Year Ended December 31, 2023 Operations Compared to Year Ended December 31, 2022

Net revenue —For the year ended December 31, 2023, net revenue and gross profit were \$291.4 million and \$62.4 million, respectively. Gross profit as a percent of net revenues was 21.4% for the year ended December 31, 2023. For the year ended December 31, 2022, net revenue and gross profit were \$273.9 million and \$50.0 million, respectively. Gross profit as a percent of net revenues was 18.3% for the year ended December 31, 2022.

For 2023, revenues increased \$17.5 million, or 6.4%, from \$273.9 million for 2022. The increase in revenues is primarily due to increases in sales of knuckle boom cranes from the Company's foreign subsidiaries offset by a decrease in chassis sales. Additional increase in rental revenue was realized as a result of the Rabern acquisition.

Gross profit - Gross profit as a percent of net revenues was 21.4% for the year end. The impact of foreign currency accounts for \$3.6 million of revenue increase over 2022. d December 31, 2023, which increased 3.1% from 18.3% for the year ended December 31, 2022. The increase in gross profit is attributable to increased sales volume, higher selling prices and a more profitable sales mix in the PM and Manitex businesses. Gross Profit also increased due to revenues from the Rabern acquisition and a new location added in Lubbock, Texas.

Research and development costs —Research and development for the year ended December 31, 2023 was \$3.4 million, compared to \$3.0 million for the comparable period in 2022. The Company's research and development spending continues to reflect our commitment to develop and introduce new products that give the Company a competitive advantage.

Selling, general and administrative expenses — Selling, general and administrative expense for the year ended December 31, 2023 was \$43.1 million compared to \$40.4 million for the comparable period in 2022, an increase of \$2.7 million. The increase is driven by an additional three months of expense in the rental segment, the acquisition having occurred in April 2022, trade show expenses, increase in insurance costs, higher salaries and benefits, partially offset by decreased severance costs and legal fees.

Transaction costs — Transaction costs for the twelve months ended December 31, 2022 was \$2.2 million, related to deal costs in connection with the Rabern acquisition.

Interest expense —Interest expense was \$7.8 million and \$4.6 million for the years ended December 31, 2023 and 2022, respectively. The increase in interest expense is due to higher debt and interest rates due to the new credit facilities added in connection with the Rabern acquisition and funding required for the increase in inventory levels.

Foreign currency transaction loss —The Company had a foreign currency loss of \$2.5 million and \$0.1 million for the years ended December 31, 2023 and 2022, respectively. A substantial portion of the losses relate to changes in the Argentine peso.

Other income (expense)— Other expense was \$0.3 million for the year ended December 31, 2023 compared to \$1.8 million for the comparable period in 2022. The expense in 2023 relates to a pension settlement obligation of \$0.2 million related to the termination of services provided by union members and \$0.3 million of legal settlement charges, offset by royalty income in connection with the sale of the Sabre business in 2020. The amount for 2022 relates to a legal settlement, partially offset by a gain on the sale of a Badger facility and the reversal of a previous recorded contingent liability.

Income tax (benefit) expense — The calculation of the overall income tax benefit for the twelve months ended December 31, 2023 primarily consists of a domestic income tax benefit due to a partial release of the valuation allowance offset by the Rabern domestic tax provision, foreign income taxes offset by a partial release of the PM Italy valuation allowance, and the change in uncertain tax positions.

The Company's effective tax rate was an income tax benefit of (43.8%) on pretax income of \$5.5 million compared to an income tax provision of 96.8% on a pretax loss of \$2.2 million from prior year. The effective tax rate for the year ended December 31, 2023 differs from the U.S. statutory rate of 21% primarily due to the tax effects related to the mix of domestic and foreign earnings, nondeductible permanent differences, US federal GILTI inclusion, a partial release of the US federal and PM Italy valuation allowances and the change in uncertain tax positions..

Liquidity and Capital Resources

Cash, cash equivalents and restricted cash were \$9.5 million and \$8.2 million at December 31, 2023 and December 31, 2022, respectively. At December 31, 2023, the Company had global liquidity of approximately \$31 million based on the cash balance and availability under its working capital facilities. Future advances are dependent on having available collateral.

On April 11, 2022, the Company entered into an \$85 million credit facility with Amarillo National Bank consisting of a working capital facility of \$40 million based on Manitek assets, working capital facility of \$30 million based on Rabern assets and \$15 million term loan facility. This new banking facility provided the funds for the Rabern acquisition and working capital facilities for both the Manitek and Rabern businesses. If our revenues were to increase significantly in the future, the provision limiting borrowing against accounts receivable and inventory would limit future borrowings. If this were to occur, we would attempt to negotiate higher inventory caps with our banks. There is, however, no assurance that the banks would agree to increase the caps.

At December 31, 2023, the PM Group had established working capital facilities with five Italian, one Spanish, twelve South American banks and one bank in Romania. Under these facilities, the PM Group can borrow \$24.9 million against orders, invoices and letters of credit. At December 31, 2023, the PM Group had availability under these facilities of \$7.1 million. Future advances are dependent on having available collateral.

The Company expects cash flows from operations and existing availability under the current revolving credit and working capital facilities will be adequate to fund future operations. If, in the future, we were to determine that additional funding is necessary, we believe that it would be available. There is, however, no assurance that such financing will be available or, if available, on acceptable terms.

At December 31, 2023 and December 31, 2022, no customer accounted for 10% or more of the Company's accounts receivable.

Cash Flows for 2023 and 2022

Operating Activities - For 2023, operating activities provided \$2.2 million compared to \$5.1 million used during 2022. Cash used in working capital was \$15.3 million for 2023 compared to cash used by working capital of \$10.6 million for the same period in the prior year. The change is due to an increase in inventory balances partially offset by the changes in accounts receivable and accounts payable.

Investing Activities - Cash used in investing activities was \$5.9 million in 2023 compared to \$52.6 million used in investing activities in the same period a year ago. Cash used in 2023 was primarily related to the purchase of fleet assets for the rental business and other equipment purchases of \$7.1 million, partially offset by proceeds from the sale of fleet assets of \$1.2 million. Cash used in 2022 was primarily related to cash payments and revolving loan payoff from the Rabern acquisition of \$38 million, property and equipment purchases of \$16.1 million offset by \$1.4 million in proceeds from the sale of the Badger facility and other equipment.

Financing Activities - Cash provided by financing activities was an inflow of \$3.6 million for 2023 and \$45.9 million for 2022. For 2023, the financing activity included borrowings on the revolving credit facility offset by payments of notes payable. Cash provided by financing activities in 2022 included an increase in borrowings on the revolving credit facility in connection with the Rabern acquisition of \$41.7 million, borrowings on the term loan in connection with the Rabern acquisition of \$15.0 million, working capital borrowing of \$4.5 million and borrowings for insurance agreements and finance leases of \$2.4 million, offset by repayment of previous revolving credit facility of \$12.8 million and notes of \$4.0 million.

Contingencies

The Company is involved in various legal proceedings, including product liability and workers' compensation matters which have arisen in the normal course of operations. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company.

The Company does not believe that these contingencies in aggregate will have a material adverse effect on the Company.

On October 19, 2022, the Company agreed to settle various claims made by Custom Truck One Source, L.P. ("Custom Truck") in connection with the sale of our Load King business to Custom Truck in 2015. In connection with this settlement, the Company agreed to pay Custom Truck an aggregate sum of \$2.9 million, payable in ten equal quarterly installments, without interest. As of December 31, 2023, the outstanding balance is \$1.5 million.

Additionally, the Company has been named as a defendant in several multi-defendant asbestos related product liability lawsuits. In certain cases the plaintiff has, to date, not been able to establish any exposure by the plaintiff to the Company's products. The Company is uninsured with respect to these claims but believes that it will not incur any material liability with respect to these to claims.

When it is probable that a loss has been incurred and possible to make a reasonable estimate of the Company's liability with respect to such matters, a provision is recorded for the amount of such estimate or the minimum amount of a range of estimates when it is not possible to estimate the amount within the range that is most likely to occur.

Critical Accounting Policies

The preparation of our financial statements and related disclosures in conformity with generally accepted accounting principles in the United States of America (“GAAP”) requires management to make estimates and judgments that affect our reported amounts of assets and liabilities, revenues and expenses, and related disclosures of contingent assets and liabilities. On an on-going basis, we evaluate our estimates and assumptions based upon historical experience and various other factors and circumstances. Management believes that our estimates and assumptions are reasonable under the circumstances; however, actual results may vary from these estimates and assumptions under different future circumstances. We have identified the following critical accounting policies that affect the more significant judgments and estimates used in the preparation of our consolidated financial statements.

Revenue Recognition

Revenue is recognized when obligations under the terms of the contract with our customer are satisfied; generally, this occurs with the transfer of control of our equipment, parts or installation services (typically completed within one day), which occurs at a point in time. Equipment can be redirected during the manufacturing phase such that over time revenue recognition is not appropriate. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. Our contracts are non-cancellable, and returns are only allowed in limited instances. Value added tax and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. The expected costs associated with our base warranties continue to be recognized as expense when the products are sold and do not constitute a separate performance obligation.

Lifting Equipment Revenue

For instances where equipment and installation services are sold together, the Company accounts for the equipment and installation services separately. The consideration (including any discounts) is allocated between the equipment and installation services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the prices at which the Company separately sells the equipment.

In some instances, the Company fulfills its obligations and bills the customer for the work performed but does not ship the goods until a later date. These arrangements are considered bill-and-hold transactions. In order to recognize revenue on the bill-and-hold transactions, the Company ensures the customer has requested the arrangement, the product is identified separately as belonging to the customer, the product is ready for shipment to the customer in its current form, and the Company does not have the ability to direct the product to a different customer. A portion of the transaction price is not allocated to the custodial services due to the immaterial value assigned to that performance obligation.

Payment terms offered to customers are defined in contracts and purchase orders and do not include a significant financing component. At times, the Company may offer discounts which are considered variable consideration however, the Company applies the constraint guidance when determining the transaction price to be allocated to the performance obligations.

Rental Revenue

The Company recognizes rental revenue in accordance with two different accounting standards ASC 606 (which addresses revenue from contracts with customers and ASC 842 (which addresses lease revenue).

Revenue ASC 606 - Revenue is recognized by the Company when the customer obtains control of the asset. Sale of rental equipment and merchandise supplies are recognized at the time of delivery or pickup by the customer.

Revenue ASC 842 - Rental revenue represents revenues from renting equipment the Company owns. The Company recognizes revenue over the term that the equipment is rented, rather than when cash payments are received from the customer. Revenue is based upon the rental rate and the number of days that the equipment was rented during the period. Delivery and pick-up revenue associated with renting equipment is recognized when the service is performed.

Critical Accounting Estimates

Inventories and Related Reserve for Obsolete and Excess Inventory.

Inventories are valued at the lower of cost or net realizable value and are reduced by a reserve for excess and obsolete inventories. The estimated reserve is based upon historical experiences and/or specific identification of excess or obsolete inventories.

Goodwill

Goodwill, representing the difference between the total purchase price and the fair value of assets (tangible and intangible) and liabilities at the date of acquisition, is reviewed for impairment annually, and more frequently as circumstances warrant, and written down only in the period in which the recorded value of such assets exceed their fair value.

Under ASC 350, entities are provided with the option of first performing a qualitative assessment on none, some, or all of its reporting units to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying value. If after completing a qualitative analysis, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value a quantitative analysis is required.

Goodwill is tested for impairment at the reporting unit level, which is defined as an operating segment or a component of an operating segment that constitutes a business for which discrete financial information with similar economic characteristics is available and operating results are regularly reviewed by our chief operating decision maker.

The Company evaluates its consolidated goodwill by identifying potential impairment by comparing the reporting unit's estimated fair value to its carrying value, including goodwill. The Company evaluates goodwill for impairment using a business valuation method, which is calculated as of a measurement date by determining the present value of debt-free, after-tax projected future cash flows, discounted at the weighted average cost of capital of a hypothetical third-party buyer. The market approach was also considered in evaluating the potential for impairment by calculating fair value based on multiples of earnings before interest, taxes, depreciation and amortization (EBITDA) of comparable, publicly traded companies. The Company also observed implied EBITDA multiples from relatively recent merger and acquisition activity in the industry, which was used to test the reasonableness of the results. An impairment charge for the amount by which the carrying amount exceeds the reporting unit's fair value, if any, would be recognized. The loss recognized would not exceed total amount of goodwill allocated to that reporting unit.

The process involves the calculation of an implied fair value of goodwill for each reporting unit for which the valuation indicated impairment. The implied fair value of goodwill is determined by measuring the excess of the estimated fair value of the reporting unit over the estimated fair values of the individual assets, liabilities and identifiable intangibles as if the reporting unit were being acquired in a business combination. If the implied fair value of goodwill exceeds the carrying value of goodwill assigned to the reporting unit, there is no impairment. If the carrying value of goodwill assigned to a reporting unit exceeds the implied fair value of the goodwill, an impairment charge is recorded for the excess. An impairment loss cannot exceed the carrying value of goodwill assigned to a reporting unit and the subsequent reversal of goodwill impairment losses is not permitted.

The determination of fair value requires the Company to make significant estimates and assumptions. These estimates and assumptions primarily include, but are not limited to, revenue growth and operating earnings projections, discount rates, terminal growth rates, and required capital expenditure projections. In the event the Company determines that goodwill is impaired in the future the Company would need to recognize a non-cash impairment charge.

Impairment of Long-Lived Assets.

The Company's policy is to assess the realizability of its long-lived assets, including intangible assets, and to evaluate such assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets (or group of assets) may not be recoverable. Impairment is determined to exist if the estimated future undiscounted cash flows are less than the carrying value. Future cash flow projections include assumptions for future sales levels, the impact of cost reduction programs, and the level of working capital needed to support each business. The amount of any impairment then recognized would be calculated as the difference between the estimated fair value and the carrying value of the asset.

Litigation Claims.

In determining whether liabilities should be recorded for pending litigation claims, the Company must assess the allegations and the likelihood that it will successfully defend itself. When the Company believes it is probable that it will not prevail in a particular matter, it will then make an estimate of the amount of liability based, in part, on the advice of legal counsel.

