



ANNUAL REPORT 2023

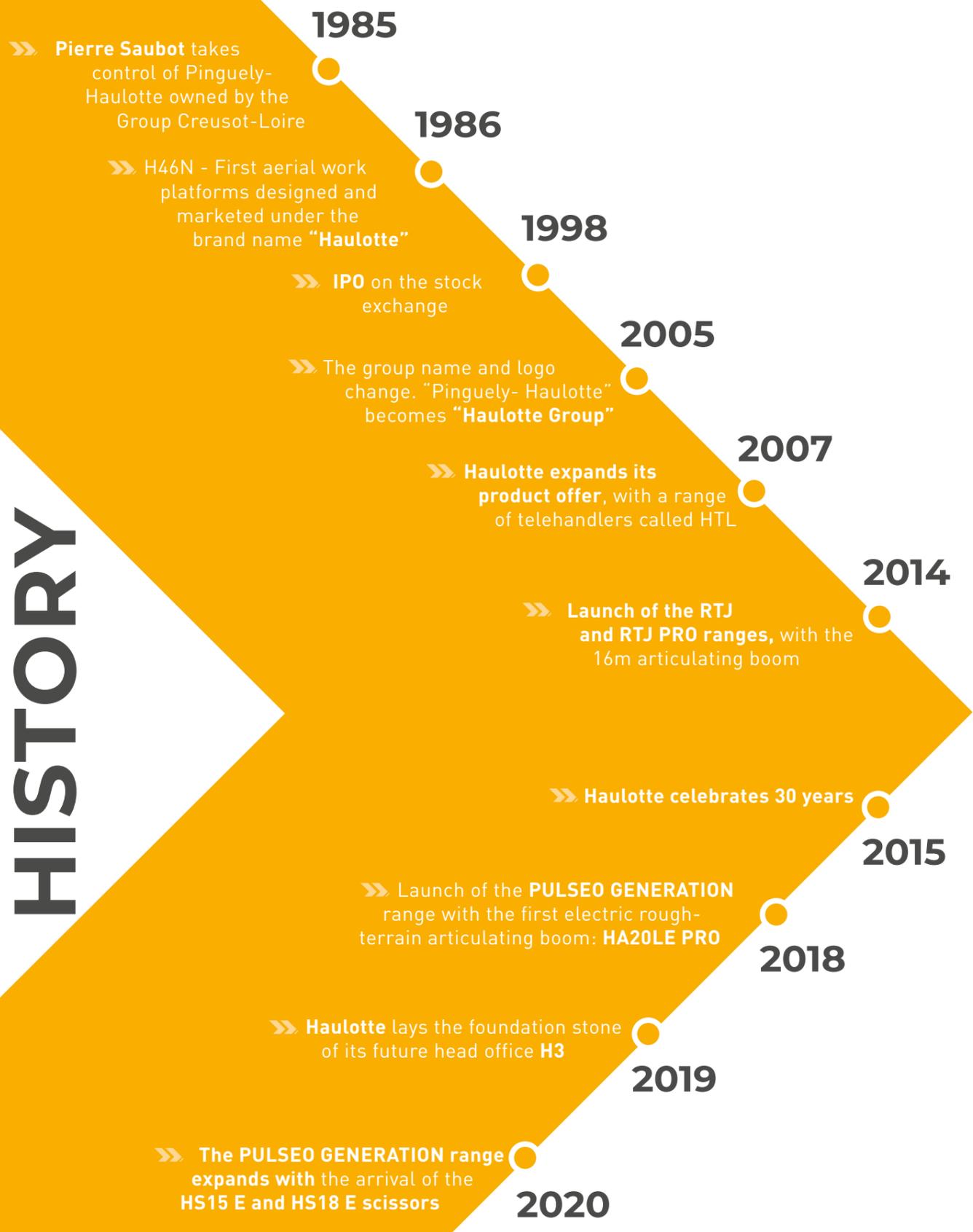


SUMMARY

[Summary](#)

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OUR HISTORY



WHO WE ARE?

Haulotte is one of the world's leading manufacturers of people lifting equipment.

Number 1 in Europe, the Group designs, manufactures and markets a wide range of products for over 40 years, the core of which is the aerial work platforms.

With its expertise, the Group is above all committed to protecting people through innovative, environmentally-friendly solutions.

5
PRODUCTION UNITS

21
SUBSIDIARIES

7
PRODUCT RANGES

1900
EMPLOYEES

OUR MISSION

“

Taking care of people

”

OUR VISION

“

Let's dare together, becoming the most valuable working at height experience maker

”



Human life is the most precious gift, therefore we believe it is key to take care of it when working at height.

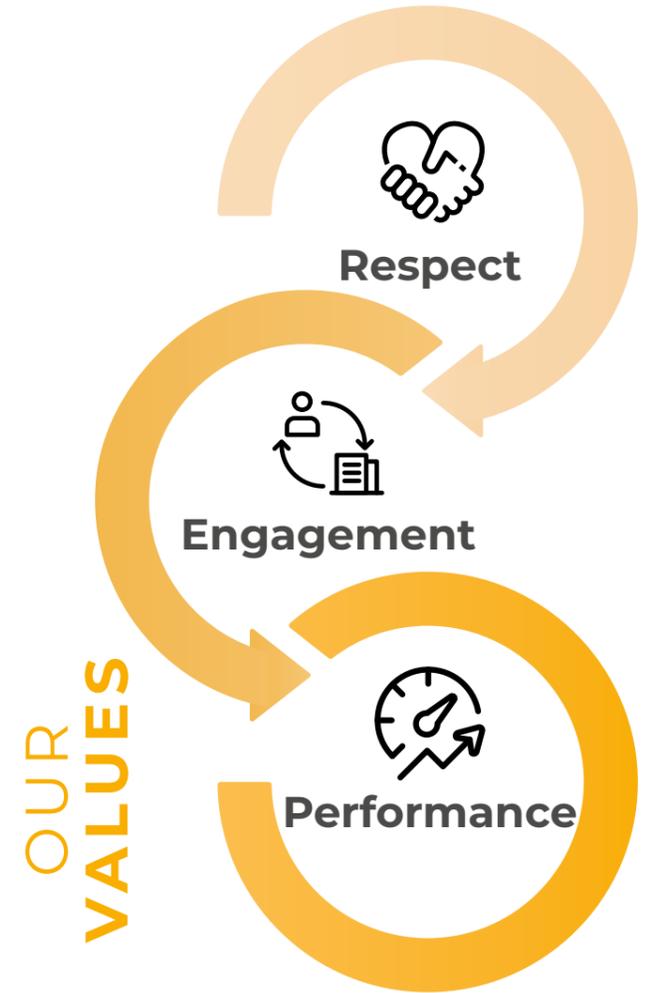
TAKING CARE OF OUR EMPLOYEES

Each employee plays a key role in the success of the Group. Safety, employability and well-being at work are at the heart of our HR policy.

Our values, translated into concrete measures by the employees themselves, illustrate and underline our desire to «Take Care».

We are convinced that a caring work environment fosters creativity, initiative, involvement, performance and well-being of employees.

By symmetry, this environment will have a positive impact on our customers, partners and business performance.



+ de 40 000 heures

of training provided in 2023

+ over 90%

of employees trained



70% of our employees work on ISO 14001 certified sites.



TAKING CARE OF OUR PARTNERS

To build a mutually beneficial relationship, we must take care of our partners as well as our employees.

We deliver on our commitments by providing our customers with solutions tailored to their current and future needs. Our ultimate goal is to create a unique customer experience.

We do the same with our suppliers as they contribute to the customer experience and business performance.



MORE THAN 70% of our suppliers are committed to a responsible purchasing approach



CUSTOMER SATISFACTION

7,48/10

Survey conducted between May and September 2023, 32% of the customer database was questioned.

TAKING CARE OF SOCIETY

Haulotte takes care of the **Society**, through employees and partners, but not only.

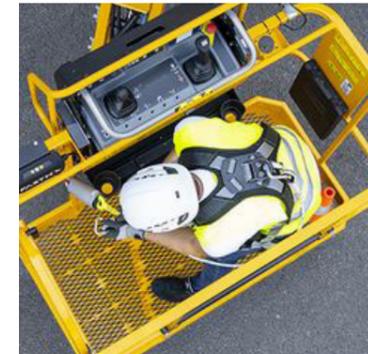
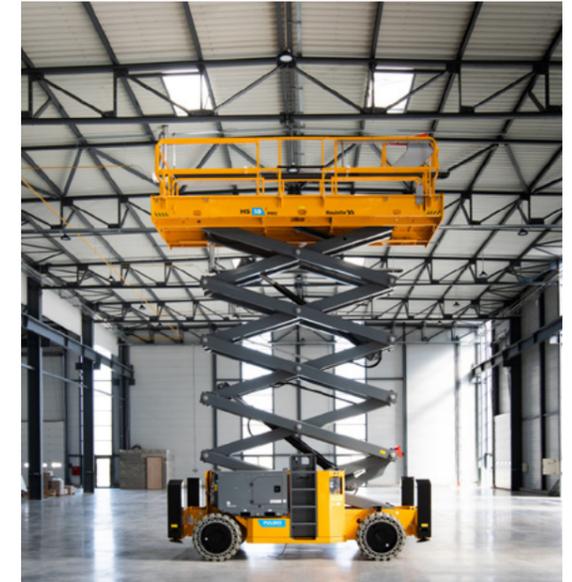
We design safe products and solutions, we were among the first companies to commit to the decarbonization of machines.

We are building step by step a sustainable **development path, taking care of our environment, our ecosystem, our Society.**



In 2022, a materiality analysis was conducted with employees from several departments and entities of the group. The aim was to define the challenges and the priority Sustainable Development Objectives for Haulotte.

Thus, **7** of these SDGs are now part of the group's strategy and constitute the basis of our ESG approach.





1st manufacturer reconditioning center for used lifting platforms in Europe

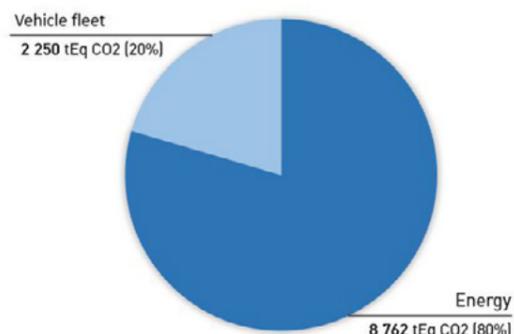
300 « Extended life » machines in 2023 (2nd Hand, 2nd life & Restart)

10M€ of turnover linked to the circular economy

78% of our machines sold are electric

CARBON FOOTPRINT

SCOPES 1 AND 2 EMISSIONS (2023 DATA - GROUP SCOPE)



OVER 150 COUNTRIES COVERED

Local distribution & production logic for our customer needs

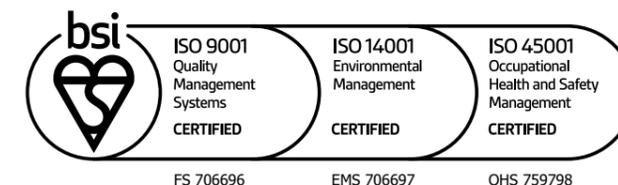
MORE THAN 70%

of our suppliers are engaged with us in a responsible purchasing approach

▶ **100%** of concerned employees are trained in ethical and anti-corruption issues



97% machine recyclability rate



78% of our employees worked on certified entities



MORE THAN 40 000 HOURS of training for our employees

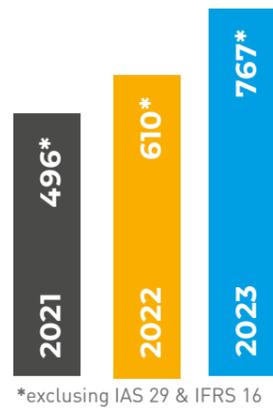
▶ **90%** of our employees are trained

MORE THAN 14 000 HOURS of training for our customers

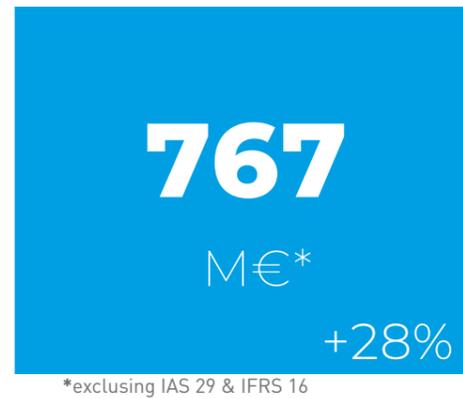
34% of new recruits are under 27

76% of our employees are proud to work for Haulotte

SALES EVOLUTION IN € MILLION



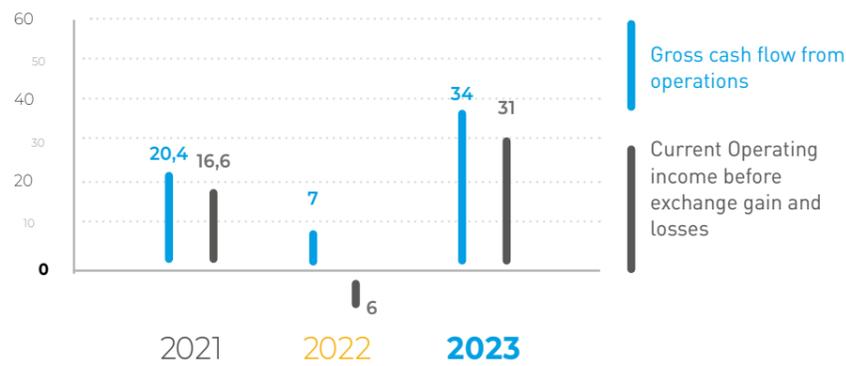
REVENUE



CURRENT OPERATING INCOME & GROSS CASH FLOW FROM OPERATIONS IN € MILLION

before exchange gain & loss

excluding IAS29 and IFRS16



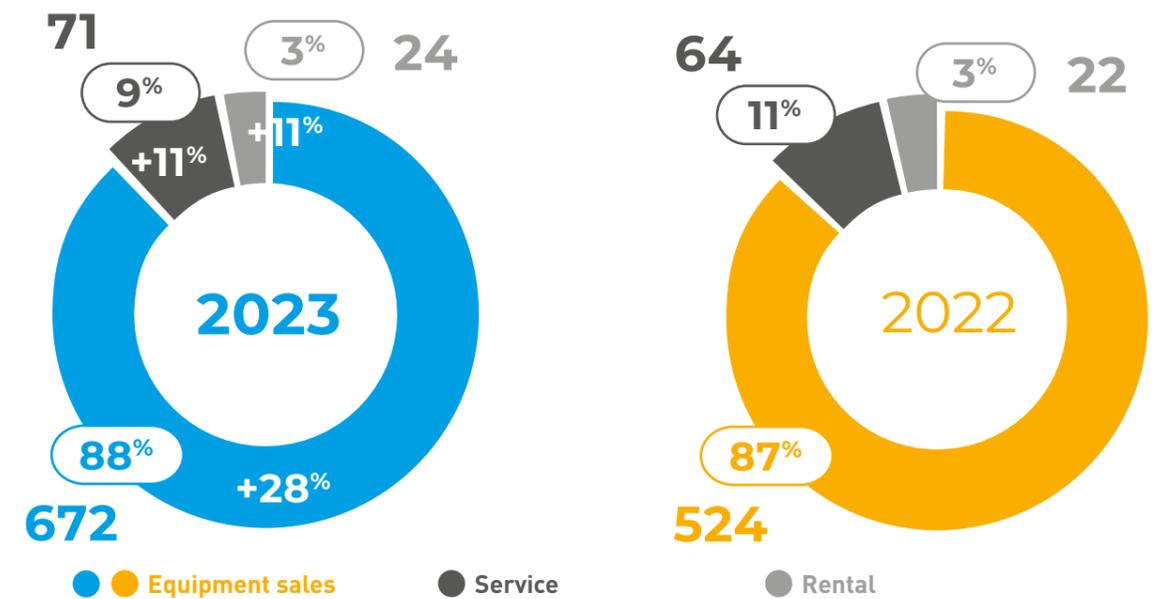
INCOME STATEMENT HIGHLIGHTS IN € MILLION

excluding IAS29 and excluding IFRS16

IN € MILLION	GLOBAL	
	2023	2022
REVENUE	767	610
CURRENT OPERATING INCOME before EXCHANGE GAINS & LOSSES	31	(5)
OPERATING INCOME	31	(6)
INCOME BEFORE TAXES	(0)	(12)
CONSOLIDATED NET RESULT	(1)	(17)

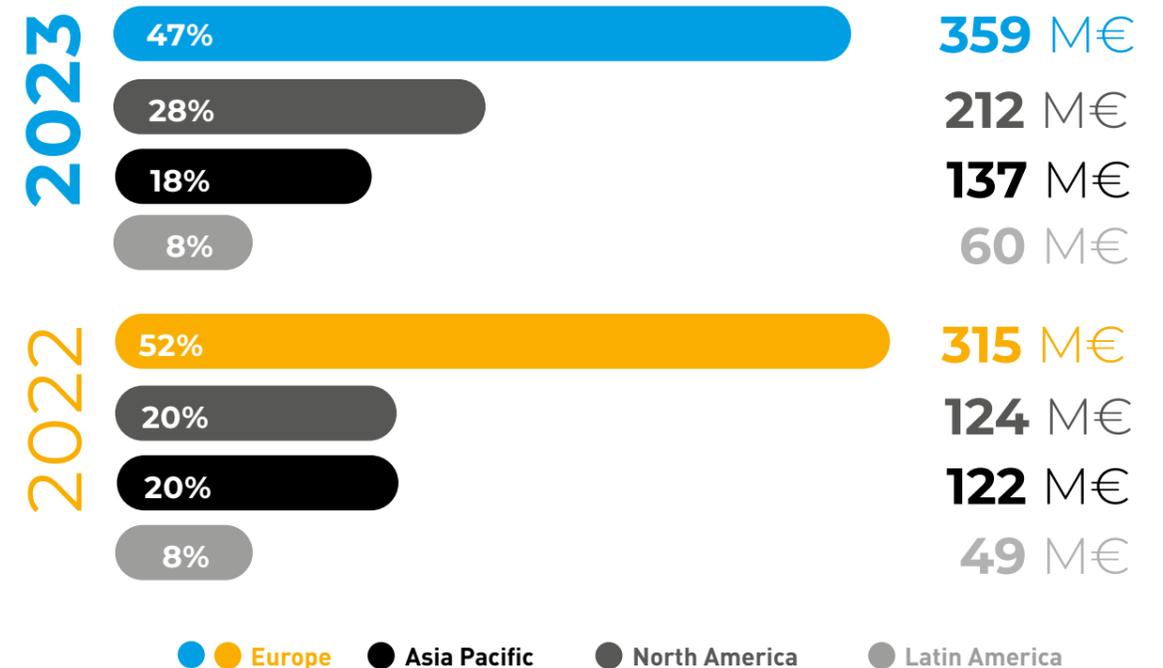
SALES BREAKDOWN PER ACTIVITY IN € MILLION

excluding IAS29 and excluding IFRS16



SALES BREAKDOWN PER GEOGRAPHICAL AREA IN € MILLION

excluding IAS29 and excluding IFRS16



OUR BUSINESS MODEL

HUMAN RESOURCES



- > 1900+ employees
- > 1000+ employees operating on certified sites

ENVIRONMENTAL RESOURCES



- > Carbon Footprint (scope 1 & 2): 16 254 tCO2eq
- > Energy consumption: 56 280 MWh
- > Water consumption: 11 173 m3

ECONOMIC RESOURCES



- > Equity: 185 M€
- > Investment (net, excluding IFRS 16): 8 M€
- > Syndicated loan & PGE (state-guaranteed loan): 126 M€

OPERATIONAL CAPITAL



- > 5 industrial sites
- > 21 sales & Service subsidiaries
- > 7 logistics platforms
- > 1 design office, 1 design center, 1 e-lab

OUR OTHER RESOURCES



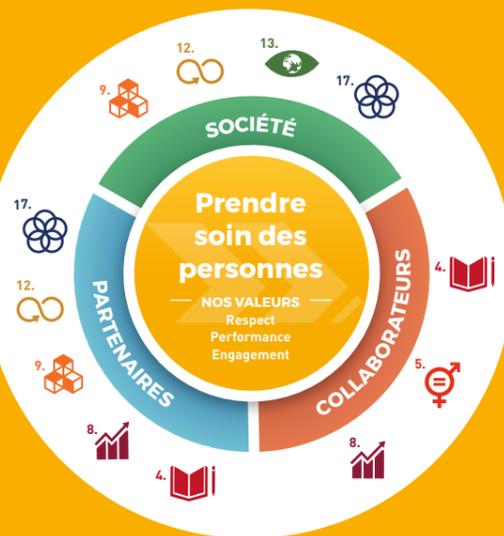
- > 9500+ active customers
- > 1 solid network of suppliers and partners
- > 14,2 M€ R&D expenditure
- > Teams dedicated to R&D, innovation and continuous improvement

OUR VISION

Let's dare together becoming the most valuable working at height experience maker.



OUR MISSION



OUR BUSINESSES

A complete range of safe, innovative machines incorporating our latest innovations and telematics solutions.



Haulotte EQUIPMENT

Haulotte SERVICE

Haulotte FINANCIAL SERVICES



OUR STRENGTHS

- 5 Industrial sites
- 21 Sales & Service subsidiaries
- 1900 Employees
- +150 Countries covered
- 7 Logistics platforms

OUR PERFORMANCE

SOCIAL VALUE



- > 40 000+ training hours for our employees
- > 34% of new recruits were under the age of 27
- > Gender equality index 86

ENVIRONMENTAL VALUE



- > Revenue associated with the circular economy: 10,2 M€
- > 78% of machines sold are electric
- > 75% waste recycling rate on our sites (excluding Chinese plant)

ECONOMIC VALUE



- > Revenue (excluding IAS 29): 767 M€
- > Cash flow (excluding IAS 19 / IFRS 16): 34 M€
- > Taxes paid in France and abroad: 7 M€

OPERATIONAL VALUE



- > PULSE0 range, electric machines with the same performance as diesel machines
- > Local production and distribution for at least 50% of our customers' needs

OUR OTHER VALUE CREATION



- > Digital fleet management solutions (MyHaulotte, SHERPAL)
- > Safety solutions and innovations to reduce the environmental impact of our machines
- > 70% + suppliers committed to responsible purchasing with us
- > 75% customer satisfaction rate



DESIGN & ASSEMBLY

Our key success factors are **INNOVATION, R&D, MARKETING.**

Dedicated teams on the design phase anticipate customer **needs and requirements to design products, accessories and services to meet demand.**



DISTRIBUTION

A sales & services network based in **21 subsidiaries** and offices in strategic markets, supported by a dealer network giving coverage in **more than 150 countries.**



RENTAL BUSINESS

An additional business activity which contributes to **establishing our brand in selected geographical markets**, and to better understand end-users' needs.



RENTAL COMPANIES

They are **partners of our development thanks to their product expertise**, the in-depth knowledge of their clients' needs and their network of branches.



INDUSTRIAL END-USERS

Customers operating in a **wide range of industry sectors** (logistics, manufacturing, airport operations, maintenance, retail). **Haulotte provides customized solutions** based on product lines that address the specific needs of each activity.



SPECIAL EQUIPMENT

Haulotte offers **tailor-made solutions** designed to meet the specific requirements of **civil and military applications**.



A complete offer of safe and **innovative machines** integrating our latest innovations and telematics solutions



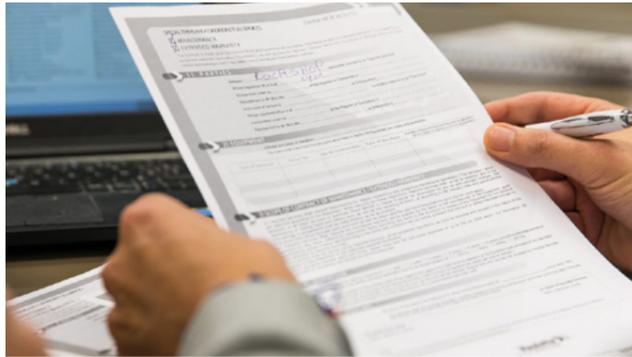
Flexible, **tailor-made financing solutions** to meet our customers' needs.

Thanks to our many years of experience in the Construction and Industry sectors, we can implement new solutions to structure financing offers.



From acquisition to maintenance, we provide comprehensive support throughout the life cycle of our equipment. Present on five continents, our group relies on a network of **after-sales experts strategically located** around the world to ensure fast, efficient local service. By providing both **human support** and **online tools**, we help our customers optimize their total cost of ownership.





SERVICE CONTRACTS

To meet customer needs as best as possible, **service contracts allow customers to take advantage of our technical teams' expertise** for preventive maintenance, warranty extension, or periodic legal inspections on both new and used machines. Or the **SMART Solutions offer**, an innovative offer that includes intelligent and connected machines, a financing solution and equipment maintenance for the whole contract duration.



GENUINE SPARE PARTS

Only **genuine Haulotte spare parts are designed to work seamlessly with your machines**. They are tested to ensure user safety, absolute reliability and an optimized service life and residual value of your machines. The Haulotte supply chain optimises the entire process, from quotation to delivery. 24-hour online order management!



TECHNICAL SUPPORT

Designed to responsively provide the most efficient support, the **Haulotte technical network operates on the phone, on site or within our technical centers**. Our on-line solutions also enable you to minimize your downtime!



TRAINING

Skills management is a daily challenge for companies. **Haulotte Service's training courses help teams to improve their skills, to guarantee optimized machine utilization rates**, and thus greater profitability. Training is provided in the customer's language, either digitally or on-site.

TELEMATICS SOLUTION



SHERPAL marks the start of simplified fleet management. Developed in direct response to customers' needs, it gives remote access to high value data to make informed decisions about Haulotte equipment. Subscribers have **all the information** at hand **to analyze** their **entire fleet, maximize its efficiency and reduce operating costs**.

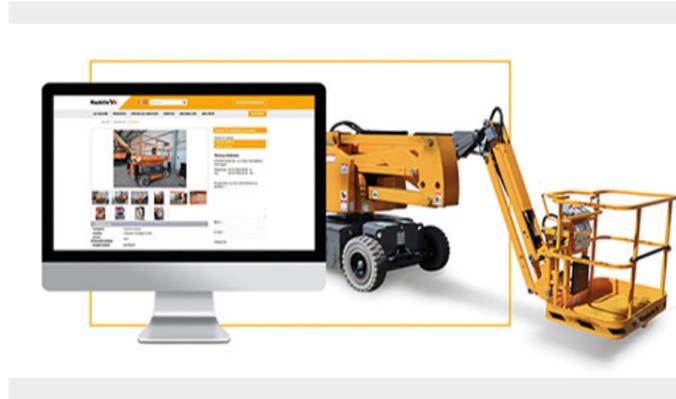
RESPONSES TO ENVIRONMENTAL CHALLENGES

Extending the lifespan of products to **better respond to environmental issues** is a major challenge, our offers are a response to new consumption patterns oriented towards the circular economy.



REFURBISHMENT

Offering your machines a second life is financially attractive ; **reconditioning solutions extend the machines' lifespan significantly. Whether it involves refreshing, refurbishing or modernising equipment**, for minimal investment, the equipment regains its full potential and benefits from a higher residual value.



SECOND-HAND EQUIPMENT

Pre-owned equipment is a perfect way to establish or enlarge a fleet at lower cost for a better return on investment. Haulotte has implemented strict inspection processes to ensure that pre-owned machines meet the highest quality standards. Customers can find their next machine among a wide range of pre-owned equipment, from scissor lifts to telescopic booms, as well as articulating booms, vertical masts and more. A quick and easy way to meet the needs and the budget!



RESTART
by Haulotte

The **RESTART by Haulotte program was designed to meet the growing demand for Haulotte-branded reconditioned aerial work platforms.** This new offer is positioned between the traditional used market, where aerial work platforms are sold as is without warranty, and new equipment market. This new model makes it possible to offer quality reconditioned equipment, certified and guaranteed by the manufacturer, available immediately at a reasonable price. **To offer this alternative to the sale of new aerial work platforms, Haulotte has set up an industrial process, trained staff and invested in specific tools.** By converting a factory, the Group is meeting the challenges of sustainable development. It is reducing the carbon impact of its activities and paving the way for a new, more ecological approach.

GOVERNANCE OF HAULOTTE GROUP

OUR EXECUTIVE COMMITTEE



EXECUTIVE COMMITTEE MEMBERS

- 1 - **Alexandre SAUBOT** - C.E.O.
- 2 - **Philippe NOBLET** -Corporate Secretary, in charge of the Group's Human Resources Department
- 3 - **Stéphane HUBERT** - Director of Sales, Marketing & Service
- 4 - **Sébastien MARTINEAU** -C.F.O., in charge of I.T.
- 5 - **Patrice MÉTAIRIE** - C.O.O.
- 6 - **Damien GAUTIER** - M.D. Asia-Pacific area
- 7 - **Carlos HERNANDEZ** - M.D. Americas area
- 8 - **Patrick MURRIS** - M.D. Europe & Africa area, delegated to the deployment of the C.S.R.

ADMINISTRATORS:

- PIERRE **SAUBOT** - Chairman
- ALEXANDRE **SAUBOT**
- JOSÉ **MONFRONT**
- MICHEL **BOUTON**
- ELISA **SAUBOT**
- HADRIEN **SAUBOT**
- ELODIE **GALKO**
- ANNE **DANIS FATÔME**
- BERTRAND **BADRÉ**



STATUTORY AUDITORS:

PricewaterhouseCoopers Audit
 Represented by **Matthieu MOUSSY**
 20 Rue de Garibaldi - 69451 Lyon cedex 06

BM & A

Represented **Pascal RHOUMY**
 11 Rue de Laborde - 75008 Paris



FEBRUARY 2023

Presentation of an equipment with a fuel cell, in partnership with Bouygues Energies & Services.



MARCH 2023

COMPACT scissors range awarded at Mât d'Or 2023 award.



APRIL 2023

SIGMA 16 wins another award in China.



APRIL 2023

New premises for Haulotte Scandinavia subsidiary.



APRIL 2023

RESTART by Haulotte awarded at the Grand Prix du Matériels - Chantiers de France.



MAY 2023

HIRE 2023: Haulotte Australia awarded Supplier of the Year for the 4th time.



MAY 2023

Haulotte Italy and Haulotte Ibérica obtain triple ISO certification.



JUNE 2023

Presentation of the FASTN solution, a connected universal anchoring system that works on the same principle as a car seat belt.



JULY 2023

Haulotte has improved its EcoVadis score by +13 points, from 46/100 in 2022 to 59/100 in 2023.



SEPTEMBER 2023

« Los Gran Premios Movicarga » award for Haulotte Ibérica and Star 6 Crawler.



OCTOBER 2023

HAULOTTE ACTIV'Shield™ Bar (designed to reduce the risk of overhead trapping/crushing), and Haulotte Italia awarded at the ITALIAN ACCESS PLATFORM.



NOVEMBER 2023

Haulotte GmbH elected 'Employer of the Future' by the German Innovation Institute.



NOVEMBER 2023

European Commission open an anti-dumping investigation into imports of aerial work platforms from China.



MANAGEMENT

REPORT

2023

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

GENERAL COMMENTS

Definitions

In this annual financial report, except where otherwise indicated:

- The terms "**Company**" or "**HAULOTTE GROUP**" refer to **HAULOTTE GROUP**, a French public limited company (Société Anonyme) with capital of €4,078,265.62 whose registered office is located on rue Emile Zola, 42420 Lorette, France, registered in the Saint-Etienne Trade and Companies Register under No. 332 822 485.
- The term "**Group**" refers to the Company and all companies consolidated by the latter.

Forward-looking statements

This annual financial report also includes forward-looking information about the Group's objectives and development priorities. These forward-looking statements are sometimes identified by the use of the future or conditional tense or forward-looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or variations thereof or other comparable terminology. It should be noted that these objectives and development forecasts do not represent historical data and as such should not be interpreted as providing assurance that the facts and data presented will occur, that the assumptions will be confirmed and the objectives reached. They represent objectives that by nature might not be achieved, and the information presented in this annual financial report may prove to be erroneous without the Group being subject, in any manner whatsoever, to an obligation to update these statements, subject to applicable regulations, particularly the AMF (*Autorité des Marchés Financiers*) General Regulations.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

RESPONSIBILITY FOR THE ENGLISH VERSION OF ANNUAL FINANCIAL REPORT

Person making the responsibility statement

In accordance with article L.451-1-2 of the French monetary and financial code, we inform you that the person responsible for the annual financial report is Mr. Alexandre Saubot, Deputy Chief Executive Officer of Haulotte Group.

Responsibility statement

Lorette, 28 April 2024

"I declare that, to the best of my knowledge, the financial statements have been prepared in accordance with applicable financial reporting standards and provide a true and fair view of the assets and liabilities, financial position and results of the operations of the Company and the Group formed by the companies included in the consolidated financial statements, and that the management report for the period, included herewith, presents business trends, the results and financial position of the company and consolidated operations and a description of the main risks and uncertainties."



Alexandre Saubot

Deputy CEO

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

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MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

PART 1: ECONOMIC INFORMATION

1 - REVIEW OF OPERATIONS AND RESULTS FOR THE YEAR UNDER REVIEW

Haulotte Group ranks among the worldwide leaders in the market for self-propelled aerial work platforms both as a manufacturer of the main equipment categories (telescopic booms, articulating booms, scissor lifts, vertical masts) and as a distributor on five continents.

The figures below do not include the application of IAS 29, hyperinflation in Turkey and Argentina, or changes at constant exchange rates.

Driven by growth in the first half of the year, the global platform market reached its zenith. In this context, Haulotte posted a consolidated annual turnover of €767 million in 2023, up by +28% compared to the previous year, driven by strong growth in sales volumes and the positive impact of sales price increases.

In Europe, in a market that was ultimately down slightly over the year (excluding Russia) and despite ever-increasing competitive intensity, the Group recorded a sales growth of +14% compared to last year.

In Asia-Pacific, Haulotte recorded a solid sales performance and sales growth of +18% compared to 2022, driven by Turkey and Australia.

In North America, Haulotte continued its effort to penetrate the market and recorded a 75% increase in revenue across all areas for 2023, with the aerial work platform sector recording +110% growth.

In Latin America, which is a clear recovery in the market, as observed over the past two years (particularly in Brazil), Haulotte posted a sales increase of +26% for the year.

All in all, machinery sales increased by +31%, leasing activities increased by +14% and service activities increased by +13%.

The financial year ended 31 December 2022, submitted for approval to the ordinary general meeting, is the Company's thirty-eighth year of operations since its creation.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

2 - PROGRESS MADE OR DIFFICULTIES ENCOUNTERED

In a global aerial work platform market that reached its highest level in 2023, Haulotte achieved a historic turnover of €767 million, compared to €610 million in 2022, a +28% increase between the two periods, driven by strong growth in sales volumes, particularly in North America, and the positive impact of sales price increases.

The figures below do not include the application of IAS 29, hyperinflation in Turkey and Argentina, or changes at constant exchange rates.

In keeping with the first half-year, the group recorded an operating income of €31 million for the year 2023 (before exchange gains and losses), representing 4.0% of the 2023 turnover, up by €35 million compared to 2022. This increase was driven by the positive effects of sales price increases, growth in sales volumes and the verified decrease in costs in the second half-year.

The Group's net profit (including IFRS16 and IAS 29) stands at 0, negatively impacted by a highly unfavorable exchange rate environment for the Group (impact of -€20 million in 2023), particularly due to the devaluation of the Argentine Peso (-€10 million) during the financial year, and a significant increase in the cost of debt (-€10 million).

The Group's net debt (excluding IFRS 16) amounts to €260 million as at 31 December 2023, compared to €268 million at the end of the previous fiscal year. This decrease stems from a notable improvement in its available cash flow, particularly in the second half of the year, driven by the recovery of the operating margin and the reduction in working capital requirements (reduced by 33 days).

As the Group was unable to comply with all of its banking ratios for December 2023, and partially for June 2024, it requested a new waiver for these two periods, which was accepted by the banking pool on. Based on its sales and EBITDA growth projections, the Group expects to respect the ratios not covered by the waiver from June 2024.

Haulotte maintains operational means and financial resources to meet its cash flow needs for the next 12 months.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

3 - PRESENTATION OF PARENT COMPANY FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES – RESULTS OF OPERATIONS THE COMPANY

3.1 Presentation of parent company financial statements

Highlights of the parent company financial statements of **HAULOTTE GROUP SA** for the financial year ended 31 December 2023 are presented below (in € thousands):

RESULTS € thousands	FY 2023	FY 2022	CHANGE (%)
REVENUE	320,207	246,666	+30%
OPERATING PROFIT	(36,967)	(40,886)	-10%
NET FINANCIAL INCOME	30,764	95,276	-68%
EXTRAORDINARY PROFIT	(7,862)	(3,995)	+297%
NET PROFIT (LOSS)	5,668	54,211	-90%

Please refer to the notes to the annual financial statements for all additional explanations.

3.2 Changes in the presentation of the annual accounts or methods of valuation, applied in prior years

We inform you that the annual financial statements were prepared according to the same presentation and methods used in prior periods, with the exception of the point on the treatment of development costs mentioned in paragraph 2.1 of Note 2 to the annexes of the company accounts.

Changes in accounting methods are presented in the summary of significant accounting policies in Note 2 to the separate annual financial statements.

3.3 Analysis of parent company results

Buoyed by growth in the 1st half, the global aerial work platform market is at its highest level ever. Haulotte Group SA sales reached €320 million, up €73 million or +30% versus 2022.

Over the year, Haulotte Group SA's operating income remains negative, at -€37 million in 2023 compared with -€41 million in 2022. This is due to tighter margins (mainly the unfavorable impact of component costs), despite a reduction in committed costs (around -€17 million in 2023: deletion of debt to the Haulotte Shanghai subsidiary was recorded in 2022 for an amount of €(16) million).

The net financial income of +€31 million is mainly due to the payment of dividends by some of the Group's subsidiaries in 2023.

These various items resulted in a positive net income of +€6 million for 2023.

As required by article R.225-102 of the French Code of Commerce, this report includes a table summarizing the results of the Company over the last five years.

4 - COMPREHENSIVE ANALYSIS OF THE COMPANY'S REVENUE, EARNINGS AND FINANCIAL POSITION, AND PARTICULARLY DEBT WITH RESPECT TO THE VOLUME AND COMPLEXITY OF BUSINESS ACTIVITY

Please refer to paragraphs 1, 2 and 3 above and 6.2 and 7 below.

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5 - ANALYSIS OF KEY INDICATORS OF A FINANCIAL AND NON-FINANCIAL NATURE RELATING TO THE COMPANY'S SPECIFIC BUSINESS, AND IN PARTICULAR INFORMATION RELATING TO ENVIRONMENTAL AND STAFF ISSUES

Please refer to above to paragraphs 1, 2 and 3 and section 5 below in this report, as well as the Company's Non-Financial Statement.

6 - KEY RISKS AND UNCERTAINTIES – THE COMPANY'S EXPOSURE TO RISKS CONCERNING PRICE, CREDIT, LIQUIDITY AND CAPITAL RESOURCES – INFORMATION ON MARKET RISKS

In accordance with the provisions of article L225-100-1 of the French Code of Commerce, a description of key risks and uncertainties facing the Company is presented below.

6.1 Key risks and uncertainties:

Because the company uses several components in its production, the sourcing capacities from its suppliers constitute a primary risk. To prevent risks of supply chain disruptions, the strategy of diversifying suppliers, widely adopted for a number of years, must be continued. For several years, the credit situation of suppliers considered to represent greater risk has been monitored and specific measures have been taken to ensure that the industrial model remains constantly in sync with market demand.

Market risk is the second significant risk factor. The second significant risk is market risk. Although tensions are easing on component supplies, it is important to remain vigilant in a global economic and political environment that continues to exhibit uncertainty. The highlights of the consolidated appendix provide a more detailed overview of the business context in 2023.

Another significant risk is the sensitivity of sales to credit restrictions in financial markets. HAULOTTE GROUP proposes financing solutions to its customers either through a financing entity or, for a non-significant percentage of sales, direct financing, while maintaining receivable risks at a reasonable level.

6.2 The Company's exposure to risks concerning price, credit, liquidity and capital resources

Please refer to note 5 of the consolidated financial statements.

7 - USE OF FINANCIAL INSTRUMENTS - COMPANY FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICY

The Company does not systematically hedge interest rate and foreign exchange risk.

However, transactions are carried out according to market opportunities. In such cases, they are destined to cover existing assets or liabilities and not for speculative purposes.

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8 - FORSEEABLE CHANGES IN THE COMPANY'S SITUATION AND OUTLOOK

In a market expected to maintain the consolidation trend observed in the second half of 2023, Haulotte anticipates stable revenue for 2024 and an operating margin (excluding exchange gains and losses) close to +5% of its revenue.

9 - IMPORTANT POST-CLOSING EVENTS BETWEEN THE END OF THE FINANCIAL PERIOD AND THE DATE OF THE MANAGEMENT REPORT

The post-closing events are detailed in Note 3 of the Annexes to the company accounts.

10 - RESEARCH AND DEVELOPMENT OF THE COMPANY

The Company's research and development efforts continued in the period.

2023 marked continued development on offers that will be launched in early 2024, namely:

- A new 16m HA16 E electric all-terrain platform;
- Improvements made to the HA 20 RTJ, a 20m articulated platform, to better meet new customer needs with increased load capacities, environmental considerations and compliance with local regulations on engine emissions.

The Group also continued to focus on safety development, with the preview presentation of the FASTN solution in June 2023. The FASTN system was launched in 2024 and allows construction companies to enhance the safety of mobile elevated work platform (MEWP) operators by detecting proper harness anchorage. This is the first universal, smart fall prevention system from an elevated work platform. This development was carried out through intrapreneurship.

The Group's digital offer is also enhanced with two new features. The MyHaulotte portal currently presents the expected weather conditions, precipitation and wind speed for each machine connected via the Sheralp solution, offering new planning and risk mitigation tools on site. Moreover, the solution alerts about the proximity of major electrical lines to mitigate risks associated with their presence.

At the same time, the Company, as part of its CSR trajectory, continues to advance its research into optimizing the energy mix of its products, with a specific focus on fuel cell technology.

As a reminder, a partnership contract with Bouygues Energies & Services was concluded in June 2022. This agreement will facilitate real-world testing of an elevated work platform equipped with a fuel cell system at various public works sites throughout 2024. Through this partnership, the Group wishes to pool the expertise of the manufacturer and the operational operator. This collaboration is designed to expand the range of low-carbon electrified equipment.

In the medium term, R&D will be focused on enabling the acceleration and launch of new low-carbon, more digitalized machines.

Research and development expenses amounted to €15,619,000 for the 2023 financial year.

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11 - BREAKDOWN OF TRADE PAYABLES AND RECEIVABLES OF THE COMPANY BY MATURITY

In accordance with the provisions of articles L.441-14, paragraph 1 of the French Code of Commerce, an aged trial breakdown of trade receivables and payables is provided below for the financial year ended 31 December 2022.

Trade payables	Article D.441-6 I.-1 of the French Code of Commerce: Invoices received unpaid at the end of the reporting period in arrears					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	Total
(A) Portion in arrears						
Number of invoices concerned						387
Total amount of invoices concerned including VAT		224,397	109,505	30,492	23,077	387,472
% of total amount of purchases for the period incl. VAT		0.07%	0.03%	0.01%	0.01%	318,558,797
(B) Invoices excluded from (A) relating to disputed receivables and subsidiaries						
Number of supplier invoices paid at the beginning of January						1,265
Number of disputed supplier invoices						1,129
Total number of subsidiary invoices involving a current account-related payables						440
Number of supplier invoices paid at the beginning of January						7,976,574
Amount of disputed invoices						3,743,379
Amount of subsidiary invoices involving a current account-related payable						4,186,189
(C) Reference payment terms used (contractual or legal terms - article L.441-6 or L.443-1 of the French Code of Commerce)						
Payment terms used to calculate payment delays						Legal terms: 60 Days
Accounts Receivable						
	Article D.441-6 I.-2: Invoices issued and unpaid at the end of the reporting period in arrears					
	0 days	1 to 30 days	31 to 60 days	61 to 90 days	> 90 days	Total
(A) Portion in arrears						
Number of invoices concerned						139
Total amount of invoices concerned including VAT		86,217	89,864	13,490	389,777	579,347
% of Revenue for the period excl. VAT		22.25%	23.19%	3.48%	100.59%	-
(B) Invoices excluded from (A) relating to disputed receivables and subsidiaries						
Number of disputed customer invoices						119
Total number of subsidiary invoices involving a current account-related receivable						7,107
Amount of doubtful customer invoices incl. VAT						1,153,368
Amount of subsidiary invoices involving a current account-related receivable incl. VAT						68,339,344
(C) Reference payment terms used (contractual or legal terms - article L.441-6 or L.443-1 of the French Code of Commerce)						
Payment terms used to calculate payment delays						Legal terms: 60 Days

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12 - INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES ADOPTED BY THE COMPANY AND IN PARTICULAR THOSE RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

A. Objectives of the Company in the areas of internal control and risk management procedures

The purpose of internal control procedures in force in the company is to ensure that management and operating practices, as well as employee behavior, adhere to the framework defined by the guidelines set out for Company activities by governing bodies, applicable laws and regulations, and the values, standards and internal rules of the Company, to verify that the accounting, financial and management information provided to the Company's corporate governance bodies fairly reflect the operation and situation of the Company and its subsidiaries.

One of the objectives of internal control is to prevent and manage the risks arising from the business operations of the company and its subsidiaries and the risk of error or fraud, in particular in the accounting and financial areas (operating, financial, compliance or other risks).

As with any control system, it is not possible to provide an absolute guarantee that these risks have been completely eliminated.

B. Summary of procedures in place

a) General organization for internal control and risk management procedures at the Company level

Each department at the head office and in subsidiaries is responsible for implementing and monitoring internal control procedures.

These internal control procedures are placed under the responsibility of the Group Finance Department and the Secretariat General, which draw up the procedures, promote their application and ensure their consistency and proper functioning. A core body of written internal procedures is available for consultation on the Company's intranet.

Accordingly, the different participants in the internal control process within the Company include:

- the Finance and Information Systems Division (including Internal Control, Management Control, Haulotte Financial Services, Consolidation and Reporting, Group Accounting and Information Systems),
- the Secretariat General (including the Legal and Human Resources Departments),
- the Industrial Division (including the Quality and Operational Excellence Department).

In 2021, an internal audit committee was set up within the Company, consisting of employees from the different operational departments: project management department, operational excellence department, risk department, legal department, information systems department and consolidation & reporting department.