Income Taxes. The Company accounts for income taxes under the provisions of ASC 740 "Income Taxes," which requires recognition of income taxes based on amounts payable with respect to the current year and the effects of deferred taxes for the expected future tax consequences of events that have been included in the Company's financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax basis of assets and liabilities, as well as for operating losses and tax credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are recorded to reduce deferred tax assets when it is more-likely-than-not a tax benefit will

not be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of any net operating loss carryforwards.

The Tax Cuts and Jobs Act also establishes global intangible low-taxed income (“GILTI”) provisions that impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. The Company has elected to recognize GILTI as a period cost as incurred, therefore there are no deferred taxes recognized for basis differences that are expected to impact the amount of the GILTI inclusion upon reversal.

ASC 740 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, as well as guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company records interest and penalties related to income tax matters in the provision for income taxes.

Accounting Standards Implemented in 2023

In March 2020, the FASB issued guidance under ASC 848, Reference Rate Reform. This guidance provides optional expedients and exceptions to account for debt, leases, contracts, hedging relationships and other transactions that reference LIBOR or another reference rate if certain criteria are met. The guidance may be applied prospectively to contract modifications made and hedging relationships entered into or evaluated on or before December 31, 2022. The Company determined there was no material effect on the Company’s financial statements related to Reference Rate Reform guidance.

On December 21, 2022, the Financial Accounting Standards Board (FASB) issued a new Accounting Standards Update (ASU), “Reference Rate Reform (Topic 848): Deferral of the Sunset Date of Topic 848,” that extends the sunset (or expiration) date of Accounting Standards Codification (ASC) Topic 848 to December 31, 2024. This gives reporting entities two additional years to apply the accounting relief provided under ASC Topic 848 for matters related to reference rate reform. The Company determined there was no material effect on the Company’s financial statements related to Reference Rate Reform Guidance.

Accounting Standards Recently Issued

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The new guidance requires disaggregated information about the effective tax rate reconciliation and additional information on taxes paid that meet a quantitative threshold. The new guidance is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impacts of the new guidance on its consolidated financial statements.

The FASB has issued Accounting Standards Update (ASU) No. 2023-06, *Disclosure Improvements: Codification Amendments in Response to the SEC’s Disclosure Update and Simplification Initiative*, that incorporates certain U.S. Securities and Exchange Commission (SEC) disclosure requirements into the *FASB Accounting Standards Codification*. The amendments in the ASU are expected to clarify or improve disclosure and presentation requirements of a variety of Codification Topics, allow users to more easily compare entities subject to the SEC’s existing disclosures with those entities that were not previously subject to the requirements, and align the requirements in the Codification with the SEC’s regulations.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The ASU expands public entities’ segment disclosures by requiring disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment’s profit or loss and assets. The amendments in ASU 2023-07 are effective for the Company beginning with its 2024 annual report, and its interim periods beginning in 2025. Early adoption is permitted. The Company is currently evaluating the impact of adopting this ASU on its disclosures.

There have been no other accounting pronouncements issued, but not yet adopted by us, which are not expected to have a material impact on our Consolidated Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not required for Smaller Reporting Companies.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The report of the Company's independent registered public accounting firm and the Company's Consolidated Financial Statements are filed pursuant to this Item 8 and are included in this report. See the Index to Financial Statements.

Index to Financial Statements

The financial statements of the registrant required to be included in Item 8 are listed below:

	<u>Page Reference</u>
Report of Independent Registered Public Accounting Firm (PCAOB ID Number 248)	25
Consolidated Financial Statements:	
Consolidated Balance Sheets as of December 31, 2023 and 2022	28
Consolidated Statements of Operations for the Years Ended December 31, 2023 and 2022.....	29
Consolidated Statements of Comprehensive Loss for the Years Ended December 31, 2023 and 2022	30
Consolidated Statements of Shareholders' Equity for Years Ended December 31, 2023 and 2022	31
Consolidated Statements of Cash Flows for the Years Ended December 31, 2023 and 2022	32
Notes to Consolidated Financial Statements.....	33 - 58

Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders
Manitex International, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Manitex International Inc. (a Michigan corporation) and subsidiaries (the “Company”) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive income (loss), shareholders’ equity, and cash flows for each of the two years in the period ended December 31, 2023, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2023, in conformity with accounting principles generally accepted in the United States of America.

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 the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”), and our report dated February 29, 2024 expressed an unqualified opinion.

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 matter

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

Goodwill

As described further in note 1 and 3 to the financial statements, the Company evaluates goodwill for impairment at the reporting unit level annually or more frequently if indicators of impairment exist. During the course of the year, the Company performed a quantitative goodwill impairment assessment for three of the Company’s reporting units, Manitex, PM Group and Rabern. The quantitative impairment assessment involves the comparison of the fair value of a reporting unit to its carrying amount. The Company used a weighting of the business valuation method and market approach to determine the fair value of the reporting units. The Company performed its annual impairment assessment as of October 1, 2023 and determined there was no impairment.

We identified the goodwill impairment analysis as a critical audit matter. Testing the key assumptions involved a high degree of auditor judgment due to the significant estimation required to determine the fair value of each reporting unit. The principal considerations for our determination that the goodwill impairment analysis is a critical audit matter are that the fair value estimates were sensitive to significant assumptions.

Our audit procedures related to the goodwill impairment analysis included the following, among others:

- We tested the design and operating effectiveness of key controls over the Company's goodwill impairment assessment process including review of the valuation models and significant assumptions used.
- We tested the significant assumptions, such as forecasted revenues and operating income margins by assessing the reasonableness of management's forecasts compared to current results and forecasted industry trends.
- With the assistance of our valuation specialists, we evaluated the selection of the discount rate, including testing the underlying source information and the mathematical accuracy of the calculations by developing a range of independent estimates and comparing those to the rates selected by management.

/s/ GRANT THORNTON LLP

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

Chicago, Illinois
February 29, 2024

Report of Independent Registered Public Accounting Firm

Board of Directors and Shareholders
Manitex International, Inc.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Manitex International, Inc (a Michigan corporation) and subsidiaries (the “Company”) as of December 31, 2023, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2023, and our report dated February 29, 2024 expressed an unqualified opinion on those financial statements.

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/ GRANT THORNTON LLP

Chicago, Illinois
February 29, 2024

MANITEX INTERNATIONAL, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	As of December 31,	
	2023	2022
ASSETS		
Current assets		
Cash	\$ 9,269	\$ 7,973
Cash - restricted	212	217
Trade receivables (net)	49,118	43,856
Other receivables	553	1,750
Inventory (net)	82,337	69,801
Prepaid expense and other current assets	4,084	3,907
Total current assets	145,573	127,504
Total fixed assets, net of accumulated depreciation of \$29,751 and \$22,441, at December 31, 2023 and 2022, respectively	49,560	51,697
Operating lease assets	7,416	5,667
Intangible assets (net)	12,225	14,367
Goodwill	37,354	36,916
Deferred tax assets	3,603	452
Total assets	\$ 255,731	\$ 236,603
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	\$ 47,644	\$ 45,682
Accrued expenses	14,503	12,379
Related party payables (net)	27	60
Notes payable (net)	25,528	22,666
Current portion of finance lease obligations	605	509
Current portion of operating lease obligations	2,100	1,758
Customer deposits	2,384	3,407
Total current liabilities	92,791	86,461
Long-term liabilities		
Revolving term credit facilities (net)	47,629	41,479
Notes payable (net)	18,401	22,261
Finance lease obligations (net of current portion)	2,777	3,382
Operating lease obligations (net of current portion)	5,315	3,909
Deferred gain on sale of property	347	427
Deferred tax liability	4,145	5,151
Other long-term liabilities	4,642	5,572
Total long-term liabilities	83,256	82,181
Total liabilities	176,047	168,642
Commitments and contingencies		
Equity		
Preferred Stock—Authorized 150,000 shares, no shares issued or outstanding at December 31, 2023 and 2022	—	—
Common Stock—no par value 25,000,000 shares authorized, 20,258,194 and 20,107,014 shares issued and outstanding at December 31, 2023 and 2022, respectively	134,328	133,289
Additional paid-in capital	5,440	4,266
Retained deficit	(65,982)	(73,338)
Accumulated other comprehensive loss	(4,169)	(5,822)
Equity attributable to shareholders of Manitex International, Inc.	69,617	58,395
Equity attributable to noncontrolling interest	10,067	9,566
Total equity	79,684	67,961
Total liabilities and equity	\$ 255,731	\$ 236,603

The accompanying notes are an integral part of these financial statements

MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)

	For the years ended December 31,	
	2023	2022
Net revenues	\$ 291,389	\$ 273,854
Cost of sales	229,037	223,835
Gross profit	62,352	50,019
Operating expenses		
Research and development costs	3,388	2,989
Selling, general and administrative expenses	43,122	40,417
Transaction costs	-	2,236
Total operating expenses	46,510	45,642
Operating income	15,842	4,377
Other income (expense)		
Interest expense	(7,774)	(4,637)
Interest income	211	2
Foreign currency transaction loss	(2,539)	(108)
Other income (expense)	(278)	(1,818)
Total other income (expense)	(10,380)	(6,561)
Income (loss) before income taxes	5,462	(2,184)
Income tax (benefit) expense	(2,395)	2,114
Net income (loss)	7,857	(4,298)
Net income attributable to noncontrolling interest	501	603
Net income (loss) attributable to shareholders of Manitex International, Inc.	\$ 7,356	\$ (4,901)
Income (loss) Per Share		
Basic	\$ 0.36	\$ (0.24)
Diluted	\$ 0.36	\$ (0.24)
Weighted average common shares outstanding		
Basic	20,209,132	20,055,836
Diluted	20,223,825	20,055,836

The accompanying notes are an integral part of these financial statements

MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	<u>For the years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Net income (loss)	\$ 7,857	\$ (4,298)
Other comprehensive income (loss)		
Foreign currency translation gain (loss)	1,653	(1,603)
Total other comprehensive income (loss)	1,653	(1,603)
Comprehensive income (loss)	9,510	(5,901)
Comprehensive income attributable to noncontrolling interest	501	603
Total comprehensive income (loss) attributable to shareholders of Manitex International, Inc.	<u>\$ 9,009</u>	<u>\$ (6,504)</u>

The accompanying notes are an integral part of these financial statements

MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
(In thousands, except per share data)

	Outstanding shares	Common Stock	APIC	Retained Deficit	AOCI (Loss)	Noncontrolling Interests	Total
Balance at December 31, 2021	<u>19,940,487</u>	<u>\$ 132,206</u>	<u>\$ 3,264</u>	<u>\$ (68,436)</u>	<u>\$ (4,219)</u>	<u>\$ -</u>	<u>\$ 62,815</u>
Net income (loss)	—	—	—	(4,902)	—	603	(4,298)
Gain (loss) on foreign currency translation	—	—	—	—	(1,603)	—	(1,603)
Employee incentive plan grant	201,562	1,343	(1,343)	—	—	—	—
Acquisition of noncontrolling interests	—	—	—	—	—	8,963	8,963
Repurchase to satisfy withholding and cancelled	(35,035)	(260)	—	—	—	—	(260)
Share-based compensation	—	—	2,345	—	—	—	2,345
Balance at December 31, 2022	<u>20,107,014</u>	<u>\$ 133,289</u>	<u>\$ 4,266</u>	<u>\$ (73,338)</u>	<u>\$ (5,822)</u>	<u>\$ 9,566</u>	<u>\$ 67,961</u>
Net income	—	—	—	7,356	—	501	7,857
Gain on foreign currency translation	—	—	—	—	1,653	—	1,653
Employee incentive plan grant	162,565	1,098	(1,098)	—	—	—	—
Repurchase to satisfy withholding and cancelled	(11,384)	(59)	—	—	—	—	(59)
Share-based compensation	—	—	2,272	—	—	—	2,272
Balance at December 31, 2023	<u>20,258,195</u>	<u>\$ 134,328</u>	<u>\$ 5,440</u>	<u>\$ (65,982)</u>	<u>\$ (4,169)</u>	<u>\$ 10,067</u>	<u>\$ 79,684</u>

The accompanying notes are an integral part of these financial statements

MANITEX INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(In thousands)

	For the years ended December 31,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	\$ 7,857	\$ (4,298)
Adjustments to reconcile net income (loss) to cash (used in) provided by operating activities:		
Depreciation and amortization	11,420	9,415
Changes in forward currency contract	125	(132)
Changes in allowances for credit losses	179	(561)
Changes in inventory reserves	(412)	(1,588)
Changes in deferred income taxes	(4,179)	1,348
Amortization of deferred financing cost	50	103
Gain on disposal of assets	(549)	(767)
Retirement of assets	—	127
Amortization of debt discount	49	65
Share-based compensation	2,272	2,345
Adjustment to deferred gain on sale and lease back	(80)	(80)
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(5,207)	(9,614)
(Increase) decrease in other receivable	1,226	182
(Increase) decrease in inventory	(10,867)	(3,737)
(Increase) decrease in prepaid expenses	(273)	(1,321)
Increase (decrease) in other assets	—	1,062
Increase (decrease) in accounts payable	815	2,824
Increase (decrease) in accrued expenses	1,932	1,700
Increase (decrease) in other current liabilities	(1,091)	(3,515)
Increase (decrease) in other long-term liabilities	(1,042)	1,374
Net cash (used in) provided by operating activities	<u>2,225</u>	<u>(5,068)</u>
Cash flows from investing activities:		
Payments for acquisition of Rabern, net of cash acquired	—	(38,366)
Proceeds from the sale of assets	1,250	1,905
Purchase of property and equipment	(7,083)	(16,089)
Investment in intangibles, other than goodwill	(82)	(77)
Net cash used in investing activities	<u>(5,915)</u>	<u>(52,627)</u>
Cash flows from financing activities:		
Net borrowings on revolving term credit facility	10,431	41,668
Payments on revolving term credit facilities	(2,048)	(12,800)
Borrowings on term debt	—	15,000
Net borrowings on working capital facilities	—	4,480
New borrowings- other	—	2,366
Note payments	(4,229)	(3,962)
Shares repurchased for income tax withholding on share-based compensation	(58)	(260)
Debt issuance costs	—	(125)
Payments on finance lease obligations	(509)	(428)
Net cash provided by financing activities	<u>3,587</u>	<u>45,939</u>
Change in cash and cash equivalents	(103)	(11,756)
Effect of exchange rate increase (decrease)	1,394	(1,635)
Cash and cash equivalents at the beginning of the year	8,190	21,581
Cash and cash equivalents at end of period	<u>\$ 9,481</u>	<u>\$ 8,190</u>

(See Note 15 for other supplemental cash flow information)

The accompanying notes are an integral part of these financial statements

MANITEX INTERNATIONAL INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands, except per share data)

Note 1. Nature of Operations

The Company is a leading provider of engineered lifting solutions and equipment rentals. Following the completion of the Rabern acquisition the Company reports in two business segments and has five operating segments under which there are five reporting units. The Company designs, manufactures and distributes a diverse group of products that serve different functions and are used in a variety of industries.

Lifting Equipment Segment

Manitex markets a comprehensive line of boom trucks, truck cranes and sign cranes, including via its partially and wholly-owned subsidiaries and distributors, as described below. Manitex's boom trucks and crane products are primarily used for industrial projects, energy exploration and infrastructure development, including roads, bridges and commercial construction.

PM Oil and Steel S.p.A. ("PM" or "PM Group"), a subsidiary of the Company, is a leading Italian manufacturer of truck-mounted hydraulic knuckle boom cranes with a 50-year history of technology and innovation, and a product range spanning more than 50 models. PM is also a manufacturer of truck-mounted aerial platforms with a diverse product line and an international client base. Through its consolidated subsidiaries, PM Group has locations in Modena, Italy; Valencia, Spain; Arad, Romania; Chassieu, France; Buenos Aires, Argentina; Santiago, Chile; Singapore and Querétaro, Mexico.

The Company's subsidiary, Manitex Valla S.r.L. ("Valla"), produces a full range of precision pick and carry industrial cranes using electric, diesel, and hybrid power options. Its cranes offer wheeled or tracked, and fixed or swing boom configurations, with special applications designed specifically to meet the needs of its customers. These products are sold internationally through dealers and into the rental distribution channel.

Rental Equipment Segment

The Company's majority-owned subsidiary, Rabern, rents heavy duty and light duty commercial construction equipment, mainly to commercial contractors on a short-term rental basis. The Company also rents equipment to homeowners for do-it-yourself projects.

Note 2. Basis of Presentation

The consolidated financial statements, included herein, have been prepared by the Company pursuant to the rules and regulations of the United States Securities and Exchange Commission. Pursuant to these rules and regulations, the financial statements are prepared in accordance with the accounting principles general accepted in the United States of America ("GAAP").

Financial statements are presented in thousands of dollars except for share and per share amounts unless otherwise stated.

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

Note 3. Summary of Significant Accounting Policies

The summary of significant accounting policies of Manitex International, Inc. is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to GAAP and have been consistently applied in the preparation of the financial statements.

Cash and Cash Equivalents—For purposes of the statement of cash flows, the Company considers all short-term securities purchased with maturity dates of three months or less to be cash equivalents. The cash in the Company's U.S. banks is not fully insured by the Federal deposit Insurance Corporation (FDIC) due to the statutory limit of \$250.

Restricted Cash—Certain of the Company's lending arrangements require the Company to post collateral or maintain minimum cash balances in escrow. These cash amounts are reported as current assets on the balance sheets based on when the cash will be contractually released. Total restricted cash was \$212 and \$217 at December 31, 2023 and 2022, respectively.

Revenue Recognition—Revenue is recognized when obligations under the terms of the contract with our customer are satisfied; generally, this occurs with the transfer of control of our equipment, parts or installation services (typically completed within one day).

Equipment can be redirected during the manufacturing phase such that over time revenue recognition is not appropriate. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. Our contracts are non-cancellable and returns are only allowed in limited instances. Sales, value add, and other taxes we collect concurrent with revenue-producing activities are excluded from revenue. The expected costs associated with our base warranties continue to be recognized as expense when the products are sold and do not constitute a separate performance obligation.

For instances where equipment and installation services are sold together, the Company accounts for the equipment and installation services separately. The consideration (including any discounts) is allocated between the equipment and installation services based on their stand-alone selling prices. The stand-alone selling prices are determined based on the prices at which the Company separately sells the equipment.

In some instances, the Company fulfills its obligations and bills the customer for the work performed but does not ship the goods until a later date. These arrangements are considered bill-and-hold transactions. In order to recognize revenue on the bill-and-hold transactions, the Company ensures the customer has requested the arrangement, the product is identified separately as belonging to the customer, the product is ready for shipment to the customer in its current form, and the Company does not have the ability to direct the product to a different customer. A portion of the transaction price is not allocated to the custodial services due to the immaterial value assigned to that performance obligation.

Payment terms offered to customers are defined in contracts and purchase orders and do not include a significant financing component. In determining when and how revenue is recognized from contracts with customers, the Company performs the following five-step analysis: (i) identification of contract with customer; (ii) determination of performance obligations; (iii) measurement of the transaction price; (iv) allocation of the transaction price to the performance obligations and (v) recognition of revenue when (or as) the Company satisfies each obligation.

The accounting for the significant types of revenue that are accounted for under ASC 842 is discussed below.

Rental equipment revenue is recognized over the term of the rental contract, based on monthly, weekly or daily rental rates and the number of days the equipment is rented.

Rental equipment revenue generally represent revenues from renting equipment that the Company owns. The Company accounts for such rentals as operating leases. The Company does not generally provide an option for the lessee to purchase the rented equipment at the end of the lease, and do not generate material revenue from sales of equipment under such options.

The Company recognizes revenues from renting equipment on a straight-line basis. The Company records any amounts billed to customers in excess of recognizable revenue as deferred revenue on our balance sheet.

The Company is unsure when the customer will return rented equipment. As such, we do not know how much the customer will owe us upon return of the equipment and cannot provide a maturity analysis of future lease payments. Our equipment is generally rented for short periods of time (significantly less than a year). Lessees do not provide residual value guarantees on rented equipment.

The Company expects to derive significant future benefits from our equipment following the end of the rental term. Our rentals are generally short-term in nature, and our equipment is typically rented for the majority of the time that we own it. We additionally recognize revenue from sales of rental equipment when we dispose of the equipment.

Included in rental equipment revenue is re-rent revenue which reflects revenues from equipment that we rent from vendors and then rent to our customers. We account for such rentals as subleases. The accounting for re-rent revenue is the same as the accounting for owned equipment rentals described above.

Allowance for Credit Losses —Accounts receivable is stated at the amounts the Company's customers are invoiced and do not bear interest. The Company has adopted a policy consistent with GAAP for the periodic review of its accounts receivable to determine whether the establishment of an allowance for credit losses is warranted based on the Company's assessment of the collectability of the accounts. The Company established an allowance for credit losses of \$2,186 and \$1,948 at December 31, 2023 and 2022, respectively. The Company also has, in some instances, a security interest in its accounts receivable until payment is received.

Property, Plant, Equipment and Depreciation —Property and equipment are stated at cost or the fair market value at the date of acquisition. Depreciation of property and equipment is provided over the following useful lives:

Asset Category	Depreciable Life
Buildings	12 –33 years
Machinery and equipment	3 – 20 years
Rental equipment	5 - 7 years
Furniture and fixtures	3 – 7 years
Leasehold improvements	1 – 12 years
Motor vehicles	3 – 5 years
Computer software	3 – 5 years

Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred. Depreciation of property, and equipment is calculated using the straight-line method over the estimated useful lives of the assets. Depreciation expense for the years ended December 31, 2023 and 2022 was \$8,285 and \$6,549, respectively.

Other Intangible Assets —The Company capitalizes certain costs related to patent technology. Additionally, a substantial portion of the purchase price related to the Company’s acquisitions has been assigned to trade name and customer relationships. Other Intangible Assets with definite lives are amortized over their estimated useful lives. Intangible assets with indefinite lives are tested annually for impairment.

Goodwill — Goodwill, representing the difference between the total purchase price and the fair value of assets (tangible and intangible) and liabilities at the date of acquisition, is reviewed for impairment annually, and more frequently as circumstances warrant, and written down only in the period in which the recorded value of such assets exceed their fair value.

Under “ASC 350”, entities are provided with the option of first performing a qualitative assessment on some, or all of its reporting units to determine whether it is more-likely-than-not that the fair value of a reporting unit is less than its carrying value. If after completing a qualitative analysis, it is determined that it is more likely-than-not that the fair value of a reporting unit is less than its carrying value a quantitative analysis is required.

The Company evaluates its consolidated goodwill by identifying potential impairment by comparing the reporting unit’s estimated fair value to its carrying value, including goodwill. The Company evaluates goodwill for impairment using a business valuation method, which is calculated as of a measurement date by determining the present value of debt-free, after-tax projected future cash flows, discounted at the weighted average cost of capital of a hypothetical third-party buyer. The market approach was also considered in evaluating the potential for impairment by calculating fair value based on multiples of earnings before interest, taxes, depreciation and amortization (EBITDA) of comparable, publicly traded companies. The Company also observed implied EBITDA multiples from relatively recent merger and acquisition activity in the industry, which was used to test the reasonableness of the results. An impairment charge for the amount by which the carrying amount exceeds the reporting unit’s fair value, if any, would be recognized. The loss recognized would not exceed total amount of goodwill allocated to that reporting unit.

The Company performed its annual impairment assessment as of October 1, 2023 and determined there was no impairment.

Impairment of Long-Lived Assets — The Company’s policy is to assess the realizability of its long-lived assets, including intangible assets, and to evaluate such assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets (or group of assets) may not be recoverable. Impairment is determined to exist if the estimated future undiscounted cash flows are less than the carrying value. Future cash flow projections include assumptions for future sales levels, the impact of cost reduction programs, and the level of working capital needed to support each business. The amount of any impairment then recognized would be calculated as the difference between the estimated fair value and the carrying value of the asset.

No impairment was recognized for the year ending December 31, 2023.

Inventory, net —In valuing inventory, the Company is required to make assumptions regarding the level of reserves required to value potentially obsolete or over-valued items at lower of cost or Net Realized Value (NRV). Inventory consists of merchandise, stock materials and equipment stated at the lower of cost (first in, first out) or net realizable value. All equipment classified as inventory is available for sale. The Company records excess and obsolete inventory reserves based upon specific identification and/or historical experience of excess or obsolete inventories. These assumptions require the Company to analyze the aging of and forecasted demand for its inventory, forecast future product sales prices, pricing trends and margins, and to make judgments and estimates regarding

obsolete or excess inventory. Future product sales prices, pricing trends and margins are based on the best available information at that time including actual orders received, negotiations with the Company's customers for future orders, including their plans for expenditures, and market trends for similar products. The Company's judgments and estimates for excess or obsolete inventory are based on analysis of actual and forecasted usage.

Foreign Currency Translation and Transactions —The financial statements of the Company's non-U.S. subsidiaries are translated using the current exchange rate for assets and liabilities and the weighted-average exchange rate for the year for income and expense items. Resulting translation adjustments are recorded to accumulated other comprehensive income ("AOCI") as a component of shareholders' equity.

The Company converts receivables and payables denominated in other than the Company's functional currency at the exchange rate as of the balance sheet date. The resulting transaction exchange gains or losses, except for certain transaction gains or loss related to intercompany receivable and payables, are included in other income and expense. Transaction gains and losses related to intercompany receivables and payables not anticipated to be settled in the foreseeable future are excluded from the determination of net income and are recorded as a translation adjustment (with consideration to the tax effect) to AOCI as a component of shareholders' equity.

Derivatives—Forward Currency Exchange Contracts —When the Company enters into forward currency exchange contracts it does so such that the exchange gains and losses on the assets and liabilities that are being hedged, which are denominated in a currency other than the reporting units' functional currency, would be offset by the changes in the market value of the forward currency exchange contracts it holds. The forward currency exchange contracts that the Company has to offset existing assets and liabilities denominated in other than the reporting units' functional currency have been determined not to be considered a hedge. The Company records the forward currency exchange contracts at its market value with any associated gain or loss being recorded in current earnings. Both realized and unrealized gains and losses related to forward currency contracts are included in current earnings and are reflected in the Consolidated Statements of Operations in the other income (expense) section on the line titled foreign currency transaction gain (loss).

Research and Development Expenses— The Company expenses research and development costs, as incurred. For the years ended December 31, 2023 and 2022, expenses were \$3.4 million and \$3.0 million, respectively.

Advertising —Advertising costs are expensed as incurred and were \$1.4 million and \$0.8 million for the years ended December 31, 2023 and 2022, respectively.

Retirement Benefit Costs and Termination Benefits —Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. Employees in Italy are entitled to Trattamento di Fine Rapporto ("TFR"), commonly referred to as an employee leaving indemnity, which represents deferred compensation for employees in the private sector. Under Italian law, an entity is obligated to accrue for TFR on an individual employee basis payable to each individual upon termination of employment (including both voluntary and involuntary dismissal). The expense is recognized in the personnel costs, either in Selling, General, and Administrative expense or Cost of Goods Sold, in the Consolidated Statements of Operations and the accrual is recorded in other long-term liability in the Consolidated Balance Sheets.

Litigation Claims —In determining whether liabilities should be recorded for pending litigation claims, the Company must assess the allegations and the likelihood that it will successfully defend itself. When the Company believes it is probable that it will not prevail in a particular matter, it will then record an estimate of the amount of liability based, in part, on advice of legal counsel.

Shipping and Handling —The Company records the amount of shipping and handling costs billed to customers as revenue. The cost incurred for shipping and handling is included in the cost of sales.

Adoption of Highly Inflationary Accounting in Argentina— GAAP guidance requires the use of highly inflationary accounting for countries whose cumulative three-year inflation exceeds 100 percent. Under highly inflationary accounting, PM Argentina's functional currency became the Euro (its parent company's reporting currency), and its income statement and balance sheet have been measured in Euros using both current and historical rates of exchange. The effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in other (income) and expense, net and was not material. Net sales of PM Argentina were less than 5 percent of our consolidated net sales for the years ended December 31, 2023 and 2022, respectively.

Income Taxes — The Company accounts for income taxes under the provisions of ASC 740 "Income Taxes," which requires recognition of income taxes based on amounts payable with respect to the current year and the effects of deferred taxes for the expected future tax consequences of events that have been included in the Company's financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial accounting and tax basis of assets and liabilities, as well as for operating losses and tax credit carryforwards using enacted tax rates in effect for the year in which the differences are

expected to reverse. Valuation allowances are recorded to reduce deferred tax assets when it is more-likely-than-not a tax benefit will not be realized. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income prior to the expiration of any net operating loss carryforwards. See Note 14, Income Taxes, for further details.