Over the year 2023, this group worked on the following elements during about twenty meetings:

- Follow-up and update of the company's risk assessment, which began in 2021
- Identification of risks requiring vigilance and specific actions:
 - Asset management
 - Information system security
 - Prevention of professional risks
 - Supply chain management
 - Resilience in the face of competition

This committee reports to two COMEX members: the Finance Director and the Secretary General. The Company's audit committee is informed of the steps taken and the conclusions reached.

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b) Presentation of summarized internal control and risk management procedures adopted by the Company

Internal control within the Group

The Group's internal control is placed under the responsibility of the Executive Committee (COMEX).

It extends to all Group subsidiaries and concerns the entire organization (administrative, accounting and financial, functional and operational processes).

Main missions include:

- Ensuring that risks are controlled and managed
- Implementing internal procedures and contributing to improvement thereof
- Implementing a continuous improvement approach

Finance Division:

The Finance Division draws up written procedures covering the main subjects and financial flows within the Group. These procedures are disseminated to all financial contacts at the head office and subsidiaries, and updated on a regular basis.

The Finance Division includes the following departments:

• **Management Control Department:**

This department includes two units :

- an industrial management control unit represented at each production site, and by a dedicated team at headquarters for R&D, purchasing and quality functions,
- a management control unit for distribution subsidiaries, spearheaded from the head office, ensuring financial oversight for the Group's different distribution and service subsidiaries in coordination with the regional financial controllers.

In addition, the regional financial controller acts as an intermediary between the Group and the controller for each subsidiary in its region. This division ensures management control for the support and equipment rental business functions.

These teams contribute to implementing the internal control procedures by:

- ensuring the security of assets, particularly through inventory procedures,
- ensuring and assisting in the dissemination of the Group's accounting and management rules,
- ensuring that expenditures are incurred in accordance with the budget set out at the beginning of each period and within the framework of the rules for incurring expenses and delegations of authority defined by the Group.

• **Haulotte Financial Services:**

This department is responsible for the following activities:

- cash management,
- management of banking relations and bank balancing transactions, management of multi-currency cash positions,
- credit management.

Missions include:

- ensuring that the principles set out for managing customer credit risk are properly applied, and controlling the exposure of the Group's main customers. To this end, it monitors accounts receivable developments for all subsidiaries, controls the levels of outstanding balances and reconciles the cash budget with outstanding trade receivables of subsidiaries,
- organizing collection, monitoring outstanding financing amounts and consolidating all Group financial commitments.

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• Consolidation and Reporting Department :

This department is responsible for producing the consolidated annual and interim financial accounts and the corresponding financial communications as well as monthly reporting.

This department assists the local financial managers in applying financial reporting procedures in accordance with IFRS. It also conducts a number of visits to the subsidiaries to ensure these procedures are applied.

• Group Accounting Department:

This department is responsible for accounting for Haulotte Group SA. It is also responsible for coordinating and managing the transfer pricing policy at the Group level.

• Information Systems department:

To face the new challenges of digital technology, Haulotte's IT department has been engaged, since 2019, in a modernization process for its IS.

At the request of the business lines, the IT department develops IT solutions to meet operational needs. To do this, it follows its own project management process to ensure the quality and integrity of the developments made. Once the solutions have been implemented, the IT Department maintains the solutions in place, by providing the support requested by users and upgrades related to new needs.

Nearly forty projects are managed per year, and 20,000 user incidents and requests for evolution are handled every year.

New digital evolutions in companies, and the importance of the stakes resulting from it since a few years, lead the group's ISD to emphasize two well identified components:

- the company's DATA generated by the whole of the systems (its generation, its quality, its storage, its safety);
- and the cyber resilience of our organization (capacity to recover from a cyber attack, implementation of a business continuity process and resumption of activity, crisis management cell).

Secretariat General:

• Group Legal Division

The company's Legal Division operates at many levels within the company and assists the various departments in managing their projects, in terms of partnership development (drafting and analysing contracts, drawing up standard documents, etc.), advising operational staff (R&D, intellectual property, sales departments, etc.), managing disputes and monitoring the legal status of the Group's companies.

The Legal Division, which positions itself as a real business partner within the company, participates in several internal working groups, including:

- "Safety Committees": held on a regular basis (every two months, or whenever necessary), these meetings bring together all parties concerned by effective management of technical and legal monitoring initiatives regarding incidents and accidents known to the Group and involving one of our products.
- "Intellectual Property (IP) Committees", which regularly bring together the Secretariat General, the Marketing Department and the Group Intellectual Property Manager. These periodic meetings provide a mechanism for monitoring filings and intellectual property disputes for the Group as a whole. They also serve as a means to notify different participants of the existence of prior rights.

Several internal communications actions are implemented by the Legal Division in collaboration with the Finance and Communications teams and the IT Services department, in order to inform and alert employees about the risks of fraud for social engineering and how to combat the latter. In this regard, the Legal Division is the formal contact point for the Authorities in the event of fraud or attempted fraud (Police, ISDG, etc.).

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More broadly, the Legal Division collaborates with all departments concerned with legal matters and provides its support to all divisions within the Company.

Lastly, the Legal Division regularly participates in meetings organized by Middelnext, providing a forum for exchange and discussion of legislative and regulatory developments concerning listed companies and new obligations to be met by the Company. It also participates in working meetings organized by the trade associations of its industry sector (FIM, EVOLIS).

• Human Resources Department

The Human Resources Department has a central support service (recruitment, training, wages and personnel administration). Furthermore, a Human Resources Manager is present on each of our sites and works closely with the director of the establishment on all HR issues, including occupational health and safety.

A QSE policy, applied in all Group entities, sets out Management's various commitments in terms of occupational health and safety.

A safety committee, led by the Europe HRD, meets regularly throughout the year to discuss the various safety indicators (number of accidents, frequency and severity) and best practice in terms of prevention.

A "safety challenge" agreement aimed at enhancing prevention of work-related accidents was renewed in 2023 and will be renewed again in 2024.

Regarding recruitment and human resources management, the Human Resources department complies with the "Ten Golden Rules and Management Group," which sets out the fundamental regulatory principles applicable to employees of all Group entities.

Country reviews take place regularly with all the distribution subsidiaries and industrial sites, with a view to strengthening links and encouraging exchanges among teams. They also provide an opportunity to discuss relations between employees and management at each site. The country review also serves to allow each subsidiary to present its organizational structure, operating procedures and Key Performance Indicators for different departments.

Lastly, the Human Resources Department uses a forward-looking employment and skills management tool (Foederis), which has been rolled out in all Group companies.

Industrial Division

The Chief Quality and Operational Excellence Officer determines and implements the quality strategy, determines the applicable frames of reference (system, ISO, procedures, etc.) and manages a continuous improvement approach at every level of the Company.

This "Yello" program, launched in April 2020 and expanded to the Group level in 2021, continued to make progress.

Throughout the 2023 financial year, two major projects were launched at the Archbold and Creusot industrial sites, targeting the involvement of employees at all levels, from the Executive Committee to operational staff, in overseeing and enhancing their daily performance.

Similarly, there was a deliberation on the Product Development process, aiming to streamline actions for teams within this framework toward optimization. As a result of this effort, employees were able to provide suggestions to Management, leading to the adoption of more than forty tangible improvement measures slated for implementation during the 2024 financial year.

The training efforts launched in 2022 were upheld throughout 2023. Ten additional 'Green Belt' managers joined the six individuals already certified in 2022, with the aim of spearheading continuous improvement projects targeting issues strategically identified by the Group.

Lastly, the Chief Quality and Operational Excellence Officer is a member of the internal audit group whose mission is to map and define the Group's internal risks, and to propose a suitable audit program.

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c) Risks associated with producing financial and accounting information

The Reporting & Consolidation Department is responsible for producing the interim and annual consolidated financial statements, under the oversight of the Group Finance Department and Executive Management.

This department ensures the quality of the monthly accounting closings for the different Group companies, managed, according to the case, by local accounting departments or chartered accountants for small size subsidiaries, and their restatement according to applicable IFRS standards.

Consistent application of Group accounting principles is ensured by this same department, which is also responsible for monitoring changes in standards.

The most important accounting principles, and namely those which may have a material impact on the Group's accounts, are documented and distributed to all subsidiaries. These concern standards for recognizing financing transactions, revenue recognition, the impairment or non-collection of trade receivables, provisions for inventories, rules for the depreciation and amortization of fixed assets.

In accordance with local regulations, financial and accounting information is verified by local auditors. The Group's joint statutory auditors review the consolidated financial statements with the assistance of local auditors or undertake their own audit assignments if necessary.

In the final phase, financial and accounting information is approved by the Board of Directors for the first six-month period and annually, after being presented to the Board of Directors convened in the capacity of Audit Committee.

The Board of Directors also fulfils the functions of the Audit Committee. It ensures the efficacy of the internal control and risk management systems for financial areas, in addition to monitoring the process for producing financial information. It reports on its mission to the Board of Directors.

The entire process for producing and processing financial and accounting information described above contributes to managing and limiting risks in this area.

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13 - SUMMARY OF DEALINGS IN THE PERIOD ENDED IN OWN SHARES BY EXECUTIVES AND PARTIES MENTIONED IN ARTICLE L.621-18-2 OF THE FRENCH MONETARY AND FINANCIAL CODE

In accordance with Article L.621-18-2 of the French Monetary and Financial Code and Articles 223-23 and 223-26 of the General Regulations of the Financial Markets Authority, we hereby inform you that none of the transactions referred to in Article 19 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, were carried out during the financial year ending 31 December 2023.

14 - PRESENTATION OF THE BOARD OF DIRECTORS' ANNUAL REVIEW ON REGULATED AGREEMENTS REMAINING IN FORCE AND ITS FINDINGS

In accordance with proposition No. 4.8 of AMF recommendation 2012-05, we hereby inform you of the conclusions of the Board of Directors' meeting of 19 March 2024 regarding its annual review of regulated agreements in accordance with article L. 225-40-1 of the French Code of Commerce entered into and authorized in prior periods and remaining in force in the period ended 31 December 2023.

The Board of Directors reviewed these regulated agreements at its meeting of 19 March 2024. After determining that these agreements continued to meet the criteria providing the basis for their initial authorization, this authorization was unanimously maintained by the Board.

Please refer to the Auditors' special report on agreements and commitments referred to in Article L. 225-38 of the French Code of Commerce.

In addition, please refer to Note 43 to the consolidated financial statements for the period ended 31 December 2023 on related-party transactions.

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15 - INFORMATION ON DEALINGS BY THE COMPANY IN ITS OWN SHARES

The Company's ordinary and extraordinary general meeting of 23 May 2023 granted authority to the Board of Directors, which it may in turn delegate in accordance with applicable laws, for a period of eighteen months as from the date of the general meeting, to acquire or cause to be acquired shares of the Company in accordance with the provisions of articles L.22-10-62 et seq. of the French Code of Commerce.

In accordance with article L.225-211, paragraph 2 of the French Code of Commerce, we inform you that in the financial year ended 31 December 2023, information on trading by the Company in its shares is provided below:

Number of shares purchased in FY2023	210,874
Average purchase price of own shares in FY2023	3.08
Execution fees	N/A
Number of shares sold in the period	173,928
Average sale price of own shares in the period	3.11
Number of shares cancelled in the period	0
Number of treasury shares recorded in the name of the Company at 31 December 2023	1,913,475
Percentage of treasury shares held at 31 December 2023	6.10%
Net carrying value of treasury shares at 31 December 2023	4,815,914.45
Nominal value of treasury shares at 31 December 2023	248,752
Market value of treasury shares at 31 December 2023 (share price of €2.53 on that date)	4,841,092 ¹

The breakdown according to purpose for the use of own shares at 31 December 2023 was as follows:

Purposes of share buy-backs	Number of shares
Ensuring the liquidity of the Company's shares through a liquidity agreement entered into with an investment services provider, in compliance with a code of conduct recognized by the AMF (<i>Autorité des Marchés Financiers</i>), the French financial market regulator, and the market practices permitted by the same	215,070
Meeting the obligations resulting from stock option programs or other share grants to employees or directors or executives of the Company or affiliated companies	0
Meeting the obligations arising from debt securities exchangeable into ownership interest	0
Holding the shares for subsequent remittance to be tendered in payment or exchange in connection with possible acquisitions, spin-offs or contributions in accordance with market practices permitted by the AMF	1,629,558
Cancelling all or part of the shares thus acquired	68,847
TOTAL	1,913,475

No shares of the Company were reallocated for other purposes or objectives.

¹ rounded up to the nearest whole number

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PART 2: INFORMATION ON SUBSIDIARIES AND ASSOCIATES

1 - OPERATIONS OF SUBSIDIARIES AND CONTROLLED COMPANIES

In accordance with the provisions of article L.233-6 paragraph 2 of the French Code of Commerce, we hereby report to you on the operations and results of the Company and the subsidiaries that it controls by business division.

At year-end, HAULOTTE GROUP exercised controlling interests in 32 subsidiaries. The results of these subsidiaries are summarized below (€ thousands):

Subsidiary	Percentage of holding	2023 revenue <i>in € thousands</i>	2022 revenue <i>in € thousands</i>	2023 net profit (loss) <i>In € thousands</i>	2022 net profit (loss) <i>In € thousands</i>
HAULOTTE FRANCE. SARL.	99.99%	108,320	104,819	4,116	3,535
TELESCOPELLE SAS	100.00%	70	113	92	69
HAULOTTE ACCESS EQUIPMENT MANUFACTURING (CHANGZHOU) CO. Ltd.	100.00%	72,167	60,188	- 269	- 2,408
HAULOTTE ARGENTINA SA	100.00%	4,320	8,284	- 4,262	- 678
HAULOTTE ARGES SRL	100.00%	177,870	133,511	1,421	1,801
HAULOTTE AUSTRALIA Pty Ltd	100.00%	77,463	72,837	- 679	1,338
HAULOTTE DO BRAZIL Ltda	99.98%	19,400	15,385	3,588	2,679
HAULOTTE HUBARBEITSBUHNEN GmbH	100.00%	72,402	46,235	1,927	1,716
HAULOTTE IBERICA S.L	98.71%	33,308	31,728	2,565	2,294
HAULOTTE ITALIA S.r.l.	99.00%	43,178	34,005	3,587	2,789
HAULOTTE MEXICO SA DE CV	99.99%	12,611	6,328	581	- 82
HAULOTTE MIDDLE EAST FZE	100.00%	4,294	2,793	- 3,402	116
HAULOTTE NETHERLANDS B.V	100.00%	25,128	32,327	774	1,001
HAULOTTE POLSKA SP ZOO	100.00%	21,329	14,446	1,710	1,006
HAULOTTE SCANDINAVIA AB	100.00%	30,727	21,805	860	546
HAULOTTE SINGAPORE Ltd	100.00%	16,997	19,388	- 62	- 21
HAULOTTE TRADING (SHANGHAI) CO LTD	100.00%	16,406	17,426	- 4,718	6,334
HAULOTTE UK Ltd	100.00%	15,126	20,557	943	985
HAULOTTE US Inc	100.00%	178,381	88,541	6,612	- 371
HAULOTTE VOSTOK OOO	100.00%	2,104	4,455	30	- 273
HORIZON HIGH REACH LIMITED	100.00%	6,885	7,858	- 716	176
LEVANOR MAQUINARIA DE ELEVACION SA	91.00%	0	- 0	- 130	- 40
MUNDIELEVACAO, ALUGER E TRANSPORTE DE PLATAFORMAS LDA	90% by LEVANOR	0	- 0	0	- 0
EQUIPRO / BIL-JAX	100% by HAULOTTE US Inc.	42,609	43,769	- 2,272	- 2,398
Haulotte North America Manufacturing LLC.	100% by BIL-JAX	63,672	47,523	- 3,537	- 5,651
HAULOTTE CHILE SPA	100.00%	3,648	4,102	297	657
HORIZON HIGH REACH CHILE SPA	100.00%	2,675	2,113	- 124	- 288
HAULOTTE INDIA PRIVATE LTD	100.00%	4	5	19	14
ACARLAR DIS TICARET VE MAKINA SANAYI A.S.	100.00%	17,020	9,366	3,384	1,818
HAULOTTE DIGITAL SUPPORT CENTER	100.00%	3	- 11	- 211	- 10
HAULOTTE JAPAN	100.00%	0	2	14	21
HAULOTTE CANADA	100.00%	0	- 0	0	- 0

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2 - ACQUISITIONS OF SHAREHOLDINGS OR CONTROLLING INTERESTS

In accordance with articles L.233-6 paragraph 1 and L.247-1, I-1° of the French Code of Commerce, we hereby inform you that the Company has not acquired any holdings in the period under review in any other company having its registered office in France representing more than one twentieth, one tenth, one fifth, one third, one half or two thirds of the capital or voting rights of the company or acquiring a controlling interest in such company, must notify the Company.

3 - DISPOSALS OF SHAREHOLDINGS RELATED TO ADJUSTMENTS OF CROSS-SHAREHOLDINGS

In accordance with article R.233-19, paragraph 2 of the French Code of Commerce, we inform you that the Company has not divested any shares for the purpose of eliminating cross-shareholdings prohibited by articles L.233-29 and L.233-30 of the French Code of Commerce.

4 - OWN SHARES HELD THROUGH CONTROLLED COMPANIES

In accordance with article L.233-13 of the French Code of Commerce, we inform you that no company directly or indirectly controlled by the Company holds own shares.

5 - LIST OF EXISTING BRANCH OFFICES

In compliance with article L.232-1, II of the French Code of Commerce, the list of branch offices as of today is disclosed below:

Address	City
La Péronnière	L'Horme (42)
Quartier Serve Bourdon	Lorette (42)
Rue d'Harfleur	Le Creusot (71)
104 rue de Courcelles	Reims (51)

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PART 3: INFORMATION ON CAPITAL HOLDINGS

1 - CHANGES IN THE COMPANY'S SHARE CAPITAL DURING THE PERIOD

None.

2 - IDENTITY OF HOLDERS OF SIGNIFICANT SHAREHOLDINGS

In accordance with the provisions of article L 233-13 of the French Code of Commerce and based on the information and notifications received pursuant to articles L.233-7 and L.233-12 of the French Code of Commerce, the identity of shareholders directly or indirectly owning over 5%, 10%, 15%, 20%, 25%, 30%, 33%, 50%, 66%, 90% or 95% of the share capital or voting rights on the closing date, i.e. at 31 December 2022, and any modifications made in the period, are disclosed below:

Thresholds	Name of the shareholder	Percentage of holding	
		Capital	Voting rights
5% to 10%			
10% to 15%			
15% to 20%			
20% to 25%			
25% to 33% 1/3			
33% 1/3 to 50%			
50% to 66% 2/3	SOLEM SAS ¹	57.57%	
66% 2/3 to 90%			75.07%
90% to 95%			
More than 95%			

In a letter dated 6 March 2023, Amiral Gestion (103 rue de Grenelle, 75007 Paris) declared that, on 1 March 2023, it increased its stake above the 2% ownership threshold of HAULOTTE GROUP's share capital and now holds 645,256 shares, representing 2.06% of the capital and 1.32% of the voting rights of the company.

In a letter dated 15 March 2023, the Caisse des Dépôts et Consignations (56 rue de Lille, 75356 Paris 07 SP) declared that, on 1 March 2023, it reduced its stake, through CDC Croissance, below the statutory threshold of 1% of the voting rights of HAULOTTE GROUP and now holds 484,478 shares indirectly through CDC Croissance, representing 1.54% of the capital and 0.99% of the voting rights of the company.

In an email dated 26 October 2023, SYCOMORE Asset Management (14 Avenue Hoche, 75008 Paris), on behalf of the UCITS, AIFs and mandates for which it manages financial assets, declared that it reduced its stake below the statutory threshold of 1% of the voting rights of HAULOTTE GROUP and now holds 309,615 shares, representing 0.99% of the capital and 0.64% of the voting rights of the company.

3 - EMPLOYEE STOCK OWNERSHIP

In accordance with the provisions of article L.225-102 of the French Code of Commerce, we hereby inform you that no shares making up the Company's share capital were held by employees of the Company or by employees of affiliated companies within the meaning of article L.225-180 as part of a company savings plan provided for by articles L3332-1 -1 et seq. of the French labor code, and by employees and former employees in connection with a company savings plan (Plan d'Epargne d'Entreprise) governed by articles L.214-164 et seq. of the French Monetary and Financial Code.

Also taken into account are registered shares held directly by employees as a result of a free allocation, as part of the company's profit-sharing scheme (Article L 3324-10 of the French Labor Code) or as part of other schemes (share ownership plans, privatizations, etc.).

¹ Based on a share capital made up of 31,371,274 shares representing 48,705,864 theoretical voting rights.

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4 - STOCK OPTIONS TO SUBSCRIBE FOR NEW SHARES OR PURCHASE EXISTING SHARES AND ALLOCATION OF FREE SHARES

None

5 - INFORMATION ON THE COMPANY'S SHARE

At 31 December 2023, the Company's share capital was comprised of 31,371,274 shares. The market capitalization at 31 December 2023 was €79 million.

The volume of transactions during the financial year is as follows:

Date	High (price)	High (date)	Low (price)	Low (date)	Closing price	Average price (opening)	Average price (closing)	Trading volume (number of shares)	Capital (€m)	Number of trading sessions
Jan.-23	3,675	16/01/2023	3,265	19/01/2023	3,330	3,444	3,442	154,227	0.54	22
Feb.-23	3,710	28/02/2023	3,315	01/02/2023	3,710	3,487	3,495	218,012	0.77	20
Mar.-23	3,845	01/03/2023	2,905	27/03/2023	3,275	3,276	3,243	423,302	1.37	23
Apr.-23	3,580	26/04/2023	3,290	12/04/2023	3,500	3,415	3,412	126,903	0.44	18
May-23	3,540	02/05/2023	3,070	31/05/2023	3,070	3,332	3,312	70,811	0.23	22
Jun.-23	3,620	16/06/2023	2,940	23/06/2023	3,150	3,289	3,305	120,436	0.39	22
Jul.-23	3,380	11/07/2023	3,020	31/07/2023	3,030	3,225	3,209	117,607	0.37	21
Aug.-23	3,200	18/08/2023	3,000	09/08/2023	3,100	3,090	3,093	199,782	0.62	23
Sep.-23	3,340	05/09/2023	2,780	27/09/2023	2,910	3,108	3,092	182,497	0.56	21
Oct.-23	3,030	02/10/2023	2,060	31/10/2023	2,130	2,618	2,577	295,195	0.74	22
Nov.-23	2,670	13/11/2023	2,170	01/11/2023	2,500	2,479	2,494	259,806	0.65	22
Dec.-23	2,750	04/12/2023	2,440	19/12/2023	2,530	2,513	2,521	144,612	0.37	19

During the previous financial year, the highest price reached by HAULOTTE GROUP's share was €3,845 (on 1 March 2023), while the lowest price was €2.06 (on 31 October 2023).

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PART 4: TAX INFORMATION

1 - SUMPTUARY EXPENSES AND DISALLOWED DEDUCTIONS

In compliance with the provisions of article 223, point 4 of the French general tax code, we hereby inform you that the accounts for the past financial year include non-deductible expenses of €173,200, in accordance with article 39-4 of the French general tax code and on that basis the corresponding theoretical tax is €43,280 based on a theoretical tax rate of 25%.

2 - DIVIDENDS DISTRIBUTED BY THE COMPANY IN THE LAST THREE FINANCIAL YEARS

As required by article 243(a) of the French general tax code, information on dividends paid for the last three financial years is disclosed below:

	Dividends distributed (excl. treasury shares)	Distributed amount eligible for the reduction provided for under article 158-3-2 of the French general tax code.	Distributed amount not eligible for the reduction provided for under article 158-3-2 of the French general tax code.
Financial year ended 31 December 2022	None	None	None
Financial year ended 31 December 2021	€6,488,295.44	€6,488,295.44	None
Financial year ended 31 December 2020	None	None	None

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PART 5: GROUP MANAGEMENT REPORT

In accordance with the provisions of articles L.233-16 and L.225-100-1 of the French Code of Commerce, we hereby report to you on the management of the Group for the period ended 31 December 2023.

1 - PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND SIGNIFICANT ACCOUNTING POLICIES

Companies included in the scope of consolidation are listed in paragraph 1 of section 2 of this report. The situation of these companies is described in paragraph 1 of part 1 and in the table contained in paragraph 1 of part 2 of this report.

The Group's financial statements at 31 December 2023 have been prepared in accordance with IFRS standards as adopted by the European Union.

2 - CHANGES IN THE PRESENTATION OF THE ANNUAL ACCOUNTS OR METHODS OF VALUATION APPLIED IN PRIOR YEARS

No changes were made in the presentation of the consolidated financial statements or methods of valuation applied in prior years. Changes in accounting methods are presented in the summary of significant accounting policies in Note 3 to the consolidated financial statements.

3 - REVIEW OF OPERATIONS AND RESULTS OF THE GROUP FOR THE YEAR UNDER REVIEW:

The figures below do not include the application of IAS 29, hyperinflation in Turkey and Argentina, or changes at constant exchange rates.

In a global aerial work platform market that reached its highest level in 2023, Haulotte achieved a historic turnover of €767 million, compared to €610 million in 2022, a +28% increase between the two periods, driven by strong growth in sales volumes, particularly in North America, and the positive impact of sales price increases.

In keeping with the first half-year, the group recorded an operating income of €31 million for the year 2023 (before exchange gains and losses), representing 4.0% of the 2023 turnover, up by €35 million compared to 2022. This increase was driven by the positive effects of sales price increases, growth in sales volumes and the verified decrease in costs in the second half-year.

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4 - COMPREHENSIVE OBJECTIVE ANALYSIS OF REVENUE, EARNINGS AND FINANCIAL POSITION OF CONSOLIDATED OPERATIONS, AND PARTICULARLY DEBT WITH RESPECT TO THE VOLUME AND COMPLEXITY OF THEIR BUSINESS ACTIVITY.

Group results for the financial year break down as follows:

<i>In € millions</i>	FY 2023	FY 2022
Revenue	767	610
Current operating income	31	(5)
Excluding IAS 29 & IFRS 16		
Operating profit	30	(6)
Profit before tax	(0)	(12)
NET INCOME OF CONSOLIDATED COMPANIES	(1)	(18)
Net profit attributable to owners of the Group	0	(15)

The changes and amounts commented on below exclude the application of IAS 29 (hyperinflation in Argentina and Turkey) and IFRS 16 (leases). Changes are presented at constant exchange rates.

The Group's net profit (including IFRS16 and IAS 29) stands at 0, negatively impacted by a highly unfavorable exchange rate environment for the Group (impact of -€20 million in 2023), particularly due to the devaluation of the Argentine Peso (-€10 million) during the financial year, and a significant increase in the cost of debt (-€10 million).

The Group's net debt (excluding IFRS 16) amounts to €260 million as at 31 December 2023, compared to €268 million at the end of the previous fiscal year. This decrease stems from a notable improvement in its available cash flow, particularly in the second half of the year, driven by the recovery of the operating margin and the reduction in working capital requirements (reduced by 33 days).

As the Group was unable to comply with all of its banking ratios for December 2023, and partially for June 2024, it requested a new waiver for these two periods, which was accepted by the banking pool on. Based on its sales and EBITDA growth projections, the Group expects to respect the ratios not covered by the waiver from June 2024.

Haulotte maintains operational means and financial resources to meet its cash flow needs for the next 12 months.

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5 - DESCRIPTION OF THE MAIN RISKS AND UNCERTAINTIES FOR THE COMPANY'S SUBSIDIARIES

The main risks and significant uncertainties that could have a significant impact on the Group identified at 31 December 2023 relate on the one hand to market risk and the foreign exchange environment in which the Group operates and, on the other hand, items relating to its liquidity situation.

In Europe, in a market that was ultimately down slightly over the year (excluding Russia) and despite ever-increasing competitive intensity, the Group recorded a growth in sales.

In Asia-Pacific, Haulotte recorded a solid sales performance and sales growth, driven by Turkey and Australia.

In North America, Haulotte continued its effort to penetrate the market and recorded an increase in revenue across all areas for 2023. In Latin America, which is a clear recovery in the market, as observed over the past two years (particularly in Brazil), Haulotte posted a sales increase for the year.

All in all, machinery sales increased by +31%, leasing activities increased by +14% and service activities increased by +13%.

The Group maintains its policy of centralized foreign exchange management and remains attentive to changes in the currencies of its main markets, which can have a significant impact on its financial performance.

The levels of available cash and open and available credit lines at 31 December 2023, compared with the cash flow forecasts for the first months of 2024, do not call into question the Group's ability to ensure its liquidity. Information on borrowings is provided in note 20 to the consolidated financial statements.

6 - THE EXPOSURE OF SUBSIDIARIES TO RISK CONCERNING PRICE, CREDIT, LIQUIDITY AND CAPITAL RESOURCES

The Group exposure is largely limited to credit and liquidity risk.

6.1 Credit risk

The exchange rate (credit) risk is described in note 5 to the consolidated financial statements.

6.2 Liquidity risk

The liquidity risk is described in note 5 to the consolidated financial statements.

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7 - INFORMATION ABOUT THE USE OF FINANCIAL INSTRUMENTS WHEN THIS IS RELEVANT FOR MEASURING ITS ASSETS, LIABILITIES, FINANCIAL POSITION AND PROFITS OR LOSSES

Financial instruments used by the Group are intended to cover its foreign exchange and interest rate risks.

The Company does not systematically hedge interest rate and foreign exchange risk. Transactions are nevertheless carried out according to market opportunities. However, these transactions are carried out with a view to hedging existing assets or liabilities, and not for speculative purposes. During fiscal year 2023, transactions were carried out in USD (\$). They are presented in note 19 to the Group's consolidated financial statements.

7.1 Exchange rate risk

The exchange rate risk as described in notes 5 and 17 to the consolidated financial statements.

7.2 Interest rate risk

The interest rate risk as described in note 5 to the consolidated financial statements.

8 - FORESEEABLE CHANGES IN THE GROUP'S SITUATION AND OUTLOOK

In a market expected to maintain the consolidation trend observed in the second half of 2023, Haulotte anticipates stable revenue for 2024 and an operating margin (excluding exchange gains and losses) close to 5% of its revenue.

9 - SIGNIFICANT EVENTS BETWEEN THE CLOSING DATE AND THE DATE OF PUBLICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

Events which occurred after the closing date are detailed in note 48 of the annexes to the consolidated accounts.

10 - RESEARCH AND DEVELOPMENT OF THE GROUP

Research and development have remained an important focus of Group efforts for several years. Innovation processes have been defined as one of the strategic processes of the Group.

The objective of this process is to propose new products or renew existing lines addressing the needs of its customers. Paragraph 10 of section 1 provides detailed information on the most important achievements of the period concerning Haulotte Group S.A. R&D expenditures were also incurred for the Group's other plants. Research and development expenditures by the Group in the period amounted to €17,525,000.

11 - INTERNAL CONTROL AND RISK MANAGEMENT PROCEDURES ADOPTED BY THE CONSOLIDATED COMPANIES AND IN PARTICULAR THOSE RELATING TO THE PREPARATION AND PROCESSING OF FINANCIAL AND ACCOUNTING INFORMATION

Please refer to paragraph 12 of Part 1 of this report.

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APPENDIX 1 - FIVE-YEAR FINANCIAL SUMMARY

Closing date	31/12/2023	31/12/2022	31/12/2021	31/12/2020	31/12/2019
Length of the financial year (months)	12	12	12	12	12
SHARE CAPITAL AT YEAR-END					
Common stock	4,078,266	4,078,266	4,078,266	4,078,266	4,078,266
Number of shares					
- ordinary shares	31,371 274	31,371,274	31,371,274	31,371,274	31,371,277
- treasury shares:	1,913 475	1,876,529	1,862,120	1,839,251	1,853,642
- dividend-right shares	29,457 799	29,494,745	29,509,154	29,532,023	29,517,635
Maximum number of future shares to be created					
- from the conversion of bonds					
- from subscription rights					
OPERATIONS AND RESULTS					
Sales ex-VAT	320,207,408	246,665,874	210,615,586	186,552,400	286,256,556
Profit before income tax, profit-sharing, depreciation and provisions	9,695,698	62,654,410	- 5,874,712	-18,772,589	12,275,616
Corporate income tax	- 4,009,220	- 3,815,987	- 3,821,087	-3,130,979	-3,791,511
Employee profit-sharing					
Allowances and Reversals of depreciation, amortization and provisions, expense reclassifications	8,036,847	12,259,727	21,820,373	15,655,902	19,296,382
Net income	5,668,072	54,210,671	- 23,873,999	-31,297,512	-3,229,255
Distributed profit			6,492,014		6,493,980
EARNINGS PER SHARE					
Profit after income tax, profit-sharing, and before depreciation, amortization and provisions	0.44	2.12	- 0.07	- 0.50	0.51
Profit after income tax, profit-sharing, depreciation, amortization and provisions	0.18	1.73	- 0.76	- 1.00	- 0.10
Distributed dividends			0.22		0.22
PERSONNEL					
Average number of employees for the financial year	599	621	651	675.95	676
Total payroll	31,509,410	30,647,518	29,533,343	28,538,810	31,091,823
Benefits paid (social security, welfare benefits, etc.)	13,031,984	12,922,576	12,814,904	12,257,418	13,145,674

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APPENDIX 2 - BOARD OF DIRECTORS' REPORT ON CORPORATE GOVERNANCE

Dear shareholders,

In accordance with the provisions of the last paragraph of article L. 225-37 of the French Code of Commerce, we hereby present in this report on corporate governance, the disclosure required by regulations in force and notably those of articles L. 225-37-4 and L22-10-8 of the French Code of Commerce.

The terms of this report were prepared and adopted by the Board of Directors on 19 March 2024.

1 - CORPORATE GOVERNANCE

In accordance with the provisions of article L22-10-10 of the French Code of Commerce, we hereby report to you on:

- the composition and conditions for preparing and organizing the Board's work;
- the reasons justifying the absence of a diversity policy applied to members of the Board of Directors as well as information on how the Company seeks to achieve balanced gender representation on the Management Committee established by executive management for the purpose of regularly assisting the performance of its general missions and results in terms of gender diversity for the 10% category of senior positions;
- limitations on the powers of the Chief Executive Officer that may exist;
- in the event that the provisions of the Middlednext Code of corporate governance to which the Company refers would have been set aside, the reasons for this;
- special procedures for the participation of shareholders in general meetings or provisions of the articles of association providing for such procedures; and
- description of the procedures put in place by the Company in application of article L22-10-12 and its implementation.

1.1 Composition of the Board of Directors and the diversity policy applied to its members

1.1.1 Choice of the Middlednext Corporate Governance Code

The Company has decided to refer to the Middlednext Code of December 2009 and last revised in September 2021 as its reference for corporate governance in accordance with the provisions of article L22-10-10, 4 of the French Code of Commerce. The Company considered that this code was best suited to its size and shareholder structure.

This code can be consulted on the Middlednext website (www.middlednext.com).

In accordance with the Middlednext Code recommendation 22, the Board of Directors duly noted on 19 March 2024 the specific items calling for vigilance listed therein.

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1.1.2 Composition of the Board of Directors

The composition of the Company's Board of Directors on the date of the report¹ herein includes the following eight directors, of which three are independent:

Last name, first name, title or function of the directors	Year of first appointment	Expiration date of office in progress	Independent Director	Audit Committee member
Pierre Saubot Chair of the Board of Directors - Chief Executive Officer Director	1989	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	No	-
Alexandre Saubot Deputy Chief Executive Officer Director	1985	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	No	-
Alexandre Saubot Deputy Chief Executive Officer Director	1999	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027	No	-
Elisa Savary Director	1998	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027	No	Member
Hadrien Saubot Director	2004	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027	No	Member
Marion Saubot¹ Director	2024	At the end of the General Meeting called to approve the accounts for the financial year ending 31 December 2023	No	Member
José Monfront Director	2004	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027	Yes	Member
Anne Danis-Fatôme Director	2018	At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023	Yes	Member
Bertrand Badré Director	2022	At the end of the General Meeting called to approve the accounts for the financial year ending 31 December 2027	Yes	Member

On the date of this report, the Board of Directors has not considered it opportune to implement a diversity policy within the meaning of article L.22-10-10, 2 of the French Code of Commerce, in light of the family composition, reduced size and current operations of the Board. However, it is noted that the Board of Directors has been committed over the last years to open up its membership to figures from the outside contributing a different perspective on the Board's decisions, in particular by appointing independent directors within the meaning of the Middledex Code recommendation 3.

With respect to the company's efforts to achieve balanced gender representation on the Company's management board, the last recruitment concerned a member of the Executive Committee at the end of 2016 (assumption of duties in February 2017). This recruitment was in line with the Company's goal of increasing the executive Committee's international profile and the membership of women resulting in selection of a specialized firm to that purpose. To date, no woman has applied for this position.

¹ The board of directors on 19 March 2024, unanimously decided to co-opt Ms. Marion Saubot as a director of the Company, replacing Ms. Elodie Galko, who resigned, for the remaining term of her term of office, subject to the ratification of her cooptation by the Combined General Meeting of 23 May 2024.

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If the recruitment of a new member to the committee should be considered in the future, the Company will endeavor to follow the same policy with respect to expanding its international profile and the membership of women.

Regarding the results in terms of gender diversity within the top 10% of positions with the highest level of responsibility, women accounted for 6.67% as at 31 December 2023, an increase of 1.75 percentage points compared to the financial year ending 31 December 2022.

1.1.3 Application of the principle of balanced gender representation on the Board of Directors

In compliance with articles L.225-18-1 and L.22-10-3 of the French Code of Commerce, we inform you that on the date of the report herein the breakdown of directors by gender is as follows:

- Number of male directors: 5;
- Number of female directors: 3.

1.1.4 Independent directors

The notion of independent member adopted is that provided by Recommendation 3 of the Middlednext Code, and namely:

- they must not have been during the last five years an employee or executive officer of the company or a company in its group;
- they must not have had any material business relationship with the company or its group for the last two years (as a client, supplier, competitor, service provider, creditor, banker, etc.);
- they must not be reference shareholders of the Company or hold a significant percentage of voting rights;
- they must not have a close relationship or close family ties with a corporate officer or a reference shareholder;
- they must not have been an auditor of the company in the course of the previous six years.

At its meeting on 19 March 2024, the Board of Directors reviewed the situation of its members with regard to these independence criteria and concluded that three members, Ms. Anne Danis-Fatôme, Mr. Bertrand Badré and Mr. José Monfront, are independent according to the definition given by the MiddleNext code.

1.1.5 Terms of office

The term of office of members of the Board of Directors is set at six (6) years. This term was considered by the company to be in compliance with Recommendation 11 of the Middlednext Code. To date, the Company has not considered it useful to propose a modification to the articles of association providing for the staggered renewal of the terms of office of directors, in light of its size and membership.

1.1.6 Conduct of business rules

In accordance with Recommendation 1 of the Middlednext Code, each member of the Board of Directors is made aware of the obligations arising from his or her appointment and encouraged to adhere to the rules of conduct relating to his or her appointment. At the beginning of their term of office, each director signs the board's internal rules of procedure and undertakes notably to:

- comply with the provisions of statute relating to holding multiple offices,
- comply with applicable regulations,
- inform the Board in the event of a conflict of interest arising following appointment to the office,
- demonstrate diligence in attending meetings of the Board and General Meetings,
- ensure that they possess all necessary information for the agenda of the meetings of the Board before making any decision, and
- comply with, concerning third parties, an absolute obligation of confidentiality exceeding the simple secrecy obligation, as provided for in the legal texts.

On the date of this report, the Chair-CEO and the Deputy CEO have not accepted other directorships in listed companies, including foreign companies, outside the Group.

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1.1.7 Training for Board Members

Following the new Recommendation 5 added to the Middlednext Code, as revised in September 2021, the Board of Directors decided in their meeting on 8 March 2022 to give some thought to putting a training plan in place for members of the Board of Directors in accordance with said recommendation. At the Board of Directors meeting on 19 March 2024, it was acknowledged that efforts had been made to explore different training options to provide suitable training to Board members, including those offered by MiddleNext. Consequently, it was decided to introduce a three-year training plan for the company and to include it in its Internal Regulations, with Article 4.5 being amended accordingly on this day.

1.1.8 Review of known conflicts of interest

In accordance with article 4.3 of the Company's rules of procedure, each director is required to disclose any situation actually or potentially giving the appearance of a conflict of interest between the corporate interest and his or her direct or indirect personal interest or the interest of the shareholder or a group of shareholders he or she represents.

In the event of such situation, the director concerned must:

- inform the Board of Directors as soon as he or she becomes aware of such conflict of interest,
- draw all resulting conclusions regarding the exercise of his or her office. And on this basis, according to the case he or she must:
 - either refrain from participating in the vote on the proceedings in question,
 - or refrain from attending the meeting of the Board of Directors during which the conflict of interest exists,
 - or, as an extreme measure, resign from his or her position as director.

At the company's Board of Directors meeting held on 19 March 2024, and in accordance with Recommendation no. 2 of the MiddleNext code, the Board members reviewed known conflicts of interest, and found no potential or actual conflicts of interest.

As a reminder, on 22 March 2023, the Board of Directors decided not to comply with the new Recommendation no. 2 of the MiddleNext Code, revised in September 2021. This recommendation suggests that services other than audit services (excluding certificates falling within the scope of due diligences directly related to the statutory auditor's mission and services rendered in accordance with laws or regulations) be assigned to a different firm than the one serving as the company's statutory auditor. This decision was based on the nature and limited scope of the currently entrusted services, as well as the effectiveness of the missions carried out, considering the statutory auditors' extensive familiarity of the Company. The Board of Directors meeting on 19 March 2024 did not reconsider this position.

1.1.9 Choice of members of the Board of Directors

In accordance with Recommendation 10 of the Middlednext Code, when each member of the Board of Directors is appointed or reappointed, information about their experience, expertise and the list of offices exercised is provided in the report presented by the Board of Directors to the general meeting to approve the accounts for the financial year concerned and presenting the draft resolutions submitted for your approval. This information is also made available online on the Company's website. The appointment or renewal of each member of the Board of Directors is subject to a specific resolution.

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1.1.10 Mission of the Board of Directors

In accordance with article 2 of the Board's Rules of procedure, the Board's missions, in addition to the powers recognized by the law and the articles of association, are as follows:

- Represent all shareholders,
- Issue opinions about all decisions relating to the major strategic, economic, social, financial or technological priorities of the Company and ensure they are implemented by executive management,
- Look at the question of a succession plan for "Executives" and key people,
- Consider proposals calling for an audit or verification by the Chairman or the audit committee,
- Review items calling for vigilance as set out in the Middlednext Code.
- Examine negative minority votes at meetings.

We inform you that during the meeting on 22 March 2023, the Board of Directors introduced an internal procedure for examining negative votes cast by minority shareholders at general meetings, under the terms of which the Board pays particular attention to negative votes by analyzing, among other things, how the majority of minority shareholders expressed themselves, and to consider whether it would be appropriate to change the reasons for the negative votes at the next general meeting and whether a communication should be made in this regard. In accordance with recommendation 14 of the Middlednext Code, the corporate governance report states that this review has taken place. However, the next review will focus on the votes pertaining to the annual general meeting approving the accounts for the financial year ending 31 December 2023.

Said Board meeting also took note of the fact that Recommendation 14 of the Middlednext Code, as revised in September 2021, recommends that executives meet major shareholders who wish to do so before general meetings, while ensuring compliance with equal information between shareholders. However, the Board decided that, for the time being, as was already the case following the revision of said Code in September 2016, it did not wish to put such a procedure in place for systematic meetings with major shareholders for reasons due mainly to the composition of the Company's shareholding.

With regard to the new Recommendation 15 of the Middlednext Code, as revised in September 2021, providing that the Board of Directors checks that a policy aimed at gender balance and equality has been properly implemented at every hierarchical level in the company, it is specified that during the meeting on 8 March 2022, the Board stated that such a procedure is well underway in the company. In fact, a company agreement on the quality of life at work and workplace equality was signed in 2018 and provides several measures promoting workplace equality. For 2023, Haulotte obtained a score of 86/100 in the workplace gender equality index.

1.1.11 Evaluation of the Board's work and practices

Following the consideration given, and work conducted, to put in place an evaluation procedure within the Board, in accordance with Recommendation 13 (ex Recommendation 11) of the Middlednext Code, as revised in September 2021, the Board of Directors adopted the following procedure for self-assessment, carried out at the end of each meeting of the Board called to approve the Company's annual accounts.

- a self-assessment questionnaire, prepared by the Company's legal department, which is sent to each director in advance of the Board meeting,
- each questionnaire will be returned to the Legal department following completion in order to prepare a summary of responses on an anonymous basis to be presented to the Board meeting,
- on the basis of this summary, the Board will be asked to consider measures for improvement to be implemented in connection with its work for the period in progress.

Following the most recent questionnaire submitted to the directors during the Board of Directors meeting on 22 March 2023, it appeared that the composition and functioning of the Board of Directors and the Audit Committee are in line with members' expectations.

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1.1.12 Creation of committees:

In accordance with Recommendation 7 of the Middlednext Code, as revised in September 2021, we hereby report to you on the Company's choice with respect to special committees.

On 19 March 2024, the Board of Directors decided to comply with Recommendation no. 8 of the MiddleNext Code, which recommends that each board establish a committee specializing in Corporate Social Responsibility (CSR) and Environmental Responsibility of Companies. The Board intended to formalize this committee and included provisions for it in its Internal Regulations, incorporating Article 6.3 specifically for this purpose.

The Board of Directors decided to establish a CSR committee composed of all Board members who do not hold executive positions within the Company, for the duration of their term as a director, namely:

- Mr. Bertrand Badré, member and Chairman of the CSR committee, who is also an independent director,
- Ms. Marion Saubot, member of the CSR committee, subject to her cooptation as a director,
- Mr. José Monfront, member of the CSR committee, who is also an independent director,
- Mr. Hadrien Saubot, member of the CSR committee,
- Ms. Anne Danis Fatôme, member of the CSR committee, who is also an independent director.

1.1.12.1 Audit Committee

On 9 March 2011, the Board of Directors decided to set up an audit committee, considering the size of the Company and the number of Board of Directors members, for an unlimited period pursuant to Section IV, Article L. 823-20 of the French Commercial Code.

The functioning and the attributes of the Company's Audit Committee are described in article 6 of the Company's rules of procedures available for consultation on the Company's website.

1.1.12.2 Composition

On the date of this report, the Board of Directors, when meeting to fulfil the duties of the audit committee, is made up of the following five¹ directors, none of whom hold executive positions within the Company:

- Mr. José Monfront
- Mr. Hadrien Saubot
- Ms. Marion Saubot
- Mr. Bertrand Badré
- Ms. Anne Danis Fatôme

1.1.12.3 Number of audit committee meetings in the period ended 31 December 2023

The audit committee met three (3) times with an average attendance rate of 72%.

¹ The board of directors on 19 March 2024, unanimously decided to co-opt Ms. Marion Saubot as a director of the Company, replacing Ms. Elodie Galco, who resigned, for the remaining term of her term of office, subject to the ratification of her cooptation by the Combined General Meeting of 23 May 2024.