The Jobs Act also establishes Global Intangible Low-Taxed Income (“GILTI”) provisions that impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. The Company has elected to recognize GILTI as a period cost as incurred, therefore there are no deferred taxes recognized for basis differences that are expected to impact the amount of the GILTI inclusion upon reversal.

ASC 740 also prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return, as well as guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. The Company records interest and penalties related to income tax matters in the provision for income taxes.

Accrued Warranties —Warranty costs are accrued at the time revenue is recognized and the expense is recorded in the Statement of Operations in Cost of Sales. The Company’s products are typically sold with a warranty covering defects that arise during a fixed period of time. The specific warranty offered is a function of customer expectations and competitive forces.

A liability for estimated warranty claims is accrued for at the time of sale. The liability is established using historical warranty claim experience. The current provision may be adjusted to take into account unusual or non-recurring events in the past or anticipated changes in future warranty claims. Adjustments to the initial warranty accrual are recorded if actual claim experience indicates that adjustments are necessary.

As of December 31, 2023 and 2022, accrued warranties were \$2.0 million and \$1.9 million, respectively.

Debt Issuance Costs —Debt issuance costs incurred in securing the Company’s financing arrangements are capitalized and amortized over the term of the associated debt. Deferred financing costs associated with long-term debt are presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discount.

Sale and Leaseback —In accordance with ASC 842-10 Sales-Leaseback Transactions, the Company has recorded a deferred gain in relationship to the sale and leaseback of one of the Company’s operating facilities. As such, the gains have been deferred and are being amortized on a straight- line basis over the life of the leases.

Computation of EPS —Basic Earnings per Share (“EPS”) was computed by dividing net income (loss) by the weighted average number of common shares outstanding during the period.

The number of shares related to stock options and restricted stock, included in diluted EPS is based on the “Treasury Stock Method” prescribed in ASC 260-10, Earnings per Share. This method assumes the theoretical repurchase of shares using proceeds of the respective stock option exercised, and for restricted stock, the amount of compensation cost attributed to future services which has not yet been recognized, and the amount of current and deferred tax benefit, if any, that would be credited to additional paid in capital upon the vesting of the restricted stock, at a price equal to the issuer’s average stock price during the related earnings period. Accordingly, the number of shares includable in the calculation of EPS in respect of the stock options and restricted stock is dependent on this average stock price and will increase as the average stock price increases.

Stock Based Compensation —The Company has elected to account for restricted stock awards with market conditions using a graded vesting method. This method recognizes the compensation cost in the statement of operations over the requisite service period for each separately-vesting tranche of awards.

Comprehensive Income —Comprehensive income includes, in addition to net earnings, other items that are reported as direct adjustments to shareholder’s equity. Currently, the comprehensive income adjustment required for the Company primarily represents a foreign currency translation adjustment, the result of consolidating its foreign subsidiary.

Business Combinations —The Company accounts for acquisitions in accordance with guidance found in ASC 805, Business Combinations. The guidance requires consideration given, including contingent consideration, assets acquired, and liabilities assumed to be valued at their fair market values at the acquisition date. The guidance further provides that: (1) acquisition costs will generally be expensed as incurred, (2) restructuring costs associated with a business combination will generally be expensed subsequent to the

acquisition date; and (3) changes in deferred tax asset valuation allowances and income tax uncertainties after the acquisition date generally will affect income tax expense.

The Company records any excess of purchase price over fair value of assets acquired, including identifiable intangibles and liabilities assumed be recognized as goodwill.

Noncontrolling Interest

A noncontrolling interest is the equity interest of consolidated entities that is not owned by the Company. Noncontrolling interest is adjusted for the noncontrolling partners' share of earnings (losses) in accordance with the applicable agreement. Earnings allocated to such noncontrolling partners are recorded as income applicable to noncontrolling interest in the accompanying Consolidated Statements of Operations. The initial recognition of the noncontrolling interest was attributed at the fair market value.

Note 4. Revenue Recognition

The following table disaggregates our sources of revenues for the years indicated (ended December 31):

	<u>2023</u>	<u>2022</u>
Boom trucks and knuckle boom cranes	\$ 174,878	\$ 145,713
Aerial platforms	33,951	38,236
Part and merchandise sales	30,553	32,365
Rental	25,298	18,441
Other equipment	22,895	34,377
Services	3,814	4,722
Net revenue	<u>\$ 291,389</u>	<u>\$ 273,854</u>

The Company attributes revenue to different geographic areas based on where items are shipped to or services are performed. The following table provides details of revenues by geographic area for the years ended December 31, 2023 and 2022, respectively.

	<u>2023</u>	<u>2022</u>
United States	\$ 136,224	\$ 141,709
Italy	53,272	36,345
Canada	24,889	21,956
Chile	15,471	11,872
France	9,536	10,404
Other	51,997	51,568
	<u>\$ 291,389</u>	<u>\$ 273,854</u>

Customer Deposits

At times, the Company may require an upfront deposit related to its contracts. In instances where an upfront deposit has been received by the Company and the revenue recognition criteria have not yet been met, the Company records a contract liability in the form of a customer deposit, which is classified as a short-term liability on the Consolidated Balance Sheets. That customer deposit is revenue that is deferred until the revenue recognition criteria have been met, at which time, the customer deposit is recognized into revenue.

The following table summarizes changes in customer deposits for the years ended December 31, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Customer deposits at January 1,	\$ 3,407	\$ 7,121
Additional customer deposits received where revenue has not yet been recognized	8,612	13,073
Revenue recognized from customer deposits	(9,557)	(16,372)
Effect of change in exchange rates	(78)	(415)
Customer deposits at December 31,	<u>\$ 2,384</u>	<u>\$ 3,407</u>

Note 5. Earnings per Common Share

Basic net earnings per share is computed by dividing net income by the weighted average number of common shares outstanding for the period. Details of the calculations are as follows:

	For the Years Ended December 31,	
	2023	2022
Net income (loss)	\$ 7,857	\$ (4,298)
Net income (loss) attributable to noncontrolling interest	501	603
Net income (loss) attributable to shareholders of Manitex International, Inc.	<u>\$ 7,356</u>	<u>\$ (4,901)</u>
Income (loss) per share		
Basic		
Net income (loss)	\$ 0.39	\$ (0.21)
Net income (loss) attributable to shareholders of Manitex International, Inc.	\$ 0.36	\$ (0.24)
Diluted		
Net income (loss)	\$ 0.39	\$ (0.21)
Net income (loss) attributable to shareholders of Manitex International, Inc.	\$ 0.36	\$ (0.24)
Weighted average common shares outstanding:		
Basic	20,209,132	20,055,836
Diluted effect of restricted stock units and stock options	14,693	—
	<u>20,223,825</u>	<u>20,055,836</u>

The following securities were not included in the computation of diluted earnings per share as their effect would have been antidilutive:

	For the Years Ended December 31,	
	2023	2022
Unvested restricted stock units	255,473	288,290
Options to purchase common stock	192,937	197,437
	<u>448,410</u>	<u>485,727</u>

Note 6. Fair Value Measurements

The following tables set forth the Company's financial assets and liabilities that were accounted for at fair value by level with the fair value hierarchy. As required by ASC 820-10, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Except as noted the below assets and liabilities are valued at fair market on a recurring basis.

The following is a summary of items that the Company measured at fair value during the periods:

	Fair Value at December 31, 2023			
	Level 1	Level 2	Level 3	Total
Asset:				
Forward currency exchange contracts	\$ —	\$ —	\$ —	\$ —
Total current assets at fair value	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
	Fair Value at December 31, 2022			
	Level 1	Level 2	Level 3	Total
Asset:				
Forward currency exchange contracts	\$ —	\$ 124	\$ —	\$ 124
Total current assets at fair value	<u>\$ —</u>	<u>\$ 124</u>	<u>\$ —</u>	<u>\$ 124</u>

The carrying value of the amounts reported in the Consolidated Balance Sheets for cash, accounts receivable, accounts payable, short-term variable debt, insurance financing and any amounts outstanding under the Company's revolving credit facilities and working capital borrowing, approximate fair value due to the short periods during which these amounts are outstanding.

The book and fair value of the Company's term debt was \$20,816 for the year ended December 31, 2023, and \$24,424 for the year ending December 31, 2022. The book and fair value of the Company's finance leases were \$3,382 for the year ended December 31, 2023.

Fair Value Measurements

ASC 820-10 classifies the inputs used to measure fair value into the following hierarchy:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 - Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 - Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity)

Fair value of the forward currency contracts is determined on the last day of each reporting period using observable inputs, which are supplied to the Company by the foreign currency trading operation of its bank and are Level 2 items.

Note 7. Derivative Financial Instruments

The Company's risk management objective is to use the most efficient and effective methods available to us to minimize, eliminate, reduce or transfer the risks which are associated with fluctuation of exchange rates between the Euro, Chilean Peso and the U.S. Dollar.

Forward Currency Contracts

The Company enters into forward currency exchange contracts such that the exchange gains and losses on the assets and liabilities denominated in other than the reporting units' functional currency would be offset by the changes in the market value of the forward currency exchange contracts it holds. The forward currency exchange contracts that the Company has to offset existing assets and liabilities denominated in other than the reporting units' functional currency have been determined not to be considered a hedge under ASC 815-10. The Company records the forward currency exchange contracts at its market value with any associated gain or loss being recorded in current earnings. Both realized and unrealized gains and losses related to forward currency contracts are included in current earnings and are reflected in the Consolidated Statements of Operations in the other income (expense) section on the line titled foreign currency transaction loss. Items denominated in other than a reporting unit functional currency include certain intercompany receivables due from the Company's Italian subsidiaries and accounts receivable and accounts payable of our Italian subsidiaries and their subsidiaries.

The following table provides the location and fair value amounts of derivative instruments that are reported in the Consolidated Balance Sheet as of December 31, 2022. The company did not have outstanding derivative instruments as of December 31, 2023.

Total derivatives not designated as a hedge instrument

	Balance Sheet Location	Fair Value As of December 31, 2022
<u>Asset Derivatives</u>		
Foreign currency exchange contracts	Prepaid expense and other	\$ 124
Total derivative assets		<u>\$ 124</u>

The following tables provide the effect of derivative instruments on the Consolidated Statement of Operations for 2023 and 2022:

Derivatives not designated as Hedge Instrument	Location of loss recognized in Statement of Operations	Years ended December 31,	
		2023	2022
Forward currency contracts	Foreign currency transaction losses	\$ (46)	\$ (132)
Tota derivative loss		\$ (46)	\$ (132)

During 2023 and 2022, there were no forward currency contracts designated as cash flow hedges. As such, all gains and loss related to forward currency contracts during 2023 and 2022 were recorded in current earnings and did not impact other comprehensive income.

Note 8. Inventory, net

The components of inventory at December 31, are summarized as follows:

	2023	2022
Raw materials and purchased parts	\$ 57,185	\$ 47,168
Work in process	7,014	6,015
Finished goods and replacement parts	18,138	16,618
Inventories, net	\$ 82,337	\$ 69,801

The Company has established reserves for excess and obsolete inventory of \$7,721 and \$7,971 as of December 2023 and 2022, respectively.

Note 9. Fixed Assets - Property, Plant and Equipment

Property, plant and equipment consist of the following at December 31, 2023 and 2022, respectively:

	2023	2022
Rental fleet	\$ 42,380	\$ 37,858
Machinery and equipment	11,692	9,930
Buildings	8,602	8,067
Finance lease - building	4,606	4,606
Land	3,484	3,709
Leasehold improvements	2,211	2,288
Motor vehicles	1,801	2,541
Construction in progress	1,724	901
Computer equipment	1,489	1,801
Furniture and fixtures	1,322	2,437
Totals	79,311	74,138
Less: accumulated depreciation	(26,721)	(19,752)
Less: accumulated depreciation - finance lease	(3,030)	(2,689)
Net property and equipment	\$ 49,560	\$ 51,697

Depreciation expense was \$8,285 and \$6,549 in 2023 and 2022, respectively. See Note 13 for information regarding finance leases.

Note 10. Goodwill and Other Intangible Assets

Intangible assets were comprised of the following as of December 31, 2023:

	Weighted Average Amortization Period Remaining (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Patented and unpatented technology	1	\$ 17,578	\$ (15,829)	\$ 1,749
Customer relationships	8	22,338	(16,414)	5,924
Trade names and trademarks	14	5,469	(3,025)	2,444
Software	4	237	(104)	133
Indefinite lived trade names		1,975	-	1,975
Total intangible assets, net				<u>\$ 12,225</u>

Intangible assets and accumulated amortization by category as of December 31, 2022 is as follows:

	Weighted Average Amortization Period Remaining (in years)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Patented and unpatented technology	2	\$ 16,469	\$ (14,553)	\$ 1,916
Customer relationships	9	22,000	(14,344)	7,656
Trade names and trademarks	15	5,469	(2,804)	2,665
Software	4	236	(56)	180
Indefinite lived trade names		1,950	-	1,950
Total intangible assets, net				<u>\$ 14,367</u>

Amortization expense was \$3,135 and \$2,866 for the periods ended December 31, 2023 and 2022, respectively.

Estimated amortization expense for the next five years and subsequent is as follows:

	Amount
2024	\$ 2,144
2025	2,144
2026	1,101
2027	521
2028	521
And subsequent	3,819
Total intangibles currently to be amortized	10,250
Intangibles with indefinite lives not amortized	1,975
Total intangible assets	<u>\$ 12,225</u>

Changes in the Company's goodwill are as follows:

	2023	2022
Balance January 1,	\$ 36,916	\$ 24,949
Goodwill for Rabern acquisition	(80)	12,850
Effect of change in exchange rates	518	(883)
Balance December 31,	<u>\$ 37,354</u>	<u>\$ 36,916</u>

The Company performed its annual impairment assessment as of October 1, 2023. The valuation analysis performed indicated that each reporting unit had an estimated fair value which exceeded its respective carrying amount and therefore, no impairment was recognized at December 31, 2023. While there was no goodwill impairment recognized as a result of the 2023 annual impairment test, a reasonably possible unexpected deterioration in financial performance or adverse change in earnings may result in an impairment in future periods.

Note 11. Accrued Expenses

	As of December 31,	
	2023	2022
Accrued payroll and benefits	\$ 5,526	\$ 4,929
Accrued income tax and other taxes	2,505	841
Accrued warranty	2,038	1,916
Accrued vacation expense	1,961	1,635
Accrued legal settlement	870	1,160
Accrued expense other	1,603	1,898
Total accrued expenses	<u>\$ 14,503</u>	<u>\$ 12,379</u>

Note 12. Revolving Term Credit Facilities and Notes Payable

Debt is summarized as follows:

	December 31, 2023	December 31, 2022
U.S. Credit Facilities	\$ 51,990	\$ 41,521
U.S. Term Loan	12,824	14,721
Italy Short-Term Working Capital Borrowings	17,854	19,365
Italy Group Term Loan	7,992	9,675
Other	961	1,223
Total debt	91,621	86,505
Less: Debt issuance costs	(63)	(99)
Debt net of issuance costs	<u>\$ 91,558</u>	<u>\$ 86,406</u>

U.S. Credit Facilities and Term Loan

On April 11, 2022, the Company entered into a Commercial Credit Agreement (the "Credit Agreement"), by and among the Company, the Company's domestic subsidiaries and Amarillo National Bank. The Credit Agreement provides for a \$40,000 revolving credit facility, a \$30,000 revolving credit facility and a \$15,000 term loan.

Borrowings under the \$40,000 revolving credit facility bear interest at a floating rate equal to the Prime Rate as of June 12, 2023. Previously, the rate was Prime plus 0.50%. The \$40,000 revolving credit facility requires monthly interest payments with the full principal balance coming due at maturity. The facility originally provided for maturity on April 11, 2024. On January 25, 2023, the lender agreed to extend the maturity date to April 11, 2025, with a rolling two-year maturity extension provided there is no event of default. The rolling two-year maturity extension repeats on April 11 each year following 2025 unless the lender provides 120 days' written notice of non-extension.

Borrowings under the \$30,000 revolving credit facility bear interest at a floating rate equal to the Prime Rate as of June 12, 2023. Previously, the rate was Prime plus 0.50%. The \$30,000 facility requires quarterly interest payments and principal payments in the amount of 3% of the outstanding balance thereunder on a quarterly basis beginning on January 1, 2023. The facility originally provided for maturity on April 11, 2024. On January 25, 2023, the maturity date was extended to April 11, 2025.

Note Payable Long Term

The term loan requires monthly interest payments at a floating rate equal to the Prime Rate plus 0.50% beginning on May 11, 2022. Monthly installments of principal and interest based on an 84-month amortization are payable beginning on November 11, 2022 with the remaining principal balance coming due at maturity of October 11, 2029.

The unused balance of the revolving credit facilities incurs a 0.125% fee that is payable semi-annually. At December 31, 2023, the Company had \$51,990 in borrowings under the revolving credit facilities and \$12,824 in borrowings under the term loan.

The Credit Agreement requires the Company to maintain a debt service coverage ratio of at least 1.25:1.00 measured on the last day of each calendar quarter, beginning June 30, 2022, and each measurement is based on a rolling 12-month basis. The Credit Agreement also

requires the Company to maintain a U.S. net worth of at least \$80,000, measured as of the last day of each calendar quarter, beginning June 30, 2022. The Company was in compliance with its covenants under the Credit Agreement as of December 31, 2023.

CIBC Loan Agreement Payoff

The Company and its U.S. subsidiaries were parties to a Loan and Security Agreement, as amended (the “Loan Agreement”) with CIBC Bank USA (“CIBC”). The Loan Agreement provided a revolving credit facility with a maturity date of July 20, 2023 in an aggregate amount of \$30 million. The indebtedness under the Loan Agreement was collateralized by substantially all of the Company’s assets, except for certain assets of the Company’s subsidiaries. On April 11, 2022, the Company repaid in full all outstanding indebtedness and other amounts outstanding of approximately \$12.8 million and terminated all commitments and obligations under the Loan Agreement with CIBC in satisfaction of all of the Company’s debt obligations under the Loan Agreement. The Company was not required to pay any pre-payment premiums as a result of the repayment of indebtedness under the Loan Agreement. In connection with the repayment of such outstanding indebtedness by the Company, all security interests, mortgages, liens and encumbrances granted to the lenders under the Loan Agreement were terminated and released.

PM Group Short-Term Working Capital Borrowings

At December 31, 2023 and 2022, respectively, PM Group had established demand credit and overdraft facilities with five banks in Italy, one bank in Spain, twelve banks in South America and one bank in Romania. Under the facilities, as of December 31, 2023 and 2022 respectively, PM Group can borrow up to \$25,882 and \$24,127 for advances against invoices, letter of credit and bank overdrafts. These facilities are divided into two types: working capital facilities and cash facilities. For the year ended December 31, 2023 and 2022, interest on the Italian working capital facilities is charged at the 3-month Euribor plus a spread ranging from 175 to 355 basis points and 3-month Euribor plus 450 basis points. Interest on the South American facilities is charged at a flat rate for advances on invoices.

At December 31, 2023 and December 31, 2022 the banks had advanced PM Group \$17,678 and \$19,130 respectively.

Valla Short-Term Working Capital Borrowings

At December 31, 2023 and December 31, 2022, respectively, Valla had established demand credit and overdraft facilities with two Italian banks. Under the facilities, Valla can borrow up to \$175 for advances against orders, invoices and bank overdrafts. Interest on the Italian working capital facilities is charged at a flat percentage rate for advances on invoices and orders ranging 1.67% - 12% for 2023 and 1.67% - 5.75% for 2022. At December 31, 2023 and December 31, 2022, the Italian banks had advanced Valla \$176 and \$235.

PM Group Term Loans

At December 31, 2023 and December 31, 2022, respectively, the PM Group has a \$4,619 and \$5,038 term loan that is split into a note and a balloon payment and is secured by the PM Group’s common stock. The term loan is charged interest at a fixed rate of 3.5%, has annual principal payments of approximately \$600 per year and has a balloon payment of \$3,321 due in 2026.

At December 31, 2023 and December 31, 2022, respectively, the PM Group has unsecured borrowings totaling \$3,197 and \$4,637, respectively. The borrowings have a fixed rate of interest of 3.5%. Annual payments of approximately \$1,500 are payable ending in 2025.

As of December 31, 2023 the PM Group has a loan in Romania in the amount of \$122 with a fixed interest rate of 2.75%. The loan is payable until its maturity in 2027.

Schedule of Debt Maturities

Scheduled annual maturities of the principal portion of debt outstanding at December 31, 2023 in the next five years and the remaining maturity in aggregate are summarized below. Amounts shown include the debt described above in this footnote.

	North America	Italy	Total
2024	5,353	20,175	25,528
2025	51,994	2,290	54,283
2026	2,189	3,359	5,548
2027	2,189	—	2,189
2028	2,189	—	2,189
Thereafter	1,883	—	1,883
	65,797	25,824	91,621
Debt issuance cost	(63)	—	(63)
Total	<u>\$ 65,734</u>	<u>\$ 25,824</u>	<u>\$ 91,558</u>

Note 13. Leases

The Company leases certain warehouses, office space, machinery, vehicles, and equipment. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term.

The Company is not aware of any variable lease payments, residual value guarantees, covenants or restrictions imposed by the leases. Most leases include one or more options to renew, with renewal terms that can extend the lease term. The exercise of lease renewal options is at our sole discretion. The depreciable life of assets is limited by the expected lease term for finance leases.

If there was a rate explicit in the lease, this was the discount rate used. For those leases with no explicit or implicit interest rate, an incremental borrowing rate was used. The weighted average remaining useful life for operating and finance leases were 4 and 5 years, respectively. The weighted average discount rate for operating and finance leases was 5.0% and 12.4% respectively.

Leases (thousands)	Classification	12/31/2023	12/31/2022
Assets			
Operating lease assets	Operating lease assets	\$ 7,416	\$ 5,667
Finance lease assets	Fixed assets, net	1,612	2,005
Total leased assets		<u>\$ 9,028</u>	<u>\$ 7,672</u>
Liabilities			
Current			
Operating	Current liabilities	\$ 2,100	\$ 1,758
Financing	Current liabilities	605	509
Noncurrent			
Operating	Noncurrent liabilities	5,315	3,909
Financing	Noncurrent liabilities	2,777	3,382
Total lease liabilities		<u>\$ 10,797</u>	<u>\$ 9,558</u>

Lease Cost (thousands)	Classification	12/31/2023	12/31/2022
Operating lease costs	Operating lease assets	\$ 2,230	\$ 1,686
Finance lease cost			
Amortization of leased assets	Amortization	393	386
Interest on lease liabilities	Interest expense	455	508
Lease cost		<u>\$ 3,078</u>	<u>\$ 2,580</u>

Other Information (thousands)	12/31/2023	12/31/2022
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	\$ 2,230	\$ 1,686
Operating cash flows from finance leases	\$ 455	\$ 508
Financing cash flows from finance leases	\$ 509	\$ 428

Future minimum lease payments for the period ending December 31 for the next five and subsequent years are:

	Operating Leases	Finance Leases
2024	\$ 2,156	\$ 992
2025	1,813	996
2026	1,729	1,018
2027	1,135	1,049
2028	659	356
Subsequent	1,577	—
Total undiscounted lease payments	9,069	4,411
Less interest	(1,654)	(1,029)
Total liabilities	\$ 7,415	\$ 3,382
Less current maturities	(2,100)	(605)
Non-current lease liabilities	\$ 5,315	\$ 2,777

Operating Leases

The Company leases office and production space under various non-cancellable operating leases. Certain real estate leases include one or more options to renew. The exercise of lease renewal options is at the Company's sole discretion. Options to extend the lease are included in the lease term when it is reasonably certain the Company will exercise the option. The Company also has production equipment, office equipment and vehicles under operating leases. The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option that is reasonably certain of exercise. Certain leases include rental payments adjusted periodically for inflation. The lease agreements do not contain any material residual value guarantee or material restrictive covenants.

In connection with our acquisition of Rabern, the Company became the lessee of four locations from HTS Management LLC ("HTS"), an entity controlled by Steven Berner, who is a key member of Rabern management. HTS operates as a holding company for property and as a single lessor leasing company for business use property for Rabern. HTS's ongoing activities preceding and succeeding the Rabern acquisition relate to financing, purchasing, leasing and holding property leased to Rabern.

Note 14. Income Taxes

Information pertaining to the Company's income (loss) income before income taxes is as follows:

	Years ended December 31,	
	2023	2022
(Loss) income before income taxes:		
Domestic	\$ 2,886	\$ (2,100)
Foreign	2,576	(84)
Total net (loss) income before income taxes	\$ 5,462	\$ (2,184)

Information pertaining to the Company's provision for income taxes is as follows:

	Years ended December 31,	
	2023	2022
Expense (benefit) for income taxes:		
Current:		
Federal	\$ 46	\$ 1
State and local	25	(1)
Foreign	1,649	918
	<u>1,720</u>	<u>918</u>
Deferred:		
Federal	(2,713)	490
State and local	145	(343)
Foreign	(1,547)	1,049
	<u>(4,115)</u>	<u>1,196</u>
Total expense (benefit) for income taxes	<u>\$ (2,395)</u>	<u>\$ 2,114</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and income tax purposes.

Significant components of the Company's deferred tax assets and liabilities are as follows:

	Year ended December 31,	
	2023	2022
Deferred tax assets:		
Accrued expenses	\$ 944	\$ 1,176
Inventory	1,645	1,706
Other liabilities	2,025	1,806
Deferred gain	79	95
Net operating loss carryforwards	4,727	6,764
Tax credit carryforwards	1,219	1,328
Legal settlements	193	581
Research & development	36	115
Unrealized foreign currency loss	—	50
Interest expense	1,078	2,440
Total deferred tax asset	<u>11,946</u>	<u>16,061</u>
Deferred tax liabilities:		
Property, plant and equipment	174	190
Intangibles	1,235	1,673
Deferred State Income Tax	369	329
Debt	815	2,135
Investments	6,515	5,495
Total deferred tax liability	<u>9,108</u>	<u>9,822</u>
Valuation allowance	(3,380)	(10,938)
Net deferred tax liability	<u>\$ (542)</u>	<u>\$ (4,699)</u>

In assessing the realizability of deferred tax assets, the Company evaluates whether it is more likely than not (more than 50%) that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income in those periods in which temporary differences become deductible and/or net operating losses can be utilized. The Company assesses all positive and negative evidence when determining the amount of the net deferred tax assets that are more likely than not to be realized. This evidence includes, but is not limited to, prior earnings history, scheduled reversal of taxable temporary differences, tax planning strategies and projected future taxable income. Significant weight is given to positive and negative evidence that is objectively verifiable. Concluding that a valuation allowance is not needed is difficult when there is significant negative evidence such as cumulative losses in recent years.

As of the fourth quarter of 2023, Manitex no longer has cumulative losses in recent years due to a significant Global Intangible Low Taxed Income ("GILTI") inclusion which is offset by the utilization of the US federal net operating loss carryforward. Residual US federal taxable income is reduced by a section 250 deduction and the federal tax liability is eliminated by foreign tax credits. The change in estimate occurred in the fourth quarter of 2023 when PM Italy no longer met the high-tax exception for excluding 2023 foreign income

from US federal taxable income. The Company's accounting policy is to follow the tax law ordering approach for considering the impact of GILTI on the deferred tax realization assessment. This approach follows US tax law as net operating losses can partially or fully eliminate section 250 deductions and foreign tax credits. A valuation allowance should only be recorded to the extent future taxable income inclusive of GILTI does not support the utilization of the existing deferred tax assets and tax attributes. The fourth quarter release of the valuation allowance includes (i) deferred tax assets and net operating losses utilized to offset the 2023 GILTI inclusion and (ii) sufficient projections of future taxable income that support the utilization of the existing deferred tax asset and net operating loss carryforward. The projections of future taxable income are considered objectively verifiable positive evidence because Manitex has demonstrated a sustained return to profitability inclusive of future GILTI inclusions. The Company continues to maintain a valuation allowance against its state deferred tax assets and net operating losses because GILTI is not taxable in the states where tax returns are filed. The release of the valuation allowance recorded against the existing US federal deferred tax asset resulted in a tax benefit of \$3.1 million. The Company will continue to evaluate realizability of its net deferred tax assets quarterly. Any further increases or decreases in the valuation allowance could have an unfavorable or favorable impact on the Company's income tax provision and net income in the period in which such determination is made. As of December 31, 2023, the deferred tax asset is recorded at its more-likely-than-not realizable amount.