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1.2 Conditions for preparing and organizing the Board of Directors' work

Meetings are conducted and decisions voted according to the conditions of quorum and majority provided for by law and the Company's articles of association.

In accordance with Recommendation 7 of the Middelnext Code in its version of September 2016 (which became Recommendation 9 in the version of said Code of September 2021 in force), the Board of Directors has internal rules of procedures divided into the eight areas covered by this recommendation and available for consultation on the Company's website.

The rules of procedure initially adopted by the Board of Directors at their meeting on 11 March 2009, then amended at their meetings on 9 March 2011, 20 January 2017, 8 March 2022, 22 March 2023 and 19 March 2024, stipulate in particular that with the exception of the transactions referred to in Articles L. 232-1 and L. 233-16 of the French Commercial Code and, if applicable, the Articles of Association, members of the Board of Directors are deemed to be present for quorum and majority purposes if they attend the Board meeting by video conference or telecommunication in such a way that they can be identified and participate effectively.

The means adopted must be capable of permitting the identification of participants and guaranteeing their effective participation.

1.2.1 Meeting convening procedures

Directors are called to meetings according to the procedures authorized by article 13 of the Company's articles of association.

In accordance with article L.823-17 of the French Code of Commerce, the statutory auditors were called to the Board meetings that reviewed and adopted the interim and also the annual accounts.

1.2.2 Procedures for remitting documents and information required to make decisions

Board members have received in advance of each meeting, all documents and information that are useful for making informed decisions and the performance of their duties

1.2.3 Report on the Board of Directors' activities in the period ended 31 December 2023

The minutes of each meeting are drawn up under the responsibility of the Chair of the Board of Directors and the Deputy CEO. These minutes are transcribed into the record after being signed by the chair of the meeting and one director.

During the period ended 31 December 2023, the Company's Board of Directors met three (3) times, on the dates indicated below.

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Meeting dates	Number of directors present or represented	Rate of participation	Main items of business on the agenda
22 March 2023	5	71%	<p>Review of the findings of the audit committee of 22 March 2023</p> <p>Review and approval of the individual and consolidated accounts for the financial year ending 31 December 2022</p> <p>Proposal for the allocation of the income of the financial year ending 31 December 2022</p> <p>Annual review of agreements covered by Articles L.225-38 et seq. of the French Commercial Code concluded and authorized during previous financial years, the execution of which continued throughout the most recent financial year. Assessment of agreements related to ongoing operations concluded under normal conditions</p> <p>Review of conflicts of interest known to the company (R2 MiddleNext)</p> <p>Review of the independence of members of the Board of Directors (R3 MiddleNext)</p> <p>Annual review of MiddleNext vigilance points (R22 MiddleNext)</p> <p>Evaluation of the Board of Directors' work (R13 MiddleNext)</p> <p>Board of Directors' review of the latest recommendations from the MiddleNext code following its September 2021 revision, addressing compliance issues that were pending. This will involve updating the internal regulations of the Board of Directors accordingly</p> <p>Yearly discussion on the company's policy on gender equality in the workplace and pay equity, based on metrics reflecting gender equality and on the outlined gender equality plan in the workplace</p> <p>Setting up the remuneration policy for the Chairman and CEO, the Deputy CEO and the directors for the financial year ending 31 December 2023, as per Article L.22-10-8 of the French Commercial Code</p> <p>Review of information concerning the remuneration of corporate officers as mentioned in Section I of Article L.22-10-9 of the French Commercial Code</p> <p>Review of the remuneration components paid or granted to Mr. Pierre and Mr. Alexandre Saubot for the financial year ending 31 December 2022, in relation to their roles</p> <p>Proposal to modify the statutory age limit for serving as Chairman of the Board of Directors to 85 years - Proposal for correlated modification of Article 12 'Composition of the Board of Directors' of the Company's bylaws</p> <p>Proposal to modify the statutory age limit for serving as Chief Executive Officer to 85 years - Proposal for correlated modification of Article 15 'Executive Management' of the Company's bylaws</p> <p>Proposal to appoint Mr. Bertrand Badré as a director</p> <p>Subject to his appointment as a director by the general meeting, appointment of Mr. Bertrand Badré as a member of the audit committee</p> <p>Subject to his appointment as a member of the audit committee and upon the proposal of the Chairman and CEO, appointment of Mr. Bertrand Badré as the Chairman of the audit committee</p> <p>Proposal for granting authority to the Board of Directors for the company to buy back its own shares</p> <p>Proposal for delegation of authority to be granted to the Board of Directors for the purposes of increasing capital through the issuance of ordinary shares or any other securities granting access to capital while maintaining shareholders' preferential subscription rights</p>

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Meeting dates	Number of directors present or represented	Rate of participation	Main items of business on the agenda
			<p>Proposal for delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's capital through the issuance of ordinary shares or any other securities granting access to share capital with waiver of shareholders' preferential subscription rights, and a public offer, excluding offers covered by Section I of Article L.411-2 of the French Monetary and Financial Code</p> <p>Proposal for delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's capital through the issuance of ordinary shares or any other securities granting access to share capital with waiver of shareholders' preferential subscription rights within the framework of a public offer for the benefit of qualified investors or a limited number of investors, as referred to in Section I of Article L.411-2 of the French Monetary and Financial Code</p> <p>Proposal for authority to be granted to the Board of Directors, in the event of issuance with the removal of the shareholders' preferential subscription rights, through public offerings, to set the issuance price according to the terms determined by the general meeting, up to a limit of 10% of the share capital per year</p> <p>Proposal for delegation of authority to be granted to the Board of Directors for the purposes of increasing the number of securities to be issued in the event of a capital increase with or without shareholders' preferential subscription rights</p> <p>Proposal for delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's share capital through the issuance of shares or any other securities granting access to the company's capital with waiver of shareholders' preferential subscription rights in favor of employees participating in an existing or planned company savings plan or group savings plan</p> <p>Proposal to limit the overall nominal amount of capital increases that may be carried out under the delegations of authority and authorizations granted under (i) resolution twenty of the Combined General Meeting on 24 May 2022, and (ii) resolutions twelve to fourteen as well as resolution seventeen above</p> <p>Review and approval of the management report and the report on the management of the group for the financial year ending 31 December 2022</p> <p>Review and approval of the Board of Directors' report on corporate governance</p> <p>Review and approval of the forward-looking management documents</p> <p>Preparation and convening of an ordinary and extraordinary general meeting -</p> <p>Approval of the draft resolutions and the Board of Directors' report to the general assembly containing the statement of reasons – Powers granted to the Chairman and CEO and the Deputy CEO</p> <p>In accordance with Article R.225-28 of the French Commercial Code, renewal of the authorization for guarantees, endorsements and sureties</p> <p>Proposal for delegation of authority to be granted to the Board of Directors to make the necessary amendments to the bylaws in order to bring them into compliance with laws and regulations</p> <p>Various questions</p>

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Meeting dates	Number of directors present or represented	Rate of participation	Main items of business on the agenda
23 May 2023	4	57%	<p>Confirmation of the definitive appointment of Mr. Bertrand Badré as a director</p> <p>Review of the opposing votes from minority shareholders on the resolutions of the General Meeting on 23 May 2023</p> <p>Review of whether the Board of Directors decided to comply with the MiddleNext Code regarding the inclusion of a three-year plan for directors</p> <p>Implementation of the authority granted to the Board of Directors by the General Meeting to buy back its own shares</p> <p>Various questions</p>
12 September 2023	6	75%	<p>Review and approval of the half-yearly consolidated accounts prepared on 30 June 2023</p> <p>Preparation of the half-yearly activity report pursuant to section III of article L. 451-1-2 of the French Monetary and Financial Code</p> <p>Preparation of the forward-looking management documents, in accordance with Articles L.232-2, R.232-2 and R.232-3 of the French Commercial Code</p> <p>Various questions</p>

1.3 Restrictions imposed by the Board of Directors on the powers of the Chief Executive Officer

The powers of the Chair and Chief Executive Officer of the Company are not subject to any limits other than those imposed by law.

As such, he is vested with the broadest powers to act in all circumstances in the name of the Company. He exercises his powers within the limits of the corporate purpose and subject to the powers expressly granted to shareholders' meetings and the Board of Directors. He represents the Company in its dealings with third parties.

1.4 Shareholders' participation in the shareholders' meetings

In accordance with article L.22-10-10, 5 of the French Code of Commerce, article 16 of the Company's articles of association sets out special procedures for the participation of shareholders in general meetings (copies of the articles of association are available at the Company's registered office and the registrar of the commercial court).

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2 - LIST OF OFFICES AND FUNCTIONS EXERCISED BY EACH CORPORATE OFFICER FOR THE PERIOD ENDED 31 DECEMBER 2023

To comply with the provisions of article L.225-37-4, 1 of the French Code of Commerce, a list of the offices and functions exercised in any company during the period ended 31 December 2022 by each corporate officer is provided below:

Corporate offices concerned:	Offices and functions exercised in the Company	Offices and functions exercised outside the Company
Pierre Saubot	<ul style="list-style-type: none"> - Chair of the Board of Directors - Chief Executive Officer - Director 	<ul style="list-style-type: none"> - General Manager of Solem SAS - Managing Partner of Société Commerciale du Cinquau, - Co-Manager of SCI Lancelot
Alexandre Saubot	<ul style="list-style-type: none"> - Deputy Chief Executive Officer - Director 	<ul style="list-style-type: none"> - Chair of the Board of Solem SAS, - Representative of Haulotte Group, Chair of Telescopelle SAS, - Managing Partner of Haulotte France SARL, - Managing Partner of Haulotte Services France SARL, - Co-Manager of SCI Lancelot - Director of Haulotte Netherlands BV, - Director of Haulotte Iberica, - Director of Haulotte Scandinavia, - Director of Haulotte Italia, - Manager of Haulotte GmbH, - Director of Haulotte Polska, - Director of Haulotte UK, - Director of Haulotte Australia, - Chair of Haulotte US, - Director of Haulotte Singapore, - Director of Haulotte Arges, - Chair of Haulotte Trading (Shanghai) Co. Ltd, - Director of Haulotte Mexico, - Director of Haulotte Middle East, - Representative of Haulotte Group, sole director of Horizon High Reach Limited, - Director of Haulotte India, - Director of Levonor - Director of MundiElevacao - Chair of the Board of Directors of Haulotte Access Equipment Manufacturing (Changzhou), - Chair of the Board of Directors of Acarlar - Chairman-CEO of Haulotte Canada - Managing Director of Haulotte Japan - Director of France Industrie - Director of France Travail

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Corporate offices concerned:	Offices and functions exercised in the Company	Offices and functions exercised outside the Company
Elisa Savary	- Director	- None
Hadrien Saubot	- Director	- None
José Monfront	- Director	- Chair of JM Consulting
Michel Bouton¹	- Director	- None
Anne Danis-Fatôme	- Director	- University professor and Chair of the Private Law department at Paris Nanterre University
Elodie Galko	- Director	<ul style="list-style-type: none"> - Regional director of Duval group in Toulouse - Elected (member of the finance committee) to the CCI in Toulouse on 26 November 2021 - Senior Vice-Chair of the FPI Occitanie Toulouse Métropole since 2 December 2021 - Member of MEDEF31 - Deputy Director of Cabinet of the Minister for Ecological Transition and Territorial Cohesion of France
Bertrand Badré	- Director	<ul style="list-style-type: none"> - Director of the Center for Global Development since November 2023 - Global Trustee at IFRS Foundation since January 2023 - Director at the Institut du Développement Durable et des Relations Internationales since January 2023 - Co-Chair of the advisory board at Project Syndicate since January 2022 - Manager of SIPA Ouest France since October 2021 - Chairman of the audit committee of the Fédération Internationale Automobile since December 2017 - Director of GETLINK (Eurotunnel) since December 2017

¹ Ms. Elodie Galko resigned from her position as director during the Board of Directors meeting on 19 March 2024.

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3 - REMUNERATION POLICY ESTABLISHED BY THE BOARD OF DIRECTORS (ARTICLE L. 22-10-8 OF THE FRENCH CODE OF COMMERCE)

In accordance with articles L.22-10-8 and R.22-10-14 of the French Code of Commerce as amended by Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020, a description is provided in this section of the remuneration policy of the Company applicable to all officers for the period ending 31 December 2023.

As a reminder, Mr Pierre Saubot and Mr Alexandre Saubot received remuneration solely for their respective offices of Chair and Chief Executive Officer of Solem, a simplified French joint stock company (société par actions simplifiée) with share capital of €476,735.25 having its registered office at 187 Route de Saint Leu in Epinay-sur-Seine (93806) and registered in Bobigny (RCS No. 332 978 162) (hereafter "**Solem**"). Solem is the controlling company of the Company within the meaning of article L.233-16 of the French Code of Commerce.

Concerning directors, the Company's historic remuneration policy has been to not provide remuneration to the latter as board members. In particular, directors do not receive the remuneration referred to in articles L.225-45 and L.22-10-14 of the French Code of Commerce.

Consequently, officers of the Company do not receive any remuneration, in any form whatsoever (fixed, variable, exceptional or in shares) for the offices they hold within the Company. The officers of the Company do not benefit from any commitments made by the latter or by any company that it controls or that is controlled by it within the meaning of II and III of Article L. 233-16 of the French Code of Commerce, and the corresponding components of remuneration or benefits in connection with the termination or a change in function or subsequent thereto, or contingent rights granted pursuant to defined retirement benefit obligations meeting the characteristics of the plans mentioned in Articles L. 137-11 and L. 137-11-2 of the French social security Code.

In light of the above, the information referred to in paragraphs 4 - 6 and 8 of Article R.22-10-14, I and 1 - 4 and 7 of Article R.22-10-14, II of the French Code of Commerce are not applicable.

This officer remuneration policy is set in strict compliance with the Company's corporate interests and in reference to its commercial strategy. The Board of Directors considers that remuneration determined and set exclusively at the level of Solem makes it possible to provide fair remuneration to the officers concerned based on the parent company's larger scope of consolidation, by taking into account in particular the performance of not only the Company but also its sister companies and subsidiaries.

This remuneration policy of the Company is determined by the Board of Directors, acting on a proposal from the executive management. This remuneration policy is revised at least once a year at the time of the review of the annual accounts and, at any time during the financial year, at the initiative of the Board of Directors, should circumstances require.

The proposal from the executive management takes into account in particular the conditions of remuneration and employment of the Company's employees.

The implementation of the remuneration policy is verified at least once a year by the Board of Directors at the time of the review of the annual accounts.

The remuneration policy applies by operation of the law under the supervision of the Board of Directors to newly appointed corporate officers or those whose appointment has been renewed.

In order to prevent conflicts of interest in connection with the determination, revision and implementation of the remuneration policy, the Board of Directors has appointed two independent directors as defined by the Middenext corporate governance code. In addition, the Board of Directors' charter includes a procedure for preventing and monitoring conflicts of interest.

The length of directors' terms of office is presented in section 1.1.5 of this report. In addition, it is noted that on the date of this special report, there exists no employment contract or service agreement contract has been entered into directly between an officer and the Company. With respect to intragroup service agreements entered into between Solem and the Company, please refer to the Auditors' special report on regulated agreements prepared in accordance with Article L. 225-40 of the French Code of Commerce.

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This remuneration policy:

- was approved by the shareholders' general meeting on 23 May 2023 (resolution six) in accordance with Section II of Article L.22-10-8 of the French Commercial Code with over 91% of votes in favor. This vote legitimizes the remuneration policy for the company's corporate officers established by the Board of Directors;
- shall be the subject of a draft resolution to be submitted for approval at the shareholders' general meeting to be held on 23 May 2023 in accordance with said article.

4 - REMUNERATION OF OFFICERS PAID IN THE PERIOD ENDED 31 DECEMBER 2023

For the purpose of complying with the provisions of Article L.22-10-9 of the French Code of Commerce (as amended pursuant to Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020), information required thereunder is presented in this section for each officer.

In application of Article L.22-10-34 of the French Code of Commerce (as amended pursuant to Order 2020-1142 of 16 September 2020 and Decree 2020-1742 of 29 December 2020), it is hereby requested that you vote on a draft resolution concerning the information referred to in Article L. 22-10-9 of the French Code of Commerce and, on the other hand, to vote by means of distinct resolutions on the fixed, variable or exceptional components making up the total remuneration and benefits of any nature paid in or granted for the period ended for the Chairman-CEO and Deputy CEO.

The tables presented below were prepared in reference to the Middlednext code of corporate governance in the September 2021 version. Any heading not included in the following tables in relation to the table templates proposed by the MiddleNext Code corporate governance is considered as not applicable.

• Table 1: Summary of remuneration for each executive officer

Mr. Pierre Saubot Chairman and CEO	Financial year ended 31 December 2022		Financial year ended 31 December 2023	
	Amounts paid (Gross base remuneration before tax)	Percentage relative to the fixed and variable remuneration	Amounts paid (Gross base remuneration before tax)	Percentage relative to the fixed and variable remuneration
Fixed annual remuneration paid by Solem for the office of chief executive officer exercised within this company	€91,773.11	100%	€94,991.00	100%
Variable annual remuneration paid by Solem ¹ for the office of chief executive officer exercised within this company	€0	0%	€0	0%
TOTAL	€91,773.11	100%	€94,991.00	100%

Mr. Alexandre Saubot Deputy Chief Executive Officer	Financial year ended 31 December 2022		Financial year ended 31 December 2023	
	Amounts paid (Gross base remuneration before tax)	Percentage relative to the fixed and variable remuneration	Amounts paid (Gross base remuneration before tax)	Percentage relative to the fixed and variable remuneration
Fixed annual remuneration paid by Solem for the office of chairman exercised within this company	€358,696	70.51%	€371,254	73.40%
Variable annual remuneration paid by Solem for the office of chairman exercised within this company	€150,000	29.49%	€134,511	26.60%
TOTAL	€508,696	100%	€505,765	100%

¹ The criteria used to calculate the amount of variable annual remuneration to be paid is set each year by Solem in reference to the quality of and improvements to the results of Haulotte Group, as presented in the consolidated financial statements of Solem, for the previous financial year.

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• Table 2: Other remuneration received by non-executive officers

Mr. José Monfront Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

Mr. Bertrand Badré Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

Ms. Anne Danis-Fatôme Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

Ms. Elodie Galko Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

Ms. Elisa Savary Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

Mr. Hadrien Saubot Director	Financial year ended 31 December 2022	Financial year ended 31 December 2023
	Amounts paid (Gross base remuneration before tax)	Amounts paid (Gross base remuneration before tax)
None	None	None
TOTAL	None	None

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• Table 3: Other indemnities or benefits granted to corporate officers

The following table provides details on the remuneration and benefits of company officers:

Corporate officers	Employment contract		Supplemental retirement scheme		remuneration or benefits owed or potentially due upon termination or a non-competition change in function		Payments relating to a non-competition clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Pierre Saubot								
Chair and Chief Executive Officer								
Beginning of the renewed term of office: 13/03/2018								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023								
		X		X		X		X
Director								
Beginning of the renewed term of office: 29/05/2018								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023								
Alexandre Saubot								
Deputy Chief Executive Officer								
Beginning of the renewed term of office: 08/03/2022								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027								
		X		X		X		X
Director								
Beginning of the renewed term of office: 24/05/2022								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027								
Elisa Savary								
Director								
Beginning of the renewed term of office: 24/05/2022								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027								
		X		X		X		X
Hadrien Saubot								
Director								
Beginning of the renewed term of office: 24/05/2022								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2027								
		X		X		X		X
José Monfront								
Director								
Beginning of the renewed term of office: 24/05/2022								
End of appointment: At the close of the general meeting called to approve the financial statements for the year ending on 31 December 2027								
		X		X		X		X
Michel Bouton								
Director								
Beginning of the renewed term of office: 24/05/2016								
End of appointment: 8 March 2022								
		X		X		X		X
Anne Danis-Fatôme								
Beginning of term of office: 29/05/2018								
End of appointment: At the close of the general meeting of shareholders called to approve the financial statements for the year ending on 31 December 2023								
		X		X		X		X
Elodie Galko								
Beginning of term of office: 29/05/2018								
End date of term of office: Resignation on 19 January 2024								
		X		X		X		X
Bertrand BADRE								
Start date of term of office: 05/23/2023								
End date of term of office: At the end of the General Meeting called to approve the accounts for the financial year ending 31 December 2028								

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- Ratio between the level of remuneration of the Chair-CEO and Deputy CEO and, 1) the average remuneration on a full-time equivalent basis of employees of the Company other than the corporate officers, and 2) the median remuneration on a full-time equivalent basis of employees of the company other than corporate officers

	Financial year ended 31 December 2023	
	Pierre Saubot Chair and chief executive officer	Alexandre Saubot Deputy Chief Executive Officer
Ratio between the remuneration of the corporate officer concerned and the average remuneration of employees on a full-time equivalent basis	2.12	11.26
Ratio between the remuneration of the corporate officer concerned and the median remuneration of employees on a full-time equivalent basis	2.59	13.79
Ratio between the remuneration of the corporate officer concerned and the minimum wage	4.56	24.30

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- **Changes in annual remuneration, performances of the Company, average remuneration of employees of the Company on a full-time equivalent basis, other than executive officers, and the above ratios, over the last five years**

Financial year	31/12/2019		31/12/2020		31/12/2021		31/12/2022		31/12/2023	
	Pierre Saubot	Alexandre Saubot	Pierre Saubot	Alexandre Saubot						
Corporate offices concerned:										
Total gross remuneration received within Solem	€ 91,006.00	€ 436,055.00	€ 92,123.11	€ 440,829.77	€ 91,773.11	€ 441,698.89	€ 91,773.11	€ 508,696	€ 94,991.00	€ 505.77
Change in remuneration between N-1 and N	-0.40%	1.87%	1.23%	1.10%	-0.38%	0.20%	0%	15.17%	3.51%	-0.58%
Average remuneration of HGSA employees (full-time, excluding senior executives, gross amount)	€ 42,932.00		€ 41,993.00		€ 43,473.00		€ 44,027.00		€ 44,905.00	
Change in the average remuneration of employees between N-1 and N	0.90%		-2.19%		3.52%		1.27%		1.99%	
Median remuneration of HGSA employees (full-time, excluding senior executives, gross amount)	€ 33,822.00		€ 34,743.00		€ 35,257.00		€ 36,321.00		€ 36,677.00	
Change in the median remuneration of employees between N-1 and N	0.11%		2.72%		1.48%		3.02%		0.98%	
Amount of the minimum wage	€ 18,254.64		€ 18,473.04		€ 18,654.96		€ 19,744.27		€ 20,814.72	
Change in the minimum wage between N-1 and N	1.52%		1.20%		0.98%		5.84%		5.42%	
Ratio between the remuneration and the average remuneration paid to HGSA employees	2.12	10.16	2.19	10.50	2.11	10.16	2.08	11.55	2.12	11.26
Change in ratio between N-1 and N	-1.29%	0.96%	3.49%	3.36%	-3.77%	-3.21%	-1.26%	-13.72%	1.48%	-2.52%
Ratio between the remuneration and the median remuneration paid to HGSA employees	2.69	12.89	2.65	12.69	2.60	12.53	2.53	14.01	2.59	13.79
Change in ratio between N-1 and N	-0.51%	1.76%	-1.46%	-1.58%	-1.83%	-1.26%	-2.93%	11.79%	2.50%	-1.54%
Ratio between the remuneration and the minimum wage	4.99	23.89	4.99	23.86	4.92	23.68	4.65	25.76	4.56	24.3
Change in ratio between N-1 and N	-1.89%	0.34%	0.03%	-0.10%	-1.35%	-0.78%	-5.52%	8.81%	-1.94%	-5.67%
Indicators of the Company's performance (on a consolidated basis)										
EBIT (current operating income)	35,900		11,004		17,598		-2,933		2,6958	
Change in EBIT between N-1 and N	0.84%		-69.35%		59.92%		N/A		N/A	
Revenue excl. VAT	609,800		438,544		497,272		608,247		759,375	
Change in revenue excl. VAT between N-1 and N	9.70%		-28.08%		13.39%		22.32%		24.85%	

Note on methodology:

- Procedures for calculation of ratios referred to in article L.22-10-9 6 of the French Code of Commerce:
 - Numerator: total remuneration based on the gross pre-tax remuneration received by the Chairman & CEO (or the Deputy CEO) within Solem in the absence of remuneration received within the Company.
 - Denominator: average remuneration.

For average remuneration, the Company has calculated the average remuneration of employees of the Company on an equivalent full-time basis.

For median remuneration, the Company has calculated the median remuneration of employees of the Company on an equivalent full-time basis.

- Scope of employees concerned: Within the meaning of article L.22-10-9 6 of the French Code of Commerce, only employees of the Company, on a non-consolidated basis, i.e. at 31 December 2023, 627 employees (so 35.2% of Group employees based on the consolidated accounts at 31 December 2022).

- Performance indicators selected in accordance with Article L.22-10-9 7 of the French Code of Commerce.

As indicators of performance, the Company has selected revenue and current operating income (EBIT) as these aggregates are presented in the consolidated financial statements of the Company for the last five years.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

5 - AGREEMENTS COVERED BY ARTICLE L.225-37-4 2 OF THE FRENCH CODE OF COMMERCE

For the purpose of complying with the provisions of article L.225-37-4 2 of the French Code of Commerce, we remind you that this report must mention, except for ordinary agreements entered into under normal conditions, those agreements entered into either directly or through a third party, between:

- on the one hand, one of the directors or shareholders possessing more than 10% of the voting rights of a company,
- and, on the other hand, another company controlled by the first within the meaning of article L.233-3 of the French Code of Commerce.

No agreements of this type were entered into in the period ended 31 December 2023. It is noted that the cash management agreement concluded between the Company and Solem, classified as a regulated agreement, was terminated during the financial year ending 31 December 2023.

6 - PROCEDURES IMPLEMENTED BY THE BOARD OF DIRECTORS IN APPLICATION OF ARTICLE L.22-10-12 OF THE FRENCH CODE OF COMMERCE

To comply with article L.22-10-10, 6 of the French Code of Commerce, we remind you that the Board of Directors implemented a procedure serving to regularly assess if the ordinary agreements entered into under normal conditions properly fulfil these conditions.

A method for identifying financial flows between Group companies has already been adopted by the Finance Division, notably in connection with the transfer pricing policy.

To supplement this method, the Finance Division and Legal Division developed the following procedure to be applied once a year when the annual financial statements are reviewed.

- Identification of all ordinary agreements entered into under normal conditions which remain applicable, or newly entered into during the period under review;
- A summary of their main terms and conditions and features;
- A presentation of all agreements to the Board of Directors to be convened in order to approve the annual financial statements in order to determine if these agreements continue to meet the criteria of ordinary agreements entered into under normal conditions. Persons directly or indirectly concerned by an agreement do not participate in its evaluation.

7 - ITEMS HAVING A POTENTIAL IMPACT IN THE EVENT OF PUBLIC OFFERINGS

In application of article L.22-10-11 of the French Code of Commerce, we report to you on those items which we consider likely to have an impact in the case of a public takeover bid or exchange offer.

7.1 Shareholder base

On 31 December 2022, the share capital and voting rights of the Company were majority-held by Solem that is itself held by the Saubot family.

We invite you to refer to part 3 of the Board of Directors' management report which this report forms part of.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

7.2 Restrictions under the Articles of Association on the exercise of voting rights and the transfer of shares or the provisions of agreements reported to the company in compliance with article L.233-11 of the French Code of Commerce

Article 9 (Transfer and transmission of shares) of the Company's articles of association, provides that legal entities or natural persons that acquire or cease to hold an amount equal to 1% of the share capital or the voting rights or any multiple thereof, must notify the company within fifteen days of crossing such thresholds.

Under its Articles of Association, if the company has not been thus notified, shares that exceed the amount to be reported under this disclosure requirement shall be deprived of voting rights at the request of one or more shareholders holding 5% of the share capital (with such request recorded in the minutes of the General Meeting).

7.3 List of direct or indirect shareholdings in the Company's capital of which it has knowledge by virtue of articles L.233-7 and L.233-12 of the French Code of Commerce

We invite you to refer to part 3 of the Board of Directors' management report to which this report is attached.

7.4 Holders of shares conferring special control rights and description thereof

All shares of the Company confer upon shareholders a right to participate in shareholders' meetings under the conditions and subject to the provision provided for by law and regulations.

Shares shall confer a right to a percentage of the company's assets, the distribution of earnings and proceeds after liquidation, equal to the proportion of the share capital they represent.

In accordance with article 16 of the articles of association, a double voting right is granted to all fully paid-up shares in proportion to the capital they represent subject to proof that they have been registered for at least four (4) years in the name of the same shareholder.

This right is also granted pursuant to the capitalization of reserves, earnings or additional paid-in capital to free registered shares granted on the basis of existing shares entitled to the same right.

7.5 Powers of the Board of Directors, in particular for the issuance or repurchasing of shares

In application of article L.22-10-11.8, we invite you to refer to part 3 of the Board of Directors' management report to which this report is attached as well as the table summarizing the delegations of authority and powers granted to the Board of Directors by the shareholders' general meeting.

7.6 Agreements entered into by the Company which are modified or terminated in the event of a change of control of the Company

In application of article L.22-10-11.9, we inform you that agreements have been entered into by the Company containing clauses in the event of a change in control, and notably in the case of contracts entered into with certain service providers or financial institutions.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

8 - SUMMARY OF DELEGATIONS OF AUTHORITY IN FORCE GRANTED BY THE GENERAL MEETING OF SHAREHOLDERS TO THE BOARD OF DIRECTORS FOR CAPITAL INCREASES IN COMPLIANCE WITH ARTICLES L.225-129-1 AND L.225-129-2

To this report is attached, in accordance with the provisions of article L.225-37-4, 3 of the French Code of Commerce, a table of delegations of authority in force granted by the general meeting of the shareholders relating to capital increases, in application of articles L.225-129-1 and L.225-129-2, and indicating the uses made thereof in the period.

Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French Code of Commerce	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2023	Residual amounts at 31 December 2023
Delegation of authority granted to the Board of Directors to increase the share capital of the company through the incorporation of premiums, reserves, profits or other	24/05/2022 22 nd resolution	26 months	The maximum nominal amount of capital increases that may be carried out, immediately or in the future, cannot exceed €1,500,000 , to which may be added, as necessary, an additional amount to preserve, in accordance with statute or regulations and, as necessary, applicable contractual provisions, the rights of holders of securities or other rights conferring entitlement to shares, whereby it is specified that this maximum amount is set independently and separately from the maximum amount set by the twenty-first resolution adopted at the general meeting.	None	Identical to the maximum nominal value
Grant of authority to the Board of Directors in application of article L.225-197-1 to L.225-197-6 of the French Code of Commerce to proceed with the free allocation of existing shares or to issue profits to all or part of the employees and/or the company officers as per article L.225-197-1 of the French Code of Commerce	24/05/2022 20 th resolution	38 months	The total number of shares likely to be allocated freely by the Board cannot exceed 1% of the existing share capital on the date of the decision to allocate them, whereby it is specified that the amount of the capital increase corresponding to the shares issued with a view to their free allocation shall be deducted from the overall maximum amount provided for in the twenty-first resolution adopted by the said general meeting.	None	Total number of shares to be issued identical to that on date of 24/05/2022
Delegation of authority to be granted to the Board of Directors for the purposes of increasing capital through the issuance of ordinary shares or any other securities granting access to capital while maintaining shareholders' preferential subscription rights	05/23/2023 Resolution twelve	26 months	€1,300,000 (or the exchange value of this amount in the event of issuance in another currency), it being specified that <ul style="list-style-type: none"> - the maximum nominal amount of capital increases likely to be made immediately or over time under this delegation shall be included in the overall ceiling set out in resolution eighteen below, - where applicable, the nominal value of shares to be issued shall be added to this ceiling to protect the rights of holders of securities and other rights granting access to the Company's capital, pursuant to the law and, where applicable, relevant contractual provisions 	None	Identical to the maximum nominal amount

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French Code of Commerce	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2023	Residual amounts at 31 December 2023
<p>Delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's capital through the issuance of ordinary shares or any other securities granting access to share capital with waiver of shareholders' preferential subscription rights, and a public offer, excluding offers covered by Section I of Article L.411-2 of the French Monetary and Financial Code 05/23/2023</p>	<p>05/23/2023 Resolution thirteen</p>	<p>26 months</p>	<p>€20,000,000 (or the exchange value of this amount in the event of issuance in another currency), it being specified that</p> <ul style="list-style-type: none"> - the maximum nominal amount of capital increases likely to be made immediately or over time under this delegation shall be included in the overall ceiling set out in resolution eighteen below, - where applicable, the nominal value of shares to be issued shall be added to this ceiling to protect the rights of holders of securities and other rights granting access to the capital, pursuant to the law and, where applicable, relevant contractual provisions 	<p>None</p>	<p>Identical to the maximum nominal amount</p>
<p>Delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's capital through the issuance of ordinary shares or any other securities granting access to share capital with waiver of shareholders' preferential subscription rights within the framework of a public offer for the benefit of qualified investors or a limited number of investors, as referred to in Section I of Article L. 411-2 of the French Monetary and Financial Code 05/23/2023</p>	<p>05/23/2023 Resolution fourteen</p>	<p>26 months</p>	<p>€20,000,000, in any event, the amount may not exceed the limits set out in the regulations applicable on the day of issuance (for information purposes only, on this day, the issuance of capital securities made by way of an offer referred to in Section I of Article L. 411-2 of the French Monetary and Financial Code was limited to 20% of the Company's capital per 12-month period, this capital being valued on the day of the decision of the Board of Directors to use this delegation), it being specified that:</p> <ul style="list-style-type: none"> - the nominal amount of any increase in share capital likely to be made in this way shall be included in the overall ceiling set out in resolution eighteen below - where applicable, the additional amount of shares to be issued shall be added to this amount to protect the rights of holders of securities and other rights granting access to shares, pursuant to the law and, where applicable, relevant contractual provisions 	<p>None</p>	<p>Identical to the maximum nominal amount</p>
<p>Delegation of authority to be granted to the Board of Directors for the purposes of increasing the number of securities to be issued in the event of a capital increase with or without shareholders' preferential subscription rights</p>	<p>05/23/2023 Resolution sixteen</p>	<p>26 months</p>	<p>In accordance with Article L.225-135-1 and R.225-118 of the French Commercial Code, up to a limit of 15% of the initial issuance.</p> <p>The nominal amount of any increase in the share capital decided under this authorization, as part of the company's capital increases with or without preferential subscription rights decided under resolutions twelve to fourteen above, shall be deducted from the overall ceiling provided for in resolution eighteen below</p>	<p>None</p>	<p>Identical to the maximum nominal amount</p>

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

Nature of the delegation of authority or powers granted to the Board of Directors by the Company in accordance with article L.225-129-1 and L.225-129-2 of the French Code of Commerce	Date of General Meeting	Length of validity	Maximum nominal amount of capital increases which may be carried out immediately and/or in the future (excluding issuances of debt securities)	Capital increase(s) carried out in the period ended 31 December 2023	Residual amounts at 31 December 2023
Delegation of authority to be granted to the Board of Directors for the purposes of increasing the Company's share capital through the issuance of shares or any other securities granting access to the company's capital with waiver of shareholders' preferential subscription rights in favor of employees participating in an existing or planned company savings plan or group savings plan	05/23/2023 Resolution seventeen	26 months	<p>€122,348 (or the exchange value of this amount in the event of issuance in another currency), it being specified that:</p> <ul style="list-style-type: none"> - the nominal amount of any increase in share capital likely to be made in this way shall be included in the overall ceiling set out in resolution eighteen below, - where applicable, the additional amount of shares to be issued shall be added to this amount to protect the rights of holders of securities and other rights granting access to shares, pursuant to legal and regulatory provisions, and, where applicable, relevant contractual provisions 	None	Identical to the maximum nominal amount

* Under the terms of the twenty-first resolution submitted for approval to the combined general meeting of 24 May 2022:

- the maximum aggregate par value of the capital increases that may be carried out under the delegations of authority granted under (i) the fourteenth to sixteenth resolutions adopted by the Combined General Meeting of 25 May 2021 and (ii) the nineteenth and twentieth resolutions above, shall be set at €1,200,000 (or the equivalent value on the date of issue of this amount in a foreign currency or in a unit of account established by reference to several currencies), it being specified that the additional amount of shares to be issued to preserve, in accordance with the law and, where applicable, with the applicable contractual provisions, the rights of holders of securities and other rights giving access to shares, shall be added to this maximum amount,
- the maximum aggregate nominal amount of the debt securities that may be issued under the delegations granted under (i) the fourteenth to sixteenth resolutions adopted by the Combined General Meeting of 25 May 2021 is set at €20,000,000 (or the equivalent value on the date of issue of this amount in a foreign currency or in a unit of account established by reference to several currencies), it being specified that this maximum amount shall not apply to debt securities the issue of which is decided or authorized by the Board of Directors in accordance with article L.228-40 of the French Commercial Code.

** Pursuant to resolution eighteen submitted for approval at the combined general meeting of 23 May 2023:

- The maximum nominal amount of capital increases likely to be made pursuant to delegations conferred under the terms of (i) resolution twenty adopted by the Combined General Meeting of 24 May 2022 and (ii) resolutions twelve to fourteen as well as resolution seventeen above is set at €1,200,000 (or the exchange value on the date of issuance of this amount in foreign currency or a unit of account established by reference to multiple currencies), it being specified that the additional amount of shares to be issued shall be added to this ceiling to protect the rights of holders of securities and other rights granting access to these shares, pursuant to the law and, where applicable, relevant contractual provisions,
- The maximum nominal amount of debt securities likely to be issued pursuant to delegations conferred under the terms of (i) resolution twenty adopted by the Combined General Meeting of 24 May 2022 and (ii) resolutions twelve to fourteen as well as resolution seventeen above is set at €20,000,000 (or the exchange value on the date of issuance of this amount in foreign currency or a unit of account established by reference to several currencies), it being specified that this ceiling shall not apply to debt securities whose issuance is decided or authorized by the Board of Directors in accordance with Article L.228-40 of the French Commercial Code.

MANAGEMENT REPORT

ANNUAL FINANCIAL REPORT FISCAL YEAR ENDED 31 DECEMBER 2023

APPENDIX 3 - SPECIAL REPORT ON THE ALLOCATION OF FREE SHARES PRESENTED TO THE ORDINARY AND EXTRAORDINARY GENERAL MEETING OF 23 MAY 2023 (ARTICLE L. 225-197-4 OF THE FRENCH CODE OF COMMERCE)

To the shareholders:

We hereby inform you that the authorizations granted by the Extraordinary General Meeting of 26 May 2020, under its thirteenth resolution, and by the Extraordinary General Meeting of 24 May 2022, under its twentieth resolution (having rendered null and void the authorization previously granted by the General Meeting of 26 May 2020, under its thirteenth resolution having the same purpose) have not been used to date.



**CONSOLIDATED
FINANCIAL
STATEMENT**

2023

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED BALANCE SHEET - ASSETS

In thousands of euros	Note	31/12/2023	31/12/2022
Goodwill	8	8,914	10,724
Intangible assets	9	36,236	35,959
Property, plant and equipment	10	87,946	97,009
Right-of-use-assets	11	17,458	17,709
Financial assets	12	5,430	5,140
Deferred tax assets	27	20,193	14,073
Trade receivables from financing activities > 1 year	14	24,575	36,179
Other non current assets	15	2,668	5,190
NON CURRENT ASSETS (A)		203,420	221,983
Inventory	13	214,045	231,975
Trade receivables	14	144,562	148,910
Trade receivables from financing activities < 1 year	14	16,685	20,867
Other assets	15	25,037	30,925
Cash and cash equivalents	18	41,422	37,452
Derivative instruments	19	2,660	1620
CURRENT ASSETS (B)		444,411	471,749
TOTAL ASSETS (A+B)		647,831	693,731

Notes 1 to 48 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED BALANCE SHEET - LIABILITIES

In thousands of euros	Note	31/12/2023	31/12/2022
Share capital	20	4,078	4,078
Share premiums	20	3,753	3,753
Consolidated reserves and income		177,654	191,320
SHAREHOLDERS'EQUITY BEFORE MINORITY INTERESTS (A)		185,485	199,151
Minority interests (B)		(283)	(330)
TOTAL EQUITY		185,202	198,821
Long-term borrowings	21	64,804	149,488
Non current lease liabilities	11	11,957	12,138
Deffered tax liabilities	27	11,389	12,051
Provisions	23	4,449	3,860
NON CURRENT LIABILITIES (C)		92,599	177,537
Trade payables	25	84,420	109,900
Other current liabilities	26	33,271	35,503
Current borrowings	21	236,894	156,338
Current lease liabilities	11	4,961	4,878
Provisions	23	10,484	10,754
Derivative instruments	19	-	-
CURRENT LIABILITIES (D)		370,030	317,373
LIABILITIES AND SHAREHOLDERS'EQUITY (A+B+C+D)		647,831	693,731

Notes 1 to 48 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED INCOME STATEMENT

In thousands of euros	Note	31/12/2023		31/12/2022	
Sales and revenue	28	759,375	100.0%	608,247	100.0%
Cost of sales	29	(618,018)	-81.4%	(506,715)	-83.3%
Selling expenses		(37,217)	-4.9%	(35,823)	-5.9%
General and administrative expenses	30	(62,309)	-8.2%	(56,453)	-9.3%
Research and development expenditures	31	(14,336)	-1.9%	(13,558)	-2.2%
Exchange gains and losses	32	(537)	-0.1%	1,369	0.2%
CURRENT OPERATING INCOME		26,958	3.6%	(2,933)	-0.5%
Other operating income and expenses	35	4,705	0.6%	501	0.1%
OPERATING INCOME		31,663	4.2%	(2,432)	-0.4%
Cost of net financial debt	36	(14,687)	-1.9%	(5,457)	-0.9%
Exchange gains and losses	32	(19,901)	-2.6%	(2,673)	-0.4%
Other financial income and expenses	36	3,933	0.5%	980	0.2%
PROFIT BEFORE TAXES		1,008	0.1%	(9,582)	-1.6%
Income tax	37	(774)	-0.1%	(5,637)	-0.6%
NET PROFIT		234	0.0%	(15,219)	-2.2%
attributable to equity holders of the parent		186		(15,282)	
attributable to minority interests		48		63	
NET EARNINGS PER SHARE	39	0.01		(0.52)	
NET DILUTED EARNINGS PER SHARE	39	0.01		(0.52)	

Notes 1 to 48 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In thousands of euros	Note	31/12/2023	31/12/2022
PROFIT / (LOSS) FOR THE YEAR (A)		234	(15,219)
ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT AND LOSS			
Currency translation differences for cash items relating to net investments in foreign operations		(5,382)	3,894
Currency translation differences from financial statements of subsidiaries		(14,833)	(11,288)
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT AND LOSS			
Actuarial gains and losses on employee benefits	24	(222)	2,236
Income tax	27	579	(2,230)
Net income / (expense) recognised directly in equity (B)		(19,858)	(7,388)
Total consolidated comprehensive income (A+B)			
		(19,624)	(22,607)
attributable to equity holders of the parent		(19,686)	(22,669)
attributable to minority interest		62	62

Notes 1 to 48 constitute an integral part of these consolidated financial statements

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands of euros	Note	31/12/2023	31/12/2022
Net income		234	(15,219)
Depreciation and amortization		19,456	19,015
Change in provisions (except for current assets)		477	1,185
Change in financial derivative instruments fair value		-	-
Unrealised foreign exchange gains and losses	32	18,486	3,294
Change in deferred taxes	37	(6,259)	727
Gains and losses from disposals of fixed assets		(4,738)	(1,070)
Interests on bank borrowings and others financial revenue	36	8,259	5,457
GROSS CASH FLOWS FROM OPERATIONS		35,915	13,389
Change in operating working capital	41	(12,720)	(92,063)
Change in receivables from financing activities	42	12,079	9,314
Change in other non current assets		-	-
CASH FLOWS FROM OPERATING ACTIVITIES		35,274	(69,360)
Purchases of fixed assets		(14,321)	(18,184)
Proceeds from the sales of fixed assets, net of tax		6,719	2,492
Dividends received		-	-
Impact of changes in scope of consolidation		-	-
Change in payables on fixed assets		-	-
CASH FLOWS FROM INVESTING ACTIVITIES		(7,602)	(15,692)
Dividends paid to shareholders		-	(6,753)
Others financial revenue	36	5,300	-
Loans issues	21	15,172	119,554
Borrowings repayments	21	(25,422)	(16,020)
Lease liabilities repayments	11	(7,576)	(7,164)
Treasury shares		(108)	(55)
CASH FLOWS FROM FINANCING ACTIVITIES		(12,634)	89,562
NET CHANGE IN CASH AND CASH EQUIVALENTS		15,036	4,510
Opening cash and cash equivalents	43	(3,312)	(5,907)
Effect of exchange rate changes		(6,963)	(1,915)
Closing cash and cash equivalents	43	4,762	(3,312)
NET CHANGE IN CASH AND CASH EQUIVALENTS		15,036	4,510

Notes 1 to 48 constitute an integral part of these consolidated financial statements

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF CHANGES IN EQUITY

In thousands of euros	Capital	Share premiums	Consolidated reserves *	Profit for the period	Treasury shares **	Free shares ***	Translation differences	Actuarial gains and losses on employee benefits	Group share	Minority Interests	Total
Balance at 31 December 2021	4,078	72,310	211,634	7,934	(14,376)	-	(55,757)	(1,632)	224,191	(127)	224,064
Change in capital of the parent company	-	-	-	-	-	-	-	-	-	-	-
Appropriation of 2020 net income	-	-	7,934	(7,934)	-	-	-	-	-	-	-
Dividends paid by the parent company	-	(6,488)	-	-	-	-	-	-	(6,488)	(265)	(6,753)
Net income for the period	-	-	-	(15,282)	-	-	-	-	(15,282)	63	(15,219)
Net income / (expense) recognised directly in equity	-	-	-	-	-	-	(9,046)	1,659	(7,387)	(1)	(7,388)
Total consolidated comprehensive income	-	-	-	(15,282)	-	-	(9,046)	1,659	(22,669)	62	(22,607)
Treasury shares	-	-	-	-	(358)	-	-	-	(358)	-	(358)
Other changes****	-	(62,069)	66,544	-	-	-	-	-	4,475	-	4,475
Balance at 31 December 2022	4,078	3,753	286,112	(15,282)	(14,734)	-	(64,803)	27	199,151	(330)	198,821
Change in capital of the parent company	-	-	-	-	-	-	-	-	-	-	-
Appropriation of 2021 net income	-	-	(15,282)	15,282	-	-	-	-	-	-	-
Dividends paid by the parent company	-	-	-	-	-	-	-	-	-	-	-
Net income for the period	-	-	-	186	-	-	-	-	186	47	234
Net income / (expense) recognised directly in equity	-	-	-	-	-	-	(19,636)	(222)	(19,858)	-	(19,858)
Total consolidated comprehensive income	-	-	-	186	-	-	(19,636)	(222)	(19,671)	47	(19,624)
Treasury shares	-	-	-	-	(122)	-	-	-	(122)	-	(122)
Other changes****	-	-	6,127	-	-	-	-	-	6,127	-	6,127
Balance at 31 December 2023	4,078	3,753	276,957	186	(14,855)	-	(84,439)	(195)	185,485	(283)	185,202

* Consolidated reserves primarily consist of retained earnings.