The Company's assertion to indefinitely reinvest its foreign earnings remains unchanged despite the US taxation of its undistributed foreign earnings and new tax law, which includes a 100% dividend received deduction. This means that future distributions of foreign earnings will generally not be taxable in the US. However, upon remittance of these earnings, the Company would be subject to withholding tax, US tax on foreign currency gains and losses related to previously taxed earnings, and some state income tax. It is not practicable to estimate the tax impact of the reversal of the outside basis difference, or the repatriation of cash due to the complexity associated with these calculations.

As of December 31, 2023, the Company had U.S. federal and foreign net operating loss carryforwards of \$11.5 million and \$6.0 million, respectively. The \$11.5 Million US federal net operating loss consists of \$2.5 million from Manitex International and \$9.0 million from Rabern Holdco, a separate US federal taxpaying entity. The U.S. federal net operating loss carryforward and the majority of the foreign loss carryforwards have an indefinite carryforward period. The Company has state net operating losses of approximately \$0.8 million that are set to expire at varying periods between 2025 and 2043 if not utilized. As of December 31, 2023, the Company has a Texas Margin Tax Credit of \$0.8 million and U.S. federal R&D credits of \$0.1 million that may be utilized through 2026 and 2037, respectively

The effective tax rate for income taxes varies from the current U.S. federal statutory income tax rate as follows:

	<u>Years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>
Statutory rate	21.0%	21.0%
State and local taxes	2.3%	(1.4)%
Permanent differences	12.5%	(1.8)%
US tax effect of foreign operations	55.6%	(44.5)%
Investment	4.5%	(16.2)%
Effect of foreign operations	8.5%	(19.8)%
Uncertain tax positions	1.2%	(61.3)%
Valuation allowance	(142.7)%	41.1%
Other	(6.7)%	(14.0)%
	<u>(43.8)%</u>	<u>(96.9)%</u>

The US tax effects of foreign operations include the GILTI inclusion, net of the IRC Section 250 deduction and foreign derived intangible income ("FDII") deduction, and foreign tax credits. Permanent differences include a Section 162(m) limitation on executive compensation and other adjustments.

A reconciliation of the beginning and ending amount of unrecognized tax benefits, including interest and penalties, is as follows:

	<u>2023</u>	<u>2022</u>
Balance at January 1,	\$ 2,930	\$ 3,028
(Decreases) increases in tax positions for prior years	23	151
(Decrease) increases in tax positions for current years	(21)	25
Other	(85)	(149)
Lapse in statute of limitations	(154)	(125)
Balance at December 31,	<u>\$ 2,693</u>	<u>\$ 2,930</u>

Of the amounts reflected in the above table at December 31, 2023, approximately \$2.2 million would reduce the Company's annual effective tax rate if recognized. This amount considers the indirect effects of offsetting tax positions in different jurisdictions. The Company records accrued interest and penalties related to income tax matters in the provision for income taxes in the accompanying consolidated statements of operations. For the years ended December 31, 2023, and 2022, interest and penalties recognized on unrecognized tax expense (benefits) were \$29 and \$146, respectively. The accrued balance as of December 31, 2023 and 2022 was \$484 and \$455, respectively. It is reasonably possible that unrecognized tax benefits may decrease by \$0.7 million within the next 12 months.

The Company files income tax returns in the United States, Italy, Romania, Argentina, and Chile as well as various state and local tax jurisdictions with varying statutes of limitations. With a few exceptions, the Company is no longer subject to examination by the tax authorities for U.S. federal or state for the years before 2020, or foreign examinations for years before 2017. Net operating loss carryforwards utilized in open years are subject to adjustment.

Note 15. Supplemental Cash Flow Disclosures

Supplemental cash flow disclosures included during the years ended December 31, 2023 and 2022 were as follows:

	2023	2022
Interest received in cash	\$ 211	\$ 2
Interest paid in cash	7,789	4,270
Income tax payments in cash	36	1,349
Recognition of right-of-use asset and right-of-use liability	3,296	2,728
Reconciliation of cash, cash equivalents and restricted cash to consolidated balance sheets:		
Cash and cash equivalents	\$ 9,269	\$ 7,973
Restricted cash	212	217
Cash, cash equivalents and restricted cash at the end of year	<u>\$ 9,481</u>	<u>\$ 8,190</u>

Note 16. Employee Benefits

U.S. Plan

The Company sponsors a 401(k) plan. The plan is intended to cover all non-union United States based employees. The plan is open to employees 21 years of age and older. There is no minimum employment duration required before eligibility. The plan allows for monthly enrollment and contribution changes.

The Company currently matches dollar for dollar participants' contributions up to 3% of the participants' gross income and a 50% match on the next 2% of gross income. The plan also calls for an immediate vesting of the employer contribution component.

The amounts paid in matching contributions by the company for 2023 and 2022 were \$255 and \$306, respectively.

Non-U.S. Plan

Employees in Italy are entitled to TFR, commonly referred to as an employee leaving indemnity, which represents deferred compensation for employees in the private sector. Under Italian law, an entity is obligated to accrue for TFR on an individual employee basis payable to each individual upon termination of employment (including both voluntary and involuntary dismissal). The annual accrual is approximately 7% of total pay, with no ceiling, and is revalued each year by applying a pre-established rate of return of 1.50%, plus 75% of the Consumer Price Index, and is recorded by a book reserve. TFR is an unfunded plan.

The accrued employee severance indemnity must be transferred to the Fund for the payment of severance pay to employees in the private sector, managed by the INPS (the National Social Contributions Authority), on behalf of the State, on a special account opened at the State Treasury. In this case the workers continue to have as their sole interlocutor the employer, who will provide monthly payment of the amount due (together with the social contributions due to INPS). In this situation, the Company will pay the severance to the employees leaving and then those amounts will be compensated by the payments to be made in favor of INPS.

The amount paid by the Company for 2023 and 2022 was \$524 and \$552, respectively. The amounts allocated to the employee severance indemnity provision in 2023 and 2022 was \$694 and \$909, respectively.

Note 17. Accrued Warranties

A liability for estimated warranty claims is accrued for at the time of sale. The liability is established using historical warranty claim experience which is reviewed by management.

The current provision may be adjusted to take into account unusual or non-recurring events in the past or anticipated changes in future warranty claims. Adjustments to the initial warranty accrual are recorded if actual claim experience indicates that adjustments are necessary. Warranty reserves are reviewed to ensure critical assumptions are updated for known events that may impact the potential warranty liability.

The following table summarizes the changes in product warranty liability:

	<u>2023</u>	<u>2022</u>
Balance January 1,	\$ 1,916	\$ 1,578
Provision for warranties issued during the year	2,458	2,199
Warranty services provided	(2,359)	(1,832)
Foreign currency translation	23	(29)
Balance December 31,	<u>\$ 2,038</u>	<u>\$ 1,916</u>

Note 18. Equity

Stock issued to employees and Directors

The Company issued shares of common stock to employees and Directors at various times in 2023 and 2022 as restricted stock units issued under the Company's 2019 Incentive Plan. Upon issuance entries were recorded to increase common stock and decrease paid in capital for the amounts shown below. The following is a summary of stock issuances that occurred during the two-year period:

<u>Date of Issue</u>	<u>Employees or Director</u>	<u>Shares Issued</u>	<u>Value of Shares Issued (in thousands)</u>
March 6, 2023	Employees	14,064	\$ 83
March 7, 2023	Directors	18,000	93
March 8, 2023	Employees	18,338	142
March 8, 2023	Directors	12,000	93
April 11, 2023	Employees	33,000	251
June 1, 2023	Directors	17,520	101
June 2, 2023	Employees	13,200	93
June 2, 2023	Directors	15,000	106
June 3, 2023	Directors	5,100	37
July 1, 2023	Employees	10,085	64
October 20, 2023	Employees	2,278	10
November 23, 2023	Employees	3,300	22
December 10, 2023	Employees	680	3
		<u>162,565</u>	<u>\$ 1,098</u>

<u>Date of Issue</u>	<u>Employees or Director</u>	<u>Shares Issued</u>	<u>Value of Shares Issued (in thousands)</u>
January 1, 2022	Employee	3,300	\$ 20
March 6, 2022	Directors	8,160	48
March 6, 2022	Employees	23,866	141
March 8, 2022	Directors	12,000	93
March 8, 2022	Employee	29,262	226
March 13, 2022	Directors	10,200	75
March 13, 2022	Employees	17,893	132
April 11, 2022	Employee	38,800	247
June 2, 2022	Directors	18,000	127
June 3, 2022	Directors	5,940	43
July 5, 2022	Employee	16,120	104
August 14, 2022	Directors	10,200	45
October 20, 2022	Employee	2,211	10
November 23, 2022	Employee	3,300	22
December 10, 2022	Employee	2,310	11
		<u>201,562</u>	<u>\$ 1,344</u>

The Company purchased shares of Common Stock at various times from certain employees at the closing price on date of purchase. The stock was purchased from the employees to satisfy employees' withholding tax obligations related to stock issuances described above. The following is a summary of common stock purchased during 2023 and 2022:

Date of Purchase	Shares Purchased	Closing Price on Date of Purchase
March 6, 2023	3,801	\$ 5.12
March 8, 2023	3,804	5.32
June 2, 2023	1,875	4.82
July 1, 2023	1,727	5.43
December 10, 2023	177	6.96
	<u>11,384</u>	
March 6, 2022	6,035	\$ 8.06
March 8, 2022	7,395	7.82
March 13, 2022	3,924	7.71
April 11, 2022	12,300	7.39
July 5, 2022	4,725	6.27
December 10, 2022	656	4.49
	<u>35,035</u>	

Manitex International, Inc. 2019 Equity Incentive Plan

The total number of shares reserved for issuance 1,279,315 shares however, this can be adjusted to reflect certain corporate transactions or changes in the Company's capital structure. The Company's employees and members of the board of directors who are not our employees or employees of our affiliates are eligible to participate in the plan. This plan is administered by a committee of the board comprised of members who are outside directors. The plan provides that the committee has the authority to, among other things, select plan participants, determine the type and number of awards, determine award terms, fix all other conditions of any awards, interpret the plan and any plan awards. Under the plan, the committee can grant stock options, stock appreciation rights, restricted stock, restricted stock units, performance shares and performance units, except outside Directors may not be granted stock appreciation rights, performance shares and performance units. During any calendar year, participants are limited in the number of grants they may receive under the plan. In any year, an individual may not receive options for more than 15,000 shares, stock appreciation rights with respect to more than 20,000 shares, more than 20,000 shares of restricted stock and/or an award for more than 10,000 performance shares or restricted stock units or performance units. The plan requires that the exercise price for stock options and stock appreciation rights be not less than fair market value of the Company's common stock on date of grant.

Restricted Stock Awards

The Company awarded a total of 141,800 and 226,000 restricted stock units to employees and directors during 2023 and 2022, respectively. The weighted average grant date fair value of awards made in 2023 was \$5.14 per share, compared to \$7.21 at 2022. The restricted stock units are subject to the same conditions as the restricted stock awards except the restricted stock units will not have voting rights and the common stock will not be issued until the vesting criteria are satisfied.

The following is a summary of restricted stock units that were awarded during 2023 and 2022:

2023 Grants		Vesting Date	Number of Restricted Stock Units	Closing Price on Date of Grant	Value of Restricted Stock Units Issued
March 7, 2023	March 7, 2023	18,000 units;	114,000	\$ 5.15	\$ 587
	June 1, 2023	6,000 units;			
	March 7, 2024	34,800 units;			
	March 7, 2025	34,800 units;			
	March 7, 2026	20,400 units;			
April 1, 2023	April 1, 2024	7,700 units;	23,300	\$ 5.15	\$ 120
	April 1, 2025	7,700 units;			
	April 1, 2026	7,700 units;			
June 1, 2023	June 1, 2023	4,500 units	4,500	\$ 4.63	\$ 21
			<u>141,800</u>		<u>\$ 728</u>
2022 Grants		Vesting Date	Number of Restricted Stock Units	Closing Price on Date of Grant	Value of Restricted Stock Units Issued
May 3, 2022	April 11, 2023	33,000 units;	100,000	\$ 7.60	\$ 760
	April 11, 2024	33,000 units;			
	April 11, 2024	34,000 units			
June 2, 2022	June 2, 2022	18,000 units;	54,000	\$ 7.07	\$ 382
	June 2, 2023	18,000 units;			
	June 2, 2024	18,000 units			
June 2, 2022	June 2, 2023	13,200 units;	40,000	\$ 7.07	\$ 283
	June 2, 2024	13,200 units;			
	June 2, 2025	13,600 units			
July 1, 2022	July 1, 2023	10,560 units;	32,000	\$ 6.39	\$ 204
	July 1, 2024	10,560 units;			
	July 1, 2025	10,800 units			
			<u>226,000</u>		<u>\$ 1,629</u>

The following table contains information regarding restricted stock units for the years ended December 31, 2023 and 2022, respectively:

	Restricted Stock Units	
	2023	2022
Outstanding on January 1,	288,904	286,227
Units granted during period	141,800	226,000
Vested and issued	(151,181)	(166,527)
Vested—issued and repurchased for income tax withholding	(11,384)	(35,035)
Forfeited	(9,251)	(21,761)
Outstanding on December 31	<u>258,888</u>	<u>288,904</u>

The value of the restricted stock is being charged to compensation expense over the vesting period. Compensation expense in 2023 and 2022 includes \$1,077 and \$1,254 related to restricted stock units, respectively. Compensation expense related to restricted stock units granted will be \$714, \$294 and \$28 for 2024, 2025 and 2026, respectively.

Restricted Stock Award with Market Conditions

On May 3, 2022, in connection with J. Michael Coffey's appointment as the Company's Chief Executive Officer as of April 11, 2022, he was granted 490,000 restricted stock units that vest upon attainment of certain stock price hurdles of the Company's stock. The restricted stock units can only be received on an annual basis from the vesting start date. The fair value of the market conditions awards was \$2.2 million calculated by using the Monte Carlo Simulation based on the average of 20,000 simulation runs. The requisite service period used was three years, expected volatility was 60% and the risk-free rate of return was 2.95%. The value of the market condition awards granted to Mr. Coffey is being charged to compensation expense over the requisite service period. Compensation cost for the award of share-based compensation is recognized over the derived service periods (the time from the service inception date to the expected date of satisfaction) of either 12 or 24 months depending on the particular tranche based on the median number of days it takes for the award to vest in scenarios where they meet their threshold. Compensation expense related to restricted stock units was \$1,028

and \$906 for the year ended December 31, 2023 and 2022. Compensation expense related to Mr. Coffey's restricted stock units will be \$231 for 2024.