** For the three periods, the amount of treasury shares has been disclosed at the book value, and the correction in consolidated reserves.

*** Following the non-achievement of the objectives set, the free share allocation plan of March 13, 2018 was fully reversed during the financial year.

**** Other changes include hyperinflation effects in Argentina and Turkey

Notes 1 to 48 constitute an integral part of these consolidated financial statements

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NOTE 1 - GENERAL INFORMATION

Haulotte Group S.A. manufactures and distributes through its subsidiaries (forming the “Group”) people and material lifting equipment.

Haulotte Group also operates in the rental market for these equipments.

Haulotte Group S.A. is a “société anonyme” (a French limited liability company) incorporated in Saint-Etienne (France) with its registered office in Lorette. The company is listed on Euronext Paris – Eurolist Compartment B (Mid Caps).

The annual consolidated financial statements for the period ended 31 December 2023 and the notes thereto were approved by the Board of Directors of Haulotte Group SA on March 19th 2024. Figures are expressed as thousands of euros.

NOTE 2 - SIGNIFICANT EVENTS DURING THE YEAR

RECORD ACTIVITY LEVELS AND A RETURN TO A POSITIVE OPERATING MARGIN LEFT THEIR MARK ON 2023.

Driven by growth in the first half of the year, the global platform market reached its zenith in 2023. Excluding application of IAS 29, Haulotte posted a consolidated annual turnover of €767 million in 2023, up by +28% (at constant exchange rates) compared to the previous year, driven by strong growth in sales volumes, particularly in North America, and the positive impact of sales price increases.

The current operating income (excluding exchange rate impacts, IAS 29 and IFRS 16) stands at €31 million in 2023 (4.0% of sales). This return to a positive operating margin can be attributed to the favorable impact of sales price increases, growth in sales volumes and the verified decrease in costs over the second half-year.

The Group's net debt (excluding IFRS 16) amounts to €260 million as at 31 December 2023, compared to €268 million at the end of the previous fiscal year. This decrease stems from a notable improvement in its available cash flow, particularly in the second half of the year, driven by the recovery of the operating margin and the reduction in working capital requirements (reduced by 33 days).

As the Group was unable to comply with all of its banking ratios for December 2023, and partially for June 2024, it requested a new waiver for these two periods, which was accepted by the banking pool on. Based on its sales and EBITDA growth projections, the Group expects to respect the ratios not covered by the waiver from June 2024.

Haulotte maintains operational means and financial resources to meet its cash flow needs for the next 12 months.

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NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies applied to prepare the consolidated financial statements are described below. Except where specifically stated otherwise, these policies are consistently applied to all financial periods presented herein.

3.1 STATEMENTS OF COMPLIANCE

As a publicly traded company listed in the European Union and in accordance with EC regulation 1606/2002 of 19 July 2002, the Group's consolidated financial statements for fiscal year ended 31 December 2023 have been prepared according to IFRS (International Financial Reporting Standards) as adopted by the European Union on 31 December 2023.

These standards can be consulted at the website of the European commission. They include standards approved by the International Accounting Standards Board (IASB), i.e. IFRS, International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretations Committee (IFRIC).

The consolidated financial statements have been prepared according to the historical cost convention, with the exception of certain items, notably assets and liabilities measured at fair value.

Amendments and interpretations of standards in issue taking effect in 2023

The application of standards, amendments and interpretations effective as at 1 January 2023 did not significantly impact the Group's financial statements, including the amendments to IAS 12 introducing a temporary exemption to the recognition of deferred tax resulting from the international tax reform ("Pillar Two"). Furthermore, the application of IFRS 17, which pertains to insurance contracts, to the Group's operations has no major impact.

New standards, amendments or interpretations applicable in advance

The Group did not anticipate and does not expect to anticipate for the text adopted by the European Union at the closing date but applicable for the following exercises.

New standards and interpretations not yet adopted by the European Union

The Group does not anticipate or plan at this stage early adoption of other new standards or interpretations published by IASB or IFRIC but not yet adopted by the European Union at the closing date.

French pension reform

The enactment on 14 April 2023 of Law No. 2023-270 amending the French social security financing law for 2023 provides for the gradual raising of the retirement age to 64, from 1 September 2023 to 2030, and for the accelerated application of the "Touraine" law by increasing the contribution period to 43 years from 2027 instead of 2035. The impacts of this plan amendment are not significant as at 31 December 2023.

CONSOLIDATES FINANCIAL STATEMENTS

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3.2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

3.2.1 Critical accounting estimates and assumptions

In preparing financial statements, the Group will resort to estimates and assumptions about future events. Such estimates are based on past experience and other factors considered reasonable in view of current circumstances. Actual results may differ from these estimates.

The main sources of uncertainty concerning key assumptions and assessments are:

- estimated impairment of goodwill (cf. note 4.1),
- evaluation of customer counterparty risk: evaluation of the recoverable value of trade receivables (see note 4.7) is based on credit rating procedures (see note 5 b) and, when applicable, analysis based on the Group's ability to recover the equipment in the case of customer default and proceed with their sale for a specified value. This resale value is estimated on the basis of data for the sale of used machines previously carried out by the Group over a period of several years. The consistency of these values with quoted prices for second hand assets generally accepted on the market is also verified. Today, there are no factors which might call into question the valuation of this recoverable value and notably the validity of quoted prices of second-hand equipment. Nevertheless, deterioration in the future of the market values of second-hand equipment could result in the recognition of additional impairment charges for trade receivables,
- net realizable value of inventory (cf. note 4.6): the net realizable value of work in progress and finished goods at 31 December 2023 determined on the basis of actual recorded transactions depending on each equipment's production year, remains significantly higher than the cost price,
- the assessment of the preferential nature of guarantees for residual amounts: the accounting treatment associated with transactions accompanied by such guarantees (cf. note 4.7.2) is based on the assumption that has been almost systematically verified to date of the attractiveness of the option to repurchase equipment offered to customers when compared to the current sales prices in the second-hand equipment market. If this assumption ceases to be confirmed, the accounting treatment of such future transactions should be adapted in consequence.

Use of estimates and assumptions also had an impact on the following items:

- revenue recognition, notably in the context of tripartite agreements described in notes 4.7.2 to 4.7.4
- amortization and depreciation periods for fixed assets (cf. note 4.3),
- the evaluation of provisions, notably for manufacturer warranties (cf. note 4.11) and for pension liabilities (cf. note 4.10),
- the recognition of deferred tax assets (cf. note 4.13).

The financial statements reflect the best estimates according to information available at time of finalizing production of accounts.

3.2.2 Evaluation of risks and significant uncertainties having a potential material impact on Haulotte Group

The main material risks and uncertainties that could have a material impact on the Group identified at 31 December 2023 relate on one hand to the market risk, to the monetary environment of the Group and, on the other hand, on items relating to its liquidity. Regarding the market (following variations are at constant exchange rates & excluding IAS 29 application), fiscal year 2023 was marked by an increase of turnover of +28%. Over the year, sales of equipment increased by +28%, rental sales by +11% and services by +11%.

The Group maintains its policy of a centralised management of foreign exchange as described in note 5.a) and pays specific attention to the evolution of foreign currencies on its main markets, as these could significantly affect its financial performance.

Concerning the latter risk, relating to liquidity, the Haulotte Group's cash management is centralized, with the parent company and subsidiaries' current and projected funding is managed at headquarters. All of the cash surpluses may be placed by the parent company, under market conditions, in SICAV monetary or term deposit accounts without risk to the capital amount. Changes relating to the Group's debt in 2023 are detailed in note 2 on main facts and note 21.

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3.2.3 Consideration of risks related to climate change

The Group has taken into account the financial impacts and risks associated with climate change.

The Group has analyzed this risk on all of its financial information and has paid particular attention to the following aspects:

- Goodwill impairment tests;
- Recoverable value of intangible and tangible fixed assets;
- Realizable value of inventories;
- Valuation and completeness of provisions.

As of December 31, 2023, we have not identified any significant climate risk that could have an impact on the financial statements.

3.3 CONSOLIDATION

Subsidiaries over which Haulotte Group S.A. directly or indirectly exercises exclusive control are fully consolidated. They are deconsolidated from the date that control ceases.

Equity method is used for all associated companies in which the Group exerts significant influence. According to this method, Haulotte Group records in a specific caption of the consolidated income statement its share in the net income of the company consolidated using equity method. As of 31 December 2023, Haulotte Group does not have any company consolidated using the equity method.

The list of subsidiaries included in the consolidation scope is shown in note 7.

3.4 INTERCOMPANY BALANCES AND TRANSACTIONS

All intercompany balances and transactions between fully consolidated companies are eliminated.

3.5 FOREIGN CURRENCY TRANSLATION OF FOREIGN SUBSIDIARIES FINANCIAL STATEMENT

The consolidated financial statements are presented in euro (€), which is the parent company's, Haulotte Group S.A., functional and the Group's presentation currency.

Financial statements of foreign subsidiaries are measured using the functional currency, their local currency.

The results and financial position of foreign entities that have a functional currency different from the presentation currency (euro) are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of balance sheet;
- Income statement items are translated at the average exchange rate for the period (average for 12 monthly rates) except if exchange rates experience significant fluctuations. In the latter case, applying an average exchange rate for a period would not be appropriate. Thus, to apply IAS 29, the income statement of the entities Haulotte Argentina S.A., Horizon High Reach Limited and Acarlar Dis Ticaret were converted using the closing rate.

Exchange differences resulting from the translation of the subsidiaries' financial statements are recognized as a separate component of equity and broken down between the parent company share and minority interests.

In the case of the disposal of an entity, translation differences that were recognized under components of comprehensive income items are reclassified from equity to income of the period (as a reclassification adjustment) when a gain or loss resulting from the disposal is recognized. These amounts are then included in the disposal result in the 'other income and expenses' line.

Goodwill is accounted for in the currency of the subsidiary concerned. It must consequently be stated in the functional currency of the subsidiary and translated at year-end.

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3.6 TRANSLATION OF TRANSACTIONS IN FOREIGN CURRENCY

Foreign currency transactions are translated by the subsidiary into its functional currency using the exchange rates prevailing at the date of the transaction. At year-end, monetary items of the balance sheet denominated in foreign currencies are translated at closing exchange rates.

Gains and losses on translation are recorded directly in the income statement under operating income as “exchange gains and losses” except net foreign investments as defined under IAS 21 for which exchange differences are recognized as other comprehensive income items. In the event of the prepayment of a current account balance considered equivalent to a net investment in a foreign operation, the reduction of the associated investment is assessed on the basis of relative value and implies a decrease of interest rates. According to this methodology, no recycling in the result of exchange differences is done in case of reimbursement of the loan. This one does not constitute a partial exit since it does not reduce the interest rate in the foreign subsidiary.

3.7 BUSINESS COMBINATIONS

Business combinations occurring after 1 January 2010 are accounted for using the acquisition method, in accordance with IFRS 3 (Revised) – Business Combinations:

- The acquired identifiable assets and assumed liabilities and contingent liabilities are measured at acquisition-date fair value, provided that they meet the accounting criteria in IFRS 3 (Revised). An acquired non-current asset (or disposal group) that is classified as held for sale at the acquisition date is measured at fair value less costs to sell. Only the liabilities recognized in the acquiree's balance sheet at the acquisition date are taken into account. Restructuring provisions are therefore not accounted for as a liability of the acquiree unless it has an obligation to undertake such restructuring at the acquisition date. Acquisition-related costs are recognized as expenses in the period in which the costs are incurred.
- The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the Group's share in the fair value of the acquired identifiable net assets exceeds the cost of acquisition, that difference is recognized directly in the income statement (see note 4.1).
- For each acquisition, the Group has the option of using the full goodwill method, where goodwill is calculated by taking into account the acquisition-date fair value of minority interests, rather than their share of the fair value of the assets and liabilities of the acquiree.
- Contingent consideration is measured at its acquisition-date fair value and is subsequently adjusted through goodwill only when additional information is obtained after the acquisition date about facts and circumstances that existed at that date. Such adjustments are made only during the 12-month measurement period that follows the acquisition date. All other subsequent adjustments are recorded as a receivable or payable through profit or loss (line “Other operating income and expenses”).
- In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and the resulting gain or loss, if material, is recognized as “Other operating income and expenses”.

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3.8 SEGMENT REPORTING

The Group has determined that the primary operating decision-making body of the entity is the Executive Committee. The Committee reviews internal reporting of the Group, evaluating its performance and making decisions for the allocation of resources. The operating segments have been adopted by management on the basis of this reporting.

The Executive Committee analyses activity both according to geographic markets and the Group's businesses. These businesses are:

- the manufacture and sale of lifting equipment,
- the rental of lifting equipment,
- services (spare parts, repairs and financing).

The column « Others » includes items not allocated to the Group's three business segments as well as inter-segment items.

Internal reporting used by the Executive Committee is based on a presentation of the accounts according to IFRS principles, including all Group activities.

The main indicators for performance reviewed by the Executive Committee are revenue and current operating income. In addition, the Executive Committee monitors the main balance sheet captions: trade receivables and inventories.

The Group has not identified any customer accounting for more than 10% of revenue.

CONSOLIDATES FINANCIAL STATEMENTS

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NOTE 4 - PRINCIPLES AND METHODS FOR THE VALUATION OF KEY BALANCE SHEET AGGREGATES

4.1 GOODWILL

Goodwill related to consolidated companies is booked to balance sheet assets under "Goodwill". They result from the application of the principles of business combinations described in note 3.7 above.

Negative Goodwill (or badwill) is recognized immediately under other operating income and expenses during the year of acquisition and no later than 12 months after the acquisition, after the correct identification and valuation of acquired assets and liabilities has been verified.

Goodwill is not depreciated but is instead subject to impairment testing whenever there exists an indicator of impairment and at least once a year. For the purpose of impairment testing, goodwill is allocated to Cash Generating Units (CGU) or groups of CGU that may benefit from business combinations.

The Group has defined different CGUs:

- The North America CGU including the subsidiaries Haulotte US and BilJax,
- Group rental company subsidiaries each representing an independent CGU and Horizon Argentina
- Manufacturing and distribution subsidiaries (Excluding North America and Turkey) of the Group included within a single CGU.
- CGU for Acarlar Makine, related to the distribution in Turkey .

An impairment loss is recognized when the carrying value is higher than the recoverable value, defined as the higher of value in use and fair value. Value in use is determined in reference to five-year business plans for which future flows are extrapolated and discounted to present value, or for some rental subsidiaries, using the market value of the rental assets.

Goodwill impairment charges are irreversible.

Income and expense arising respectively from the recognition of negative goodwill (badwill) and the impairment of positive goodwill are recognized under the "other operating income and expenses".

4.2 INTANGIBLE ASSETS

Developpement expenditures

Research expenditure is expensed as incurred. Development expenditure in connection with projects (for the design of new products or improvement of existing products) is recognized as intangible asset when the following criteria are met:

- the technical feasibility of completing the project,
- the intention of management to complete the project,
- the ability to use or sell the intangible asset,
- the intangible asset will generate probable future economic benefits for the group,
- the availability of adequate technical, financial and other resources to complete the project,
- the ability to measure reliably the costs.

Other development expenditures that do not meet these criteria are expensed in the period incurred. Development expenditure previously expensed is not recorded as an asset in subsequent periods.

Development expenditure is amortized from the date the asset is commissioned using the straight-line method over the estimated useful life of 2 to 5 years.

In compliance with IAS 36, development expenditure recognized under assets not yet fully amortized is tested for impairment annually or as soon as any impairment indicator is identified (when the inflow of economic benefits is less than initially anticipated). The carrying value of capitalised development expenditure is compared with expected cash flows projected over 2 to 5 years to determine the impairment loss to be recorded.

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Customer Portfolio

The customer portfolio had been determined at the purchase price allocation of Acarlar.

The price paid for this acquisition includes customer relationship of the company. Only the relationship existing at the date of acquisition were evaluated.

The fair value of the customer portfolio had been determined using the excess earnings method. Usefull life of the portfolio was set at 10 years.

Other intangible assets

Other intangible assets (software, patents, etc.) are recognized at purchase cost excluding incidental expenses and financial charges.

Software is amortized using a straight-line method over 3 to 7 years.

4.3 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is recognized on the balance sheet at purchase cost (less discounts and all costs necessary to bring the asset to working condition for its intended use) or production cost. Finance costs are not included in the cost of fixed assets.

The basis for depreciation of fixed assets is their gross value (cost less residual value). Depreciation starts from the date the asset is ready to be commissioned. Depreciation is recorded over the useful life that reflects the consumption of future economic benefits associated with the asset that will flow to the Group.

When the asset's carrying value is greater than the estimated recoverable amount, an impairment is immediately recorded for the difference.

Component parts are recognized as separate assets and subject to different depreciation rates if the related assets have different useful lives. The renewal or replacement costs of components are recognized as distinct assets and the replaced asset is written off.

Land is not depreciated. Other depreciation on assets is calculated using the straight-line method over their estimated useful lives as follows:

	Depreciation period
Plant buildings :	
Main component	30 to 40 years
Other components	10 to 30 years
Buildings fixtures and improvements:	
Main component	10 to 40 years
Other components	5 to 20 years
Plant equipment	5 to 20 years
Other installations and equipment	3 to 20 years
Transportation equipment	5 years
Computer and office equipment	3 to 10 years
Office furniture	3 to 10 years

The assets' residual value and useful lives are reviewed and adjusted, if appropriate, at each balance-sheet date.

Gains and losses arising from the disposal of fixed assets are recognized under other operating income and expenses.

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4.4 LEASE CONTRACTS

Lease contracts, as defined by IFRS 16 “Leases”, are recorded in the balance sheet, which leads to the recognition of:

- An asset representing a right of use of the asset leased during the lease term of the contracts;
- A liability related to the payment obligation.

At the commencement date, the right of use asset is measured at cost which includes the debt initial amount and can comprise, when applicable, any lease payments made at or before the commencement date, any initial direct costs incurred for the conclusion of the contracts and estimated costs for restoration and dismantling of the leased asset according to the terms of the contract.

The right of use asset is depreciated over the useful life of the underlying assets (the duration chosen is the first expiry date; unless specific information leads to choose a longer period).

At the commencement date, the lease liability is recognized for an amount equal to the present value of the lease payments over the lease term.

The right of use asset and the lease liability may be remeasured in the following situations:

- Change in the lease term;
- Modification related to the assessment of the reasonably certain nature (or not) of the exercise of an option;
- Adjustment to the rates and indices when according to which the rents are calculated when rent adjustments occur.

The key assumptions that the Group uses for the implementation of the standard are:

- Durations : The Group has decided to retain the contractual terms of the contracts. The duration chosen is the first expiry date; unless specific information leads to choose a longer period taking into account the options for leaving and renewing the contract.
- Discount rate : The Group wished to use the simplification measures recommended by the standard and thus use the marginal borrowing rate of the contract taking into account the asset class, the duration of the contract and the economic environment.

4.5 OTHER FINANCIAL ASSETS

In the IFRS 9 standard, financial assets are classified in three different categories according to their nature and the intended investment period:

- Held-to-maturity investments
- Financial assets measured at fair value through profit and loss
- Financial assets measured at fair value through other comprehensive income.

The “other financial assets” of the Group are essentially loans. They are recognized at the fair value of the price paid less transaction costs at initial recognition and subsequently at amortized cost at each balance sheet date. All impairment losses on these assets (excluding account receivables, see Note 4.7) are immediately recognized in the income statement through “other financial income and expenses”. The fair value of these financial assets corresponds to its accounting value.

This caption also includes deposits and sureties.

4.6 INVENTORIES AND WORK IN PROGRESS

Inventories are stated at the lower of cost or net realizable value:

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit,
- The cost of finished goods and work in progress includes direct production costs and factory overhead (based on normal operating capacity);
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines).

The net realizable value is the estimated selling price in the ordinary course of business less applicable expenses to sell or recondition the goods.

Impairment is recognized when the net realizable value is less than the carrying value of inventories defined above.

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4.7 TRADE RECEIVABLES

There are four categories of trade receivables:

- Receivables resulting from transactions with customers obtaining financing directly (4.7.1) with no guarantee given by the Group to the financial institution providing the financing;
- Receivables resulting from transactions for which Haulotte Group grants guarantees to the financial institution providing financing to the customer (4.7.2);
- Receivables resulting from finance leases with financing or credit sales provided by Haulotte Group (4.7.3);
- Receivables resulting from back-to-back arrangements (4.7.4).

The accounting treatment for each transaction category is described below.

4.7.1 Sales without Group financing or guarantees

These receivables are recognized at fair value of the compensation received or to be received. They are subsequently recognized at amortized cost according to the effective interest rate method, less provisions for impairment.

When there exists serious and objective evidence of collection risks, a provision for impairment loss is recorded. The provision represents the difference between the asset's carrying amount and the estimated resale value of the equipment representing the receivable on the date the risk of non-collection is determined. This policy is based on the following factors:

- assets representing receivables may be repossessed by Haulotte Group in the event of customer default, when provided for by contractual terms and conditions
- a precise knowledge of the equipment's market value.

These market values are estimated on the basis of second-hand equipment sales realized by the Group over several years and corroborated by listed values for second-hand equipment.

4.7.2 Sales including guarantees granted by the Group

In line with industry practice, Haulotte Group grants guarantees to financial institutions offering financing to Group customers. Under such arrangements, Haulotte Group sells equipment to the financial institution that in turn contracts with the end user customer through one of two options:

- the credit sale of the equipment, or
- the conclusion of a finance lease.

Haulotte Group may grant several types of guarantees depending on the framework of agreements concluded with financial institutions and the level of risk assigned to the customer by this institution. Those guarantees are:

Guarantee in the form of a commitment to continue lease payments: Haulotte Group guarantees the financial institution payment if the debtor defaults and pays said institution in the event of default, the entire outstanding capital balance owed by the defaulting client. Haulotte Group has a right to repossess the equipment in exchange for its substitution in the place of the defaulting customer.

Guarantee in the form of a contribution to a risk pool: In this case, a portion of the amount of the sale to the financial institution is contributed to a guarantee fund that will cover potential risk of future customer default until a maximum amount defined contractually. In the event of default of a customer qualifying for the pool, the financial institution is assured of the recovery of its debt as defined in the contract (difference between the amounts owed by the customer at the time of default and a contractually defined value expressed as a percentage of the initial sale price of the financed good and decreasing in the time).

Specific guarantee covering a determined amount for a given receivable: In this case, the recourse of the financial institution is defined receivable by receivable. The financial institution confirms at each accounting closing the amount of its specific recourse for each receivable having been the object of this specific guarantee.

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The accounting treatment of the three types of guarantees associated with the different lease agreements concluded between the financial institution and the end-user customer are determined based on the analysis of the substance of the transaction as follows:

- as a loan granted to the end customer by Haulotte Group, the contract being transferred to the financial institution in order for the sale to be financed (case of a credit sale);
- as a finance lease between Haulotte Group and the end-customer, the contract being transferred to the financial institution in order for the sale to be financed (case of a finance lease).

The analysis of the above contracts in accordance with the provisions of IFRS 9 indicates that Haulotte Group is in a situation known as "involvement retention"; the share of receivables maintained on the balance sheet in this regard corresponds to the maximum amount that may be repaid by Haulotte under the guarantee given.

Accordingly, for such contracts, the following accounting treatment is applied: recognition of a receivable (under "receivables from financing activities" in the balance sheet) for the amount of the guarantee given to the financial institution as a counterpart of a financial liability (under "Guarantees"). These receivables and payables are discharged as the customer makes the lease payments to the financial institution.

However, in the case of a guarantee with a contribution to a risk pool covering a fixed amount per receivable, the amount recognized under receivables and payables is capped to the financial institution amount of recourse towards Haulotte Group and not expanded to the full amount of the "assigned" receivable.

Haulotte Group measures at each closing the risk of the guarantees granted being activated by reviewing payment default that would have been reported by financial institutions. In this case a provision for impairment loss is recorded, determined as described in note 4.7.1.

Other guarantees given by Haulotte Group are disclosed in off-balance sheet commitments in note 45.

4.7.3 Financial leases and credit sales

Haulotte Group concludes credit sales or leasing contracts directly with its customers with no intermediary financial institutions.

Credit sales are analyzed according to the standard IFRS 15 (see note 6.1).

Analysis of these financial leases contracts according to provisions of IFRS 16, these agreements are classified as finance leases, as a significant portion of the risks and rewards of ownership are transferred to the lessees.

The accounting treatment for these agreements is as follows:

- equipment sales are recognized under "sales and revenue" in the income statement on the date the parties sign the lease agreement,
- a trade receivable (under "receivables from financing activities" in the balance sheet) is recognized to the end customer broken down between current assets for the portion of lease payments due within one year and non-current assets for the balance,
- for the following periods, payment received from the customer for the lease agreement or the credit sale is allocated between financial income and repayment of the receivable and finance charge.

4.7.4 Back-to-back lease arrangements

Haulotte Group can sometimes use that type of financing.

The Back to back leasing consists for the manufacturer in selling the equipment to a financial institution that will lease the equipment to him, along with a sub-lease contract signed between the manufacturer and his customer. The analysis in substance of upstream and downstream operations leads to recognize:

- the sale of the good to a customer, recorded in return for a receivable on financing operations.
- a financial debt with the financial institution.

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4.8 CASH AND CASH EQUIVALENTS

“Cash and cash equivalents” includes cash at hand and other short-term investments. The latter consists primarily of money market funds and term deposits.

Cash equivalents consist of short-term high liquidity investments that are readily convertible to known amounts of cash and present insignificant risk of change in value.

Accrued interest has been calculated for term deposits for the period between the subscription and closing date.

4.9 TREASURY SHARES

Shares of Haulotte Group S.A. acquired in connection with the Group share buyback programs (liquidity contract allocated to ensure an orderly market in the company's shares and buyback program) are recorded as a deduction from consolidated shareholders' equity at acquisition cost. No gain or loss is recognized in the income statement from purchases, sales or impairment of treasury shares.

4.10 EMPLOYEES BENEFITS

The Group records provisions for employee benefits and other post-employment obligations as well as long service awards. The Haulotte Group has only defined benefit plans. The corresponding obligation is measured using the projected unit credit method with end-of-career wages. The calculation of this obligation takes into account the provisions of the laws and collective bargaining agreements and actuarial assumptions concerning notably staff turnover, mortality tables, salary increases and inflation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized among equity items in other comprehensive income for the period in which these gains or losses are incurred.

We have also taken into consideration the Decision of the IFRS IC, applicable on December 31, 2021, which concluded that the benefit provision to be calculated should only be included for the period covering the employee's last 16 years of service. See note 24.

4.11 PROVISIONS AND CONTINGENT LIABILITY

In general, a provision is recorded when:

- the Group has a present legal or constructive obligation as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and,
- the obligation has been reliably estimated.

Warranty Provision

The Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data (number of materials under warranty, average intervention rate related to this parc and average intervention cost). The warranty period is usually 1 to 2 years. When necessary, a provision is recognized on a case-by-case basis to cover specific warranty risks identified.

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Litigation

Other provisions are also recorded in accordance with the above principles to cover risks related to litigations, site closures (when applicable) or any other event meeting the definition of a liability. The amount recognized as a provision represents the best estimate of the expenditure required to settle the obligation.

All material lawsuits involving the company were reviewed at year-end, and based on the advice of legal counsel, the appropriate provisions were recorded, when necessary, to cover the estimated risks.

Contingent liability

The Group can, in some cases, identify the existence of a contingent liability defined as follows:

- a potential obligation resulting from past events and that will be confirmed by the occurrence of (or not) of one or several future and uncertain events that are not under the total control of the entity or
- a current obligation resulting from past events but not accounted for because:
 - it is not probable that a resources output representing an economic benefit will be necessary to settle the obligation or,
 - the amount of the obligation cannot be evaluated with sufficient accuracy.

4.12 BORROWINGS

Borrowings are initially recognized at fair value of the amount received less transaction costs. Borrowings are subsequently stated at amortized cost calculated according to the effective interest rate method.

4.13 DEFERRED TAXES

Deferred income tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements as well as on tax losses carried forward. They are calculated using the liability method, for each of the Group's entity, using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets from temporary differences or tax loss carryforwards are recognized only to the extent it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred tax assets and liabilities are offset if the entities of the same tax group are entitled to do so under enforceable provisions.

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NOTE 5 - MANAGEMENT OF FINANCIAL RISK

a) Foreign exchange risk and Interest rate risk

A significant portion of Haulotte Group sales are in currencies other than the euro including notably the US dollar, Australian Dollar, Renminbi and British pound sterling. Because sales of Group subsidiaries are primarily in their functional currency, transactions do not generate foreign exchange risks at their level.

The primary source of foreign exchange risks for Haulotte Group consequently results from intercompany invoicing flows when Group companies purchase products or services in a currency different from their functional currency (exports of manufacturing subsidiaries located in the euro area and exporting in the local currency of a sale subsidiary).

The Group favours floating-rate debt which provides it greater flexibility. To hedge against interest rate risks, the Group seeks to take advantage of market opportunities according to interest rate trends. There is no recourse to systematic interest rate hedging.

Such exposures are managed by Haulotte Group SA. For the main currencies, foreign exchange trading positions in the balance sheet are partially hedged using basic financial instruments (forward exchange sales and purchases against the euro).

To cover market risks (interest rate and foreign exchange exposures), Haulotte Group has recourse to financial instrument derivatives. These derivatives are designed to cover the fair value of assets or liabilities (fair value hedges) or future cash flows (cash flow hedges).

In compliance with the provisions of IAS 32 and IFRS 9, derivatives are recorded at fair value. The fair value of those contracts is determined based on valuation models given by the banks with which the instruments were traded, and can be considered as level 2 valuations as defined in IFRS 7 (level 2: quoted prices in active markets for similar assets or liabilities or other valuation techniques for which all significant inputs are based on observable market data).

There is also a translational risk due to the geographic diversification of the Group's activities. Haulotte Group is exposed to the risk of conversion of the financial statements of its subsidiaries outside the Euro zone. Thus, an unfavorable change in exchange rates could deteriorate the balance sheet, the income statement and consequently the Group's financial structure ratios, when the accounts of foreign subsidiaries outside the Euro zone are converted into euros in the Group's consolidated accounts.

b) Credit risk

Credit risk results primarily from exposure to customer credit and notably outstanding trade receivables and transactions.

To limit this risk, the Group has implemented rating procedures (internal or independent) to evaluate credit risk for new and existing customers on the basis of their financial situation, payment history and any other relevant information.

Risk is also limited by Haulotte Group's ability in the event of default by one of its customers to repossess the equipment representing the receivable. The provisions for impairment loss on trade receivables are determined based on this principle (cf note 4.7).

c) Liquidity risk

As detailed in note 3.2.2., the Group's cash management is centralized. Changes relating to the Group's debt in 2023 are detailed in note 2 on main facts, note 21.

d) Other financings:

In 2023, Haulotte Group has subscribed additional bilateral financing lines for €15 million, with an amortization period ranging from 5 to 8 years for €10 million, and for less than one year for €5 million.

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NOTE 6 - PRINCIPLES AND METHODS OF MEASUREMENT FOR THE INCOME STATEMENT

6.1 REVENUE RECOGNITION

« Sales and Revenue » includes the goods and services sales comprising notably:

- sales self-financed by the customer,
- sales funded through back-to-back arrangements and the corresponding financial income (cf. note 4.7),
- sales including financial guarantees given by Haulotte Group to allow the customer to obtain financing (cf. note 4.7),
- sales within remarketing agreements with financial institution after they had taken back equipment from defaulting clients,
- equipment rental,
- services offers.

Revenue from the sale of goods reflect the transfer to the customer of the control of a good or service, in an amount that reflects the consideration to which the seller expects to be entitled when the contractual obligations are fulfilled. Sales of goods are recorded without VAT.

Sales financing income is the result of sales financing transactions carried out with some of our customers. These financings are constituted of loans and, consequently, are recorded on the balance sheet at amortized cost using the effective interest rate method, less any impairment recorded. Income on these contracts is calculated to generate a constant interest rate over the period. They are included in the turnover.

Accounting treatments applied in function of the type of contracts and according to IFRS 15 standard are the followings:

Contract type	Accounting treatment IFRS15
Sale of machines	Recognition of revenue upon delivery of the good according to IFRS 15.
Financed sales of machines	Recognition of revenue upon delivery of the good according to IFRS 16.
Machine rental	Recognition of revenue upon the rental of the good according to IFRS 16.
Service agreement involving the provision of a service - basic sale / service	Recognition of revenue upon performance of the service according to IFRS 15.
Services – Long-term contracts	Recognition of revenue on a straight-line basis over the term of the contract according to IFRS 15.

6.2 COST OF SALES

The cost of sales includes direct production costs, factory overhead, changes in inventory, provisions for inventory losses, warranty costs, fair value adjustments of currency hedges and interest expense paid in connection with back-to-back arrangements.

6.3 SELLING EXPENSES

This item includes notably costs related to sales and commercial activity.

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6.4 GENERAL AND ADMINISTRATIVE EXPENSES

This item includes indirect leasing costs, administrative and management expenses, changes in the provision on trade receivables and the write-off of bad debts.

6.5 RESEARCH AND DEVELOPMENT EXPENDITURES

Research expenditures are expensed in the period they are incurred.

Development expenditures are expensed in the period except when they meet the criteria defined under IAS 38 (cf. 4.2.a) for recognition as intangible assets. This concerns expenditures incurred in connection with development projects for new categories of machines or components considered technically viable with a probability of generating future economic benefits.

6.6 OTHER OPERATING INCOME AND EXPENSES

This heading includes:

- gains or losses from disposals (excluding those by rental companies treated as sales of second-hand equipment and recognized consequently under revenue),
- amortization of capitalized development expenditures,
- income or expenses related to litigations of an unusual, abnormal or infrequent nature,
- impairment losses on goodwill.
- potential costs of industrial reorganisation

6.7 OPERATING INCOME

Operating income covers all income and expenses directly relating to Group activities, whether representing recurring items of the normal operating cycle or events or decisions of an occasional or unusual nature.

6.8 COST OF NET FINANCIAL DEBT

Cost of net financial debt includes total finance costs consisting primarily of interest expense (according to the effective interest rate) as well as the fair value adjustments of interest rate hedges.

6.9 OTHER FINANCIAL INCOME AND EXPENSES

This item includes income from cash and cash equivalents (interest income, gains and losses from the disposal of short-term securities, etc.) and the exchange gains and losses on the financial current accounts. This caption also includes the depreciation of financial assets (allocation / reversal) and the updating .

6.10 EARNINGS PER SHARE

Earnings per share presented at the bottom of the income statement is determined by dividing the net income of Haulotte Group S.A. for the period by the weighted average number of ordinary shares outstanding during the period excluding treasury shares.

Diluted earnings per share are calculated on the basis of the average number of shares outstanding during the year adjusted for the dilutive effects of equity instruments issued by the company such as stock options

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NOTE 7 - SCOPE OF CONSOLIDATION

Companies consolidated at 31 December 2023 are:

Entity	Country	Interest %	Consolidation method as at	
			31/12/2023	31/12/2022
Haulotte Group S.A.	Lorette (France)	Mother company		
Acarlar Dis Ticaret Ve Makina Sanayi A. s.	Istanbul (Turquie)	100%	Full consolidation	Full consolidation
Bil Jax Service, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Bil Jax, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Equipro, Inc.	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd.	Changzhou (Chine)	100%	Full consolidation	Full consolidation
Haulotte Argentina S.A.	Buenos Aires (Argentine)	100%	Full consolidation	Full consolidation
Haulotte Arges S.R.L.	Arges (Roumanie)	100%	Full consolidation	Full consolidation
Haulotte Australia Pty. Ltd.	Dandenong (Australie)	100%	Full consolidation	Full consolidation
Haulotte Canada	Vancouver (Canada)	100%	Full consolidation	Full consolidation
Haulotte Chile SPA	Santiago (Chili)	100%	Full consolidation	Full consolidation
Haulotte Do Brasil LTDA	Sao Paulo (Brésil)	99.98%	Full consolidation	Full consolidation
Haulotte DSC	Pitesti (Roumanie)	100%	Full consolidation	Full consolidation
Haulotte France Sarl	St Priest (France)	99.99%	Full consolidation	Full consolidation
Haulotte Hubarbeitsbühnen GmbH	Eschbach (Allemagne)	100%	Full consolidation	Full consolidation
Haulotte Iberica S.L.	Madrid (Espagne)	98.71%	Full consolidation	Full consolidation
Haulotte India Private Ltd.	Mumbai (Inde)	100%	Full consolidation	Full consolidation
Haulotte Italia S.R.L.	Milan (Italie)	99%	Full consolidation	Full consolidation
Haulotte Japan	Osaka (Japon)	100%	Full consolidation	Full consolidation
Haulotte Mexico SA de CV	Mexico (Mexique)	99.99%	Full consolidation	Full consolidation
Haulotte Middle East FZE	Dubaï (Emirats Arabes Unis)	100%	Full consolidation	Full consolidation
Haulotte Netherlands B.V.	Oosterhout (Pays-Bas)	100%	Full consolidation	Full consolidation
Haulotte North America Manufacturing	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation

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Consolidation method as at				
Haulotte Polska SP Z.O.O.	Janki (Pologne)	100%	Full consolidation	Full consolidation
Haulotte Scandinavia AB	Möln dal (Suède)	100%	Full consolidation	Full consolidation
Haulotte Services France	St Priest (France)	99.99%	Full consolidation	Full consolidation
Haulotte Services SA de CV	Mexico (Mexique)	99.99%	Full consolidation	Full consolidation
Haulotte Singapore Ltd.	Singapour (Singapour)	100%	Full consolidation	Full consolidation
Haulotte Trading (Shanghai) co. Ltd.	Shanghai (Chine)	100%	Full consolidation	Full consolidation
Haulotte U.S., INC.	Virginia Beach (Etats-Unis)	100%	Full consolidation	Full consolidation
Haulotte UK Limited	Wolverhampton (Angleterre)	100%	Full consolidation	Full consolidation
Haulotte Vostok	Moscou (Russie)	100%	Full consolidation	Full consolidation
Horizon High Reach Chile SPA	Santiago (Chili)	100%	Full consolidation	Full consolidation
Horizon High Reach Limited	Buenos Aires (Argentine)	100%	Full consolidation	Full consolidation
Levanor Maquinaria de Elevacion S.A.	Madrid (Espagne)	91.00%	Full consolidation	Full consolidation
Mundilevação, Aluger e Transporte de Plataformas LDA	Paio Pires (Portugal)	81.90%	Full consolidation	Full consolidation
Scaffold Design & Erection	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Seaway Scaffold & Equipment	Archbold (Etats-Unis)	100%	Full consolidation	Full consolidation
Telescopelle S.A.S	L'Horme (France)	100%	Full consolidation	Full consolidation

The closing date for financial statements of consolidated companies for each period presented is 31 December except for Haulotte India Private Ltd. which closes books on 31 March of each year.

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NOTE 8 - GOODWILL

	31/12/2022	Increase	Decrease	Translation adjustment	31/12/2023
North America CGU	18,685	-	-	(649)	18,036
Acarlar CGU	18,283	7,579	-	(7,104)	18,758
Horizon CGU	85	-	-	(65)	20
Manufacturing and Distribution CGU (excluding North America)	54	-	-	-	54
Haulotte France	54	-	-	-	54
GROSS VALUE	37,107	7,579	-	(7,818)	36,868
North America CGU	(14,067)	-	-	489	(13,578)
Acalar CGU	(12,262)	(6,824)	-	4,765	(14,322)
Manufacturing and Distribution CGU (excluding North America)	(54)	-	-	-	(54)
Haulotte France	(54)	-	-	-	(54)
DEPRECIATION	(26,382)	(6,824)	-	5,253	(27,953)
NET VALUE	10,724	755	-	(2,565)	8,914

	31/12/2021	Increase	Decrease	Translation adjustment	31/12/2022
North America CGU	17,596	-	-	1,089	18,685
Acarlar CGU	8,521	11,781	-	(2,019)	18,283
Horizon CGU	136	-	-	(51)	85
Manufacturing and Distribution CGU (excluding North America and Turkey)	54	-	-	-	54
Haulotte France	54	-	-	-	54
GROSS VALUE	26,307	11,781	-	(982)	37,107
North America CGU	(13,247)	-	-	(820)	(14,067)
Acalar CGU	-	(12,262)	-	-	(12,262)
Manufacturing and Distribution CGU (excluding North America and Turkey)	(54)	-	-	-	(54)
Haulotte France	(54)	-	-	-	(54)
DEPRECIATION	(13,301)	(12,262)	-	(820)	(26,382)
NET VALUE	13,006	(481)	-	(1,801)	10,724

North America CGU

The last impairment test for the "North America" region considered as a cash generating unit (CGU) was performed on 31 December 2022. A new impairment test was performed on 31 December 2023 on the CGU that includes the US entities of the Group.

The recoverable value of the « North America » CGU was based on calculations of value in use. These calculations are performed based on the cash flow projection over a five-year period based on budgets approved by management and on a terminal value.

The main assumptions used to perform this impairment test were as follows:

- significant growth in market share in the sector of the sale of aerial work platforms in the "North American" market, on a 5 years horizon;
- an assumption of long-term growth of 1.7% and a discount rate (WACC) of 10.1%.

As a reminder, the following impairments has been accounted:

- 5 000 KUSD as at 31 December 2013 on the basis of the impairment test performed at that date;
- 5 000 KUSD as at 31 December 2018 on the basis of the impairment test performed at that date;
- 5 000 KUSD as at 31 December 2020 on the basis of the impairment test performed at that date.

On the basis of this impairment test on December 31st, 2023, the value in use of the "North America" CGU is higher than its accounting value leading to the conclusion that no further depreciation is needed.

Sensitivity analysis have been carried out on the following key assumptions:

- Assumptions sales forecast in the business plan: a decrease by 18% would not result an obligation to record a goodwill impairment change for this CGU.
- Discount rate: increase of this rate by 4.9 points would not result an obligation to record a goodwill impairment change for this CGU.
- Long-term growth rate: no long-term growth rate would not result an obligation to record a goodwill impairment change for this CGU.

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Acarlar CGU

The last impairment test for "Acarlar" considered as a cash generating unit (CGU) was performed on 31 December 2023. The Group applied the IAS29 Standard relating to hyperinflation and the goodwill is considered to be a non-monetary element.

Goodwill is subject to a re-evaluation for an amount of +€14.3 million on 31 December 2023. The impairment test takes into account this re-evaluation.

The recoverable value of the « Acarlar » CGU was based on calculations of value in use. These calculations were carried out using forecast future cash flows for a five-year period based on budgets approved by management.

The main assumptions used to perform this impairment test were as follows:

- Recovery of the industrial equipment market at medium term ;
- Long-term growth of 10% and a discount rate (WACC) of 27.2%.

Based on the test dated December 31, 2023, the value in use for this CGU led to the calculation of an impairment for an amount of € (14.3) million.

The impacts of the gross value re-evaluation (+€7.6 million) and the depreciation adjustment (-€6.8 million) have been recorded under other operating income and expenses.

Sensitivity analysis have been carried out on the following key assumptions:

- Assumptions sales forecast in the business plan : a decrease by 10% (on the whole BP) would lead to an additional impairment of 2.3 M €.
- Long-term growth rate : a decrease of this rate by 1 point would result in an additional impairment of 0.6 M€
- Discount rate : an increase of this rate by 1 point would lead to an additional impairment of 0.2 M€.

Horizon CGU

Regarding the entity Horizon, considered as a CGU, the value in use, which is taking into account the fair value of the rental equipment (disposal costs deducted), is higher than its accounting value.

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NOTE 9 - INTANGIBLE ASSETS

	31/12/2022	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2023
Development expenditure	47,159	-	(97)	5,095	(130)	52,027
Customers portfolio	8,393	-	-	-	218	8,611
Concessions, patents, licenses	20,558	-	(5,015)	636	(14)	16,165
Other intangible and in progress	3,875	6,380	(241)	(5,710)	(17)	4,287
GROSS VALUE	79,985	6,380	(5,353)	21	57	81,090
Depreciation / impairment of development expenditure	21,676	4,548	-	-	(22)	26,202
Depreciation of customers portfolio	3,568	1,286	-	-	(1,386)	3,468
Depreciation of concessions, patents, licenses	18,214	1,480	(5,007)	-	(128)	14,559
Depreciation of other intangibles and in progress	568	53	-	-	3	624
ACCUMULATED DEPRECIATION AND IMPAIRMENT	44,026	7,367	(5,007)	-	(1,533)	44,853
NET VALUE	35,959	(987)	(346)	21	1,590	36,237

* Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.

	31/12/2021	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2022
Development expenditure	41,212	5,136	-	621	190	47,159
Customers portfolio	3,912	-	-	-	4,481	8,393
Concessions, patents, licenses	19,874	69	-	606	9	20,558
Other intangible and in progress	2,625	1,808	-	(609)	51	3,875
GROSS VALUE	67,623	7,013	-	618	4,731	79,985
Depreciation / impairment of development expenditure	17,588	4,076	-	-	12	21,676
Depreciation of customers portfolio	1,272	298	-	-	1,998	3,568
Depreciation of concessions, patents, licenses	16,293	1,894	-	-	27	18,214
Depreciation of other intangibles and in progress	492	62	-	-	14	568
ACCUMULATED DEPRECIATION AND IMPAIRMENT	35,645	6,330	-	-	2,051	44,026
NET VALUE	31,977	683	-	618	2,679	35,959

* Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.

Acquisitions recorded in 2023 are mainly composed of other intangible assets and work in progress for 6 380 K€, mainly linked to the capitalization of development costs (see note 31).

Amortization on developments costs for 4 548 K€ are included in "research and development expenditures" in the P&L .

The clients' portfolio fully concerns the Acarlar entity and is considered as a non-monetary element being subject to a re-evaluation in application of IAS29. The amortization is reviewed based on this re-evaluation. The counterpart to the variation in the balance sheet of 218k€ (gross value & amortizations) has been calculated in the other products and operational costs line for an amount of € +3.5 million. The conversion effect represents an amount of (3.2) M€ .