Restricted Stock Award with Market and Performance Conditions

On May 3, 2022, in connection with his appointment, Mr. Coffey was also granted 100,000 restricted stock units that vest upon a change in control in which the per share consideration for the Company's common stock exceeds \$10.00. The fair value of the market and performance conditions award was \$481, calculated by using the Black-Scholes Option Pricing Model. The requisite service period used for the calculation was three years, expected volatility was 60% and the risk-free rate of return was 2.95%. The fair value of stock-based compensation for market and performance conditions will be recognized in the Company's financial statements only if it is probable that the conditions will be satisfied.

Stock Options

On May 3, 2022, in connection with his appointment, Mr. Coffey was also granted 100,000 stock options with an exercise price of \$4.13 per share. The options vest ratably on each of the first three anniversary dates of Mr. Coffey's appointment date, subject to his continued service with the Company on each vesting date. Compensation expense related to Mr. Coffey's stock options was \$159 and \$185 for the years ended December 31, 2023 and 2022, respectively. Additional compensation expense related to Mr. Coffey's options will be \$67 and \$13 for the remainder of 2024 and 2025, respectively.

On May 1, 2023, 16,000 stock options were granted to certain employees at \$5.18 per share and vest ratably on each of the first three anniversary dates. Compensation expense related to the Company's stock options was \$10 for the year ended December 31, 2023. Additional compensation expense related to these stock options will be \$15, \$15 and \$5 for the remainder of 2024, 2025 and 2026, respectively.

	Grant date 5/3/2022	Grant date 5/1/2023
Dividend yields	—	—
Expected volatility	55.0%	55.0%
Risk free interest rate	3.02%	3.63%
Expected life (in years)	6	6
Fair value of the option granted	\$ 4.13	\$ 2.87

Note 19. Transactions between the Company and Related Parties

In the course of conducting its business, the Company has entered into certain related party transactions.

Crane and Machinery, Inc ("C&M") conducts business with RAM P&E LLC for the purposes of obtaining parts business as well as buying, selling and renting equipment.

C&M is a distributor of Terex rough terrain and truck cranes. As such, C&M purchases cranes and parts from Terex.

PM is a manufacturer of cranes. PM sold cranes, parts, and accessories to Tadano Ltd. during 2023 and 2022.

Rabern rents heavy duty and light duty commercial construction equipment, mainly to commercial contractors on a short-term rental basis. Rabern sold a fixed asset to Steven Berner, the President of Rabern in April 2022, in connection with the Rabern acquisition.

The Company became the lessee of four buildings from HTS Management LLC ("HTS"), an entity controlled by Mr. Berner, who is a key member of Rabern management. HTS operates as a holding company for property and as a single lessee leasing company for business use property for Rabern. HTS's ongoing activities preceding and succeeding the Rabern acquisition relate to financing, purchasing, leasing and holding property leased to Rabern. Based on these activities, HTS would be subject to interest rate risk and real estate investment pricing risk related to holding the real estate as an investment. These risks represent the potential variability to be considered as passed to interest holders. Although we have a variable interest through our relationship with Mr. Berner, such variability is not passed on to Rabern in connection with the arrangement, and therefore Rabern is not the primary beneficiary of the VIE. Furthermore, all risks and benefits of the significant activities of HTS are passed to Mr. Berner directly and do not represent a direct or an indirect obligation for Rabern.

As of December 31, 2023 and 2022, the Company had accounts payable with related parties as shown below:

	December 31, 2023	December 31, 2022
Terex	\$ 58	\$ 60

The following is a summary of the amounts attributable to certain related party transactions as described in the footnotes to the table, for the years ended December 31:

		2023	2022
Rent Paid	Rabern Facility (4)	\$ 916	\$ 463
Sales to:			
	Tadano (2)	108	45
	Terex (1)	174	166
	RAM P&E (3)	—	37
	Steven Berner (5)	—	80
Total Sales		\$ 282	\$ 328
Inventory Purchases from:			
	Tadano (2)	18	225
	Terex (1)	83	291
Total Inventory Purchases		\$ 101	\$ 516

- (1) Terex is a significant shareholder of the Company and conducts business with the Company in the ordinary course of business.
- (2) Tadano is a significant shareholder of the Company and conducts business with the Company in the ordinary course of business.
- (3) RAM P&E is owned by the Company's Executive Chairman's daughter.
- (4) The Company leases its Rabern facilities from HTS, an entity controlled by Steven Berner, the General Manager of Rabern. Pursuant to the terms of the lease, the Company makes monthly lease payments to HTS. The Company is also responsible for all the associated operations expenses, including insurance, property taxes and repairs. The leases contain additional renewal options at the Company's discretion.
- (5) The Company sold an automobile to Steven Berner, the General Manager of Rabern for approximately \$80 in April 2022, in connection with the Rabern Acquisition.

Note 20. Legal Proceedings and Other Contingencies

The Company is involved in various legal proceedings, including product liability, employment related issues, and workers' compensation matters which have arisen in the normal course of operations. The Company has product liability insurance with self-insurance retention that range from \$50 to \$500.

When it is probable that a loss has been incurred and possible to make a reasonable estimate of the Company's liability with respect to such matters, a provision is recorded for the amount of such estimate to estimate the amount within the range that is most likely to occur. Certain cases are at a preliminary stage, and it is not possible to estimate the amount or timing of any cost to the Company for these cases. However, the Company does not believe that these contingencies, in the aggregate, will have a material adverse effect on the Company.

The Company has been named as a defendant in several multi-defendant asbestos related product liability lawsuits. In the remaining cases the plaintiff has, to date, not been able to establish any exposure by the plaintiff to the Company's products. The Company is uninsured with respect to these claims but believes that it will not incur any material liability with respect to these claims.

On May 5, 2011, Company entered into two separate settlement agreements with two plaintiffs. As of December 31, 2023, the Company has a remaining obligation under these agreements to pay the plaintiffs \$760 without interest in 8 annual installments of \$95 on or before May 22 of each year. The Company has recorded a liability for the net present value of the liability. The difference between the net present value and the total payment will be charged to interest expense over the payment period.

It is reasonably possible that the estimated reserve for product liability claims may change within the next 12 months. A change in estimate could occur if a case is settled for more or less than anticipated, or if additional information becomes known to the Company.

Legal Settlement

On October 19, 2022, the Company agreed to settle various claims made by Custom Truck One Source, L.P. (“Custom Truck”) in connection with the sale of our Load King business to Custom Truck in 2015. In connection with this settlement, the Company agreed to pay Custom Truck an aggregate sum of \$2.9 million, payable in ten equal quarterly installments, without interest. The remaining obligation is \$1.5 million as of December 31, 2023

Note 21. Segment Information

The Company reports segment information based on the “management” approach. The management approach designates the internal reporting used by the Chief Executive Officer, who is also the Company’s Chief Operating Decision Maker, for making decisions about the allocation of resources and assessing performance as the source of the Company’s reportable operating segments.

The Company is a leading provider of engineered lifting solutions and equipment rentals. The Company operates in two business segments: the Lifting Equipment segment and the Rental Equipment segment.

Lifting Equipment Segment

The Lifting Equipment segment is a leading provider of engineered lifting solutions. The Company manufactures a comprehensive line of boom trucks, articulating cranes, truck cranes and sign cranes. The Company is also a manufacturer of specialized rough terrain cranes and material handling products. Through PM and Valla, two of the Company’s Italian subsidiaries, the Company manufactures truck-mounted hydraulic knuckle boom cranes and a full range of precision pick and carry industrial cranes using electric, diesel and hybrid power options.

Rental Equipment Segment

The Company’s Rental Equipment segment rents heavy duty and light duty commercial construction equipment, mainly to commercial contractors on a short-term rental basis. The Company also rents equipment to homeowners for do-it-yourself projects.

The following is financial information for our two operating segments: Lifting Equipment and Rental Equipment:

	As of December 31,	
	2023	2022
Net revenues		
Lifting Equipment	\$ 261,872	\$ 252,652
Rental Equipment	29,517	21,202
Total net revenue	<u>\$ 291,389</u>	<u>\$ 273,854</u>
Operating income		
Lifting Equipment	\$ 12,144	\$ 1,191
Rental Equipment	3,698	3,186
Total operating income	<u>\$ 15,842</u>	<u>\$ 4,377</u>
Total Assets		
Lifting Equipment	(1) \$ 191,310	\$ 171,993
Rental Equipment	64,421	64,610
Total Assets	<u>\$ 255,731</u>	<u>\$ 236,603</u>
Depreciation		
Lifting Equipment	\$ 1,813	\$ 1,731
Rental Equipment	6,472	4,818
Total depreciation	<u>\$ 8,285</u>	<u>\$ 6,549</u>
Amortization		
Lifting Equipment	\$ 2,787	\$ 2,605
Rental Equipment	348	261
Total amortization	<u>\$ 3,135</u>	<u>\$ 2,866</u>
Capital expenditures		
Lifting Equipment	\$ 2,003	\$ 1,484
Rental Equipment	5,080	14,605
Total capital expenditures	<u>\$ 7,083</u>	<u>\$ 16,089</u>

(1) The corporate assets are included in the Lifting Equipment Category.

	Twelve Months Ended December, 2023			Twelve Months Ended December, 2022		
	Lifting Equipment	Rental Equipment	Total	Lifting Equipment	Rental Equipment	Total
Net sales by country						
United States	\$ 106,707	\$ 29,517	\$ 136,224	\$ 120,507	\$ 21,202	\$ 141,709
Italy	53,272	—	53,272	\$ 36,345	—	36,345
Canada	24,889	—	24,889	\$ 21,957	—	21,957
Chile	15,471	—	15,471	\$ 11,872	—	11,872
France	9,536	—	9,536	\$ 10,404	—	10,404
Other	51,997	—	51,997	\$ 51,568	—	51,568
Total	<u>\$ 261,872</u>	<u>\$ 29,517</u>	<u>\$ 291,389</u>	<u>\$ 252,652</u>	<u>\$ 21,202</u>	<u>\$ 273,855</u>

Note 22. Business Combination

On April 11, 2022, Manitex entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”), with Rabern and Steven Berner. Pursuant to the Purchase Agreement, the Company acquired a 70% membership interest in Rabern for approximately \$26 million in cash plus assumed debt of \$14 million, subject to the various adjustments, escrows and other provisions of the Purchase Agreement. The Rabern acquisition closed on April 11, 2022. Rabern is a construction equipment rental provider established in 1984 and primarily serves Northern Texas. The president and founder of Rabern, Steven Berner, retained a 30% ownership interest and continues to run the operation as a stand-alone division of the Company. The Company financed the acquisition by borrowings on the Company’s line of credit and a term loan.

The acquisition of Rabern was accounted for as a business combination in accordance with Accounting Standards Codification ASC 805, Business Combinations, which requires allocation of the purchase price to the estimated fair values of assets acquired and liabilities assumed in the transaction. The fair value of the consideration transferred at the acquisition date was \$40.5 million.

The following table summarizes the preliminary purchase price allocations for the Rabern acquisition as of December 31, 2022:

Total purchase consideration:	
Consideration	\$ 25,900
Revolving loan payoff	14,604
Net purchase consideration	<u>40,504</u>
Allocation of consideration to assets acquired and liabilities assumed:	
Cash	2,975
Net working capital	2,886
Other current assets	419
Fixed assets	27,658
Customer relationships	4,500
Trade name and trademarks	1,200
Goodwill	12,770
Deferred tax liability	(2,441)
Other current liabilities	(500)
Total fair value of assets acquired	<u>49,467</u>
Less: noncontrolling interests, net of taxes	8,963
Net assets acquired	<u>\$ 40,504</u>

The financial results of Rabern beginning on April 11, 2022 are included in the Company's consolidated financial statements and are reported in the Rental Equipment segment for the periods ended December 31, 2023 and 2022. The Company has recorded net revenues in 2023 \$29.5 million and \$21.2 million in 2022 and net income of \$1.8 million in 2023 and \$2.0 million in 2022.

The fair value of identifiable intangible assets is determined primarily using the relief from royalty approach and multi-period excess earnings method for trademarks and customer relationships, respectively. Fixed asset values were estimated using either the cost or market approach. Goodwill represents the amount by which the purchase price exceeds the estimated fair value of the net assets acquired. The Rabern acquisition was structured as a taxable purchase of 70% of a partnership interest whereby Manitex and Mr. Berner subsequently contributed their respective membership interests in Rabern to a newly formed Delaware corporation. The partnership made an IRC Section 754 Election which will give Manitex Section 743(b) step-up in the tax basis in the partnership assets for its acquired membership interest.

Note 23. Subsequent events

The company evaluated and found no subsequent events as of February 29, 2024.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

With the participation of our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer) and under the supervision of the Audit Committee of the Board of Directors, our management conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of December 31, 2023. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures, as of December 31, 2023, were effective and provided reasonable assurance that the information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of its financial reporting and the preparation of its financial statements for external purposes in accordance with GAAP and includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) 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.

Under the supervision of and with the participation of management, the Company conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this evaluation, our management concluded that we maintained effective internal controls over financial reporting as of December 31, 2023.

Management's assessment of the effectiveness of the Company's internal control over financial reporting as of December 31, 2023, has been audited by Grant Thornton LLP, our independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). During the fourth quarter of 2023, the Company made no changes that have materially affected, or that are reasonably likely to materially affect, its internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

Certain information required by Part III is omitted from this Form 10-K as the Company intends to file with the SEC its definitive Proxy Statement for its 2024 Annual Meeting of Shareholders (the “2024 Proxy Statement”) pursuant to Regulation 14A of the Exchange Act, not later than 120 days after December 31, 2023.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information under the headings “Nominees to Serve Until the 2025 Annual Meeting,” “Executive Officers of the Company who are not also Directors,” “Delinquent Section 16(a) Reports,” “Committee on Directors and Board Governance,” and “Audit Committee” in our 2024 Proxy Statement is incorporated herein by reference.