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NOTE 10 - TANGIBLE ASSETS

	31/12/2022	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2023
Land	7,402	-	-	1	(38)	7,365
Building	81,929	436	(7,546)	261	(1,784)	73,296
Plant machinery	57,053	2,812	(6,970)	1,187	(1,340)	52,742
Equipment for rental	35,670	442	(2,326)	-	(8,711)	25,075
Other PPE	18,387	1,168	(4,297)	1175	(515)	15,918
Fixed assets in progress	2,661	3,097	(257)	(2,202)	(136)	3,163
GROSS VALUE	203,102	7,955	(21,396)	422	(12,524)	177,559
Depreciation/impairment of building	33,629	2,226	(6,989)	232	(549)	28,549
Depreciation/impairment of plant machinery	39,253	2,778	(6,523)	111	(515)	35,104
Depreciation/impairment of equipment for rental	18,070	2,324	(2,108)	6634	(11,349)	13,571
Depreciation/impairment of other PPE	15,141	1,726	(4,230)	96	(343)	12,390
ACCUMULATED DEPRECIATION AND IMPAIRMENT	106,093	9,054	(19,850)	7073	(12,756)	89,614
NET VALUE	97,009	(1,099)	(1,546)	(6,651)	232	87,945

* Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.

	31/12/2021	Increase	Decrease	Reclassification and other changes*	Translation adjustment	31/12/2022
Land	10,709	-	(3)	(3,413)	109	7,402
Building	62,428	3,000	(75)	16,533	43	81,929
Plant machinery	45,379	2,561	(91)	8,993	211	57,053
Equipment for rental	32,144	1,715	(1,990)	-	3,801	35,670
Other PPE	17,023	1,627	(789)	254	272	18,387
Fixed assets in progress	26,971	1,873	(127)	(26,402)	346	2,661
GROSS VALUE	194,654	10,776	(3,075)	(4,035)	4,782	203,102
Depreciation/impairment of building	32,138	2,714	(20)	(1,909)	706	33,629
Depreciation/impairment of plant machinery	34,961	2,141	(65)	1,910	306	39,253
Depreciation/impairment of equipment for rental	12,903	3,354	(851)	-	2,664	18,070
Depreciation/impairment of other PPE	13,923	1,817	(877)	(2)	280	15,141
ACCUMULATED DEPRECIATION AND IMPAIRMENT	93,925	10,026	(1,813)	(1)	3,956	106,093
NET VALUE	100,729	750	(1,262)	(4,034)	826	97,009

* Amounts indicated under "Reclassifications and other changes" mainly concern the transfer of "Fixed assets in progress" into the other Assets captions, as well as presentation reclassifications.

(1) The main decreases are explained by the disposal of one of our industrial site of which net book value amounts to 1 097 KE

The variation in the rental equipment fleet item is connected to the re-evaluations under IAS29 in Argentina. The amortization is reviewed based on this re-evaluation.

The amortization accruals of rental equipments are booked in costs of sales in the P&L. The amortization accruals of Land, building and other PPE are booked in cost of sales and/or commercial and administrative costs in the P&L.

A provision for impairment is recorded when the carrying value of an intangible asset falls below its recoverable value. The recoverable value of rental equipment is based on the estimated realizable inventory value on the market.

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NOTE 11 - IFRS 16

Balance sheets impacts of the application of IFRS 16 standard are the following:

- **Right of use assets:**

	31/12/2022	Increase	Decrease	Translation adjustment	31/12/2023
Building	27,204	3,808	(3,779)	(522)	26,712
Machinery equipment	1,874	784	(304)	(30)	2,324
Other tangible fixed assets	6,976	2,607	(1,956)	(251)	7,375
GROSS VALUE	36,054	7,199	(6,133)	(709)	36,412
Depreciation of building	13,335	3,692	(2,985)	(262)	13,779
Depreciation of machinery equipment	1,234	546	(234)	(21)	1,525
Depreciation of other tangible fixed assets	3,776	1,871	(1,814)	(184)	3,650
DEPRECIATION AND PROVISIONS	18,345	6,109	(5,033)	(467)	18,954
NET VALUE	17,709	1,090	(1,100)	(241)	17,458

- **Lease liabilities:**

	31/12/2023
Non-current lease liabilities	11,957
Current lease liabilities	4,961
LEASE LIABILITIES	16,918

- **The variation of lease liabilities is disclosed in the following table, according to IAS7:**

K€	31/12/2022	CASH FLOW		NON CASH FLOW			31/12/2023
		Issue / Refund	interests	overdrafts	conv.	other	
Current and non-current lease liabilities	17,016	(8,653)	1,077	-	-	7,478	16,918

P&L impacts are the following :

	31/12/2023
Lease liabilities' financial expenses	(1,077)
Right-of-use assets amortization	(6,499)
Impact on consolidated net result	1

The Group is using the exception for the short-term contracts or low value assets.

Impacts are the following:

	31/12/2023
Short terms contracts lease expenses	(346)
Lease expenses linked to low value assets contracts	(109)

The weighted average marginal debt rate amounts to 12.0% for 2023.

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NOTE 12 - OTHER FINANCIAL ASSETS

Financial assets include loans, deposits and guarantees to non-Group entities. Their changes over the period are as follows:

	31/12/2022	Increase	Decrease	Reclassification	Translation adjustment	31/12/2023
Financial assets	5,140	357	(148)	-	81	5,430

Increase corresponds to deposits done during the year.

Decrease corresponds to receivables reimbursements received during the year.

NOTE 13 - INVENTORY

	31/12/2022	Changes of the period	Translation adjustment	31/12/2023
Raw materials	106,107	(13,941)	(1,373)	90,793
Work in progress	24,026	(15,326)	(99)	8,600
Semi finished and finished goods	86,876	14,269	(3,800)	97,345
Trade goods	19,628	3,470	(735)	22,363
GROSS VALUE	236,637	(11,528)	(6,008)	219,101
Raw materials	(2,134)	(264)	42	(2,356)
Work in progress	(3)	-	-	(3)
Semi finished and finished goods	(695)	(225)	9	(911)
Trade goods	(1,828)	(73)	116	(1,785)
PROVISION	(4,661)	(561)	167	(5,056)
NET VALUE	231,975	(12,089)	(5,841)	214,045

The inventory valuation does not include idle capacity .

The decrease in inventory of (17 930) K€ on 31 December 2023 versus an increase of 75 157 K€ at 31 December 2022 is recognized under the cost of sales in the income statement.

Provisions for inventory impairment losses break down as follows:

	31/12/2022	Increase	Decrease	Translation adjustment	31/12/2023
Provision for inventory impairment losses	4,661	2,484	(1,923)	(167)	5,056

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NOTE 14 - TRADE RECEIVABLES

31/12/2023	Gross value	Provision	Net value
NON-CURRENT ASSETS			
Receivables from financing activities exceeding one year	24,575	-	24,575
<i>including finance lease receivables</i>	9,105	-	9,105
<i>including guarantees given</i>	15,470	-	15,470
SUB-TOTAL	24,575	-	24,575
CURRENT ASSETS			
Trade receivables	161,876	(17,313)	144,562
Receivables from financing activities less than one year	16,685	-	16,685
<i>including finance lease receivables</i>	12,089	-	12,089
<i>including guarantees given</i>	4,596	-	4,596
SUB-TOTAL	178,561	(17,313)	161,247
TOTAL	203,136	(17,313)	185,822

31/12/2022	Gross value	Provision	Net value
NON-CURRENT ASSETS			
Receivables from financing activities exceeding one year	36,179	-	36,179
<i>including finance lease receivables</i>	19,968	-	19,968
<i>including guarantees given</i>	16,211	-	16,211
SUB-TOTAL	36,179	-	36,179
CURRENT ASSETS			
Trade receivables	164,451	(15,542)	148,910
Receivables from financing activities less than one year	20,867	-	20,867
<i>including finance lease receivables</i>	14,774	-	14,774
<i>including guarantees given</i>	6,093	-	6,093
SUB-TOTAL	185,318	(15,542)	169,777
TOTAL	221,497	(15,542)	205,956

As at 31 December 2023, receivables assigned, for the balance factoring contract, amounted 16.0 M€ compared to 17.0 M€ as at 31 December 2022.

Assignments of receivables are carried out once or twice a month. These receivables are derecognized to the extent that the contractual rights relating to cash flows have been transferred, as well as most of the risks and rewards associated with these receivables.

The fair value of "Trade receivables" recorded under current assets equals the carrying value given their short maturity (less than one year).

Fair value of receivables from back-to-back equipment leases and finance leases represents the lower of the fair value of the item at the inception (cash sales price net of rebates) or the discounted value of lease payments at the lease's implicit interest rate.

As described in note 4.7, the fair value of receivables guarantees granted by Haulotte Group to the lending institution of the customer, represents:

- either the amount of capital remaining due by the customer of Haulotte Group to the financial institution
- or the maximum amount of the risk incurred by Haulotte Group,

The corresponding receivables and payables are discharged as customers make lease payments to the financial institution.

Out of a total outstanding balance transferred to financing institutions of €128.6 million, only €4.2 million are fully guaranteed. For the remaining €124.3 million, the residual risk retained by Haulotte amounts to €15.8 million and is included in Financing Operations Receivables on the balance sheet and in Financial Liabilities under the 'Guarantees' lines."

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Due receivables are analyzed on a case-by-case basis with particular attention to customer quotations established by the Group (see note 5.b). In light of these elements and the resulting risk analysis, the Group determines the relevance of booking a depreciation. Where applicable, depreciations are recorded in order to cover the difference between the book value of the receivable and the estimated resale value of the machine assessed on the basis of sales history and market conditions at the closing date.

Provisions for trade receivables break down as follows:

	31/12/2022	Increase	Decrease	Translation adjustment	31/12/2023
Provisions for trade receivables	(15,542)	(4,715)	2,367	579	(17,311)

Decrease is mainly due to the write-off of some receivables with no impact on the result of the year.

The provisions for trade receivables correspond mainly to receivables due over 120 days.

The trade receivables net amount split as follows by maturity date:

	Total	Not due or less than 30 days	Due		
			less than 60 days	60 to 120 days	more than 120 days
Net trade receivables 2023	185,824	178,552	4,257	1,138	1,877
Net trade receivables 2022	205,956	195,717	3,627	1,848	4,764

NOTE 15 - OTHER ASSETS

	31/12/2023	31/12/2022
Other current assets	18,557	24,419
Advances and instalments paid on orders	1,898	1,898
Prepaid expenses	4,808	4,828
Depreciation of other current assets	(226)	(220)
TOTAL OTHER CURRENT ASSETS	25,037	30,925
Other non-current assets	2,668	5,190
TOTAL OTHER ASSETS	27,705	36,115

The caption « Other current assets » includes mainly:

- VAT receivables for 15 320 K€,
- tax advances for 2 445 K€,
- tax receivables for 847 K€ ,

Other non-current assets are corresponding to tax credits non usable at short term.

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NOTE 16 - RECEIVABLES BY MATURITY

31/12/2023	Amount	Less than 1 year	1 to 5 years
Trade receivables*	144,562	144,562	-
Trade receivables from financing activities	41,260	16,685	24,575
Other assets	27,703	25,035	2,668
TOTAL	213,525	186,282	27,243

* Including receivables overdue or more than 30 days for € 7272 thousand (cf. note 14)

31/12/2022	Amount	Less than 1 year	1 to 5 years
Trade receivables*	148,910	148,910	-
Trade receivables from financing activities	57,046	20,867	36,179
Other assets	36,115	30,925	5,190
TOTAL	242,071	200,702	41,369

* Including receivables overdue or more than 30 days for € 10 239 thousand (cf. note 14)

NOTE 17 - FOREIGN EXCHANGE RISK MANAGEMENT

The following table presents the foreign currency exposures of trade receivables and payables:

Au 31/12/2023 - in thousands of euros	EUR	AUD	GBP	USD	RMB	Others	TOTAL
Trade receivables	69,583	24,281	1,279	69,617	22,919	15,457	203,136
Trade payables	(57,922)	(1,152)	(261)	(13,835)	(7,939)	(3,311)	(84,420)
NET AMOUNT	11,661	23,129	1,018	55,782	14,980	12,146	118,716

Au 31/12/2022 - in thousands of euros	EUR	AUD	GBP	USD	RMB	Others	TOTAL
Trade receivables	77,454	26,929	3,585	60,836	36,679	16,014	221,497
Trade payables	(71,329)	(1,020)	(372)	(18,905)	(11,434)	(6,840)	(109,900)
NET AMOUNT	6,125	25,909	3,213	41,931	25,245	9,174	111,597

A 10 % increase in the value of the euro against the pound sterling would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 93 K€.

A 10 % increase in the value of the euro against the US dollar would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 5 215 K€.

A 10 % increase in the value of the euro against the Australian dollar would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 2 103 K€.

A 10 % increase in the value of the euro against the Brazilian Real bi would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 606 K€.

A 10 % increase in the value of the euro against the Renminbi would represent, excluding the impact of hedges, an impact in the consolidated financial statements of 2 348 K€.

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NOTE 18 - CASH AND CASH EQUIVALENTS

	31/12/2023	31/12/2022
Cash at bank and in hand	33,290	30,403
Money market funds	8,132	7,049
TOTAL	41,422	37,452

NOTE 19 - DERIVATIVES INSTRUMENTS

All of the derivatives instruments held by the Group on December 31, 2023, calculated at level 2 true value in accordance with the IFRS 7 definitions, as detailed in note 5. The positive real values are as follows:

	31/12/2023	31/12/2022
Currency swap GBP	-	-
Forward sales USD	2,660	1,620
Currency swap USD	-	-
TOTAL	2,660	1,620

	31/12/2023	31/12/2022
Interest rate swaps	-	-
Forward sales USD	-	-
TOTAL	-	-

NOTE 20 - SHARE CAPITAL AND PREMIUMS

	31/12/2023	31/12/2022
Number of shares	31,371,274	31,371,274
Nominal value in euros	0.13	0.13
SHARE CAPITAL IN EUROS	4,078,266	4,078,266
SHARE PREMIUMS IN EUROS	3,753,485	3,753,485

Treasury shares at 31 December 2023 are as follows:

	31/12/2023	31/12/2022
Number of treasury shares	1,913,475	1,876,529
Treasury shares as a percentage of capital	6.10%	5.98%
Market value of treasury shares in K€*	4,841	6,512

* based on quoted value of the last business day of the year

Since 14 April 2015, Haulotte Group S.A appointed Exane BNP PARIBAS for the implementation of a liquidity contract on its shares. This liquidity contract complies with the Charter of Ethics established by the AMAFI and approved by the "Autorité des Marchés Financiers". This contract is yearly renewable by tacit agreement.

For the implementation of this contract, the following resources have been allocated to the liquidity account:

- 102 171.80 Euros in cash,
- The equivalent of 11 524.85 Euros in money market funds,
- 139 418 Haulotte Group shares

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Change in treasury shares during the years 2022 and 2023 was as follows:

Type		2023	2022
Liquidity agreement	Number of shares purchased	210,874	163,588
	Purchase price of shares (*)	649,066	616,121
	Average price per share	3.1	3.8
	Number of shares sold	173,928	149,179
	Original value of shares sold	663,430	919,176
	Sale price of shares sold (*)	541,897	561,578
	Net gain/(loss)	(121,532)	(357,598)
	Number of shares cancelled	-	-
	Number of shares	215,070	178,124
	Original value of shares	731,318	745,682
Buyback autorisation	Number of shares purchased		
	Purchase price of shares		
	Average price per share		
	Number of shares sold		
	Original value of shares sold		
	Selling price of shares sold		
	Net gain/(loss)		
	Number of shares cancelled		
Number of shares	1,698,405	1,698,405	
Initial value of shares	13,183,551	13,183,551	
Global	Number of shares	1,913,475	1,876,529
	Original value of shares	13,914,869	13,929,233
	Provision for treasury shares		
	Closing quoted value of shares	2.53	3.47

(*) : Cash flows generated from treasury shares correspond to the sale price of the shares less the purchase price of shares purchased. This amounted to (108) K€ for the year ended 31 December 2023.

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NOTE 21 - BORROWINGS AND FINANCIAL LIABILITIES

	31/12/2023	31/12/2022
Syndicated loan	-	89,893
Other borrowings	21,273	37,439
Other advances	4,936	5,949
State-guaranteed loan	13,125	-
Participating Relaunch Loan	10,000	-
Guarantees	15,470	16,211
NON-CURRENT FINANCIAL LIABILITIES	64,804	149,488
Syndicated loan	89,735	(266)
Other borrowings	19,735	12,204
Other advances	1,013	1,013
State-guaranteed loan	84,875	96,000
Participating Relaunch Loan	-	-
Guarantees	4,596	6,093
Others	263	528
Syndicated loan - overdrafts	27,935	30,093
Other overdrafts	8,725	10,672
CURRENT FINANCIAL LIABILITIES	236,877	156,338
TOTAL BORROWINGS AND FINANCIAL LIABILITIES	301,681	305,826

Movements in the syndicated credit facilities in the 2023 financial period may be summarized as follows:

	31/12/2022	Repayment schedule	Net change of the revolving credit line	Net change of the bank overdraft	Amortization of fees	31/12/2023	Balance available for future drawing on at 31 december 2023
Revolving credit limit	90,000	-	-	-	-	90,000	-
TOTAL EXCLUDING OVERDRAFTS	90,000	-	-	-	-	90,000	-
Overdrafts	30,093	-	-	(2,158)	-	27,935	12,065
Commissions and fees	(372)	-	-	-	107	(265)	-
TOTAL	119,721	-	-	(2,158)	107	117,670	12,065

As part of the syndicated loan contract signed in 2019 and the State Guaranteed Loan signed in 2022, no real security has been required by the banking pool. However, these two lines provide for a certain number of obligations which must be complied with by the Group throughout the duration of the contracts.

A certain number of ratios will be measured every six months based on the selected ratios derived from the consolidated financial statements for the half-year periods ended 30 June and 31 December of each year (notably Group EBITDA, shareholders' equity, net debt).

Concerning the commitments:

Syndicated loan:

- As of December 31, 2023, the syndicated loan in force, which expires on July 17, 2026, for a value of € 130 million, has been used up to € 118 million.

Club deal financing:

- This loan was subscribed in July 2021 with some of the syndicated loan pool banks. As of December 31, the outstanding capital is € 8 million. The financial ratios requirements are the same as for the syndicated loan.

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State Guaranteed Loan (PGE):

- On June 28, 2022, Haulotte obtained from all the lenders of its syndicated loan, as well as BPI France, a State Guaranteed Loan of € 96 million.
- In April 2023, the Group chose to amortize the repayment over 5 years, extending the maturity of the PGE to June 2028.
- In June 2023, an additional 2M€ was obtained on the PGE.
- The financial ratio conditions are the same as those of the syndicated credit for a tranche of €81 million of this PGE.

Participating Relaunch Loan (PPR)

In 2023, the Group subscribed to a €10 million Participating Relaunch Loan. These fixed-rate loans will be reimbursed over a total period of 8 years (including a 4-year grace period).

Financial ratios monitoring and continuity of the Group's financing:

The Group is unable to comply with its banking ratios for the period of December 2023, and in part for June 2024, and it submitted a waiver request, which was accepted by the banking consortium for the two periods on 12 March 2024.

Group debt is denominated in the following currencies (excluding guarantees given)

Translated value in thousands of euros	31/12/2023	31/12/2022
Euros	278,441	275,988
Others	3,191	7,534
TOTAL	281,632	283,522

The variation of financial debts is disclosed in the following table, according to IAS 7:

	31/12/2022	Cash flow			Non cash flow		31/12/2023
		Issue / Refund *	Interests	Overdraft	Conv.	Other	
Short Term	156,338	2,476	-	(3,714)	(407)	82,204	236,897
Long Term	149,488	12,279	(12,523)	-	3	(84,445)	64,802
TOTAL	305,826	14,755	(12,523)	(3,714)	(404)	(2,241)	301,699

*The difference between the amount of issues and refunds of borrowings disclosed in the table above and the amount disclosed in the consolidated statement of cash flow comes from flows on financial assets (deposits or loans).

Non-cash flows are mainly impacted by the change in guarantees on financing operations and the short term reclassification of debt for which a waiver has been obtained (see below).

Cash flow situation in Russia

The subsidiary had cash in the order of € 2 million (of which € 1 million is in the local currency) on December 31, 2023. These amounts are used for the subsidiary's current operations. The authorized systems are implemented by the Group to access funds for its operations.

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NOTE 22 - MANAGEMENT OF INTEREST-RATE RISKS

Borrowings, excluding guarantees given, break down as follows:

	31/12/2023	31/12/2022
Fixed rate borrowings	46,264	64,804
Variable rate borrowings	235,372	218,721
TOTAL	281,636	283,525

A 1 % rate increase would result in a maximum additional interest expense, excluding hedges, of 2 354 K€.

NOTE 23 - PROVISIONS

	31/12/2022	Allowance	Provision used in the period	Reversal of unused provision	Translation adjustment	31/12/2023
Provisions for product warranty	6,810	2,586	(629)	(346)	(120)	8,301
Restructuring provision	1,443	-	(873)	(447)	-	123
Provisions for litigation	2,483	184	(121)	(247)	(257)	2,042
Short-term portion of pensions provisions	18	-	-	-	-	18
CURRENT PROVISIONS	10,754	2,770	(1,623)	(1,040)	(377)	10,484
Long-term portion of pensions provisions	3,860	719	(80)	-	(50)	4,449
NON-CURRENT PROVISIONS	3,860	719	(80)	-	(50)	4,449
TOTAL PROVISIONS	14,614	3,489	(1,703)	(1,040)	(427)	14,933

Customer warranties

Customer warranties provision has increased during the fiscal year mainly due the evolution of quantities over the period.

Other provisions

Other amounts booked as at December 31, 2023 are considered as individually non significant.

Contingent liabilities

The Group is involved in various procedures inherent to its activities. The Group considers that the provisions made for these risks, disputes or contentious situations known or in progress at the balance sheet date, are of a sufficient amount so that the consolidated financial situation is not significantly affected in the event of an unfavorable outcome.

- Since 2017 closing, the Group has identified financial assets relating to a customer for who a reimbursement would not take place according to the original schedules. During the second half of 2018, a litigation situation has been identified and resulted in a summons in May 2019. As of today, the progress of the legal litigation leads the Group to consider it as a contingent liability, in connection with the note 35.
- The distribution subsidiary of Haulotte Group in Brazil, Haulotte do Brazil is currently being the subject of a proceeding concerning the settlement of import tax duties prior to 2010. The Group is currently studying with its counsel the actual risk of this proceeding. At 31 December 2023, it was not possible to reliably measure this risk (notably as the amounts cited were considered as very excessive) and this litigation is in consequence classified as a contingent liability .

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NOTE 24 - PENSION AND RELATED BENEFITS

Main assumptions used for the valuation of liabilities

The only post-employment benefits of Group employees correspond to retirement severance benefits and long-service awards, mainly in the French entities.

Provisions are recorded for retirement liabilities according to the principles described in paragraph 4.10, taking into account the following assumptions:

	31 December 2023	31 December 2022
Turnover rate	based on historical data available to the Group with no changes between the two periods	
Rate of wage increases (according to seniority, the projected career profile, collective bargaining agreements, and long-term inflation rate)	based on seniority, expected career profile, collective labor agreements and long-term inflation rate calculated on a historical basis	
Discount rate	3.15%	3.45%
Retirement age	Employees born before 1 January 1950	
	- Management	62 years old
	- Supervisors / office employees and workers	60 years old
	Employees born after 1 January 1950	
	- Management	65 years old
	- Supervisors / office employees and workers	64 years old

With respect to retirement severance payments, the scenario adopted is voluntary departure of employees whereby social charges are taken into account (45 %). This calculation method complies with the framework of the Fillon Law (enacted on 21 August 2003, and amended by Law 2010-1330 of 9 November 2010 for the reform of retirement systems published in the French official journal on 10 November 2010).

The Group does not hold any plan assets.

A general decline in the discount rate of 0.25 points would result in a 3.0 % increase in benefit obligations

Following the decision of IFRS IC (1st application in 2021) which concluded that the provision to be recognized for the benefit should only be constituted over the period which covers the last 16 years of service rendered by the employee (or between the date of employment and the date of retirement, if the duration determined is less than 16 years).

Change in accumulated benefit obligations

	31/12/2023	31/12/2022
PRESENT VALUE OF THE COMMITMENT AT THE BEGINNING OF THE PERIOD	3,878	5,534
Service costs of the year	340	576
Discount costs	110	53
SUBTOTAL OF AMOUNTS RECOGNISED IN PROFIT OR LOSS	451	629
Benefits paid in the period	(32)	(29)
SUBTOTAL OF OUTFLOWS (BENEFITS AND CONTRIBUTIONS PAID BY THE EMPLOYER)	(32)	(29)
Changes in assumptions	(379)	(1,629)
Actuarial (gains) and losses arising from experience adjustments	600	(607)
Translation adjustments	-	-
Change of method	-	-
SUBTOTAL AMOUNTS RECOGNISED IN OTHER COMPREHENSIVE INCOME	222	(2,236)
Change in consolidation scope	-	-
CURRENCY TRANSLATION	(50)	(20)
PRESENT VALUE OF THE COMMITMENT AT THE END OF THE PERIOD	4,469	3,878

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Total amounts recognized in Other Comprehensive Income (excluding deferred taxes)

	31/12/2023	31/12/2022
TOTAL AMOUNTS RECOGNISED IN OCI AT THE BEGINNING OF THE PERIOD	(1,036)	1,200
Revaluation of net liabilities / assets of the period	222	(2,236)
TOTAL AMOUNTS RECOGNISED IN OCI AT THE END OF THE PERIOD	(814)	(1,036)

NOTE 25 - PAYABLES BY MATURITY

31/12/2023	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Bank borrowings	265,025	200,221	50,739	14,065
Including guarantees given	20,066	4,596	15,470	-
Bank overdrafts	36,673	36,673	-	-
Trade payables	84,420	84,420	-	-
Lease liabilities	16,918	4,961	9,330	2,627
Other current liabilities	33,271	33,271	-	-
TOTAL	436,307	359,546	60,069	16,692

31/12/2022	Gross value	Less than 1 year	1 to 5 years	More than 5 years
Bank borrowings	265,061	115,573	136,822	12,666
Including guarantees given	22,304	6,093	16,211	-
Bank overdrafts	40,765	40,765	-	-
Trade payables	109,900	109,900	-	-
Lease liabilities	17,016	4,878	8,925	3,213
Other current liabilities	35,503	35,503	-	-
TOTAL	468,245	306,619	145,747	15,879

NOTE 26 - OTHER CURRENT LIABILITIES

	31/12/2023	31/12/2022
Down payments received	2,745	4,290
Tax and employee-related liabilities	24,193	23,583
Prepaid income	1,072	2,829
Others	5,261	4,801
TOTAL	33,271	35,503

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 27 - DEFERRED TAXES

Deferred tax assets are offset by deferred tax liabilities generated in the same tax jurisdiction.

Deferred tax assets resulting from temporary differences or tax losses carried forward are recognized only to the extent that is really probable that future taxable profit will be available against which the temporary differences can be utilized over the next five years. When this probability cannot be demonstrated, deferred tax assets are capped to the amount of deferred tax liabilities recognized on the same tax jurisdiction and deferred tax assets on tax losses carried forward are not recognized.

The global amount of tax losses carried forward for which no deferred tax assets were recorded amount to 120 M€ for the Group at 31 December 2023 (132 M€ at 31 December 2022) and the major part can be indefinitely carried forward.

The change in net deferred tax breaks down as follows:

	31/12/2023	31/12/2022
Deferred taxes from adjustments of the fair value of rental equipment	(314)	(85)
Deferred taxes from adjustments on finance leases and back-to-back leases	518	5
Deferred taxes from provisions of pensions	969	832
Deferred taxes from adjustments of internal margin on inventory and fixed assets	3,435	2,228
Deferred taxes from non-deductible provisions	5,850	3,660
Deferred taxes from differences in depreciation periods and R&D costs	(3,789)	(4,167)
Deferred taxes on Acarlar customers portfolio	(1,286)	(974)
Deferred taxes from tax losses	12,512	7,038
Deferred taxes from other consolidation adjustments	(1,685)	(904)
Deferred taxes from other temporary differences	(1,886)	(1,871)
Impact of the capping of deferred tax assets	(5,520)	(3,739)
TOTAL⁽¹⁾	8,804	2,023

(1) Including K€ 20,193 of deferred tax assets and K€ (11,389) of deferred tax liabilities (K€ 14,073 and K€ (12,051) as of 31/12/2022).

The change in net deferred tax breaks down as follows:

	31/12/2023	31/12/2022
OPENING NET BALANCE	2,023	4,768
Income / (loss) from deferred taxes from continued activities	6,259	(727)
Deferred taxes recognised in other comprehensive income	579	(2,230)
Other	69	(170)
Translation adjustment	(126)	382
CLOSING NET BALANCE	8,804	2,023

Deferred taxes recognized in other comprehensive income concerned mainly the net impact of unrealized foreign exchange losses and gains on current accounts classified as net investments.

The other line consists of a reclassification of a tax generated by temporary tax differences generating deferred taxes.

NOTE 28 - SALES AND REVENUE

Note 40 on segment reporting provides with details on sales and revenue.

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 29 - COST OF SALES

	31/12/2023	31/12/2022
Production cost of sales	(608,197)	(500,154)
Change in inventory provisions	(495)	272
Warranty costs	(9,326)	(6,833)
TOTAL	(618,018)	(506,715)

NOTE 30 - GENERAL AND ADMINISTRATIVE EXPENSES

	31/12/2023	31/12/2022
Administrative expenses	(49,104)	(46,213)
Provision for depreciation of trade receivables	831	1,195
Management expenses	(14,036)	(11,435)
TOTAL	(62,309)	(56,453)

NOTE 31 - RESEARCH AND DEVELOPMENT EXPENDITURES

	31/12/2023	31/12/2022
Development expenditures recognised as intangible assets	5,000	5,726
Amortisation of development expenditures	(4,335)	(3,888)
Research tax credit	2,524	2,457
Development expenditures	(17,525)	(17,853)
TOTAL	(14,336)	(13,558)

NOTE 32 - EXCHANGE GAINS AND LOSSES

In current operating income	31/12/2023	31/12/2022
Realised exchange gains and losses	(2,105)	2,232
Unrealised exchange gains and losses	1,568	(863)
TOTAL	(537)	1,369

In financial income	31/12/2023	31/12/2022
Realised exchange gains and losses	155	(242)
Unrealised exchange gains and losses	(20,056)	(2,431)
TOTAL	(19,901)	(2,673)

TOTAL	(20,438)	(1,304)
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Foreign exchange gains and losses related to underlying considered as financing items (mainly of our subsidiaries) are presented within the financial result.

The Group is facing negatively impact by a very unfavorable forex environment, particularly due to the devaluation of Argentine Peso at the very end of the year, representing an impact of €(10,7)million including IAS29.

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 33 - EXPENSES BY NATURE OF CURRENT OPERATING INCOME

	31/12/2023	31/12/2022
Purchases of raw materials and other consumables and changes in finished products inventory	(472,116)	(369,343)
External charges	(120,531)	(111,743)
Taxes and related items	(3,739)	(2,777)
Staff costs	(116,251)	(109,109)
Net depreciation, impairment and provisions	(23,216)	(20,303)
Currency gains and losses	(537)	1,369
Other operating income and expenses	3,973	726
TOTAL	(732,417)	(611,180)

NOTE 34 - STAFF COSTS

	31/12/2023	31/12/2022
Salaries and wages	(87,668)	(81,272)
Social security and related expenses	(27,471)	(26,862)
Employee profit-sharing	(902)	(585)
Pensions costs	(210)	(390)
TOTAL	(116,251)	(109,109)

Staff costs are allocated to the appropriate captions of the income statement by function.

NOTE 35 - OTHER OPERATING INCOME AND EXPENSES

	31/12/2023	31/12/2022
Industrial reorganization costs	447	(276)
Cost of litigation net of increases/ decreases in provisions	(3,850)	(1,852)
Various adjustments for previous financial years	-	(150)
Goodwill depreciation	4,169	3,425
Others	3,938	(646)
TOTAL	4,704	501

The costs of litigation consist mainly of movements linked to the client litigation mentioned in note 23, representing € (3.9) million (fees and asset depreciation) in 2023.

The 'Others' line is mainly composed of the disposal of a production site.

In addition, € +4.2 million is recorded in application of IAS 29 in Turkey (balance sheet impacts presented in notes 8 and 9).

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 36 - COST OF NET FINANCIAL DEBT, OTHER FINANCIAL INCOME AND EXPENSES

	31/12/2023	31/12/2022
Interest expenses and fees on loans and bank overdrafts	(12,482)	(3,872)
Cost of transfers of financial assets	(1,093)	(319)
Interests on leasing contracts	(1,112)	(1,266)
COST OF NET FINANCIAL DEBT	(14,687)	(5,457)
Gains and losses on realization of financial instruments	-	-
Others	3,933	980
OTHER FINANCIAL INCOME AND EXPENSES	3,933	980
TOTAL	(10,754)	(4,477)

NOTE 37 - CORPORATE INCOME TAX

	31/12/2023	31/12/2022
Current tax	(7,033)	(4,910)
Deferred tax	6,259	(727)
TOTAL	(774)	(5,637)

NOTE 38 - EFFECTIVE INCOME TAX RECONCILIATION

The difference between the effective tax rate of 76.79% (-58.83% in December 2022) and the standard rate applicable in France of 25.83 % breaks down as follows:

	31/12/2023		31/12/2022	
Consolidated income before tax	1,008		(9,582)	
TAX (INCOME)/ EXPENSE CALCULATED AT THE TAX RATE APPLICABLE TO THE PARENT COMPANY'S PROFIT	260	25.83%	(2,475)	25.83%
Effect of differential in tax rates	379		(187)	
Effect of permanently non-deductible expenses or non-taxable income	2,461		8,581	
Effect of unused tax losses carried forward	(184)		3,647	
Effect of tax consolidation and income tax credits	(1,882)		(1,271)	
Effect of income tax in comprehensive income	-		(2,230)	
Others	(260)		(428)	
EFFECTIVE TAX (INCOME)/ EXPENSE	774	76.79%	5,637	-58.83%

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 39 - EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit or loss of the Group for the period by the weighted average number of shares outstanding during the period, excluding treasury shares acquired.

Diluted earnings per share are calculated by adjusting the weighted number of shares outstanding in order to take into account all shares issued on conversion of potentially dilutive securities, and notably stock options. A calculation is made to determine the number of shares acquired at fair value (the annual average for traded shares) according to the monetary value of rights attached to outstanding stock options. The resulting number of shares is then compared with the number of shares that would have been issued if the options have been exercised.

In Euros	31/12/2023	31/12/2022
NET INCOME FOR THE GROUP IN THOUSANDS OF EUROS	186	(15,282)
Total number of shares	31,371,274	31,371,274
Number of treasury shares	1,913,475	1,876,529
NUMBER OF SHARES USED FOR THE EARNINGS PER SHARE AND THE DILUTED EARNINGS PER SHARE CALCULATION	29,457,799	29,494,745
Earnings per share attributable to shareholders		
- basic	0.01	(0.52)
- diluted	0.01	(0.52)

NOTE 40 - SEGMENT REPORTING

40.1 SALES BREAKDOWN

Sales by business segment	31/12/2023	%	31/12/2022	%
Sales of handling and lifting equipment*	669,434	88	522,773	86
Rental of handling and lifting equipment	19,334	3	21,276	3
Services	70,608	9	64,198	11
CONSOLIDATED SALES	759,375	100	608,247	100

* Financed sales amount to 53.0 M€ (versus 67.3 M€ as per 31 December 2022) and interests income on financed sales amount 2.9 M€ (versus 3.4 M€ as per 31 December 2022).

40.2 MAIN INDICATORS BY BUSINESS SEGMENT

The column « Others » includes items not allocated to the Group's three business segments as well as inter-segment items.

In K€ (continuing operations)	31/12/2023					31/12/2022				
	Manufacturing and Sale of equipment	Equipment rental	Services	Others	Total	Manufacturing and Sale of equipment	Equipment rental	Services	Others	Total
INCOME STATEMENT HIGHLIGHTS										
Sales and revenues to external customers	669,434	19,334	70,608	-	759,375	522,770	21,276	64,198	-	608,244
Current operating income	28,185	3,525	12,634	(17,387)	26,958	17,221	4,254	11,688	(36,096)	-2,933
ASSETS										
Inventories	196,732	-	17,313	-	214,045	215,698	-	16,277	-	231,975
Trade receivables*	162,920	4,615	18,287	-	185,822	185,016	5,459	15,480	-	205,956

* includes receivables on financing operations

Notes 41 to 43 provide with information regarding the cash flow statement

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 41 - ANALYSIS OF CHANGE IN WORKING CAPITAL

	31/12/2023	31/12/2022
Change in inventories	11,509	(73,451)
Change in provision for inventories	561	(316)
Change in trade receivables	(5,997)	(36,287)
Change in provision for trade receivables	2,285	(1,025)
Charge in trade payables	(24,132)	17,808
Change in other assets and liabilities	3,054	1,208
CHANGE IN OPERATING WORKING CAPITAL CONTINUED OPERATIONS	(12,720)	(92,063)

NOTE 42 - ANALYSIS OF CHANGE IN RECEIVABLES FROM FINANCING ACTIVITIES

	31/12/2023	31/12/2022
Change in gross value	12,079	9,314
Change in provisions	0	0
CHANGE IN RECEIVABLES FROM FINANCING ACTIVITIES	12,079	9,314

Revenue from financing activities includes back-to-back arrangements, direct financing leases, lease payment obligations and risk pool commitments.

Transactions involving risk pool commitments and lease payment obligations by Haulotte Group SA represent transactions for which receivables and payables are fully offset. In consequence, they do not generate cash flow. The receivables and payables (for the same amount) are discharged as customers make lease payments to their financial institution. In consequence, these transactions are eliminated in the cash flow statement because they have no impact on net cash.

Changes in back-to-back lease arrangements and finance leases are presented as a cash component of the above business. In contrast, changes in the corresponding payable (fully matched by the receivable or resulting from a comprehensive financing arrangement after the back-to-back lease agreements were repurchased through a syndicated loan) are presented under cash flows from financing activities.

NOTE 43 - CASH COMPONENTS

	31/12/2023	31/12/2022
Cash on hand and deposit accounts	33,290	30,403
Money market funds and negotiable instruments	8,132	7,049
CASH AND CASH EQUIVALENT - BALANCE SHEET	41,422	37,452
Bank overdrafts (refer to note 21)	(36,660)	(40,764)
CASH AND CASH EQUIVALENT - CASH FLOW STATEMENT	4,762	(3,312)

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 44 - INFORMATIONS ON RELATED PARTIES

44.1 RELATED PARTIES TRANSACTIONS

Solem S.A.S. is the majority shareholder of Haulotte Group S.A., with 57.57 % of the share capital at 31 December 2023.

Solem paid to Haulotte Group S.A. income of 30 K€ in 2022 and 30 K€ in 2023, and invoiced charges of 1 491 K€ in 2022 and 2 786 K€ in 2023 corresponding to the expenses incurred for the Group by two Directors as described in the note below.

Telescopelle paid 75 K€ to Solem (57 K€ in 2022) under the terms of a financial recovery clause following a debt waiver granted on 31 December 2001 for 1 220 K€. The debt waiver balance for which the payment is expected amounted to 251 K€ at 31 December 2023.

44.2 FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amounts allocated to Board members paid by the Group amounts to 1 198 K€ for 2023 (739 K€ for 2022). This whole amount corresponds to short term advantages (fix and variable wages).

In compliance with the agreement to provide general administrative and commercial assistance signed by Solem S.A.S. the cost of the services is subject to a 10% mark-up.

No loans or advances have been granted to directors and officers. There are no other pension obligations or related commitments in favor of current or former executives.

NOTE 45 - OFF-BALANCE SHEET COMMITMENTS

Commitments given	31/12/2023	31/12/2022
Repurchase commitments*	-	8
Guarantees on export financing**	271	573

* Repurchase commitments cover guarantees for the residual values granted by the Group in connection with customer financing agreements.

** Financing export agreements are put in place for some customers. Specialized financial institutions guarantee these agreements to the banks for a certain percentage. Then, the Group gives an additional guarantee to the financial institution for the percentage not covered.

CONSOLIDATES FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

NOTE 46 - AVERAGE NUMBER OF EMPLOYEES

	31/12/2023	31/12/2022
Average headcount for the year	2,019	1,983

NOTE 47 - AUDITORS' FEES

In euros (excluding VAT)	PricewaterhouseCoopers Audit SAS		BM&A	
Reports on financial statements	204,884	93%	251,344	100%
Other services	14,310	7%	-	0%
TOTAL	219,194	100%	251,344	100%

Other services are related to independent report on corporate social responsibility information.

NOTE 48 - SUBSEQUENT EVENTS

At the accounts closing date by the Board of Directors, the 19th of March 2024, no subsequent events have occurred.

Concerning elements related to the continuity of the Group's financing, please see notes 2 and 21.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

PricewaterhouseCoopers Audit

Grand Hôtel Dieu
3 Cour du Midi, CS 30259
69287 Lyon Cedex 02

BM&A

11 rue de Laborde,
75008 Paris

To the annual general meeting of Haulotte Group SA

Rue Emile Zola

42420 Lorette

This is a free translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and is provided solely for the convenience of English-speaking readers. This statutory auditors' report includes information specifically required by European regulations and French law, such as information about the appointment of statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the annual general meeting,

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying consolidated financial statements of Haulotte SA ("the Group") for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming in our opinion thereon and we do not provide a separate opinion on specific items of the consolidated financial statements.

MEASUREMENT OF THE GOODWILL ALLOCATED TO THE “NORTH AMERICA” & “ACARLAR” CGU

Description of risk

At 31 December 2023, total goodwill amount to €8,914 thousand net and goodwill for the “North America” & “Acarlar” CGU (cash-generating unit) came to € 4,458 thousand net, and € 4,436 thousand net, respectively. The procedures for the impairment tests used are described in Notes 4.1 and 8 to the consolidated financial statements.

The recoverable amounts of the “North America” & “Acarlar” CGU are determined based on their value in use, which are calculated using the discounted value of cash flows expected over a period of five years from the group of assets allocated to the “North America” & “Acarlar” CGU. Forecast data includes assumptions in terms of volume, sale price and production costs and the use of a discount rate and a long-term growth rate.

Given the use of assumptions and estimates to assess the recoverable value, we deemed the measurement of goodwill to be a key audit matter.

How our audit addressed this risk

We examined the methodology used by the Group for performing impairment tests.

Our work consisted primarily in:

- Reconciling the data underlying the “North America” & “Acarlar” CGU carrying amount with the consolidated financial statements;
- Ensuring the correct calculation of discounted cash flows;
- Verifying the mathematical accuracy of the data and reconciling forecast data with the budget approved by management;
- Assessing the consistency of the operational assumptions made by management to establish cash flow projections, including by comparing them to past performances and market outlook;
- Assessing the discount rate calculations and corroborating certain inputs of this rate with available market data, particularly in the context of inflationary pressures;
- Assessing the sensitivity of the recoverable amount to inputs such as discount rate and the assumptions used.

We also examined the appropriateness of the disclosures provided in Notes 4.1 and 8 “Goodwill” to the consolidated financial statements.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

ASSESSMENT OF CUSTOMER CREDIT RISK

Description of risk

The Group has a diverse portfolio of customers whose financial positions may be impacted by the cyclical nature of the markets and changing geopolitical environments, which could, in the short term, result in limited liquidity and ultimately affect their ability to make payments

At 31 December 2023, trade receivables, including receivables from financing activities, represented a gross value of €203,136 thousand and a net value of €185,822 thousand.

As indicated in Notes 4.7, 5 and 14 to the consolidated financial statements, the assessment of customer risk, and consequently the measurement of potential impairment, relies on (i) an analysis of customers' individual financial situations based primarily on past relationships with those customers and the outlook of the markets in which they operate, and (ii) the likelihood that the Group would recover underlying assets in the event of customer default.

Given the materiality of receivables with varying maturities depending on the type of financing and the judgements and assumptions made by management to measure impairment of trade receivables, we deemed the measurement of customer credit risk to be a key audit matter.

How our audit addressed this risk

Our work consisted primarily in:

- Gaining an understanding of the internal control procedures put in place by management applicable to the measurement of customer credit risk;
- Assessing the merits of the assumptions made by management in its measurement of potential customer credit risks including, where applicable, the ability to repossess equipment;
- Verifying the basic data used to measure provisions related to trade receivables when payment deadlines are exceeded by more than one year.

ASSESSMENT OF THE CORRECT VALUATION OF INVENTORY

Description of risk

At 31 December 2023, inventory represented a net value of € 214,045 thousand and a gross value of €219,101 thousand including raw materials for €90,793 thousand, work-in-progress for € 8,600 thousand and finished goods for € 22,363 thousand.

As indicated in Note 4.6 to the consolidated financial statements, the value of raw materials is based on the weighted average unit cost and the value of work-in-progress and finished goods includes direct and indirect production based on normal operating capacity. A depreciation is accounted for when the net realizable value, corresponding to the estimated selling price in the ordinary course of business less applicable expenses to sell or recondition the goods, is lower than the net value.

Given the context of inflationary pressure and the difficulties in the supply chain with an impact on the quantities, on the delay of production and on the value of inventory, we deemed the valuation of inventory to be a key audit matter.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

How our audit addressed this risk

Our work consisted primarily in:

- Gaining an understanding of the internal control procedures and assessing the correct design and the efficiency of key internal controls designed by the Group and related to the valuation of the different natures of inventory,
- Assessing the correct valuation of raw materials
 - Analysis of the consistency of the evolution of the weighted average unit price compared to the previous year and to the rise in purchase costs,
 - Tests of detail on an extended sample.
- Assessing the compliance of direct and indirect production costs included in the valuation of work-in-progress and finished goods with the applicable accounting principles,
- Assessing the correct valuation of work-in-progress and finished goods
 - Analysis of actual direct and indirect production costs without the impact of under activity
 - Tests of detail on an extended sample.
- Verifying the correct calculation of depreciation for all the different type of inventory based on the Group method and verifying the absence of additional depreciation to be recognized based on margins realized by the Group during the subsequent period.
- Verifying the absence of litigations with suppliers of raw materials regarding purchase prices with a potential significant impact on the value of inventory.

We also examined the appropriateness of the disclosures provided in Notes 4.6 and 13 "Inventory and work-in-progress" to the consolidated financial statements.

ASSESSMENT OF THE GOING CONCERN BASIS

Description of risk

Consolidated financial statements have been prepared using the going concern basis of accounting.

The net financial debt (without IFRS 16 impacts) as at December 31, 2023 amounts to € 260.3 million, including cash for € 41.4 million, financial debts and liquidity as described in Notes 18 "Cash and cash equivalent" and 21 "Borrowings and financial liabilities".

As part of some financial debts, financial covenants must be respected ; as the Group has breached these covenants as at Decembre 31, 2023 and will partially breach them as at June 30, 2024, a waiver has been requested and has been granted by all the lenders to the Group for these two periods in March 12, 2024.

Based on :

- The net financial debt and the portion of debts to be paid within the next 12-month,
- The cash and short-term liquidity available at Group level,
- The assumptions followed by Management to prepare a budget and assess expected cash-flows,

the level of cash is considered as sufficient by Group Management to ensure the continuity of the activities.

Given the terms and conditions of the financial debts of the Group and the use of assumptions and estimates to assess the expected rentability and future cash-flows, we deemed the assessment of the going concern to be a key audit matter.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

How our audit addressed this risk

As part of our audit procedures, we assessed the level of liquidity needed by the Group based on future expected cash-flows, actual cash and short-term credits available.

Our work consisted primarily in obtaining the details of future expected cash-flows and in understanding (i) procedures followed and (ii) main assumptions applied to determine these cash-flows.

We assessed their consistency with the last business plan prepared by Management and approved by the executive committee.

We also assessed their reasonableness compared to past performances and to the activity realized within the FY24 first few months taken into consideration the actual economic and financial situation of the lifting equipment manufacturing sector as well as an assessment of the on-going actions initiated by the Group as a response of the Covid-19 crisis and of the conflict in Ukraine.

We also examined the appropriateness of the disclosures included in the notes to the consolidated financial statements and related to :

- The liquidity risk mentioned in Notes 3.2.2 "Evaluation of risks and significant uncertainties having a potential material impact on Haulotte Group" and 5 "Management of financial risks",
- The details of financial debts, borrowings, overdrafts and syndicated loan in Note 21 "Borrowings and financial liabilities".
- Events described in Notes 2 "Main events of the year" and 48 "Subsequent events",

SPECIFIC VERIFICATION

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the Group's management report.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French commercial code (code de commerce) is included in the Group's information given in the management report, it being specified that, in accordance with article L. 823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of the presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code monétaire et financier), prepared under the responsibility of the Group Managing Director, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Haulotte Group SA by the General Meetings held on 28 May 2015 for BM&A and on 2 October 1998 for PricewaterhouseCoopers Audit.

As at 31 December 2023, BM&A and PricewaterhouseCoopers Audit were in the the ninth year and the twenty-sixth year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless it is expected to liquidate the company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by management in the consolidated financial statements.

SATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No 537/2014, confirming our independence within the meaning of the rules applicable in France, such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence and the related safeguard.

Lyon, April 30, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit

BM&A

Matthieu Moussy

Pascal Rhoumy



STATUTORY ACCOUNTS

2023

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET - ASSETS

In thousands of Euros	Note	Gross	Amort. Dépréc.	31/12/2023	31/12/2022
INTANGIBLE ASSETS	4.1				
Research and development costs		42,780	30,295	12,485	12,841
Software, patents		14,959	13,293	1,667	2,362
Goodwill		-	-	-	168
R&D costs Intangible assets in progress		14,698	-	14,698	14,423
Other intangible assets in progress		4,249	-	4,249	2,814
PROPERTY, PLANT AND EQUIPMENT	4.1	-	-	-	-
Land		882	-	882	882
Buildings		11,220	7,968	3,252	4,177
Machinery and equipment		23,511	19,667	3,844	4,207
Other PPE		3,832	2,466	1,366	1,450
Fixed assets in progress		1,574	-	1,574	1,780
FINANCIAL ASSETS	4.2	-	-	-	-
Long-term investments	4.2	67,489	18,501	48,988	48,898
Receivables from investments	4.2	253,423	25,143	228,280	99,440
Other investments	4.2	13,915	9,099	4,816	6,498
Other financial assets		3,482	1,140	2,342	2,190
NON-CURRENT ASSETS		456,014	127,571	328,442	202,129
INVENTORIES AND WORK IN PROGRESS	5				
Raw materials		39,871	1,005	38,866	50,269
Work in progress		2,481	-	2,481	13,475
Finished goods		12,503	763	11,740	17,903
Trade goods		11,818	1,207	10,611	10,326
Advances paid to suppliers		1,037	-	1,037	713
ACCOUNTS RECEIVABLE		-	-	-	-
Accounts receivable	6	145,751	43,093	102,658	110,303
Other receivables	7	22,147	3,647	18,500	133,645
CASH AND CASH EQUIVALENT		-	-	-	-
Marketable securities		185	-	185	273
Financial instruments	8	2,660	-	2,660	1,620
Cash at hand		17,572	-	17,572	13,615
ACCRUALS	8	-	-	-	-
Prepaid expenses	8	2,046	-	2,046	1,520
CURRENT ASSETS		258,071	49,715	208,356	353,662
Unrealised foreign exchange losses	8	2,194	-	2,194	2,567
TOTAL		716,279	177,286	538,993	558,358

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

BALANCE SHEET - LIABILITIES AND EQUITY

In thousands of Euros	Note	31/12/2023	31/12/2022
Share capital	10	4,078	4,078
Additional paid-in-capital		3,753	3,753
Legal reserves		448	448
Retained earnings and others reserves		88,264	34,054
PROFIT (LOSS) FOR THE YEAR		5,668	54,211
Investment grants		-	1
Regulated reserves	2.2	506	781
SHAREHOLDERS' EQUITY	10	102,718	97,326
Provisions for contingencies		6,297	10,929
Provisions for charges		3,519	2,967
COMMITMENTS AND CONTINGENCIES	12	9,816	13,896
PAYABLES			
Loans and debts with credit institutions (1)	13.1	268,312	261,786
Down payments received		9,353	193
Trade payables		60,529	70,653
Tax and employee-related liabilities		8,290	7,995
Fixed asset creditors		-	-
Other payables		58,210	78,079
ACCRUALS	8	-	-
Deferred revenue	8	3,724	8,391
TOTAL LIABILITIES		408,419	427,098
Unrealised foreign exchange gains	8	15,380	18,419
difference valuation liabilities cash instrument	8	2,660	1,620
TOTAL		538,993	558,358

(1) of which less than a year :229 981K€

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

INCOME STATEMENT

In thousands of Euros	Note	31/12/2023	31/12/2022
NET SALES	15	320,207	246,666
Change in inventories of finished goods and work in progress		(17,113)	16,240
Capitalised production		6,715	7,134
Operating grants		341	292
Reversals of provisions, depreciation and expense transfer		4,067	11,697
Other income	18	14,584	9,025
OPERATING INCOME		328,801	291,054
Purchase of trade goods		22,439	20,781
Change in inventories (trade goods)		(226)	(2,729)
Purchase of raw materials and other supplies		191,253	187,863
Change in inventories (raw materials and other supplies)		11,046	(13,036)
Other purchases and external charges		67,371	59,847
Taxes other than on corporate income		3,213	2,836
Wages and salaries		31,509	30,648
Social charges		13,032	12,923
Depreciation and amortisation of fixed assets	4	9,775	9,731
Increase in provisions for current assets		8,664	1,361
Provisions for contingencies and commitments	12	1,889	2,206
Other expenses	18	5,801	19,511
OPERATING EXPENSES		365,768	331,940
OPERATING PROFIT (LOSS)		(36,967)	(40,886)
Dividends received from subsidiaries		21,153	99,131
Interest income		23,626	8,326
Reversals of provisions		11,336	1,622
Currency gains		8,243	10,546
Net proceeds from the disposal of marketable securities			
FINANCIAL INCOME		64,358	119,625
Allowances for depreciation and reserves		6,200	8,328
Interest expenses		16,078	6,942
Currency losses		11,317	9,077
Net expenses from the disposal of marketable securities			2
FINANCIAL EXPENSES		33,594	24,349
NET FINANCIAL PROFIT (LOSS)	19.1	30,764	95,276
PRE-TAX PROFIT BEFORE EXTRAORDINARY ITEMS		(6,203)	54,390
Extraordinary income sundry business operations		563	546
Extraordinary income on transactions		5,004	7
Reversal of provisions, expenses reclassifications		4,823	2,680
EXTRAORDINARY INCOME		10,390	3,232
Extraordinary expenses sundry business operations		1,057	2,178
Extraordinary expenses on transactions		1,320	381
Depreciation and provisions		151	4,668
EXTRAORDINARY EXPENSES		2,528	7,227
EXTRAORDINARY PROFIT (LOSS)	19.2	7,862	(3,995)
Corporate income tax	20	(4,009)	(3,816)
NET PROFIT (LOSS)		5,668	54,211

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

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STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 1 - SIGNIFICANT EVENTS DURING THE YEAR

RECORD ACTIVITY LEVELS AND A RETURN TO A POSITIVE OPERATING MARGIN LEFT THEIR MARK ON 2023.

Driven by growth in the first half of the year, the global platform market reached its zenith in 2023. Haulotte Group SA posted an annual turnover of €320 million in 2023, up by +30% (at constant exchange rates) compared to the previous year, driven by strong growth in sales volumes, particularly in North America, and the positive impact of sales price increases.

Operating income stands at €37 million in 2023 (-12% of sales).

As the Group was unable to comply with all of its banking ratios for December 2023, and partially for June 2024, it requested a new waiver for these two periods, which was accepted by the banking pool on 12 March 2024. Based on its sales and EBITDA growth projections, the Group expects to respect the ratios not covered by the waiver from June 2024.

Haulotte maintains operational means and financial resources to meet its cash flow needs for the next 12 months.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 2 - ACCOUNTING POLICIES

The company's annual financial statements have been prepared in accordance with the laws and regulations applicable in France and with regulation 2014-03 of France's national Accounting Standards Body (Autorité des Normes Comptables).

Accounting conventions of establishment and presentation of the annual accounts have been applied in compliance with the prudence concept, in accordance with the following basic assumptions:

- the going concern concept,
- the time period concept,
- the consistency principle.

The statutory accounts have been prepared according to the historical cost convention.

Only significant information is disclosed.

2.1 INTANGIBLE FIXED ASSETS

Intangible assets are recognised at their purchase price, excluding financial charges. Software is depreciated on a straight-line basis over 3 to 7 years according to its useful life.

Models and designs are depreciated over 5 years.

Change in accounting method: Development costs

Development costs are recorded under intangible assets if they meet the precise conditions for capitalization.

Research costs are expensed as they occur. Costs incurred for development projects (design of new or improved products) are capitalized as intangible assets where the following criteria are met:

- the technical feasibility needed to accomplish the project is established,
- management shows its intention to complete the project,
- the company can use or sell the asset,
- it is probable that the future economic benefits attributable to the development costs will flow to the company,
- there are adequate technical, financial resources for completing the project,
- the cost of the asset can be reliably measured.

Development costs that do not fulfill these criteria are expensed in the year in which they are incurred. Any development costs expensed in any year are not recorded under intangible assets in progress in later periods.

Capitalized development costs are amortized on a straight-line basis over the asset's useful life from the date on which the asset can be put into service (usually 2-5 years).

Any capitalized development costs that have not yet been completely amortized are subject to an annual impairment test where indicators for a loss of value (economic benefits obtained lower than initially projected) are identified. The value of capitalized development costs and the anticipated cash flow over 2-5 years are compared to determine the impairment to be recorded.

The net book value of development costs is recorded in the unavailable reserve of equity.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

2.2 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised in the balance sheet at purchase cost (less discounts and all costs necessary to bring the asset to working condition for its intended use) or production cost. Finance costs are not included in the cost of fixed assets.

Basis for depreciation of fixed assets is their gross value (cost less residual value). Depreciation starts from the date the asset is ready to be commissioned. Depreciation is recorded over the useful life that reflects the consumption of future economic benefits associated with the asset that will flow to Haulotte Group SA.

When the asset's carrying value is greater than its estimated recoverable amount, an impairment is recorded for the difference.

Subsequent costs are recognised as separate assets and subject to different depreciation rates if the related assets have different useful lives. The carrying amount of the renewed or replaced part is derecognised, the new costs incurred being separately capitalised.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives as follows:

	Depreciation period
Plant buildings:	
Main component	40 years
Other components	10 to 30 years
Buildings fixtures and improvements:	
Main component	10 to 40 years
Other components	5 to 20 years
Plant equipment	5 to 20 years
Other installations and equipment	3 to 20 years
Transportation equipment	5 years
Computer and office equipment	3 to 10 years
Office furniture	3 to 10 years

The assets' residual value and useful lives are reviewed and adjusted, if appropriate, at each balance-sheet date.

The gains or losses on disposals of fixed assets are recognised within 'Extraordinary income/expenses on transactions'.

- **Regulated tax reserves**

Regulated reserves include in particular additional tax depreciation allowances calculated by utilising the most favourable tax option. This mainly concerns depreciation on residual values of equipment recorded as fixed assets.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

2.3 FINANCIAL ASSETS

• *Equity Investments*

Investments are recognised in the balance sheet at historical cost, including transaction costs such as transfer rights, commissions and fees directly attributable to the acquisition of the securities. These expenses are included in the cost of securities and are subject to special accelerated depreciation over five years.

At year-end, their balance sheet value is compared with their value in use, determined with reference to the share in net equity owned and the earnings prospects. When applicable, a provision for impairment is recorded. When necessary (notably for subsidiaries with negative net equity), additional provisions are recognised first against intra-group assets (receivables, current accounts) and further as a provision for charges if necessary.

Most of the long-term investment are valued in relation with the share in net equity owned, this approach does not use sensitive estimation assumptions. Regarding Acarlar, shares value have been determined using the multiple valuation method.

• *Receivables from investments*

Receivables from investments relate to current account advances and loans granted to subsidiaries.

These items are recognised at face value. Long-term current accounts and loans granted to our subsidiaries in foreign currencies are translated into Euros at the year-end exchange rate. Gains arising on translation are recognised as 'unrealised foreign exchange gains' and recorded in the balance sheet. Losses arising on translation result in the recognition of a provision for foreign exchange losses and go therefore through the income statement.

Long-term current accounts are subject to impairment in the cases described in the preceding paragraph. There is no translation adjustment recorded for the impaired portion of foreign currency current accounts.

• *Other receivables*

Short-term current accounts in foreign currencies are converted into euros at the closing rate. Any exchange gains and losses are recognized in currency gains or losses.

The depreciated portion of current accounts in foreign currencies does not lead to book currency gains or losses.

Started from January, 1st 2023, the Group has updated the definition of short-term/long-term receivables and payables relating to investments in subsidiaries. The short-term part is defined as a multiple of the subsidiary's average EBITDA (over the past three financial years). The company has therefore made reclassifications to reflect these evaluations (see Notes 4.2 and 7). This change in definition has had an impact on the rate of return on current accounts and therefore on net financial income.

• *Treasury shares*

Treasury shares acquired in connection with the Group's share buy-back program are recorded as financial assets. They are recognised at purchase price. At the end of the year, their carrying value is determined on the basis of the average quoted price of the shares for the last month of the year. If the carrying value is lower than the purchase price, an impairment loss is recorded for the difference.

The inventory value of treasury shares is recorded in the unavailable reserve of equity.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

2.4 INVENTORIES AND WORK IN PROGRESS

Inventories are stated at the lower of cost or net realisable value:

- Materials and supplies cost is determined using the average cost method based on the weighted average cost per unit,
- The cost of finished products and work in progress includes direct production costs and factory overhead (based on normal operating capacity),
- Traded goods inventories are recorded at purchase price (spare parts) or at their trade-in value (second-hand machines),
- The net realisable value is the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods.

Impairment is recognised when the net realisable value corresponding to the estimated selling price in the ordinary course of business less applicable expenses to recondition or sell the goods, is less than the carrying value of inventories defined above.

The materials and spare parts inventories are eventually impaired following the last buying date and the turnover rate.

2.5 RECEIVABLES AND PAYABLES

Receivables and payables are recognised at their face value.

A provision for impairment is recorded when their collection value, determined on a case-by-case basis, is estimated to be lower than the carrying value.

As soon as there are indications of a real and serious collection risk, a provision for impairment is recorded.

2.6 TRANSLATION OF TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currencies are translated at the exchangerate on the transaction date. At the end of the period, receivables and payables balances are translated at the closing rate. The resulting translation differences for payables and receivables in foreign currency at the end of the period are recognised in the balance sheet under the cumulative translation adjustment. For unrealised foreign exchange losses, a provision for contingencies is recorded.

For receivables for which impairment has been recorded, only the remaining balance is translated at the year-end exchange rate.

Following the ANC regulation No.°2015-5 of 2 July and applicable as from 1 January 2017, allowances and reversals for foreign exchange losses are recognized under operating income for trade receivables and payables, and as financial result for financing operations.

2.7 MARKETABLE SECURITIES

Marketable securities are initially recognised at their purchase price excluding incidentals. Carrying value of the securities is measured based on quoted values at the closing date. An impairment is recorded when this quoted value is lower than purchase price.

2.8 FINANCIAL INSTRUMENTS

As of 31 December 2023, the company held an isolated open position of €2,660 thousand in forward currency contracts. Isolated open positions are all the operations not categorized as hedges. Unrealized gains are recorded in the balance sheet but not in the income statement.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

2.9 PROVISIONS

When a contingent liability is identified, for which no reliable estimation can be determined, there is no provision recognized. If applicable, a description of the identified risk is included in a dedicated paragraph within the notes relating to provisions for contingencies and charges (Note 12) or contingent liabilities.

In general a provision is recorded when:

- the Group has a present legal or constructive obligation as a result of a past event,
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation,
- the obligation has been reliably estimated.

• **Warranty provision**

Haulotte Group grants clients a manufacturer's warranty. The estimated cost of warranties on products already sold is covered by a provision statistically calculated on the basis of historical data. The warranty period is generally two years. When necessary, a provision is recognised on a case-by-case basis to cover specific warranty risks identified.

• **Litigations**

Other provisions are also recorded in accordance with the above principles to cover risks related to litigations, site closures (when applicable) or any other event meeting the definition of a liability. The amount recognised as a provision represents the best estimate of the expenditure required to settle the obligation.

All material lawsuits involving the company were reviewed at year-end, and based on the advice of legal counsel, the appropriate provisions were recorded, when necessary, to cover the estimated risks corresponding to a net out flow of resources.

• **Pension**

Haulotte Group SA records provisions for retirement severance payment and other post-employment obligations as well as long-service awards. Haulotte Group SA only had defined benefit plans. The corresponding obligation is measured using the projected unit credit method with end-of-career wages. The calculation of this obligation takes into account the provisions of the laws and collective bargaining agreements and actuarial assumptions concerning notably staff turnover, mortality tables, salary increases and inflation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the income statement in the period incurred.

As of January 1, 2021, Haulotte applied the new method relating to provisions for retirement according to ANC recommendation no. 2013-02 amended on November 5, 2021 following a decision of IFRS IC taken in April 2021 which concluded that the provision to be recognized for the benefit should only be constituted over the period which covers the last 16 years of service rendered by the employee.

Haulotte has therefore chosen to modify the procedure for allocating benefit entitlements, opting to base it not on the staff member's employment start date, but on the date from which each year of service contributes to accruing benefit entitlements.

French pension reform. The enactment on 15 April 2023 of Law No. 2023-270 amending the French social security financing law for 2023 provides for the gradual raising of the retirement age to 64, from 1 September 2023 to 2030, and for the accelerated application of the "Touraine" law by increasing the contribution period to 43 years from 2027 instead of 2035. The impacts of this plan amendment are not significant as at 31 December 2023.

• **Other**

Orders booked at the balance sheet date for some of the Group's distribution subsidiaries (based on transfer prices) as well as the cost evaluation should generate a negative margin at the time of their deliveries. Haulotte Group SA has recorded a Net Realizable Value provision of €865K in its accounts compared with €3.811K in 2022.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

2.10 OPERATING PROFIT

- **Revenue recognition**

“Net sales” includes the goods and services sales comprising notably:

- Equipment sales to the distribution and renting subsidiaries of the group
- Direct sales to certain customers
- Spare parts sales
- Services.

Sales of goods are recorded net of value added tax at the date of transfer of risks and benefits of ownership.

Revenues related to services are recognised over the period during which the services are rendered.

- **Operating expenses**

Operating expenses include notably material costs, production costs and overheads.

2.11 FINANCIAL INCOME

Financial income consists primarily of changes in provisions on investments and on intercompany current accounts, exchange gains and losses (except those relating to commercial receivable and debt), interest income and expenses on current accounts and financial costs associated with borrowing.

2.12 EXTRAORDINARY INCOME

Items that are exceptional in nature or that do not occur in the normal course of business are recognised under extraordinary profit or loss. In accordance with the French National Accounting Code (Plan Comptable Général), extraordinary profit or loss also includes allowances and reversals of special tax depreciation provisions.

NOTE 3 - POST-CLOSING EVENT

At the accounts closing date by the Board of Directors, the 19nd of March 2024, no subsequent events have occurred.

Concerning elements relating to the continuity of the Group's financing, see note 13.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 4 - FIXED ASSETS

4.1 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Gross amounts

In thousands of Euros	31/12/2022	Increase	Decrease	31/12/2023
Research and development costs	37,603	5,177	-	42,780
Software ⁽¹⁾	19,338	628	5,007	14,959
Goodwill / business goodwill ⁽¹⁾	168	-	168	-
R&D costs Intangible assets in progress	14,423	5,439	5,164	14,698
Intangible assets in progress	2,814	2,079	644	4,249
Total Intangible assets	74,346	13,323	10,983	76,686
Land	882	-	-	882
Building ⁽¹⁾	2,848	-	233	2,615
General installations ⁽¹⁾	15,749	165	7,310	8,604
Machinery and equipment ⁽¹⁾	28,458	1,917	6,864	23,511
Other PPE ⁽¹⁾	7,210	410	3,788	3,832
Fixed assets in progress	1,780	1,339	1,545	1,574
Total Fixed assets	56,926	3,831	19,739	41,018
TOTAL	131,272	17,154	30,722	117,704

Accumulated depreciation and impairment

In thousands of Euros	31/12/2022	Increase	Decrease	31/12/2023
Research and development costs	24,762	5,533	-	30,295
Intangible assets	16,976	1,323	5,007	13,293
Total Intangible assets	41,738	6,856	5,007	43,587
Building	1,569	67	181	1,454
General installations	12,852	554	6,892	6,514
Machinery and equipment	24,251	1,834	6,417	19,668
Other PPE	5,760	488	3,782	2,466
Total Fixed assets	44,431	2,942	17,272	30,102
TOTAL	86,170	9,798	22,280	73,689

(1) The main decreases are due to the disposal of one of our industrial sites with a net book value of €1,097k.

Research and development expenditure, recorded in operating expenses, totalled 15,619 thousand € for the fiscal year .

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

4.2 FINANCIAL ASSETS

Financial assets break down as follows on a cost basis :

In thousands of Euros	31/12/2022	Increase	Decrease	31/12/2023
Equity investments ⁽¹⁾	67,038	451	-	67,490
Current accounts & loans to subsidiaries ⁽²⁾	129,002	140,538	16,117	253,423
Treasury shares ⁽³⁾	13,929	649	663	13,915
Other financial assets	3,371	277	166	3,482
TOTAL GROSS VALUE	213,341	141,915	16,947	338,309

(1) The increase in equity investments is mainly due to the additional acquisition of securities from our subsidiary Haulotte Argentina following a capital increase.

(2) The variation relates essentially to the change in method for LT and CT current accounts.

(3) The number of treasury shares held at the year-end was 1,913,475 (see section 4.3).

In thousands of Euros	31/12/2022	Allowances	Reversals	31/12/2023
Provisions on Equity investments ⁽⁴⁾	18,140	650	289	18,501
Provisions on Current accounts & loans ⁽⁵⁾	29,563	5,113	9,533	25,143
Provisions on Treasury shares ^(note 4.3)	7,431	1,668	-	9,099
Provisions on Other financial assets	1,181	-	41	1,140
TOTAL PROVISIONS	56,315	7,431	9,863	53,883

TOTAL NET VALUE **157,026** **284,426**

(4) Haulotte Group to record account for booked an additional provision on the shares of its subsidiaries H.Argentina (€0.45 million) and H.Middle East (€0.199 million) and a write-back on H.Mexico (€0.289m).

(5) Application of the short-term/long-term definition of current accounts as described in note 2.3 has resulted in reclassifications: €4,917k of additions and €1,698k of reversals relate to reclassifications from short-term to long-term. These items were already provisioned at 31/12/2022.

STATUTORY ACCOUNTS

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4.3 CHANGES IN TREASURY SHARES

Type	In €	2023	2022
Liquidity agreement	Number of shares purchased	210,874	163,588
	Purchase price of shares (€)	649,066	616,121
	Average price per share (€)	3.08	3.77
	Number of shares sold	173,928	149,179
	Original value of shares sold (€)	663,430	919,176
	Sale price of shares sold (€)	541,897	561,578
	Net gain / (loss) (€)	(121,532)	(357,598)
	Number of shares cancelled		
	Number of shares at December 31	215,070	178,124
	Original value of shares at December 31 (€)	731,318	745,682
Buyback authorisation	Number of shares purchased		
	Purchase price of shares (€)		
	Average price per share (€)		
	Number of shares sold		
	Number of shares cancelled		
	Number of shares at December 31	1,698,405	1,698,405
Original value of shares at December 31(€)	13,183,551	13,183,551	
Global	Number of shares at December 31	1,913,475	1,876,529
	Initial value of shares at December 31(€)	13,914,869	13,929,233
	Provision for treasury shares at December 31* (€)	(9,098,954)	(7,431,304)
	Closing price of shares at December 31 (€)	2.53	3.465

* On the basis of the average price of shares for the last month

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

4.4 LIST OF SUBSIDIARIES AND AFFILIATES

Company	Share capital	Ownership	Reserves	Gross value	Advances	Dividends	Revenue
Registered office	Shareholders' equity ⁽¹⁾	interest (%)	and retained earnings	Net value of shares	and Loans	received	Net income
In thousands of Euros							
Haulotte France Sarl	1,046	99.99%	11,307	3,804	(20,912)		108,320
69 St Priest - France	16,490			3,804			4,116
Telescopelle SAS	37	100.00%	1,155	37	(1,205)		70
L'Horme - France	1,284			37			92
Haulotte Access Equipment Manufacturing (Changzhou) Co., Ltd.	29,670	100.00%	16,655	26,300	25,000		72,167
Chine	46,062			26,300			(269)
Haulotte Argentina SA	219	100.00%	(448)	6,420	462		4,320
Argentine	(4,491)						(4,262)
Haulotte Arges SRL	785	100.00%	13,538	1,100	65,399		177,870
Roumanie	15,735			1,100			1,421
Haulotte Australia Pty Ltd	-	100.00%	2,501	-	34,254		77,463
Australie	1,822			-			(679)
Haulotte Canada	-	100.00%		-	9		
Canada				-			
Haulotte Do Brazil Ltda	94	99.98%	(31,686)	201	275		19,400
Brésil	(27,977)						3,588
Haulotte Digital Support Center	-	95.00%	(610)	-	1,674		3
Roumanie	(819)			-			(211)
Haulotte Hubarbeitsbunnen GmbH	30	100.00%	7,041	30	(4,823)	20,000	72,402
Allemagne	8,998			30			1,927
Haulotte Iberica SL	310	98.71%	7,605	3	(6,240)		33,308
Espagne	10,480			3			2,565
Haulotte India	55	99.99%	198	62			4
Inde	271			62			19
Haulotte Japon	32	100.00%	29	46			
Japon	75			46			14
Haulotte Italia Srl	100	99.00%	6,346	10	(3,208)		43,178
Italie	10,033			10			3,587
Haulotte Mexico SA de CV	1,071	99.99%	(1,378)	1,113	2,909		12,611
Mexique	289			289			581
Haulotte Middle East FZE		100.00%	984	199	3,510		4,294
Emirats Arabes	(2,103)						(3,402)
Haulotte Netherlands BV	20	100.00%	1,265	20	949		25,128
Pays-Bas	2,059			20			774
Haulotte Polska SP Z.O.O.	92	100.00%	4,055	105	(6,135)		21,329
Pologne	5,937			105			1,710
Haulotte Scandinavia AB	9	100.00%	4,538	11	(4,491)	-	30,727
Suède	5,436			11			860
Haulotte Singapore Ltd.	-	100%	4,381	-	(1,402)	-	16,997
Singapour	4,320			-			(62)

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Company	Share capital	Ownership interest (%)	Reserves and retained earnings	Gross value	Advances and Loans	Dividends received	Revenue
Registered office	Shareholders' equity ⁽¹⁾			Net value of shares			Net income
In thousands of Euros							
Haulotte Trading (Shanghai) co. Ltd.	-	100%	(4,431)	550	-	-	16,406
Chine	(8,309)			-			(4,718)
Haulotte UK Ltd	1	100%	374	2	241	-	15,126
Angleterre	1,319			2			943
Haulotte US Inc	3	100%	(62,591)	3	112,503	-	178,381
Etats Unis	(21,728)			-			6,612
Haulotte Vostok	29	100%	3,262	80	-	1,153	2,104
Russie	3,319			80			30
Horizon High Reach Limited	534	100%	5,539	5,065	-	-	6,885
Argentine	5,358			5,065			(716)
Levanor Maquinaria de Elevacion S.A.	100	91%	546	300	1,378	-	-
Espagne	516			-			(130)
Haulotte Chile	-	100%	1,266	-	-	-	3,648
Chili	1,544			-			297
Horizon High Reach Chile SPA	-	100%	(3,700)	5	-	-	2,675
Chili	(3,816)			-			(124)
Acarlar	114	100%	1,647	22,024	-	-	17,020
Turquie	5,144			12,024			3,384

(1) Including Capital and Net income

For foreign subsidiaries, figures presented are translated at the year-end closing exchange rate except for revenue and net income which are translated at the average exchange rate of the period. For the subsidiaries Haulotte Argentina and Acarlar, all data are converted at the closing rates in accordance with IAS29.

The amount of balance sheet commitments are presented in notes 24 and 25.

NOTE 5 - INVENTORIES

In thousands of Euros	Inventories at 31/12/2023			Inventories at 31/12/2022		
	Gross	Provisions	Net	Gross	Provisions	Net
Raw materials	39,871	(1,005)	38,866	50,909	(640)	50,269
Work in progress	2,481	-	2,481	13,475	-	13,475
Finished goods	12,503	(763)	11,740	18,622	(719)	17,903
Trade goods	11,818	(1,207)	10,611	11,600	(1,274)	10,326
TOTAL	66,673	(2,975)	63,698	94,606	(2,633)	91,973

The increase in inventories relates mainly to components and Work in progress

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NOTE 6 - TRADE RECEIVABLES

In thousands of Euros	31/12/2023	31/12/2022
Trade receivables	145,751	145,875
of which Group receivables	133,989	140,929
Provisions	(43,093)	(35,571)
of which Group provisions	(41,934)	(34,412)
NET TRADE RECEIVABLES	102,658	110,303

The reversal of the impairment relates mainly to receivables from our subsidiary Haulotte Shanghai.

NOTE 7 - MATURITY OF RECEIVABLES AND PAYABLES

The receivables are as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Current accounts & loans to subsidiaries	253,423	25,202	-	228,221
Trade receivables	145,751	115,639	-	30,112
Other receivables	22,147	19,488	2,659	-

The other receivables mainly concern short-term current accounts, income tax, VAT. The current accounts short term to provisions amounting to €3,427K.

NOTE 8 - ACCRUALS

In thousands of Euros	31/12/2023	31/12/2022
PREPAID EXPENSES	2,046	1,520
Operating expenses	2,046	1,520
Financial expenses	-	-
DEFERRED REVENUE	3,724	8,391
UNREALISED FOREIGN EXCHANGE LOSSES	2,194	2,567
On receivables	2,152	2,480
On payables	42	87
UNREALISED FOREIGN EXCHANGE GAINS	18,039	20,038
On receivables	15,223	18,005
On payables	156	413
Financial instrument valuation	2,660	1,620

The main prepaid expenses relate mainly to IT services.

The deferred revenue relates to machines and spare parts.

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NOTE 9 - OTHER ACCRUED ASSETS AND LIABILITIES

9.1 ACCRUED LIABILITIES

In thousands of Euros	31/12/2023	31/12/2022
Bank borrowings	508	725
Trade payables	23,693	38,737
Tax and employee-related payables	3,432	2,966
Other payables	3,213	523
TOTAL	30,846	42,951

Other debts mainly concern credit note to be issued on spare parts and machines.

9.2 ACCRUED ASSETS

In thousands of Euros	31/12/2023	31/12/2022
Customer Accounts receivables	19,852	6,676
Other receivables	413	549
Accrued interests	-	-
TOTAL	20,265	7,225

The Trade receivables and related accounts mainly include current account interest billings to our subsidiaries.

Other receivables include credit notes to be received from various suppliers.

NOTE 10 - SHAREHOLDERS' EQUITY

Detail of share capital

In €	31/12/2022	Increase	Decrease	31/12/2023
Number of shares	31,371,274			31,371,274
Nominal value in Euros	0.13			0.13
Share capital in Euros	4,078,265			4,078,265

Statement of changes in shareholders' equity (in thousands of Euros)

Shareholders' equity at 31/12/2022	97,326
Dividends distributed	-
Change in regulated reserves	(276)
Profit/(loss) for the period	5,668
investment grants	(1)
Other Variations	-
SHAREHOLDERS' EQUITY AT 31/12/2023	102,718

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 11 - IDENTITY OF THE PARENT COMPANY CONSOLIDATING THE FINANCIAL STATEMENTS

Company name - registered office	Legal form	Capital	Owned %
SOLEM 93 Epinay sur Seine – France	S.A.S	477	57.57

The consolidated financial statements are available at the headquarter of the company Solem.

NOTE 12 - COMMITMENTS AND CONTINGENCIES

In thousands of Euros	31/12/2022	Allowances	Allowances	Reversal of unused provisions	31/12/2023
Warranty provisions	2,741	677	547	-	2,870
Provisions for foreign exchange losses	1,473	1,583	-	1,473	1,583
Provision for foreign exchange losses on commercial receivables and payables	1,094	611	-	1,094	611
Provision for pensions and other employees cost	2,967	601	48	-	3,519
Other contingencies and commitments*	5,621	150	3,905	633	1,233
TOTAL	13,896	3,622	4,501	3,200	9,817

	Allowances	Reversals
Recognised under operating profit	1,889	1,690
Recognised under financial profit	1,583	1,473
Recognised under extraordinary profit	150	4,538
TOTAL	3,622	7,701

* The decrease in other provisions mainly relates to a reversal of a provision for losses on completion and a reversal booked as part of the industrial reorganization of our L'Horme production site, where an employment protection plan had been put in place, and a partial reversal booked following the shutdown of the Creusot paint booth.

Provisions for post-employment benefits

Retirement commitments are estimated according to the projected unit credit method using end-of-career wages according to the procedures described in paragraph 2.8, on the basis of the following assumptions:

- a mortality table INSEE 17-19 (vs 2022 INSEE 16-18)
- a staff turnover rate based on available Group historical data
- a salary increase rate based on the expected length of service, career development, the terms of collective bargaining agreements and the rate of long-term inflation calculated on a historical basis
- a 3.15 % discount rate (vs 2022: 3.45 %)
- a retirement age for employees born before 1 January 1950 of 62 for managers, 60 for clerical staff
- a retirement age for employees born after 1 January 1950 of 65 for managers, 64 for clerical staff.

Concerning end-of-career severance benefits, the assumption retained is that of voluntary retirement that takes into account social security contributions (45 %). This method of calculation complies with the French Pension Reform Act of 21 August 2003 Loi Fillon, (amended by the law n°2010-1330 dated 9 November 2010 as published in the "Journal Officiel" dated 10 November 2010)

At 31 December 2023, the provision was split between:

- 3,223 thousand € for pensions provisions
- 296 thousand € for long-service award provisions.

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NOTE 13 - BORROWINGS

13.1 BANK BORROWINGS

In thousands of Euros	31/12/2022	Increase	Decrease	31/12/2023
Syndicated loan	90,000	10,000	10,000	90,000
Equity loan Relance	-	10,000	-	10,000
Other loans	136,883	5,040	10,236	131,686
Overdraft on syndicated loans	30,103	272	2,452	27,924
Other overdrafts	4,075	4,120	-	8,195
Accrued interests	725	44	262	508
TOTAL	261,786	29,476	22,950	268,312

• *Syndicated loan:*

On 31 December 2023, the Group had used €118 million of the syndicated loan that made €130 million in total available. The loan's maturity date is 17 July 2026.

In thousands of Euros	Loan Balance at 31/12/2022	Net Change of the refinancing facility	Net Change of the revolving porting	Net Change of the bank overdraft	Loan Balance at 2023	Balance available at 31/12/2023 for further drawing
Revolving	90,000	-	-	-	90,000	-
TOTAL OUT OF OVERDRAFT	90,000	-	-	-	90,000	-
Overdraft	30,103	-	-	(2,180)	27,924	12,076
Accrued interests	183	-	-	(35)	148	
TOTAL	120,287	-	-	(2,215)	118,072	12,076

Under the syndicated loan agreement signed in 2019 and the State Guaranteed Loan (SGL) signed in 2022, no collateral has been requested by the banking pool. These two credit facilities do, however, include a number of standard obligations that the Group must comply with throughout the term of the contracts.

A number of ratios are measured at half-yearly intervals on the basis of the consolidated financial statements at 30 June and 31 December of each year, based on aggregates taken from the financial statements, such as EBITDA, shareholders' equity and the Group's net debt, among others.

• *Club deal financing:*

- This loan was subscribed in July 2021 with some of the syndicated loan pool banks. As of December 31, the outstanding capital is € 8 million. The financial ratios requirements are the same as for the syndicated loan.

• *State Guaranteed Loan (PGE):*

- On 28 June 2022, Haulotte obtained from all its syndicated lenders, as well as BPI France, a state guaranteed loan of €96 million.
- In April 2023, the Group chose to amortize the repayment over 5 years.
- In June 2023, an additional €2 million was obtained for the PGE.
- The financial ratio conditions are the same as those for the syndicated loan on the €81 million tranche of this PGE.

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• **Equity Loan Relance (PPR) :**

In 2023, the Group took out a €10m Equity Loan. These fixed-rate loans will be repaid over a total period of 8 years (including a 4-year amortisation differed).

• **Financial ratio monitoring:**

As the Group was unable to comply with all of its banking ratios for the period for December 2023, and partially for June 2024, it requested a new waiver for these two periods, which was accepted by the banking pool on 12 March 2024.

13.2 MATURITY OF LOANS AND BORROWINGS

The maturity of borrowings and other financial debts at 31 December 2023 is as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Bank borrowings	268,312	229,981	29,224	9,107
Of which syndicated loan	90,000	90,000	-	-
Of which other borrowings	141,686	103,355	29,228	9,107
Of which syndicated loan overdraft	27,924	27,924	-	-
Of which other overdrafts	8,195	8,195	-	-
Of which accrued interests	508	508	-	-

The debts for which a waiver has been obtained (as previously mentioned) have been classified as due within one year .

NOTE 14 - MATURITY OF CREDITORS

The maturity of creditors at 31 December 2023 is as follows:

In thousands of Euros	Total	< 1 year	> 1 year et < 5 years	> 5 years
Trade payables	60,529	60,529	-	-
Tax and employee related liabilities	8,290	8,290	-	-
Payables to fixed assets suppliers	-	-	-	-
Other liabilities	58,210	56,809	1,402	-
<i>of which current accounts</i>	-	53,590	1,402	-

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NOTE 15 - NET SALES

In thousands of Euros	France	Export	Total
Sales of equipment	59,051	242,593	301,643
Sales of services	2,501	16,063	18,564
TOTAL	61,552	258,655	320,207

NOTE 16 - EXPENSE TRANSFER

	31/12/2023	31/12/2022
Expense transfer for supplier debits notes	178	194
Expense transfer for related to insurance reimbursements	451	655
Expense transfer for related to reimbursements of social charges over previous years	75	108
Expense transfer for related to reclassifications of exceptional operating expenses excluding staff charges	873	1,007
TOTAL EXPENSE TRANSFER FOR OPERATING PROFIT	1,576	1,965

NOTE 17 - RELATED PARTIES STATEMENT TRANSACTIONS

Transactions between related companies were concluded under normal market conditions.

NOTE 18 - OTHER INCOME AND OTHER EXPENSE

In thousands of Euros	31/12/2023	31/12/2022
Other income - exchange gains on trading	1,748	3,362
Other income	12,836	5,663
TOTAL OTHER INCOME	14,584	9,025
Other expense - exchange losses on trading	3,005	1,533
Other losses	2,796	17,978
TOTAL OTHER EXPENSE	5,801	19,511
TOTAL	8,783	(10,485)

Other income comes from patent, technology and brand royalties billed to our overseas factories.

Other expenses primarily include software royalties paid to our suppliers. The decrease in other expenses is due to the debt forgiveness of receivables from our Chinese subsidiary in 2022.

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NOTE 19 - FINANCIAL AND EXTRAORDINARY INCOME AND EXPENSE

19.1 FINANCIAL PROFIT (LOSS)

In K€		31/12/2023	31/12/2022
Change in provisions for impairment of shares and advances to subsidiaries		6,873	(4,252)
Change in provisions for other loans		41	(69)
Dividends received from subsidiaries		21,153	99,131
Interest on current account		18,653	4,775
Interest on borrowings bank overdraft and bank fees		(10,522)	(3,421)
Foreign exchange : gains, losses, changes in provisions		(3,184)	1,289
Details by currency :			
	USD	(814)	
	GBP	131	
	AUD	(2,096)	
	Autres	(404)	
		(3,184)	
Provisions for own share*		(1,668)	(2,205)
Income from marketable securities		5	(2)
Loss on receivables from investments		-	-
Late payment interests and discounts		(587)	30
<i>Financial charges and incomes on Swaps</i>		-	-
TOTAL		30,764	95,276

* See § 4.3

19.2 EXTRAORDINARY PROFIT (LOSS)

In thousands of Euros	Expense		Income	
	31/12/2023	31/12/2023	31/12/2022	31/12/2022
Fines and penalties	10	-	5	-
Provisions Contingencies and commitments ⁽¹⁾	150	4,538	4,667	2,608
Other extraordinary income (expense) ⁽²⁾	1,047	563	2,173	546
Proceeds from the disposal of PPE ⁽³⁾	1,198	5,003	23	5
Proceeds from the disposal of financial assets	-	-	-	-
Proceeds from investment securities and treasury shares	122	-	358	-
Exceptional depreciation expenses	-	2	-	1
Excess tax depreciation	1	277	1	72
Expense transfer	-	8	-	-
TOTAL	2,528	10,390	7,227	3,232

(1) The increase in the provisions is mainly explained by net realizable value provision

(2) Exceptional expenses mainly relate to a measure taken as part of the industrial reorganization of our production site at L'Horme, as described in note 12.

(3) The increase in income and expenses is mainly due to the sales recorded at our L'Horme production site.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 20 - BREAKDOWN OF TAX INCOME BETWEEN CURRENT INCOME AND EXTRAORDINARY PROFIT (LOSS)

In thousands of Euros	Pre-tax income	Corporate income tax	After tax income
Current income	(6,203)	4,009	(2,194)
Extraordinary profit (loss)	7,862	-	7,862
TOTAL	1,659	4,009	5,668

The breakdown of tax between current income and extraordinary income has been determined by applying the legal tax rate respectively to a current tax income and an extraordinary tax income.

The tax revenue which has been linked to the current result mainly comes from Tax Credit for Research.

NOTE 21 - DEFERRED TAXES

In thousands of Euros	Basis	Deferred tax
Expenses recorded not deductible for tax purposes		
Employee profit-sharing		
“Organic” tax	466	116
Provision for inventory losses	1,918	480
Provision for trade receivable losses	1,135	284
Provision for pensions	3,223	806
Taxable income not recorded in the accounting income	15,380	3,845
NET DEFERRED TAXES	22,122	5,530

Haulotte Group SA has accumulated losses for tax carry forwards amounting to 135 708 thousand €:

- 28,851 thousand € acquired for the overall result 2011
- 24,549 thousand € acquired for the overall result 2012
- 1,792 thousand € acquired for the overall result 2013
- (6,170) thousand € used for the overall result 2014
- (3,654) thousand € used for the overall result 2015
- (363) thousand € used for the overall result 2016
- 1,978 thousand € acquired for the overall result 2017
- 2,020 thousand € acquired for the overall result 2018
- 2,520 thousand € acquired for the overall result 2019
- 44,019 thousand € acquired for the overall result 2020
- 13,694 thousand € acquired for the overall result 2021
- 11,162 thousand € acquired for the overall result 2022
- 15,309 thousand € acquired for the overall result 2023

NOTE 22 - TAX CONSOLIDATION

Haulotte Group SA is the head of a French tax consolidation that included on 31 December 2023 the entities Haulotte France and Télescopelle .

Under this tax sharing agreement, the income tax of entities is incurred by subsidiaries as if they are not included in a tax group.

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 23 - FEES ALLOCATED TO DIRECTORS AND OFFICERS

Amount allocated to Board members expensed by the Company totalled 1,198 thousand € in 2023 versus 739 thousand € in 2022.

This amount originates from funds invoiced by Solem S.A.S. for the services rendered on behalf of the Group by two executives. It includes expenses incurred by those executives on behalf of the Group.

In compliance with the agreement to provide general administrative and commercial assistance signed by Solem S.A.S. the cost of the services is subject to a 10% mark-up.

No loans or advances have been granted to directors and officers. There are no other pension obligations or related commitments in favour of former executives.

NOTE 24 - OFF-BALANCE SHEET COMMITMENTS

24.1 FINANCE LEASE COMMITMENTS

In thousands of Euros	Cost price ⁽¹⁾	depreciation allowances ⁽²⁾		Net value
		accounting period	accrued	
Other tangible fixed assets	15,821	619	1,925	13,897
TOTAL	15,821	619	1,925	13,897

(1) Cost price.

(2) Allowances that would have been recorded for these assets if they had been acquired.

In thousands of Euros	Fees paid			Fees remaining to be paid			Residual purchase price ⁽¹⁾
	accounting period	accrued	< 1 year	1 - 5 years	> 5 years	Total Due	
Autres immobilisations corporelles	1,534	5,008	1,525	5,640	5,051	12,216	68
TOTAL	1,534	5,008	1,525	5,640	5,051	12,216	68

(1) according to contract.

24.2 OTHER COMMITMENTS GIVEN

Guarantees granted to financial institutions offering financing to group customers :

In line with industry practice, Haulotte Group grants guarantees to financial institutions offering financing to Group customers. Under such arrangements, Haulotte Group sells equipment to the financial institution that in turn contracts with the end user customer through one of two options: the credit sale of the equipment, or the conclusion of a finance lease. .

Haulotte Group may grant several types of guarantees depending on the framework of agreements concluded with financial institutions and the level of risk assigned to the customer by this institution. Those guarantees are :

- Guarantee in the form of a commitment to continue lease payments
- Guarantee in the form of a contribution to a risk pool
- Specific guarantee covering a determined amount for a given receivable
- Guarantee in the form of commitments to repurchase the equipment.