Code of Ethics

The Company has adopted a code of ethics applicable to our principal executive officer and principal financial and accounting officer, in accordance with Section 406 of the Sarbanes-Oxley Act of 2002, the rules of the SEC promulgated thereunder, and the NASDAQ rules. The code of ethics also applies to all employees of the Company as well as the Board of Directors. In the event that any changes are made or any waivers from the provisions of the code of ethics are made, these events would be disclosed on the Company’s website or in a report on Form 8-K within four business days of such event. The code of ethics is posted on our website at www.manitexinternational.com. Copies of the code of ethics will be provided free of charge upon written request directed to Investor Relations, Manitek International, Inc., 9725 Industrial Drive, Bridgeview, Illinois 60455.

ITEM 11. EXECUTIVE COMPENSATION

The information under the headings “Compensation Committee Interlocks and Insider Participation,” “Compensation Committee Report on Executive Compensation,” “Compensation Discussion and Analysis,” “Executive Compensation” and “Director Compensation” in our 2023 Proxy Statement is incorporated herein by reference.

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

The information under the headings “Equity Compensation Plan Information” and “Principal Stockholders” in our 2024 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information under the headings “Transactions with Related Persons,” “Corporate Governance,” “Compensation Committee,” and “Audit Committee” in our 2024 Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information under the heading “Audit Committee” in our 2024 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) The following documents are filed as part of this Report:

(1) *Financial Statements*

See Index to Financial Statements on page 25

(2) *Supplemental Schedules*

None.

All schedules have been omitted because the required information is not present in amounts sufficient to require submission of the schedules, or because the required information is included in the consolidated financial statements or notes thereto.

(b) *Exhibits*

Exhibit Index

Exhibit No.	Description
2.1	Membership Interest Purchase Agreement, dated as of April 11, 2022, by and among Rabern Rentals, LLC, a Delaware limited liability company, Steven Berner and Manitex International, Inc., a Michigan corporation (incorporated by reference to Exhibit 2.1 to the Form 8-K filed on April 13, 2022).
3.1	Articles of Incorporation, as amended (incorporated by reference to Exhibit 3.1 to the Quarterly Report on Form 10-Q filed on November 13, 2008) (File No. 001-32401).
3.2	Amended and Restated Bylaws of Veri-Tek International, Corp. (now known as Manitex International, Inc.), as amended (incorporated by reference to Exhibit 3.2 to the Annual Report on Form 10-K filed on March 27, 2008) (File No. 001-32401).
4.0	⁽¹⁾ Manitex International Inc Incentive Compensation Recovery Policy, effective as of November 8, 2023
4.1	Specimen Common Stock Certificate of Manitex International, Inc. (incorporated by reference to Exhibit 4.1 to the Annual Report on Form 10-K filed on March 25, 2009) (File No. 001-32401).
4.2	Rights Agreement, dated as of October 17, 2008, between Manitex International, Inc. and American Stock Transfer & Trust Company, LLC (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on October 21, 2008) (File No. 001-32401).
4.3	Amendment No. 1, dated as of May 24, 2018, to Rights Agreement, dated October 17, 2008, by and between Manitex International, Inc. and American Stock Transfer & Trust Company, LLC (incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on May 31, 2018).
4.4	Amendment No. 2, dated as of October 2, 2018, to Rights Agreement, dated October 17, 2008, by and between Manitex International, Inc. and American Stock Transfer & Trust Company, LLC (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on October 3, 2018).
4.5	Third Amendment to Rights Agreement dated as of September 19, 2022, by and between the Company and American Stock Transfer and Trust Company, LLC, as Rights Agent (incorporated by reference to Exhibit 4.1 to the Current Report on Form 8-K filed on September 20, 2022).
4.6	Description of Registrant's securities registered pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.6 to the Annual Report on Form 10-K filed on March 10, 2020) (File No. 001-32401).
10.1	* Employment Agreement, dated December 12, 2012, between Manitex International, Inc. and David J. Langevin (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-k filed on December 17, 2012) (File No. 001-32401).
10.2	Lease dated April 17, 2006 between Krislee-Texas, LLC and Manitex, Inc. for facility located in Georgetown, Texas (incorporated by reference to Exhibit 10.21 to the Annual Report on Form 10-K filed on April 13, 2007) (File No. 001-32401).
10.3	Loan and Security Agreement, dated as of July 20, 2016, by and among The PrivateBank and Trust Company, as administrative agent and sole lead arranger, Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Liftking, Inc. and Manitex, LLC (as the US Borrowers) and Manitex Liftking, ULC (as the Canadian Borrower) (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed July 25, 2016).
10.4	First Amendment to Loan and Security Agreement, dated as of August 4, 2016, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Liftking, Inc., Manitex, LLC and Manitex Liftking, ULC, The Private Bank and Trust Company and the lenders party thereto (incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed November 9, 2016).
10.5	Consent and Second Amendment to Loan and Security Agreement, dated as of September 30, 2016, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Liftking, Inc. and Manitex, LLC, The Private Bank and Trust Company and

Exhibit No.	Description
	the lenders party thereto (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 3, 2016</i>).
10.6	Third Amendment to Loan and Security Agreement, dated as of November 8, 2016, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., and Manitex, LLC, The Private Bank and Trust Company and the lenders party thereto (<i>incorporated by reference to Exhibit 10.4 to the Current Report on Form 10-Q filed November 9, 2016</i>).
10.7	Fourth Amendment to Loan and Security Agreement, dated as of February 10, 2017, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., and Manitex, LLC, The Private Bank and Trust Company and the lenders party thereto (<i>incorporated by reference to Exhibit 10.28 to the Annual Report on Form 10-K filed on March 10, 2017</i>).
10.8	Fifth Amendment to Loan and Security Agreement, dated as of April 26, 2017, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc. and Manitex LLC, The Private Bank and Trust Company (<i>incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on May 4, 2017</i>).
10.7	Sixth Amendment to Loan and Security Agreement, dated as of March 9, 2018, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., and Manitex, LLC, CIBC Bank USA (f/k/a The PrivateBank and Trust Company) and the lenders party thereto (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on March 14, 2018</i>).
10.8	Seventh Amendment to Loan and Security Agreement, dated as of July 23, 2018, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., and Manitex, LLC, CIBC Bank USA (f/k/a The PrivateBank and Trust Company) and the lenders party thereto (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 26, 2018</i>).
10.9	Eighth Amendment to Loan and Security Agreement, dated as of September 30, 2019, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Manitex, LLC, and CIBC Bank USA (f/k/a The PrivateBank and Trust Company) and the lenders party thereto. (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 2, 2019</i>)
10.10	Ninth Amendment to Loan and Security Agreement, dated as of December 22, 2020, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Manitex, LLC, and CIBC Bank USA (f/k/a The PrivateBank and Trust Company) and the lenders party thereto (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on December 23, 2020</i>).
10.11	Tenth Amendment to Loan and Security Agreement, dated as of March 16, 2021, by and among Manitex International, Inc., Manitex Inc., Manitex Sabre, Inc., Badger Equipment Company, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Manitex, LLC, and CIBC Bank USA (f/k/a The PrivateBank and Trust Company) and the lenders party thereto (<i>incorporated by reference to Exhibit 10.2 to the Quarterly Report on Form 10-Q filed on May 6, 2021</i>).
10.12	Investment Agreement, dated July 21, 2014, between Manitex International, Inc., IPEF III Holdings n° 11 S.A and Columna Holdings Limited (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on July 25, 2014</i>).
10.13	Debt Assignment Agreements, dated July 21, 2014, between Manitex International, Inc. and Banca Popolare del'Emilia Romagna S.C. (<i>incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on July 25, 2014</i>).
10.14	Debt Assignment Agreements, dated July 21, 2014, between Manitex International, Inc. and Unicredit S.P.A. (<i>incorporated by reference to Exhibit 10.3 to the Current Report on Form 8-K filed on July 25, 2014</i>).
10.15	* Option Agreement, dated July 21, 2014, by and between Manitex International, Inc. and Banca Popolare del'Emilia Romagna S.C. (<i>incorporated by reference to Exhibit 10.4 to the Current Report on Form 8-K filed on July 25, 2014</i>).
10.16	* Commitment Letter dated July 21, 2014 the Company and PM Group (<i>incorporated by reference to Exhibit 10.5 to the Current Report on Form 8-K filed on July 25, 2014</i>).
10.17	* Manitex International, Inc. 2019 Equity Incentive Plan (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on June 13, 2019</i>).

Exhibit No.	Description
10.18	First Amendment to the Manitex International, Inc. 2019 Equity Incentive Plan (<i>incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on June 4, 2020</i>).
10.19	<u>Amendment to Employment Agreement, effective as of September 1, 2019, between Manitex International, Inc. and David J. Langevin (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K filed on August 22, 2019).</u>
10.20	<u>Employment Agreement, effective as of October 20, 2020, between Manitex International, Inc. and Joseph Doolan (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K filed on October 5, 2020).</u>
10.21	<u>Commercial Credit Agreement, dated as of April 11, 2022, by and among Manitex International, Inc., Manitex, Inc., Manitex, LLC, Crane and Machinery, Inc., Crane and Machinery Leasing, Inc., Manitex Sabre Inc., Badger Equipment Company, Rabern Holdco, Inc. and Rabern Rentals, LLC, and Amarillo National Bank (incorporated by reference to Exhibit 10.1 to the Form 8-K filed on April 13, 2022).</u>
10.22	* <u>Employment Agreement, effective as of April 11, 2022, between Manitex International, Inc. and J. Michael Coffey (incorporated by reference to Exhibit 10.2 to the Form 8-K filed on April 13, 2022).</u>
10.23	<u>Restricted Stock Unit Award Agreement between Manitex International, Inc. and J. Michael Coffey, dated May 3, 2022 (Service-Based Vesting) (incorporated by reference to Exhibit 10.1 to the Form S-8 filed on June 3, 2022).</u>
10.24	<u>Restricted Stock Unit Award Agreement between Manitex International, Inc. and J. Michael Coffey, dated May 3, 2022 (Stock Price-Based Vesting) (incorporated by reference to Exhibit 10.2 to the Form S-8 filed on June 3, 2022).</u>
10.25	<u>Restricted Stock Unit Award Agreement between Manitex International, Inc. and J. Michael Coffey, dated May 3, 2022 (Change In Control-Based Vesting) (incorporated by reference to Exhibit 10.3 to the Form S-8 filed on June 3, 2022).</u>
10.26	<u>Non-Qualified Stock Option Award Agreement between Manitex International, Inc. and J. Michael Coffey, dated May 3, 2022 (incorporated by reference to Exhibit 10.4 to the Form S-8 filed on June 3, 2022).</u>
21.1	(1) Subsidiaries of Manitex International, Inc.
23.2	(1) Consent of Grant Thornton LLP
24.1	(1) Power of Attorney (included on signature page).
31.1	(1) Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
31.2	(1) Certification of Principal Financial Officer pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended.
32.1	(1) Certification by Principal Executive Officer and Principal Financial Officer pursuant to 18 U.S.C. 1350.
101	(1) The following financial information from the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Consolidated Statements of Operations for the fiscal years ended December 31, 2022 and 2021, (ii) Consolidated Balance Sheets as of December 31, 2022 and 2021, (iii) Consolidated Statements of Shareholders' Equity and Comprehensive Loss, (iv) Consolidated Statements of Cash Flows and (v) Notes to Consolidated Financial Statements.
104	(1) Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Denotes a management contract or compensatory plan or arrangement.

(1) Furnished.

(c) *Financial Statement Schedules*

ITEM 16. FORM 10-K SUMMARY

None.

SCHEDULE II- VALUATION AND QUALIFYING ACCOUNTS AND RESERVES

	Balance Beginning of Year	Charges to Earnings	Other	Deductions (2)	Balance End of Year
Year ended December 31, 2023					
Deducted from asset accounts:					
Allowance for credit losses	\$ 1,948	\$ 260	\$ 47	(1)\$ (69)	\$ 2,186
Reserve for inventory	7,971	531	100	(1) (881)	7,720
Valuation allowance for deferred tax assets	10,938	-	238	(7,796)	3,380
Totals	<u>\$ 20,857</u>	<u>\$ 791</u>	<u>\$ 385</u>	<u>\$ (8,746)</u>	<u>\$ 13,286</u>
Year ended December 31, 2022					
Deducted from asset accounts:					
Allowance for credit losses	\$ 2,432	\$ 220	\$ 56	(1)\$ (760)	\$ 1,948
Reserve for inventory	9,894	1,540	126	(1) (3,589)	7,971
Valuation allowance for deferred tax assets	11,676	-	159	(897)	10,938
Totals	<u>\$ 24,002</u>	<u>\$ 1,760</u>	<u>\$ 341</u>	<u>\$ (5,246)</u>	<u>\$ 20,857</u>

(1) Primarily represents the impact of foreign currency exchange, business acquisitions and other amounts recorded to accumulated other comprehensive income (loss).

(2) Primarily represents the utilization of established reserves, net of recoveries.

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.

Dated: February 29, 2024

MANITEX INTERNATIONAL, INC.

By: /s/ JOSEPH. DOOLAN
Joseph Doolan,
Chief Financial Officer
(On behalf of the Registrant and as
Principal Financial and Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoint David J. Langevin his or her attorneys-in-fact, each with the power of substitution, for him in any and all capacities, to sign any amendments to this Annual Report on Form 10-K, and to file the same, with Exhibits thereto and other documents in connection therewith with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact, or substitute or substitutes may do or cause to be done by virtue hereof.

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 and on the dates indicated.

/s/ DAVID J. LANGEVIN

February 29,
2024

**David J. Langevin,
Executive Chairman and Director**

/s/ MICHAEL COFFEY

February 29,
2024

**Michael Coffey,
Chief Executive Officer and Director
(Principal Executive Officer)**

/s/ JOSEPH DOOLAN

February 29,
2024

**Joseph Doolan,
Chief Financial Officer
(Principal Financial and Accounting Officer)**

/s/ RONALD M. CLARK

February 29,
2024

**Ronald M. Clark,
Director**

/s/ SHINICHI IIMURA

February 29,
2024

**Shinichi Iimura
Director**

/s/ FREDERICK B. KNOX

February 29,
2024

**Frederick B. Knox,
Director**

/s/ STEPHEN J. TOBER

February 29,
2024

**Stephen J. Tober,
Director**