In thousands of Euros	31/12/2023	31/12/2022
< 1 year	4,596	6,093
> 1 year	15,470	16,211
TOTAL	20,065	22,304

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

Repurchase commitments given to institutions providing financing to customers

This concerns commitments given by the company to financial institutions to substitute for customers who do not exercise their purchase option.

In thousands of Euros	31/12/2023	31/12/2022
< 1 year	-	8
1 - 5 years	-	-
> 5 years	-	-
TOTAL	-	8

Guarantees for export credit financing

Export credit agreements were arranged for selected customers whereby specialised organisations provide the banks guarantees for a percentage of these agreements and the Group then issues an additional counter-guarantee to the financial institution for the uncovered portion. At the end of December 2023, this commitment amounted to € 271,000 (compared to € 573,000 at 31 December 2022).

Other commitments

This concerns commitments given by the company to suppliers :

In thousands of Euros	31/12/2023	31/12/2022
< 1 year	10	10
TOTAL	10	10

It is guarantees given by the Company to clients :

In thousands of Euros	31/12/2023	31/12/2022
< 1 year	124	133
TOTAL	124	133

NOTE 25 - RECEIVED COMMITMENTS

In thousands of Euros	31/12/2023	31/12/2023
Commitment received from Télescopelle as a beneficiary of a debt waiver with a repayment clause	1,450	1,450

STATUTORY ACCOUNTS

FISCAL YEAR ENDED 31 DECEMBER 2023

NOTE 26 - AVERAGE HEADCOUNTS

	31/12/2023	31/12/2022
Managers	259	276
Office employees, technicians	143	146
Workers	197	198
TOTAL	599	621

NOTE 27 - FOREIGN EXCHANGE RISKS EXPOSURE

The Company is mainly exposed to foreign exchange risks with receivables in US dollars, Australian dollars and pound sterling. A portion of this exposure is hedged by forward purchases of the relevant currencies and by a specific hedging instrument in US dollars.

Significant receivables (net of provisions), payables, cash positions and commitments in foreign currency not hedged

Foreign exchange exposure	Currencies								
	AUD	SEK	GBP	USD	PLN	RMB	TRY	INR	Others
BALANCE SHEET									
Receivables ⁽¹⁾	36,375	-	7,399	199,903	-				
<i>of which Group receivables</i>	36,375	-	7,398	197,706	-				
<i>of which non-Group receivables</i>	-	-	1	2,196	-				
Debit Cash positions ⁽²⁾	3,358	12	442	10,531	235				
Payables ⁽³⁾	81	4,555	6,660	9,475	6,135				
<i>of which Group payables</i>	81	4,555	6,660	5,605	6,135				
<i>of which non-Group payables</i>	-	-	-	3,870	-				
Creditor Cash positions ⁽²⁾	-	-	-	1,886	-				
OFF-BALANCE SHEET COMMITMENTS ⁽⁴⁾									
Non-group commitments given	3,728	-	-	3,419	-	3,417	300	688	-

(1) Financial receivables, operating receivables.

(2) Cash positions.

(3) Financial debts, operating debts, other.

(4) These are the commitments to continue rents and risk pools mentioned in paragraph 23.2.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2022

PricewaterhouseCoopers Audit

Grand Hôtel-Dieu
3 Cour du Midi
CS 30259 - 69287 LYON CEDEX 02

BM&A

11, rue de Laborde
75008 Paris

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the annual general meeting,

OPINION

In compliance with the engagement entrusted to us by your annual general meeting, we have audited the accompanying financial statements of Haulotte SA for the year ended December, 31st 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December, 31st 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Statutory Auditors' Responsibilities for the Audit of the Financial Statements section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for statutory auditors, for the period from January, 1st 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014.

JUSTIFICATION OF ASSESSMENTS – KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

MEASUREMENT OF EQUITY INVESTMENTS, RECEIVABLES FROM INVESTMENTS AND GROUP TRADE RECEIVABLES

Identified risk

Haulotte Group SA holds equity in Group companies and operates a manufacturing business. As part of the development of the Group, it carries out cash advances to finance its subsidiaries. In addition, it sells equipment to its sales subsidiaries and provides services to the Group as a whole.

Equity investments, loans, receivables from investments and Group trade receivables recognized at 31 December 2023 represent some of the largest entries on the balance sheet. Equity investments are carried at cost and may be impaired based on their value in use. Receivables from investments and Group trade receivables are recognized at par value and may be written down on the basis of their recoverability.

As indicated in Note 2.3 to the financial statements, the value in use of shares in subsidiaries is estimated by management based on equity at the closing date, forecast earnings for the concerned entities and/or the EBITDA multiple method for the shares owned in the Acarlar subsidiary. These same inputs are used to evaluate the recoverability of receivables from investments and trade receivables at Group level.

In order to estimate the value in use of equity investments, management is required to exercise judgement to decide which inputs to use for each investee. These inputs either correspond to historical data (equity) or forecast data (profitability outlook or the economic environment in the countries in which the investees operate).

The geographic location of certain subsidiaries and the competitive and economic environment in which they operate could lead to a drop in their business activity and therefore affect their operating income.

Accordingly, due to the significant amounts at stake and the decisive impact of these measurements on the assessment of the financial situation, assets and liabilities of Haulotte Group SA, we deemed the correct measurement of equity investments, receivables from investments, Group trade receivables and provisions for contingencies to be a key audit matter.

How our audit addressed this risk

Our audit work consisted primarily in verifying that the estimated values determined by management were based on an appropriate measurement method and underlying data and, depending on the investment:

- For valuations based on historical data: verifying that the equity values used were consistent with the financial statements of the entities for which an audit or analytical procedures were performed and that any adjustments to equity were based on documentary evidence.
- For valuations based on the multiple method: ensuring the consistency of the panel of entities taken into consideration based on the review of our specialists.
- For valuations based on forecast data:
 - obtaining the cash and operating cash flow projections for the activities of the entities concerned, as prepared by their operational management teams, and assessing their consistency with the forecast data taken from strategic plans drawn up by general management for each of their activities and approved, where applicable, by the Board of Directors,
 - verifying the consistency of the assumptions used with the economic environment at the closing date and at the date on which the financial statements were prepared, particularly in the context of inflationist pressure.

In addition to assessing the values in use of the investees, our work also consisted in:

- assessing the recoverability of receivables from investments in light of the analyses conducted of equity investments,
- verifying the recognition of provisions for contingencies where the Company is exposed to the losses of a subsidiary with negative equity.

We also examined the appropriateness of the disclosures provided in the notes to the statutory financial statements.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

ASSESSMENT OF THE CORRECT VALUATION OF INVENTORY

Description of risk

At 31 December 2023, inventory represented a net value of € 63,698 thousand and a gross value of €66,673 thousand including raw materials for €39,871 thousand, work-in-progress for € 2,481 thousand, finished goods for € 12,503 thousand and trade goods for € 11,818 thousand.

As indicated in Note 2.4 to the financial statements, the value of raw materials is based on the weighted average unit cost and the value of work-in-progress and finished goods includes direct and indirect production based on normal operating capacity. A depreciation is accounted for when the net realizable value, corresponding to the estimated selling price in the ordinary course of business less applicable expenses to sell or recondition the goods, is lower than the net value.

Given the context of inflationary pressure and the difficulties in the supply chain with an impact on the quantities, on the delay of production and on the value of inventory, we deemed the valuation of inventory to be a key audit matter.

How our audit addressed this risk

Our work consisted primarily in:

- Gaining an understanding of the internal control procedures and assessing the correct design and the efficiency of key internal controls designed by the company and related to the valuation of the different natures of inventory,
- Assessing the correct valuation of raw materials
 - Analysis of the consistency of the evolution of the weighted average unit price compared to the previous year and to the rise in purchase costs,
 - Tests of detail on an extended sample.
- Assessing the compliance of direct and indirect production costs included in the valuation of work-in-progress and finished goods with the applicable accounting principles,
- Assessing the correct valuation of work-in-progress and finished goods
 - Analysis of actual direct and indirect production costs without the impact of under activity
 - Tests of detail on an extended sample.
- Verifying the correct calculation of depreciation for all the different type of inventory based on the Group method and verifying the absence of additional depreciation to be recognized based on margins realized by the company during the subsequent period.
- Verifying the absence of litigations with suppliers of raw materials regarding purchase prices with a potential significant impact on the value of inventory.

We also examined the appropriateness of the disclosures provided in Notes 2.4 and 5 "Inventory" to the consolidated financial statements.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

ASSESSMENT OF THE GOING CONCERN BASIS

Description of risk

Statutory financial statements have been prepared using the going concern basis of accounting.

As indicated in Note 1 "Significant events during the year" to the statutory financial statements, as the financial covenants defined in the Syndicated Loan have been breached as of December 31, 2023 and will be partially breached as of June 30, 2024, a new waiver for these two periods have been granted by all the lenders to the Group in March 12, 2024.

As described in Note 13 "Borrowings", the net financial debt as at December 31, 2023 amounts to € 268.3 million, including the Syndicated loan for € 117.9 million to be paid back in 2026 and other financial debts and overdrafts for € 150.4 million. Available cash amounts to € 17.6 million.

Based on :

- The net financial debt of Haulotte Group SA,
- The cash available at Haulotte Group SA level as at December 31, 2023,
- The assumptions followed by Management to prepare a budget and assess expected cash-flows,

the level of cash is considered as sufficient by Management to ensure the continuity of its activities and the activity of all the subsidiaries.

Given the terms and conditions of the financial debts of the Group and the use of assumptions and estimates to assess the expected rentability and future cash-flows, we deemed the assessment of the going concern to be a key audit matter.

How our audit addressed this risk

As part of our audit procedures, we assessed the level of liquidity needed by the Group based on future expected cash-flows, actual cash and short-term credits available.

Our work consisted primarily in obtaining the details of future expected cash-flows and in understanding (i) procedures followed and (ii) main assumptions applied to determine these cash-flows.

We assessed their consistency with the last business plan prepared by Management and approved by the executive committee.

We also assessed their reasonableness compared to past performances and to the activity realized within the FY24 first few months taken into consideration the actual economic and financial situation of the lifting equipment manufacturing sector as well as an assessment of the on-going actions initiated by the Group as a response of the global economic situation.

We also examined the appropriateness of the disclosures included in notes 1 "Significant events during the year", 2 "Accounting policies", 13 "Borrowings", and 3 "Post closing events" to the statutory financial statements.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to Shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to Shareholders.

We attest the fair presentation and the consistency with the financial statements of the information relating to payment deadlines mentioned in Article D. 441-46 of the French Commercial Code (Code de commerce).

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L. 225-37-4, L.22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (code de commerce) relating to remunerations and benefits received or awarded by the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your company from controlled companies that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code (code de commerce), we have verified their compliance with the source documents communicated to us. Based on our work, we have no observation to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the purchase of investments and controlling interests and the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of the presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (Code Monétaire et Financier), prepared under the responsibility of the Group Managing Director, complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 Decembre 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

We have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of Haulotte Group SA by the General Meetings held on 28 May 2015 for BM&A and on 2 October 1998 for PricewaterhouseCoopers Audit.

As at 31 December 2023, BM&A and PricewaterhouseCoopers Audit were in the ninth year and the twenty-sixth year of total uninterrupted engagement.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

FISCAL YEAR ENDED 31 DECEMBER 2023

- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Lyon, April 30th, 2024
The Statutory Auditors

PricewaterhouseCoopers Audit

BM&A

Matthieu Moussy

Pascal Rhoumy



NON-FINANCIAL

PERFORMANCE

STATEMENT

2023

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

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NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

INTRODUCTION

In 2022, Haulotte placed sustainable development at the forefront of its 2025 ambitions, with the creation of an internal ESG committee in charge of steering this strategic pillar within the Group.

This approach is based on our vision,

**“LET’S DARE TOGETHER BECOMING THE MOST VALUABLE
WORKING AT HEIGHT EXPERIENCE MAKER”,**

on our core values of

RESPECT, PERFORMANCE & ENGAGEMENT

and on our mission of

TAKING CARE OF PEOPLE

Our mission has 3 primary targets, which are the bedrock of our ESG approach:

- **TAKING CARE OF OUR EMPLOYEES** by providing them with a safe working environment that enables them to develop
- **TAKING CARE OF OUR PARTNERS**
- **TAKING CARE OF THE SOCIETY**

2023 saw the consolidation of this bedrock, with the roll-out of our ESG vision among all stakeholders as part of customer events.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

HUMAN RESOURCES



- 1,700+ employees
- 1,000+ employees working on certified sites

ENVIRONMENTAL RESOURCES



- Carbon emissions (scope 1 & 2): 16,254 tCO2eq
- Energy consumption: 56,280 MWh
- Water consumption: 11,173m3

ECONOMIC RESOURCES



- Equity: €185 million
- Investment (net, excluding IFRS16): €8 million
- Syndicated loan & PGE (State-guaranteed loan): €126 million

OPERATIONAL CAPITAL



- 5 industrial sites
- 21 distribution subsidiaries
- 7 logistics platforms
- 1 design office, 1 study center, 1 e-lab

OUR OTHER RESOURCES



- > 9,500+ active customers
- > 1 solid network of suppliers and partners
- > €14.2 million R&D expenditure
- > Teams dedicated to R&D, innovation and continuous improvement

OUR VISION

Let's dare together becoming the most valuable working at height experience maker.

OUR MISSION



OUR BUSINESS LINES

A complete range of safe, innovative machines incorporating our latest innovations and remote monitoring solutions.



Haulotte EQUIPMENT

Haulotte SERVICE

Haulotte FINANCIAL SERVICES

OUR STRENGTHS

- 5 Industrial sites
- 21 Sales & service subsidiaries
- 1900 Employees
- +100 Countries covered
- 7 Logistics platforms

OUR PERFORMANCE

SILVER 2023 ecovadis Sustainability Rating

+ENGAGÉS +PERFORMANTS

UIMM LA FABRIQUE DE L'AVENIR

bsi ISO 9001 Quality Management Systems CERTIFIED, ISO 14001 Environmental Management CERTIFIED, ISO 45001 Occupational Health and Safety Management CERTIFIED

SOCIAL VALUE



- > 40,000+ training hours for our employees
- > 34% of new recruits under the age of 27
- > Gender equality index 86

ENVIRONMENTAL VALUE



- > Revenue associated with the circular economy: €10.2 million
- > 78% of the machines sold are electric
- > 75% waste recycling rate on our sites (excluding Chinese plant)

ECONOMIC VALUE



- Revenue (excluding IAS29): €767 million
- Cash flow (excluding IAS19/IFRS16): €34 million
- Taxes paid in France and abroad: €7 million

OPERATIONAL VALUE



- > PULSEO range, electric machines with the same performance as diesel machines
- > Local distribution and production logic for at least 50% of our customers' needs.

ENVIRONMENTAL VALUE



- > Digital fleet management offers (MyHaulotte, SHERPAL)
- > Safe solutions and innovations that reduce the environmental impact of our machines
- > 70%+ suppliers committed to a responsible purchasing approach
- > 75% customer satisfaction rate

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NON-FINANCIAL PERFORMANCE STATEMENT

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OUR COMMITMENTS TO SUSTAINABLE DEVELOPMENT

1 Identification of the main non-financial challenges, risks and opportunities of the Haulotte Group

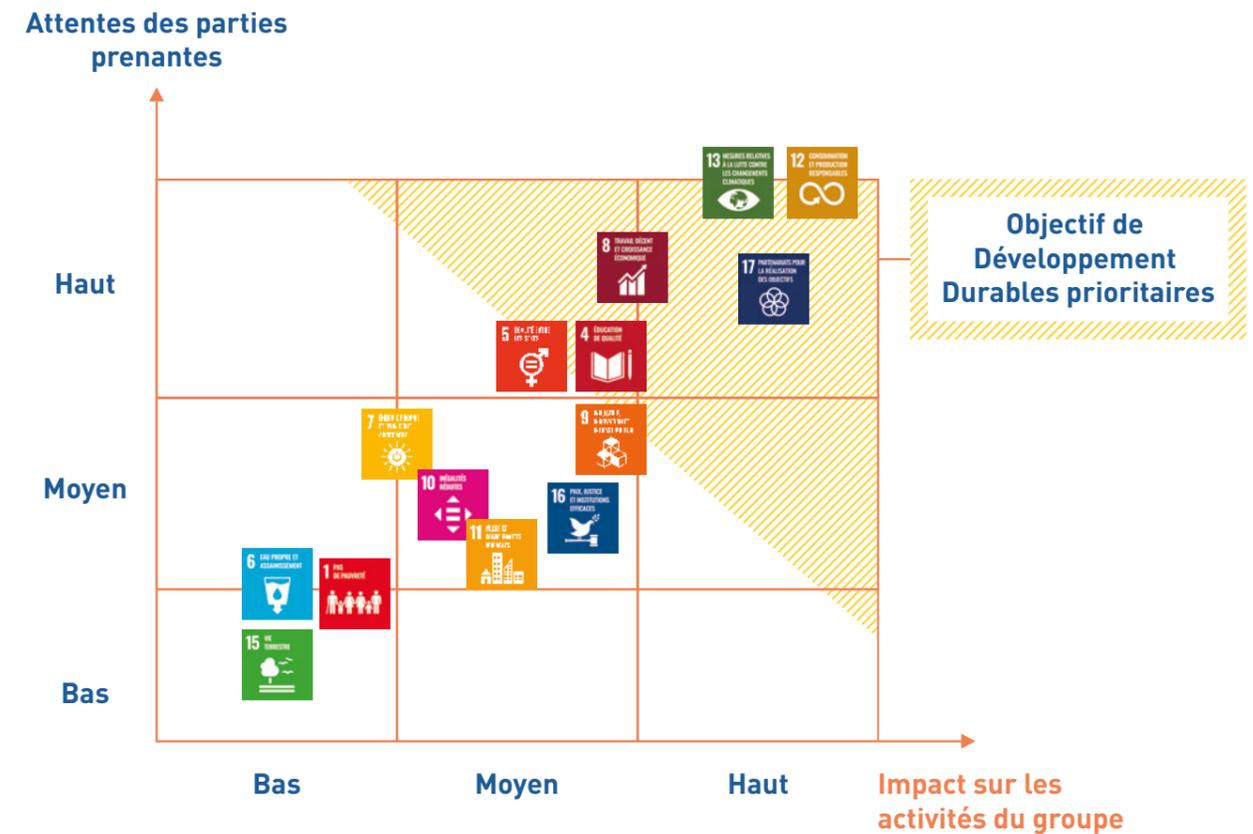
To meet its obligations, Haulotte completed a map of its non-financial risks for the first time in 2018. Supplementing the macro-mapping of risks already carried out by the Group, this analysis helped identify the major non-financial risks to which it is exposed. This risk analysis was updated in 2021, as part of the work carried out on the implementation of an integrated Quality, Safety and Environment management system and an Operational Excellence program within the group. Since then, an internal audit committee has been set up, whose main task is to identify major risks before they become a problem, and to determine whether similar risks exist throughout the Group. The work of this committee (significant risks and associated actions) is presented to the Audit Committee of the Board of Directors.

This is how 12 non-financial challenges were defined:

- R1 - Deterioration in stakeholder relations by failing to take their needs and expectations into account
- R2 - Failure to take into account or respond in a timely manner to customers' comments (complaints, customer satisfaction survey), including lack of communication (deadlines, delivery, interventions)
- R3 - Sharp fluctuation in the price and availability of raw materials
- R4 - Accidents and occupational diseases, specifically linked to our industrial activity
- R5 - Inaccessibility of working tools / cyber-crime / Loss of information and data
- R6 - Lack of attractiveness and failure to retain talent (difficulties in developing or preserving human capital, skills and know-how)
- R7 - Risk of dependence on some of our suppliers for the supply of our key components and raw materials
- R8 - Safety risk related to the use of our products
- R9 - Insufficient eco-design, recyclability, and end-of-life management of our machines

- R10 - Breach of regulations (observance of embargoes, human rights, intellectual property, GDPR, Sapin II Law, preservation of resources, etc.)
- R11 - Direct and indirect environmental impacts (airborne emissions, water discharge, waste production, energy consumption and greenhouse gas emissions, etc.) of our activities
- R12 - Risk of corruption and unethical practices, which may affect the Group's image and reputation

Furthermore, in 2022, a materiality analysis was carried out with employees from various departments and entities of the group. Its purpose was to define priority Sustainable Development Goals and challenges for Haulotte.



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The materiality analysis identified priority non-financial challenges, corresponding with 9 Sustainable Development Goals (SDG). 7 of these 9 SDGs are considered priorities.

The combined analysis of non-financial risks and the results of the materiality analysis determine the roadmap for the Group's sustainable development approach.

They were all validated by the EXCOM.

The policies, key performance indicators and actions taken for these challenges are presented throughout this document.

These challenges were also taken into account when developing the Group's ESG vision.

2 ESG Vision & Objectives

Communicated for the first time in 2022 internally, and in 2023 to all stakeholders, Haulotte's ESG vision has been jointly developed with the employees. It takes into account the Group's mission, mission objectives, priority Sustainable Development Goals and all the challenges, commitments and ambitions in terms of sustainable development.

It has since been deployed by all Group entities.

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This ESG vision now provides a framework for our sustainable development actions.

In doing this, we are creating a ESG roadmap for 2030. It will present a non-exhaustive list of the Group's strategic ESG indicators, in keeping with the mission and its objectives. It will be presented in 2024 and published in 2025.

Today, each mission is broken down into challenges. These challenges are described in the following pages of the document, which set out the detailed actions required to achieve our goals.

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3 Governance



COMPOSITION OF THE EXECUTIVE COMMITTEE

- 1 - **Alexandre SAUBOT** - CEO
- 2 - **Philippe NOBLET** - Corporate Secretary, in charge of the Group's Human Resources Department
- 3 - **Stéphane HUBERT** - Sales, Marketing & Service Director
- 4 - **Sébastien MARTINEAU** - Chief Financial Officer, in charge of the Information Systems Department
- 5 - **Patrice MÉTAIRIE** - Industrial Director
- 6 - **Damien GAUTIER** - Asia-Pacific area Managing Director
- 7 - **Carlos HERNANDEZ** - Americas area Managing Director
- 8 - **Patrick MURRIS** - Europe & Africa area Managing Director, in charge of ESG deployment

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OFFICERS:



PIERRE **SAUBOT** - Chairman
 ALEXANDRE **SAUBOT**
 JOSÉ **MONFRONT**
 MICHEL **BOUTON**
 ELISA **SAUBOT**
 HADRIEN **SAUBOT**
 ELODIE **GALKO**
 ANNE **DANIS FATÔME**
 BERTRAND **BADRÉ**

ESG guidelines and performance are presented to the Board of Directors in the course of the financial year. The mandate, powers and operation of the Board of Directors are described in detail in the management report.

BOARD OF DIRECTORS

EXECUTIVE COMMITTEE

The executive committee defines and supports the ESG vision where economic, social and climate issues are concerned. It is responsible for ESG performance and defines the corresponding means of action, policies and processes. Via its sustainable development representative, the Europe & Africa area Managing Director, the executive committee oversees their roll-out and implementation across the entire Group.

The executive committee directs and validates internal and external communication in terms of social responsibility and performance based on environmental, social and governance criteria.

The ESG approach is under the responsibility of the Group's Sustainable Development manager, who guarantees the coordination and consolidation of accomplishments and performance achieved in this field. He reports directly to the Europe & Africa area Managing Director and the CFO.

DRIVING THE DEPLOYMENT

An internal ESG committee, made up of members of several departments within the group, was created in 2022.

Its primary role is to clarify ESG challenges, key success factors and objectives in accordance with the Group's priorities, to verify and ensure consistency with the ESG vision, to share significant deviations/inconsistencies with the EXCOM. The committee must also help mobilize resources where necessary, while supporting change management and buy-in from the entire organization.

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SUSTAINABLE DEVELOPMENT AWARENESS AND TRAINING

To raise awareness of societal and environmental issues among employees and the management, and to mobilize them to make sure everyone embraces the Group's ESG vision, Haulotte carried out a number of dedicated projects and events in 2023.



In September 2023, all Group EXCOM members and directors got together to create a climate mural. Created by the eponymous association, this workshop designed to raise awareness of major climate-related mechanisms uses collective intelligence to shed light on the causes and consequences of climate change.

The organization of this workshop for all executives (over 70 people attended, from all our entities) attests to the Group's determination to integrate climate issues into its strategic challenges.

All Group employees were also given the opportunity to attend several Climate Mural workshops. Dedicated in-house staff were trained to run these workshops, as a result of which, since July 2023, 128 employees have taken part in the sessions organized in-house.



A dedicated ESG week was organized as part of Sustainable Development Week, raising employee awareness of sustainable development issues and the Group's ESG vision. Several workshops were organized in the Group's various entities, with the help of employees or external contributors.



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4 Standards, guidelines & policies

To structure its approach to social responsibility, Haulotte relies on internationally recognized standards and guidelines, or on internally developed guidelines that are fully adapted and integrated into the organization. Policies, charters and agreements also serve to materialize the Group's commitments to its stakeholders.

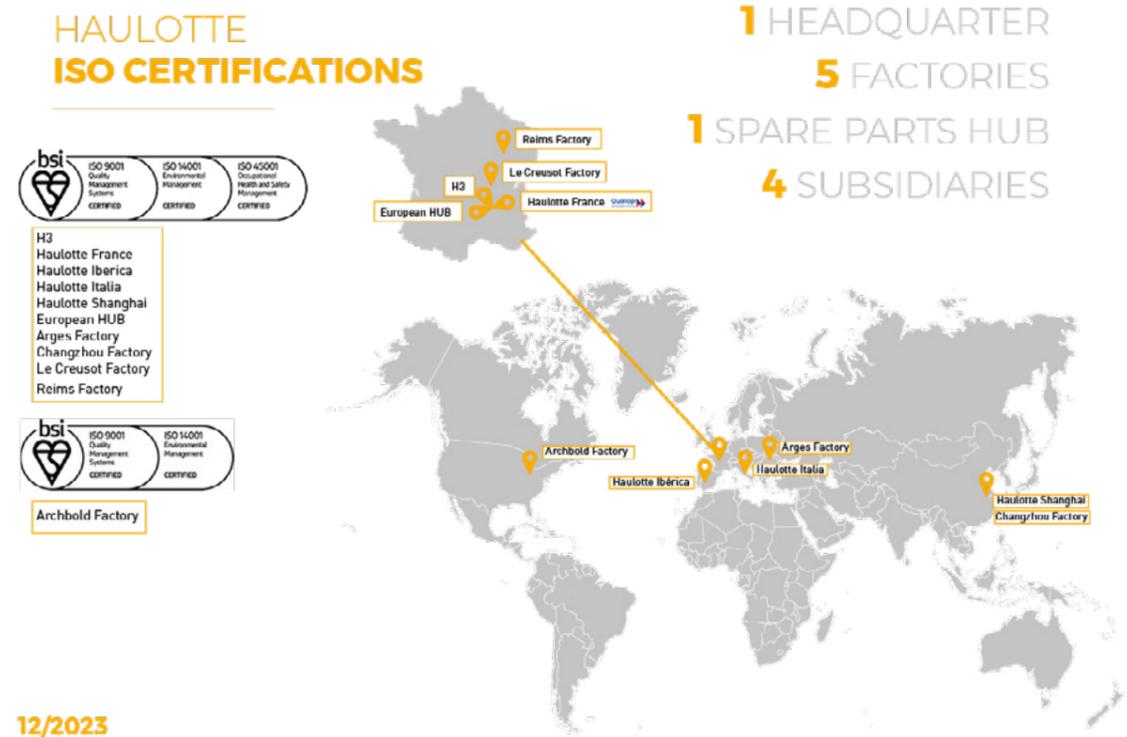
INTERNATIONAL STANDARDS AND GUIDELINES

Haulotte integrated the United Nations Sustainable Development Goals in 2021. These are the 17 goals set by governments to eradicate all forms of poverty in all countries, protect the planet and guarantee prosperity for all.

Since 2010, the Group has striven for the continuous improvement of its practices and uses ISO international standards:

- ISO 9 001, Quality management system
- ISO 14 001, Environmental management system
- ISO 45 001, Health and Safety management system

The map below shows the certified Haulotte entities



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Haulotte respects the fundamental human rights enshrined in treaties such as the United Nations Charter of Human Rights and the ILO Fundamental Conventions. Haulotte makes the same demands of its stakeholders.

INTERNAL PROGRAMS AND GUIDELINES

=> Operational Excellence program: YELLO



YELLO is the operational excellence program launched by Haulotte at the end of 2020. Unlike many operational excellence programs, it is not based on standards but chooses to put People at the center of the system. The goal is to create a dynamic to ensure employee engagement so that employees can embrace the approach and become actively involved in the change process. Rather than imposing a group standard, the program is consistent with a "bottom-up", co-creation approach, as

employees themselves determine their new way of working through the construction of a common framework. In addition, everyone can evaluate their level of progress in a given practice by using maturity grids developed by employees.

The YELLO approach is one of the 3 pillars that drive the group's strategy.

In addition, the Group's Quality, Safety and Environment approach is integrated and managed as part of this Operational Excellence program.

=> Cultural transformation program: LET'S DARE

Haulotte operates in an increasingly complex and competitive market. In order to adapt, agility and innovation are becoming essential to perform well. Let's Dare, our cultural transformation program, helps create a caring and engaging environment in which employees are empowered, develop their skills and their ability to work together more effectively. It is built around a number of projects:



- Measuring and developing engagement
- Promoting and developing ownership of the values charter and leadership model
- Harmonizing our HR practices
- Creating a learning corporate culture

These 2 programs complement each other in terms of employee engagement and are critical to our mission.

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Yello develops employee empowerment and direct management processes.

The leadership model prepares management to take responsibility in the right way



INTERNAL POLICIES, CHARTERS AND AGREEMENTS

=> **Anti-corruption code of conduct:** Haulotte has chosen to adopt the MiddleNext anti-corruption code of conduct. It forms an integral part of the company's internal regulations and applies to all employees. It describes the procedures and behavior of employees in areas such as gifts and entertainment, donations to associations and conflicts of interest. It also describes the alert procedure in the event of a breach of this code.

=> **Values charter:** it is made up of our values and the leadership model defined by our employees as part of an empowering model, and enables us to develop caring and performance. The LET'S DARE program contributes to its communication, adoption and embodiment, in particular through communication and training.

=> **Quality, Safety and Environment policy:** the Group maintains a policy that promotes customer satisfaction and product quality, the health and safety of its employees, and the reduction of its environmental impact. This policy is implemented throughout the group, and regular communications are produced via the Haulotte Academy. Some of the key performance indicators featured in the ESG challenges are monitored as part of the QSE policy

=> **Responsible purchasing charter:** the charter enables us to share the Group's responsible purchasing principles with all our suppliers, based on social, ethical and environmental commitments

=> **Collective agreement on professional equality and Quality of Life at Work:** this agreement defines the Group's policy in terms of:

- Improving the quality of life and working conditions of its employees. It shows the Group's commitment to promoting a better work/life balance, creating conditions conducive to quality of life at work, to the right to disconnect and to teleworking
- Gender diversity and professional equality. This part of the agreement attests to the Group's commitment to the recruitment, promotion, remuneration, training, employment and working conditions of disabled workers

=> **Agreement on Strategic Workforce Planning:** the purpose of this agreement, which is fully consistent with the company's corporate social responsibility, is to implement the resources needed to adapt employees' skills and changing jobs with a view to maintaining or enhancing their employability, thus addressing the Group's growth and competitiveness challenges. It also offers forward-looking management tools to ensure that employees are constantly adapting to changes in the company's markets and technologies, and that the resources and skills required to achieve the Group's strategic plan are quantitatively and qualitatively adequate.

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5 Dialog with stakeholders

Haulotte maintains regular and constructive dialog with its primary stakeholders. The Group mapped out the various players based on sectoral analyses and interviews conducted in the various Group entities. This helped identify and classify internal and external stakeholders according to their level of influence and impact on our ESG strategy and business.

The result of this mapping process is presented below:



The table hereafter summarizes the main forms of dialog with the stakeholders directly required for Haulotte's operation and offer stability, i.e. stakeholders to whom the group is committed and with whom it is cooperating proactively.

For other stakeholders, regular dialog is maintained in a variety of ways, corresponding with the stakeholder's activity.

The mapping of stakeholders was completed in 2022 based on analyses carried out in entities where a QSE management system is in place. It will be updated whenever a new entity enters the scope of certification, subject to material change.

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STAKEHOLDERS	MAIN EXPECTATIONS	MAIN FORMS OF DIALOG
EMPLOYEES	<ul style="list-style-type: none"> Job appeal (career development, quality of the tasks, values) Skills development Integration of well-being, occupational health and safety Integration of an environmentally aware, eco-friendly approach 	<ul style="list-style-type: none"> Intranet In-house journal/Newsletter Satisfaction survey Deployment of values Annual development interviews Safety and Environment Days Social media
STAFF REPRESENTATIVES	<ul style="list-style-type: none"> Compliance with regulations Listening to demands Ongoing, transparent and constructive social dialog 	<ul style="list-style-type: none"> Regular meetings Consultations Negotiations
CUSTOMERS	<ul style="list-style-type: none"> Compliance with regulations Compliance with product characteristics Contributing innovative and lasting technical solutions Value for money Integration of an environmentally aware, eco-friendly approach 	<ul style="list-style-type: none"> Satisfaction surveys Trade shows and exhibitions Customer events Responses to questionnaires
PARTS SUPPLIERS	<ul style="list-style-type: none"> Clear definition of technical specifications Formal agreement on a price, quantity and timeframe, ensuring sufficient financial visibility 	<ul style="list-style-type: none"> Regular monitoring of suppliers Responsible purchasing charter Supplier audits Partnerships
BANKS, FINANCIAL PARTNERS AND INSURANCE COMPANIES	<ul style="list-style-type: none"> Long-term view of the strategy Regular communication, exchange Profitability and sustainable financial stability Compliance with regulations Risk management (industrial, financial, non-financial risks) 	<ul style="list-style-type: none"> Results presentation conferences Annual management report Responses to evaluation questionnaires Press releases
SERVICE PROVIDERS	<ul style="list-style-type: none"> Long-lasting relations Mutual trust 	<ul style="list-style-type: none"> Regular meetings Responsible purchasing charter Partnerships Service contracts

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6 ESG performance

RECOGNIZED PERFORMANCE



Rating **ecovadis**
Score 59/100
 Updated in March 2023

ISO 9001 / ISO 14001 / ISO 45001 certification
 74% of the group's employees work on certified sites



In 2022, Haulotte signed the ESG commitment charter of UIMM (Union of Metalworking Industries)

The signing of this charter reflects the group's commitment in accordance with UIMM's ESG framework, supporting a Global Industrial Performance approach.

The signing of the commitment charter is conditional upon an initial level 1 assessment carried out on 02/17/2022 by a UIMM-approved adviser and giving rise to a report. Haulotte thus undertakes to implement the improvement actions decided upon during the assessment, subject to a follow-up assessment every year. This assessment was carried out in February 2023 and concluded that the ESG commitment charter should be maintained.

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TAXONOMY

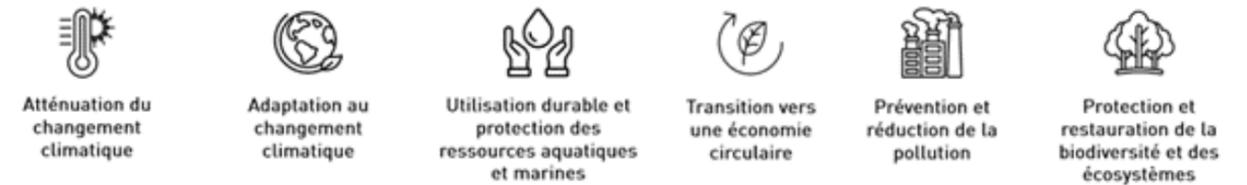
On June 22, 2020, taxonomy regulation (EU) 2020/852 was published in the European Commission's Official Journal. This regulation introduces a new standard for non-financial statements, with a view to promoting sustainable investment.

This regulation was supplemented by additional texts and FAQs which we took into account for the publication of the taxonomy results: Regulation (EU) 2021/2139, defining the technical review criteria for activities under the climate goals, Regulation (EU) 2023/2485, amending Regulation (EU) 2021/2139, Regulation (EU) 2023/2486, environmental delegated act, FAQs of December 2022 published in the OJ at the end of 2023, of June 2023 and of December 2023

Taxonomy objectives

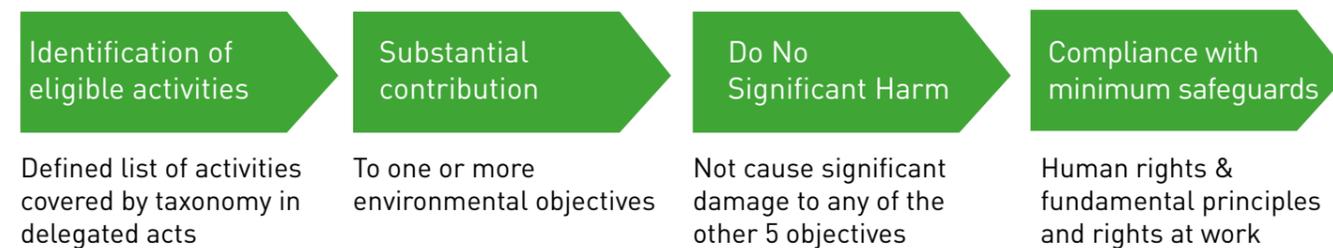
The purpose of the European taxonomy is to identify the economic activities of a company that are considered environmentally sustainable. It aims at redirecting capital flows towards sustainable investments, integrating sustainability into risk management and promoting transparency in corporate reporting. The regulation stipulates that only economic activities that contribute to one of the six environmental objectives set out can be considered sustainable.

These objectives are listed below:



Taxonomy reporting process

The various phases followed by the Group in its taxonomy reporting are described below:



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Identification of taxonomy-eligible activities

An economic activity is considered eligible for taxonomy if it is described in the delegated acts relating to the six environmental objectives.

Haulotte Group has analyzed all its activities with regard to taxonomy regulations. This analysis was carried out jointly by the Sustainable Development and Finance Departments, supported by Operations. We have identified the following activities as eligible and in keeping with the environmental objectives:

Description of Haulotte's activity	Objective 1: Climate change mitigation		Objective 2: Adaptation to climate change		Objective 4: Transition to a circular economy	
	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators
Electric range	3.6 other low-carbon manufacturing technologies	Turnover CAPEX OPEX	3.6 other low-carbon manufacturing technologies	Turnover CAPEX OPEX	/	/

Reducing the carbon intensity of transport fleets and infrastructures can clearly be instrumental in climate change mitigation. We should target the reduction in leading sources of emissions by factoring in the need to refocus on less polluting forms of transport and to create infrastructures conducive to clean mobility.

Thus, the entire electric range developed and sold by the Group contributes to reducing greenhouse gases, insofar as the technical choices made are based on non-fossil fuel engines.

We classify this activity under eligible economic activity 3.6 "Other low-carbon manufacturing technologies". The description of activity 3.6 in Annex I to the Climate Delegated Act does not contain a clear definition of the term "low-carbon manufacturing technology" and is therefore open to interpretation. In the absence of a definition, Haulotte has defined this expression by referring to the manufacturing of electrical machinery as being eligible for taxonomy for activity 3.6 of Annex I to art. 8 of the delegated act.

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Description of Haulotte's activity	Objective 1: Climate change mitigation		Objective 2: Adaptation to climate change		Objective 4: Transition to a circular economy	
	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators
SHERPAL remote monitoring solution	3.6 other low-carbon manufacturing technologies	Turnover CAPEX OPEX	3.6 other low-carbon manufacturing technologies	Turnover CAPEX OPEX	/	/

The "Sherpal" remote monitoring solution is also classified under eligible economic activity 3.6 "Other low-carbon manufacturing technologies". SHERPAL ensures increased vigilance with respect to maintenance operations, thereby allowing for better control over greenhouse gas emissions (e.g. filter problems), and helps optimize parts renewal, thus contributing to extending the service life of their machines (find out more on page 41).

Description of Haulotte's activity	Objective 1: Climate change mitigation		Objective 2: Adaptation to climate change		Objective 4: Transition to a circular economy	
	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators	Activity described in the taxonomy delegated acts	Reported indicators
Installation of photovoltaic panels	7.6 Installation, maintenance and repair of renewable energy technologies	CAPEX	7.6 Installation, maintenance and repair of renewable energy technologies	CAPEX	/	/

The Group has installed photovoltaic panels in some of its European distribution subsidiaries. This activity is classified under economic activity 7.6 "Installation, maintenance and repair of renewable energy technologies"

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Alignment of eligible activities

An activity is considered aligned with taxonomy when it is eligible and meets the following three conditions:

- it makes a substantial contribution to achieving at least one of the six environmental objectives;
- it does not cause significant harm to other environmental objectives, DNSH principle (Do No Significant Harm);
- it complies with minimum safeguards.

SUBSTANTIAL CONTRIBUTION

With regard to substantial contributions, after identifying which of the Group's activities were eligible for the taxonomy, compliance with the substantial contribution criteria was verified for each eligible activity, as described in the taxonomy delegated acts.

Some activities contribute to both climate change mitigation and adaptation objectives. To avoid duplication, the Group aligned its activities with the climate change mitigation objective.

CCM 3.6 other low-carbon manufacturing technologies: the criterion is validated when it can be demonstrated that the manufacturing technologies offer substantial reductions in carbon emissions over their life cycle compared with the best-performing alternative technologies/products/solutions on the market. Haulotte therefore assessed the CO2 emissions of its electric machines by comparing them with their internal combustion equivalent. To date, the assessments carried out have confirmed the substantial contribution made by the electrical products manufactured by the Group.

CE 5.1 Repair, refurbishment and remanufacturing: the 2nd Life and Restart Center activities help extend the service life of machines based on the level of reconditioning chosen by customers (2nd Life) or depending on the machine's initial condition (Restart Center). Refurbished machines are accompanied by a certificate of compliance attesting that they comply with applicable regulations after operations. The machines are also accompanied by a sales contract specifying warranty and liability conditions. With regard to waste, the Group is ISO 14001 certified, as a result of which regular controls are carried out to ensure compliance with applicable waste management rules. Specialized service providers are selected to handle our waste, and authorizations are controlled frequently. Each entity has a complete waste register, detailing the treatment of each waste item and the associated treatment channels. Waste is treated in strict compliance with applicable local regulations. These factors enable us to confirm activities' substantial contribution to the circular economy.

CCM 7.6 Installation, maintenance and repair of renewable energy technologies: all renewable energy installation work meets the criteria for this activity

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"DO NO SIGNIFICANT HARM" (DNSH) VERIFICATION

DNSH criteria were analyzed for activities that make a substantial contribution to climate change mitigation. These analyses were carried out to examine the possible existence of substantial damage to other environmental objectives.

DNSH	Description of verification procedures
 <p>Adaptation au changement climatique</p>	<p>A risk assessment, including physical and climate risks, as well as various ESG risks, was carried out at Group level. Environmental analyses are carried out at our sites, in line with ISO 14001 certification, and include analysis of the impact of our activities on the external environment, as well as the impact of the surrounding environment on our sites and activities. Platforms such as Géorisques, Think Hazard and Google Maps are used in environmental analyses to identify surrounding technological and natural risks. Actions are recorded and planned where necessary for the relevant sites, and regular reviews are carried out by an external body. We also use the adaptation plans of the various municipalities where our entities are located, where such plans exist. For example, the Auvergne-Rhône-Alpes region has transposed the National Climate Change Adaptation Plan (PNACC-II) and set up an action plan to promote alternative risk management methods, support integrated climate change adaptation strategies and promote structured partnerships on a regional scale. As a result, the vulnerability of our activities is assessed in conjunction with the internal audit committee, the internal ESG committee and the QSE teams, using all the tools at our disposal. Insurance providers also help in this respect. To date, no site has developed an adaptation plan in response to an identified major risk, apart from the business continuity plans already defined.</p>
 <p>Utilisation durable et protection des ressources aquatiques et marines</p>	<p>The Group's activities with an impact on water consumption are paint lines and machine cleaning. This impact is limited to Haulotte's core business. An environmental impact assessment was conducted in production facilities in France, including a water study. Specific measures were put in place, in conjunction with local authorities, and are regularly monitored as required by prefectural decrees. For facilities outside France, Haulotte has valid operating permits in accordance with local laws and regulations. All the Group's production facilities are ISO 14001 certified, demonstrating the absence of any significant impact of our activities on water. Haulotte also monitors water consumption to keep it to a minimum.</p>

NON-FINANCIAL PERFORMANCE STATEMENT

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DNSH	Description of verification procedures
 <p>Transition vers une économie circulaire</p>	<p>The Group is ISO 14001 certified, and regular checks are carried out to ensure compliance with applicable waste management regulations. Specialized service providers are selected to handle our waste, and authorization checks are carried out frequently. Each entity has a complete waste register, detailing the treatment of each waste item and the associated treatment channels. Treatment is carried out in strict compliance with applicable local regulations.</p>
 <p>Prévention et réduction de la pollution</p>	<p>Thanks to its ISO 14001 certification, Haulotte keeps abreast of local regulations on pollution risks and implements ongoing monitoring to reduce and limit its impact. The DNSH criteria for the prevention and pollution control objective require that the activity does not lead to the manufacturing, placing on the market or use of specific substances as specified in Annex C to the Climate Delegated Act. Haulotte has set up a responsible purchasing charter and a specific supplier and purchasing validation process that takes REACH regulations into account. With this process, suppliers are informed of the regulations applicable to the management of hazardous materials, and undertake to refrain from using the most sensitive substances. Internally, we monitor substances of concern on the basis of information provided by suppliers. In addition, the Group has a process in place for the introduction of new products, making it possible to identify, prior to any use, whether a substance of concern is likely to be introduced. This process is monitored by the Group's QSE teams.</p>
 <p>Protection et restauration de la biodiversité et des écosystèmes</p>	<p>Annex D requires that an environmental impact assessment or screening be carried out. Where required by law, production facilities located in the EU underwent an environmental impact assessment leading to their authorization to operate. Haulotte's production sites are located in planned industrial areas, in agreement with the local authorities, taking into account the compatibility of the activity with the surrounding ecosystems. In return, the sites and the Group ensure compliance with biodiversity regulations, and follow up on issues identified when building permits for facilities are submitted and in prefectural decrees for sites where they exist, in particular with regard to invasive species.</p>

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

COMPLIANCE WITH MINIMUM SAFEGUARDS

Haulotte upholds the highest standards of human rights when conducting its business.

The various standards, guidelines and policies endorsed by the Group are described in section 4 of the non-financial performance statement (page 15).

Anti-corruption policies and procedures are described in the "PUTTING ETHICS AT THE HEART OF OUR BUSINESS CONDUCT" section on page 76

Lastly, with regard to supplier relations, the policies and procedures in place are described in the "PROMOTING RESPONSIBLE PRACTICES AMONG OUR STAKEHOLDERS" section on page 78

Taxonomy reporting results

The turnover denominator corresponds with the Group's turnover at the end of December 2023, as presented in the consolidated financial statements.

The CapEx denominator corresponds with the increase in the gross value of property, plant and equipment and intangible assets over the 2023 financial year.

The OpEx denominator corresponds with the sum of research and development costs detailed in the consolidated notes, building renovation costs and maintenance and repair costs, and short-term leases.

a) Turnover

Financial year N	2023			Substantial contribution criterion							Substantial contribution criterion							Proportion of turnover aligned (A.1) or eligible (A.2) year N-1	Category (enabling activity) (19)	Transitional activity category (20)
	Code (A) (2)	Turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Adaptation to climate change (6)	Aquatic and marine resources (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Adaptation to climate change (12)	Aquatic and marine resources (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum guarantees (17)				
Economic activities (1)		KEUROS	%	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	Y; N; N/A (21) (22)	%	E	T	
A. ACTIVITIES ELIGIBLE FOR TAXONOMY																				
A.1. Environmentally sustainable activities (aligned with taxonomy)																				
Other low-carbon manufacturing technologies (CCM 3.E)		359,755	47 %	Y	Y	N	N	N	N	Y	Y	Y	Y	Y	Y	Y	45 %	E		
Of which enabling		359,753	100 %																	
Of which transitional		0	0 %																	
A.2. Environmentally unsustainable activities (not aligned with taxonomy) (a)																				
		CE 5.1	10,210	1 %																
Repair, refurbishment and remanufacturing			10,210	1 %																
Turnover from activities eligible for taxonomy but environmentally unsustainable (not aligned with taxonomy) (A.2)			10,210	1 %																
Total (A1+A2)			369,965	48 %																
B. ACTIVITIES NOT ELIGIBLE FOR TAXONOMY																				
Turnover from activities not eligible for taxonomy			385,412	51 %																
TOTAL			759,375	100 %																

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OUR MISSION: TAKING CARE OF PEOPLE

Life is our most precious gift, which is why we are committed to protecting those who work at height. Every day, our teams have one objective: to protect the lives of the people who use our equipment and solutions.

TAKING CARE OF EMPLOYEES

Haulotte wants to take care of all its employees in every respect: safety, employability and well-being at work. These objectives are at the heart of our HR policy. Our values, translated into concrete measures by our employees themselves, clearly illustrate and underline our desire to "Take care". We are convinced that a caring work environment fosters creativity, initiative, involvement, performance and employee well-being. Symmetrically, this environment will have a positive impact on our customers, partners and business performance.



HAULOTTE'S MISSION

TAKING CARE OF PEOPLE

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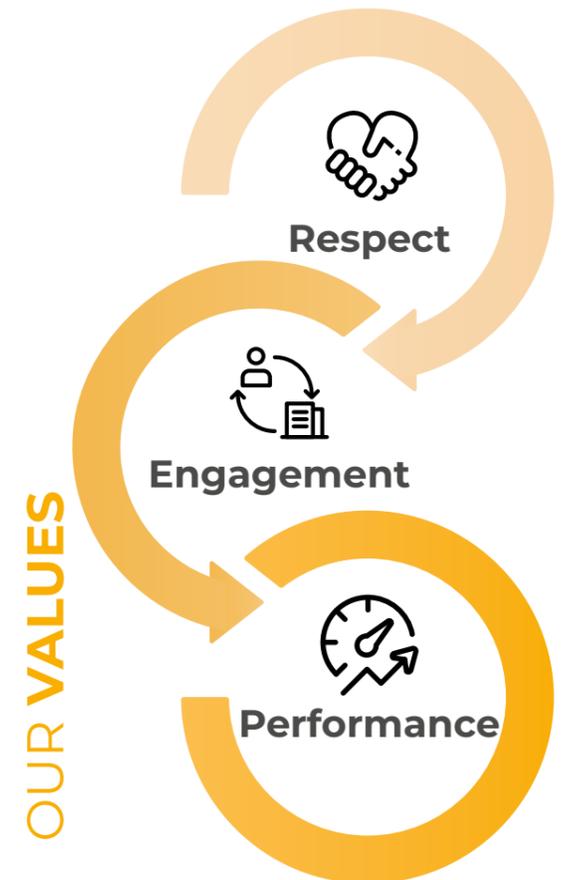
TAKING CARE OF THE SOCIETY

Haulotte takes care of the society through its employees and partners, but not only. We design safe products and solutions; we were among the first companies to commit to reducing the carbon intensity of our machines, and launched a Group-wide ESG program. Step by step, we are advancing along the path towards sustainable development, taking care of our environment, our ecosystem and our society.

TAKING CARE OF PARTNERS

To build a mutually beneficial relationship, we need to take care of our partners as well as our employees. We deliver on our commitments by providing our customers with solutions tailored to their current and future needs. Our ultimate goal is to create a unique customer experience. We do the same with our suppliers, as they contribute to the customer experience and the company's performance.

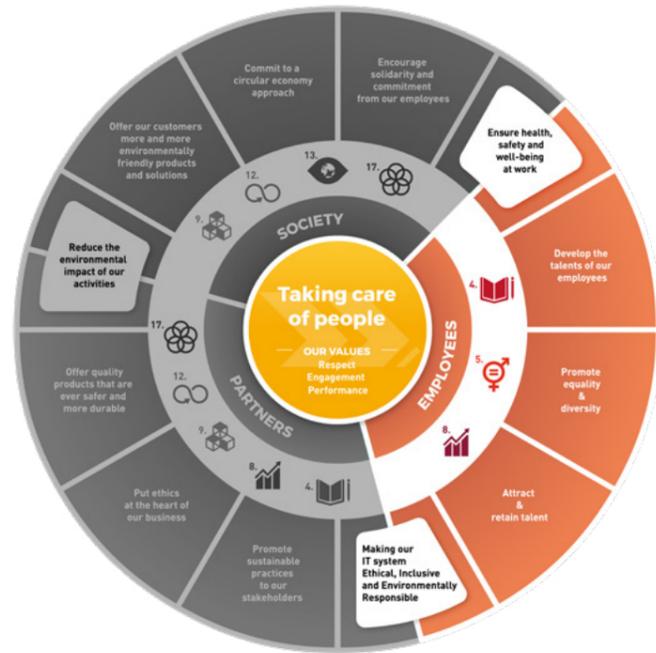
Our values, the cornerstone of our corporate project, are entirely consistent with our mission.



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1 TAKING CARE OF EMPLOYEES



CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS:



Through a dynamic HR/Empowerment policy, disseminated under the "Let's Dare" program, we develop projects and actions aimed at taking care of our employees.

Our 2025 ambition also reinforces these points through two strategic pillars:

- Empowering employees
- Becoming a learning company.

CHALLENGES: CREATING AN ENVIRONMENT CONDUCIVE TO EMPLOYEE ENGAGEMENT

Haulotte, like all organizations, has had to deal with an increasingly VUCA (Volatile, Uncertain, Complex and Ambiguous) environment, not to mention upheavals in the digital industry, the arrival of new generations, and tensions on the labor and skills markets.

Creating an environment that fosters the **autonomy, empowerment, development** and **fulfillment** of our employees should help increase individual engagement, thus leading to skills development, talent retention and attraction for more sustainable performance.

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Employees are more than ever searching for meaning, flexibility, social and environmental commitment, a style of management that would help them grow and become empowered, achieve a better work/life balance, identify with the values upheld by the Company, find transparency and authenticity.

In 2023, in keeping with "taking care of employees", we:

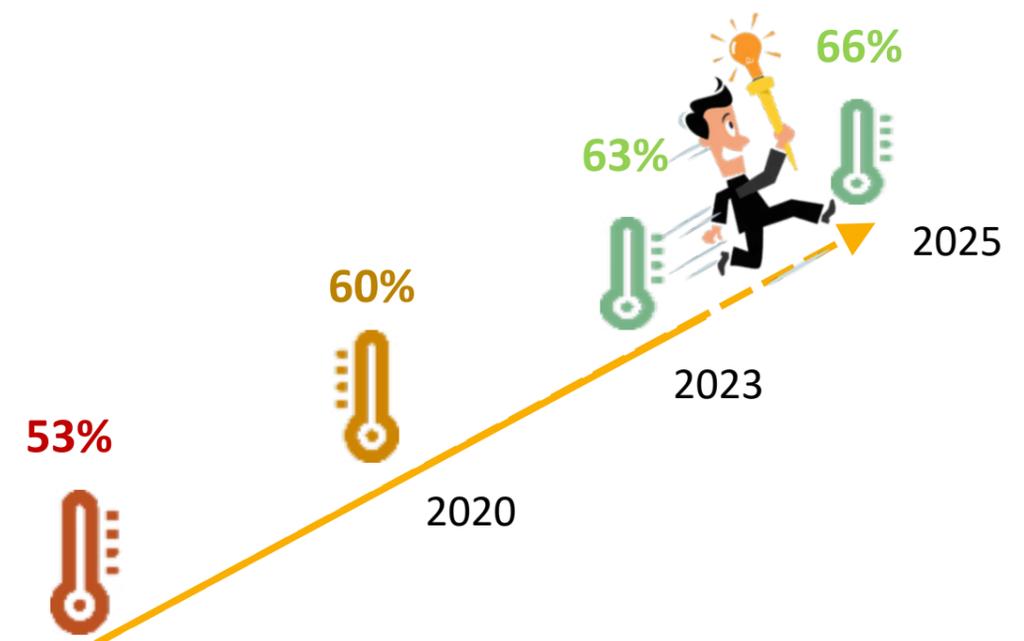
- Measured their engagement with the results of our 3rd survey
- Implemented our charter among French managers, before its global roll-out in 2024

MEASURING ENGAGEMENT

Using a systemic approach undertaken in 2017, in particular via the engagement survey, Haulotte regularly surveys all its employees based on the 14 engagement themes to identify, locally and at Group level, the areas for improvement to be implemented, but also to measure the results of the actions taken by everyone since the previous survey.

2023 results:

- Excellent participation rate of 89%, on a par with 2017 (92%) and 2020 (89%)
- Ongoing pursuit since 2017. In 2023, out of 56 questions: 43 were up, 8 were stable and 5 were down
- The average satisfaction rate for each theme is now **63%**



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The 2023 highlights are the same as in 2017 and 2020, and continue to progress:

- pride in belonging to Haulotte, pride in products and services, and in the commitment of our teams to customers
- The confidence shown by managers, their accessibility and availability, and the respect they show
- Understanding team goals and objectives, and making good use of skills
- Good cooperation within the team

The most negative points in 2023 are the same as in 2020, but are also improving:

- Remuneration and benefits
- Link between remuneration and performance
- Cooperation between departments
- Communication

Some points are now significantly above the benchmark index:

- Recommendation of Haulotte products and services to friends and family
- Training required to be effective at the workstation
- Encouragement to find better ways of looking at things.

These results are due to actions implemented by each site, department and team as part of our continuous improvement approach.

The results were communicated to all levels of the organization. Each manager with at least 5 respondents was given access to the analysis platform, so they could work with their teams to identify areas for improvement.

All these actions contribute to creating the environment in which we want to work.

Another major project, undertaken in 2022 and rolled out in 2023, relates to the overhaul of our Charter.

OUR CHARTER: EMPOWERMENT AND COOPERATION MODEL

The managerial relationship is a key ingredient in creating a work environment conducive to engagement.

In 2022, 80 employees restructured our Values Charter, created by 100 employees in 2017, converting it into an empowering model made up of our values and practices.

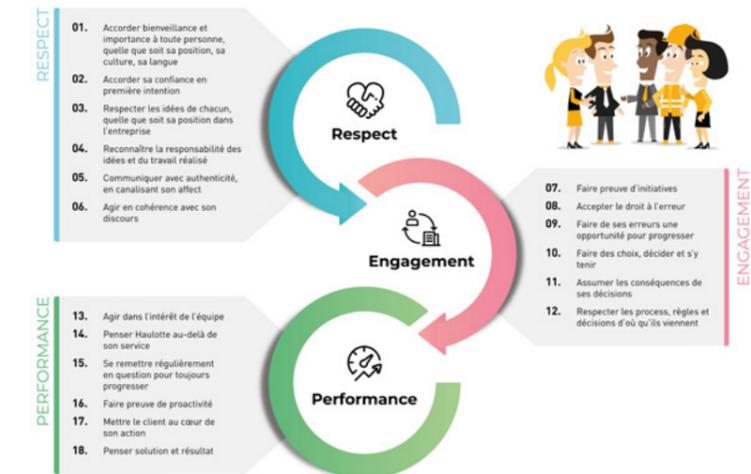
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Our values

Respect, Engagement and Performance are broken down into 18 soft skills, which define the observable behavior expected for each Value, very much in line with the company's Mission.

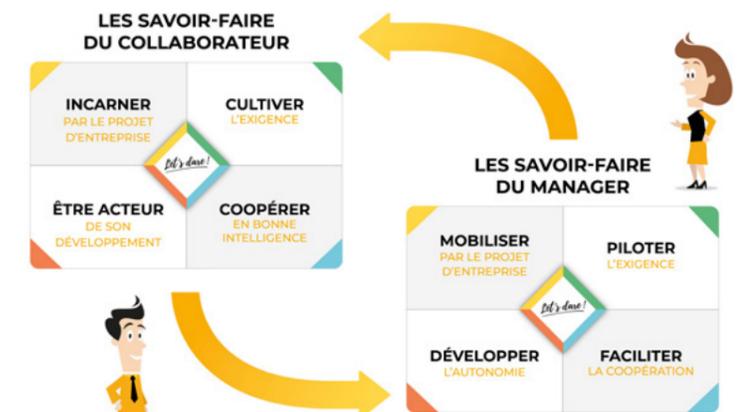
NOS VALEURS



— *Let's dare!* —

Our practices which are built around 4 pillars:

- The corporate project,
- Requirements,
- Autonomy,
- Cooperation.



— *Let's dare!* —

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It is a model of co-responsibility, where everyone drives cooperation. Everyone has to embody the values and apply good practices. The managerial relationship is based on the contribution of everyone involved (employee, manager), who is responsible for 50% of the relationship. The manager also collaborates with his/her own manager.

These 4 pillars break down into 16 employee skills and 21 managerial skills, all of which are closely interrelated.

To measure the improvement in practices and relationships, 360° barometers are organized, enabling each manager to identify the strengths perceived by their environment, as well as their areas for improvement... thus making sure training and practices can be adapted.

In 2023, all managers in France attended 3 days of training in one of the pillars chosen based on the results of their 360° barometer.

Training courses and barometers will be deployed globally in 2024, and each manager will be responsible for rolling out this model among their teams, identifying the priority practices to be implemented.

Illustration of managerial co-responsibility and action taken to facilitate it:

- “Managers must use the corporate project to be inspirational, by making work more meaningful and linking the projects with the Mission...” at the same time
- Employees must embody the corporate project by questioning their managers about the meaning of their actions in relation to the Mission/Vision; they must dare say “I can’t see the link”,

For this corporate project pillar to be implemented, managers must be familiar with the company’s Mission, Vision, Values and strategic pillars.

Consequently, this project was cascaded, starting with the Operations Committee members who presented it to their teams in an interactive format, after which these teams cascaded it in the same format to their own teams... until it covered the whole organization.

This information on strategy continued in 2023, with regular video-conference briefings by the Excom to present progress on strategic pillars and answer questions raised in this cascading process.

The initiatives undertaken as part of the engagement survey and the collaborative model serve as benchmarks for many actions and projects. Through a systemic approach, they provide an effective response to the challenges identified, i.e.:

- Developing the skills and talent of our employees
- Attracting and retaining talent
- Promoting equal opportunities and diversity
- Ensuring occupational health, safety and well-being

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1-1 DEVELOPING OUR EMPLOYEES’ TALENT

At a time when skills are becoming obsolete, training employees is not only a performance factor for Haulotte, forming an integral part of our model: **“taking an active role in personal development”**; **“Developing autonomy”**, it is also key to retaining and attracting our employees.

In 2022, Haulotte embarked on a learning company process. The idea is to create and facilitate an innovative cultural environment conducive to learning. To improve our performance, we need to learn how to solve problems as a group, how to test pilots, learn by experience, learn from other stakeholders, customers, partners, etc. and how to transfer knowledge to ensure equal understanding.

To achieve this, we rely on:

- our network of trainers and instructional designers (a),
- fast co-development and Climate Mural facilitators (a),
- internal and external speakers at our Friday Talks and events on specific topics: sustainable development week, well-being at work week, Artificial Intelligence week, Hackathon, etc. (a)
- participants in La Ruche Industrielle (Industrial Hive) to broaden their horizons and learn beyond Haulotte (a),
- the e-Lab, Yello and Project Management teams, who instill a digital, problem-solving, priority and time management culture throughout the Group, also via certified training courses (b)
- employees who teach students,
- our digital tools: Haulotte Academy and LinkedIn Learning (c).

These efforts are regularly measured through a variety of KPIs

Indicator	Unit	2021	2022	2023	2025 objective	Scope
Rate of employees having attended at least one training course (Number of employees trained during the year / No. of employees under contract during the year)	%	74	74	85	>90	Group
Number of training hours	Hours	26,187	38,920	40,058		Group
Average number of training hours	Hours	16	23	23	>20	Group

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1-1-1 Sharing knowledge

Haulotte relies heavily on its Haulotte Academy network, which is made up of instructional designers, experts and trainers. They play key roles in the learning organization.

Designers and experts create professional content, which trainers can then deliver remotely or face-to-face, based on the learners' needs. They use innovative teaching methods and tools to make learning effective and attractive. They are involved in all stages of a training project, from needs analysis to content development. They can also create digital content, which our learners can follow at their own pace on our Haulotte Academy platform.

Coaching is a key element in our teaching methods, which is why Haulotte has a network of over 60 trainers at all Group sites. They develop the skills and knowledge of our employees in a wide range of areas (products, safety, leadership, problem-solving, environment, tools, etc.) as well as those of our customers.

The Haulotte Academy philosophy is 10% formal learning, 20% learning through social interaction and 70% through practice and experience. This is how our learners question themselves, experiment, err at times but always grow!

However, knowledge is within each and every one of us. We are all experts in our field. Exchanging and sharing knowledge, opinions and ideas with our colleagues is a way of enriching them and ourselves. "Knowledge is the only thing that grows when you share it" - Sacha Boudjema

To this end, we organize various events to stimulate sharing within the company:

a. Friday Talks and theme weeks

Haulotte believes that growing and upskilling is not solely achieved through traditional training.

In 2021, we implemented Friday Talks at the head office, i.e. optional conferences organized by the employees for the employees to better share knowledge, in an entertaining and participatory manner. These 1-hour events are organized once a month at the head office.

They broached a variety of topics in 2023:

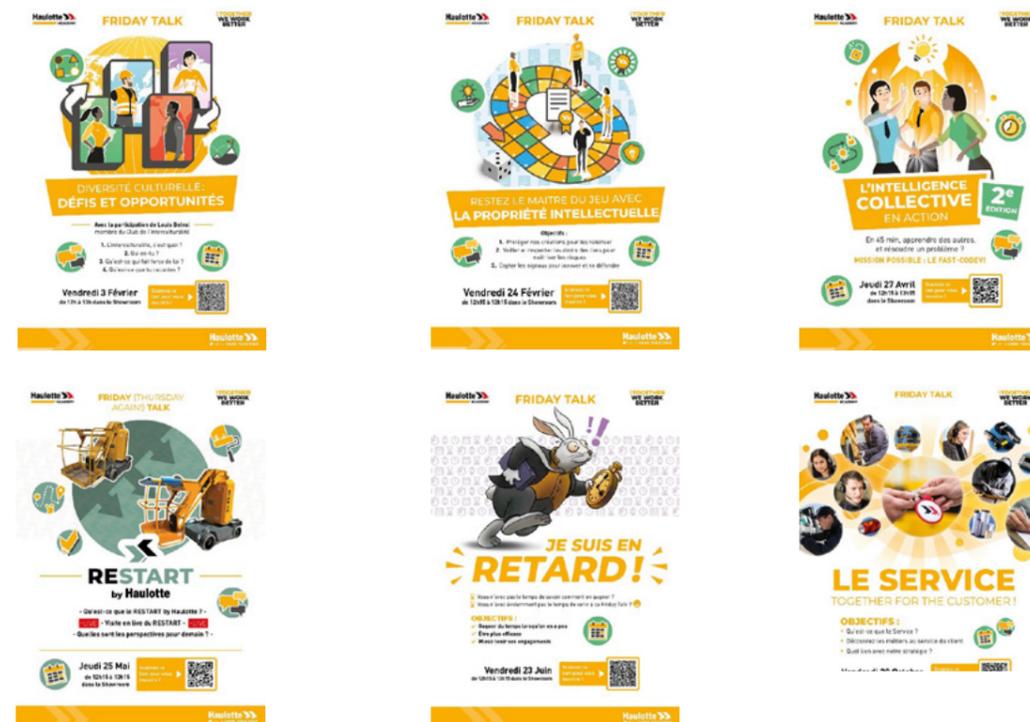
- Interculturality,
- Patents and intellectual property,
- Discovering fast co-development,
- Virtual tour of the RESTART Center and the daily lives of its employees,
- Time management
- Discovering the Industrial Hive
- What is the SERVICE department?
- Our ESG actions

Friday Talks are filmed, wherever possible, to share the event with the other French sites in Le Creusot, Reims and Haulotte France. Replays are available on the Haulotte Academy.

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Indicator	Unit	2021	2022	2023	Scope
Number of Friday Talks	Number	8	7	9	Loire sites (42)
Number of employees who attended at least one Friday Talk	Number	148	158	160	
Number of Friday Talk hours	Hours	356	316	343	
Satisfaction rate (/5)	%	4.6	4.7	4.7	



In 2023, numerous theme weeks/days were organized within the Group. Quality of life at work week, sustainable development week, Artificial Intelligence week, safety day, during which we offer activities, escape games, conferences, workshops and discussions on these subjects.

These theme weeks are coordinated by volunteer employees, who share their passion, expertise or experience with their colleagues. From time to time we also call on external contributors to enrich our vision and understanding of these issues.

The aim of these theme weeks is to raise employees' awareness of issues that concern us all, to inform them of good practices, innovations and opportunities in these areas, while encouraging them to become more involved in these initiatives.

It's also an opportunity to forge links between employees, encourage knowledge sharing, boost creativity and strengthen the sense of belonging to the Group.

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b. Fast co-development

“Fast codev”, as it is more commonly known at Haulotte, is an 8-step method for applying collective intelligence to solve problems:

There are a number of roles:

- the facilitator, who is the guarantor of the method, and is empowered and trained to do so,
- the customer who describes their problem,
- and the consultants who offer solutions.

It is based on confidentiality, mutual aid, caring, learning, listening and cooperation.

Why “fast codev” at Haulotte?

Because we are convinced that collective intelligence is key to facing new challenges together! This methodology has already been successfully tested at various events.

In all, some forty fast codev workshops have been organized, involving more than 150 participants... The “consultants” and “customers” have experienced the power of collective intelligence, and how it is enhanced by the diversity of the participants’ cultures, professions, personalities and experiences.

In view of this success, the enthusiasm generated by the solutions that have emerged and the learning that has been shared, we are setting up facilitator training courses for volunteers, in order to disseminate this tool across all areas.

Fast codev now complements the actions undertaken as part of our learning company strategy.

c. La Ruche Industrielle (The Industrial Hive)

“La Ruche Industrielle” is a non-profit association based in Vénissieux (Rhône) – France. Its members are industrial companies of varying sizes which are not competitors and come together to speed up their transformation.

Its mission is to build a more human, more successful, more sustainable industry.

Its purpose is to enable the industrialists in the region to support each other to find answers to the current challenges and to develop their performance. This involves carrying out projects together focusing on technological, human or organizational transformation.



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The principle is that together we are stronger and that everyone can benefit.

Sharing circles between member companies enable the sharing of technical, organizational, human irritants... and help identify topics that could be addressed as part of joint projects.

Once these projects have been identified and enacted, interested member companies devote resources to carry them out. This means that 7 to 10 employees from as many different companies will meet regularly over a period of 6 to 8 months to work on a joint project, thus helping share their knowledge and experience to bring the project to fruition. The project manager can be an internal member of the Hive, or can be delegated in part time by one of the companies, with support from the Hive in terms of methodology and posture.

The benefits are wide-ranging:

- Enhancing the participants’ knowledge and expertise
- Openness to the outside world (other organizations, processes, cultures, etc.)
- Peer networking
- Problem-solving through collective intelligence and cooperation
- Transposing what has been learned from the project internally
- Participant confidence (“I feel sorry when I look at myself, but comparing myself to others brings me consolation...”).

In 2023, more than twenty employees took part in initiatives carried out by “La Ruche”. Significant value is created, regularly assessed by La Ruche’s internal governance.

1-1-2 Certified training courses

The company’s training effort is substantial, and focuses in particular on certified cross-disciplinary training courses for different business lines:

a. Green Belt

Green Belt is an internationally recognized certified training course designed to teach the principles and tools of Six Sigma, an effective method for managing improvement projects based on the **DMAIC** approach (**Define, Measure, Analyze, Improve, Control**).

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To achieve the Green Belt certification, 6 employees each undertook a specific project in the field, delivering significant gains for the company, which allowed them to apply the methodology learned during training.



2023 Green Belt training



Examples of Green Belts certified in 2023 on projects carried out in 2022

Feedback from Mark Krastev, Operational Excellence Project Manager

"Green Belt training is based on practice. The training course introduces us to a very powerful method for approaching a problem and solving it in a structured manner. This is based on factual data, which makes it easier for stakeholders to buy in. The way each project is managed reinforces the Yello DNA: involvement of operational staff, skills transfer, growing through contact with others."

b. Training "Project Management Institute

PMI (Project Management Institute) training leads to internationally recognized, rewarding professional certification in project management. It provides in-depth knowledge and skills in project management, based on PMI standards and good practices. A time-consuming project that 8 employees brought to fruition!

Feedback from Abdellali TOUADDI, Serial Life project manager:

"My participation in the PMI training organized by Haulotte at the H3 headquarters was an extremely rewarding experience for me as a project manager. The training sessions were well structured, covering each PMI-defined area of project management knowledge. During training, I found it particularly beneficial how the content was based on the PMBOK Guide. Interactive discussions, case studies and practical exercises really increased my understanding of the concepts taught. By working on concrete scenarios and collaborating with my peers, I was able to apply theoretical knowledge to real-life project management situations. The PMI training organized by Haulotte was an essential step in my career path, providing me with the knowledge, skills and certification I needed to succeed in my current role as project manager".

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1-1-3 Our online training platforms: Haulotte Academy & LinkedIn Learning

We use training platforms to give our employees free access to content, in an independent or guided mode.

The Haulotte Academy platform features training courses created by Haulotte to develop business skills specific to the company. Training digitization continued in 2023, with new courses dedicated to developing knowledge of our new products, solutions and tools, such as HA20 RTJ, HA16 E, our batteries, Sherpal, Salesforce, etc.

Furthermore, we offer a digital induction program to complement physical induction. This program makes it easy to access key information about the company: its history, products and solutions, its corporate project, etc. All employees have the same level of information on Haulotte and can follow it at their own pace.

In addition, LinkedIn Learning, licensed to all employees, broadens our range of training courses, enabling everyone to develop their skills on a wide range of topics and in their own language.

Find out what an employee has to say about it: Yacine SECK, Customer Operations Analyst, Virginia Beach, USA:

"I think LinkedIn Learning is a great tool everyone can benefit from, even outside the workplace. It makes it easy to search for a specific video using keywords. I even found a category specific to my work, such as customer relations, reporting and analysis."

I also wanted to make sure my coding skills stayed up to date and LinkedIn Learning helped me do that. I've even learned a new coding language in the last couple of months."

I've put what I've learned into practice by using Power BI more frequently, staying organized on busy days and using coding to simplify complex reports. It's all been very useful!"

Every employee is responsible for the content he/she wishes to follow on LinkedIn Learning. In addition to this, Haulotte offers a monthly feature on cross-functional topics: managing change, managing business relationships, prioritization, artificial intelligence, etc.

1-1-4 Our online training platforms: Haulotte Academy & LinkedIn Learning

A number of 2023 achievements further attest to our employees' engagement

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Archbold and Le Creusot plant teams' commitment to improving results at both plants.

The Yello program had been running at both plants for just over 2 years when it was decided, in 2023, to take its deployment a step further. The aim was to engage plant employees in managing and improving their day-to-day performance, by taking ownership of the site's strategic objectives. To this end, with the instigation of the site managers, the Executive Committee, accompanied by the site supervisors, were invited to a seminar during which they received training in the story of Operational Excellence and the DNA of the YELLO program.



Training Seminars

By making work more meaningful and engaging the management committee and supervisors, the latter did the same with their teams. The aim is to enable employees at all levels to understand the link between their everyday work and the impact of this work on the site's results.

Today, at both sites, employees at all levels focus on the site's objectives and know what they have to do to contribute thereto. Engagement generates engagement, and this dynamic process yields tangible results.



A cover of Coldplay's "Yellow" by Archbold site employees highlighting their engagement

Two additional initiatives will be launched in 2024 with the same philosophy between the Shanghai subsidiary and the Changzhou site, and between the Virginia Beach subsidiary and the Archbold site. The aim is to drive a collaborative approach with a view to satisfying our customers.

Launch of Yello Week to coordinate business lines

The Yello program allows Group employees to decide how they want to work today and in the future, through the use of maturity grids. The maturity grids created by the company's various business units make up our dynamic reference framework, which in turn forms the basis of our QSE management system.



Yello TV - Episode 8: "what are business lines?"

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To bring this Reference framework to life, we need to set up what we call "business lines". A business line consists of a group of experts in the business in question, and is led by its Champion. Its role is to build, maintain and document the reference framework by compiling good practices, and generally to drive the business forward across all its entities, making it more mature, more effective and more efficient.

2023 was marked by the launch of the regular "Yello Champion Week" feature. Every year, champions will take part to share good practices and accelerate the deployment of the program throughout the Group.



Champions at the 2023 Yello Champion Week



Group site visit as part of 2023 Yello Champion Week

Dan Cendrowski, Head of Operational Excellence at the Archbold site in the USA, points out: "This has been an amazing week, I've met a lot of great people, I've seen a lot of "good Yello" around the sites, I've learned from everyone and I'm going to take some practices back to Archbold and make the program better".

The Back to Basics project



Back to Basics project visual identity

Similarly, as part of the aforementioned industrial improvement actions, we decided to carry out a comprehensive project in our product development process. The aim is to improve working conditions for project teams by simplifying day-to-day work and tasks, and refocusing players on their core business at all levels (operational and managerial). Thanks to one of the Yello program's methodologies, known as "DOP", a number of work sessions helped analyze the dysfunctions experienced by the teams from different perspectives, and arrive at a global solution comprising forty-odd very concrete improvement actions, which will be implemented in 2024.

Adapting industry principles to administrative processes revealed that the Yello model can be suited to all Group activities, putting people at the heart of the system in all departments.

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1-1-5 Measuring results

All these actions and the benefits they bring cannot be measured solely in terms of key performance indicators. Other indicators are used to measure the effectiveness of our actions.

Results from the engagement survey on the issue of training have improved significantly, exceeding the target set for 2023. They illustrate the efforts made since 2020 in terms of resources and training hours.

Engagement Survey	2017	2020	2023	Var	2025
I get the training I need to do my job effectively	41%	51%	68%	+17 pts	Obj: 70% (Best performer)
New employees receive the training they need to do their job properly	43%	50%	56%	+6 pts	Obj: 67% (Best performer)

1-2 ATTRACTING AND RETAINING TALENT

Indicator	Unit	2021	2022	2023	2023 objective	Scope
Permanent contract turnover	%	10.18	20.2	15.5	Not determined	Group
Internal mobility (Geographical, Hierarchical, Business line)	Number of mobilities	142	117	98	Not determined	Group

Implementing an environment conducive to engagement, as seen in all the previous sections, helps retain and attract talent.

This is complemented by other, more specific actions, in particular linked to HR policies:

- **Personalized induction programs**

To benefit from deeper immersion in the company's culture, we created a 40min program on our Haulotte Academy e-learning platform, enabling newly recruited employees to find out about our history, our organization, our products and services, our sites, our transformation, etc.

The induction phase, referred to as onboarding, is particularly important for the retention of employees, with a dedicated program available in the Haulotte Academy, and an overall 93% satisfaction rate. On the day, Haulotte looks after the new employee by making sure they have an operational workstation, active access codes, a functional badge, personal protective equipment, etc. For more congeniality, a welcome breakfast may be organized, and a welcome kit (mug, notebook, induction booklet, etc.) is handed out. A tour of the premises facilitates the employee's movements while also helping them get a better idea of the overall atmosphere.

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Within days of their arrival, an onboarding program suited to their profile gives them the keys to better understanding the internal processes and tools as well as the vision and culture of our organization.

- **Ritualized annual performance reviews (more than 90% completed within the Group)**

Every employee benefits from an annual appraisal interview with their manager. This is an excellent opportunity for the employee and the manager to discuss the employee's professional project. During this interview, the employee expresses their desire for functional, hierarchical and geographical mobility within the group. These mobility desires are analyzed by the Human Resources teams and result in a proactive approach among these employees when a position that suits their wishes becomes available.

This interview is also the opportunity to define the skills development plan necessary for holding their job, but also with a view to future advancement. Various types of development action can be envisaged: training, coaching, managerial support, entrusting an employee with an assignment/project, etc.

This interview contributes to Talent retention by allowing employees to express their career development wishes and assisting them with their projects.

- **Talent reviews**

The Talent Review is organized following the annual review and professional interview period. The Talent Review is a gathering between the line manager, the manager's superior and the HR team.

The objective of the Talent Review is to discuss the employee's strengths and areas for improvement, identify their advancement potential, the risk of departure, while defining their skills development plan and tangible actions to be implemented.

The actions are monitored and implemented by the manager and the HR department. They help the employee grow and, when they wish to, advance within the organization.

- **HR maturity grids to measure yourself and define improvement actions**

- **Structuring an intrapreneurship approach within the Company** (4 intrapreneurs monitored since 2021)

- **A dynamic career mobility policy**

Haulotte promotes internal mobility. Vacancies within the group are advertised internally so that interested parties can apply.

In 2023, 98 employees advanced within the group, hierarchical, functional and geographical mobility combined.

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To retain our Talent, it is essential to give perspective and be aware of the possibilities of developing and growing at Haulotte.

To support employees with strong expertise in technical fields, Haulotte created an expertise channel within the Research and Development business lines. This channel makes it possible to recognize and promote our employees and their expertise. In 2022, 2 experts were appointed in the Systems Testing and Software domains.

• Launch of an employer branding policy in 2023

The joint actions of the communications departments and HR teams will culminate in the roll-out of the roadmap in 2024.

The effectiveness of actions to encourage engagement was measured in 2023 as part of the latest engagement survey.

RESULTS OF THE ENGAGEMENT SURVEY				
Indicator	2017	2020	2023	Scope
Level of employee engagement	57%	64%	65%	Group
POSITIVE RESPONSES TO ENGAGEMENT SURVEY QUESTIONS				
"I am proud to work for Haulotte"	71%	76%	76%	Group
"I would recommend Haulotte as an employer"	49%	65%	65%	Group
"Haulotte gives me the opportunity of a stimulating and interesting job"	67%	76%	80%	Group
"Overall, I think my career goals can be achieved at Haulotte"	38%	49%	60%	Group

1-3 PROMOTING EQUAL OPPORTUNITIES AND DIVERSITY

Convinced that diversity is an asset for social performance and therefore the company's overall success, Haulotte has adopted a proactive policy in terms of job desegregation and gender equality in the workplace. Our aim is to improve gender balance, in particular in business lines where men or women are currently underrepresented.

The objective is also to develop access to our job offers for workers with disabilities to boost the employment of disabled workers within the Company.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

We must support the company's transformation by regarding the different workstations as completely mixed. In addition to complying with our legal obligations, we need to adopt a proactive job retention policy through supporting and workstation reorganization actions, while further opening positions under recruitment to workers with disabilities.

Indicator	Unit	2021	2022	2023	Objective	Scope
Women in the workforce (out of total workforce)	%	23.82	23.49	24.15	>20	Group
Gender equality index	Points	87	87	86	Not determined	Haulotte Group S.A. (L'Horme, Reims, le Creusot, Lorette).
Proportion of new recruits under the age of 27 (all contracts combined)	%	26	29	34	Not determined	Group
Persons with disabilities (out of total workforce)	%	3.45	3.61	3.83	Not determined	Haulotte Group S.A. (L'Horme, Reims, le Creusot, Lorette).

1-3-1 Our actions to promote diversity

Our agreement on gender equality in the workplace and the quality of life and working conditions was signed on 26 January 2023.

This agreement provides for the promotion of a better work/life balance, in particular by organizing meetings during normal working hours, promoting carer's leave or organizing distance training sessions.

The purpose of this agreement is also to promote quality working relations by implementing an empowering leadership model, developing collaborative work and becoming a learning company.

A large part of this agreement is also dedicated to promoting a gender-balanced workforce and equal opportunities.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

The main actions in terms of recruitment and a gender-balanced workforce include:

- Commitment to diversifying sources of recruitment
- Drafting job postings in a non-discriminatory manner, and adding a sentence reaffirming the company's values, in particular its commitment to equal opportunities between men and women and a gender-balanced workforce
- Putting forward at least one applicant of each sex in every recruitment process whenever possible
- Ensure that recruitment panels include both men and women

Actions were also selected in terms of actual remuneration:

- Determine, before job postings are advertised, the pay range for the job and comply with it at the time of hiring, irrespective of sex.
- Make sure individual raises are granted regardless of sex by carrying out an annual analysis.

When it comes to the working conditions of pregnant women, it is stipulated that any pregnant employee assigned to production or related production services (unless she already benefits from Flexitime) may ask to leave 15 minutes early at the end of the day. Lastly, parking spaces near the Company's entrances have been reserved for pregnant women.

Our management program incorporates the wealth of diversity of profiles within a team and the company, in particular by taking into account elements such as self-knowledge (natural and adapted), our personal characteristics and motivations, but also those of others and the fact that they are bound to differ. The group uses the AEC Disc Color method for this purpose, and 17 personnel (USA + Romania) were trained in using this method in 2023.

These differences are a source of wealth for the group, and regarding them as such helps improve interactions, communication and cooperation (for example they teach us that it is preferable to communicate with someone not as we would like them to communicate with us, but rather as they need us to communicate with them).

All managers and a number of employees have therefore been trained in this wealth and diversity needed to create a team.

On a voluntary basis on each site, a point of contact was appointed by CSEs and is in charge of combating sexist behavior. They have a preventive role which consists in particular of escalating alerts when inappropriate behavior is identified.

39

Number of different nationalities represented in the Group, thanks in particular to the many countries where Haulotte operates.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

1-3-2 Our disability initiatives

For many years, Haulotte has lived up to its obligation to employ disabled workers. Up until now, the main actions focused on job retention. It is now time to deploy actions with a view to increasing the recruitment rate of people with disabilities.

Thus, actions have been undertaken such as subcontracting partnerships with ESAT (Work integration social enterprises), workstation adaptations, assistance with AGEFIPH applications (association for the professional integration of people with disabilities) and cooperation with CAP EMPLOI. Reporting procedures have undergone minor changes since 2020. In 2023, employees with disabilities accounted for 3.83% of the workforce, instead of the mandatory 6%.

When it comes to the working and employment conditions of disabled workers, the equal opportunities agreement stipulates that the company must take special care to guarantee the integration of disabled employees without discrimination. The professional integration of newly recruited disabled employees follows exactly the same process as with any other employee. If adjustments must be made or specific equipment must be acquired, a procedure is initiated for this purpose, in conjunction with the relevant bodies and persons, to guarantee a successful integration into the job and the working group. To guarantee workplace accessibility, parking spaces near the company's entrances are reserved for disabled workers.

1-4 ENSURING OCCUPATIONAL HEALTH, SAFETY AND WELL-BEING

1-4-1 Health and safety of our employees

Health and safety at work and, first and foremost, the prevention of occupational risks, are major concerns for the Haulotte Group's General Management. We take concrete action on a daily basis to prevent and reduce occupational risks, while guaranteeing safe working conditions for our employees.

Our goal is to drastically reduce our number of work-related accidents on all our sites worldwide. The Group's QSE policy expresses our goal to disseminate a health and safety culture, aiming for zero accident.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

The Operational Excellence program helps increase everyone’s contribution to improving health and safety on a daily basis, by promoting free expression and developing the exchange of good practices.

Indicator	Unit	2021	2022	2023	Objective	Scope
Frequency rate (Number of lost-time work-related accidents/number of hours worked * 1,000,000)	/	6.78	12.88	14.50	Aim for 0 accident	Group
Severity rate (Number of days lost to work-related accidents/number of hours worked*1,000)	/	0.63	0.27	0.27	Aim for 0 accident	Group
Employees concerned by safety certifications	No.	887	944	1,141	>1,300	Group

In 2023, we increased the proportion of employees concerned by safety certifications with the certification of 3 new entities: our production plant in China (Changzhou), our distribution subsidiary in Italy (Milan) and our distribution subsidiary in Spain (Madrid).

2023 was marked by increased production on our industrial sites, thereby requiring the hiring of staff to deal with this extra work. Induction programs and safety training courses were implemented in keeping with our risk prevention organization.

Our accident results show a stagnating severity rate and a slight deterioration in the frequency rate. However, these two indicators remain below the statistics for the metalworking sector.

In 2023, the “safety committee” met quarterly to discuss health and safety issues and share good practices.

As part of the YELLO operational excellence program deployed across our entities, we implemented the AIC tool (Coordination in short intervals), creating a dedicated time slot to deal with safety issues on a daily basis within each team. Thus, the operational topics identified by the team members are discussed with a view to finding appropriate solutions and defining tangible action plans, which will be monitored on a daily basis.

GEMBA Walks were set up on our most accident-prone industrial site in 2023, with the aim of establishing a safety dialog intended to promote a safety culture and maintain ongoing vigilance over our high-risk situations.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

In addition, every year our industrial sites and the head office organize “safety days” on themes specific to the sites’ activities and risks, making it possible to bring together all site employees to discuss and raise awareness of common “safety” issues.



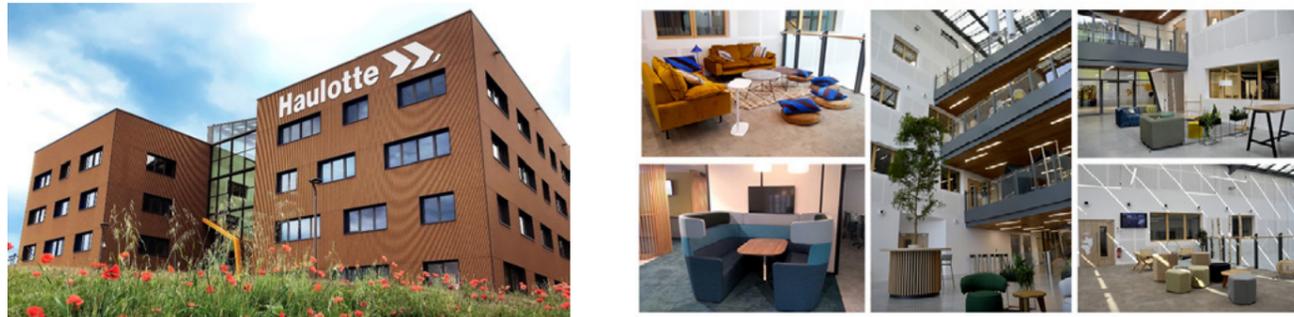
3 new sites were awarded the ISO 45001 certification in 2023: Changzhou, Italy and Spain, bringing the number of employees working on QSE certified sites to **1,357**.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

1-4-2 well-being at work

Haulotte provides its employees with an inspiring working environment, in particular through its head office, which is intended to serve as a benchmark for the Group.



It served as a benchmark for the construction of our new plant in China, which now features a similar work environment. For the other entities, every opportunity is taken to improve working conditions for our employees.

For example, our new Scandinavian subsidiary in Gothenburg is now located on premises designed to provide warm, welcoming work spaces for our teams.



Its efforts at Group level have been rewarded locally. Our German subsidiary was recently awarded the "Employer of the Future" prize by the German Innovation Institute for Sustainability and Digitization. Numerous factors were examined, such as the number of employees, turnover, the age structure, but also economic criteria such as sales and sales development. This award is proof that this subsidiary is an employer in tune with the expectations of today's working world.



NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

Every year, Quality of Life at Work events are organized at our sites.

In 2023, our French subsidiary organized a full QLW week, consistent with the Group's "Taking Care of People" mission, including osteopathy sessions, training sessions with a nutritionist and sophrology sessions.



This type of event is also organized at our head office.

1-4-3 Social dialog

The provisions below relate to the French scope (Haulotte Group SA & Haulotte France), and the Romanian scope for the provisions identified.

The positive social climate within the group is based on the implementation of constructive social dialog, illustrated by company agreements and Human Resources policies translated into local or harmonized practices, on topics such as Quality of life and working conditions and Social dialog.

Haulotte encourages ongoing and constructive dialog between Employees, Managers, Staff representatives and the Management. As such, the role of Staff representatives elected by employees is recognized as major. As a result, drawing from a tradition of dialog, a number of Collective agreements were negotiated and signed within the company in 2023, illustrating the excellent level of discussions within the various bodies and their positive impact on the company's social climate and human environment.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

Changes in the agreement on regular Telework

With the firm belief that telework is an effective lever making it easier to combine professional with personal life, reduce the constraints and risks associated with commuting, but also a way of enhancing the attractiveness of Haulotte's social model, the Management suggested initiating discussions with social partners on this new organization of working time in 2019.

A new agreement, signed in December 2022, marks a new development. The parties want to develop telework through flexibility in terms of the number of regular telework days and conditions for taking them, by adding the possibility of taking an extra day during one week per month. At a time of major economic and market challenges and in order to deal with global competition, the Management and Social Partners agree that the quality of exchanges and collaborative work remain critical success factors in project management. This agreement was signed until December 31, 2024, and a commission meeting will be held in 2024 to review the new arrangements.

An agreement was signed in January 2022 for the introduction of telework in the Romanian plant.

Agreement on Quality of Life and Working Conditions and gender equality in the workplace

Diversity and guaranteed working conditions conducive to good quality of life at work form the basis for social performance and therefore the Company's overall success. As such, negotiations on this theme, initiated in December 2022, led to an agreement in January 2023. This four-year agreement aims at promoting balance between quality of work life, collective performance and the quality of the services delivered to customers.

Employee engagement is a condition for achieving the company's ambitions and is at the source of innovation. This engagement depends on a number of conditions, in particular work content, career advancement opportunities, management and working relations.

In keeping with the "Let's Dare Together" change program, the commitments made in this agreement and actions taken are as follows:

- Help our employees better reconcile their work and family responsibilities, in particular through flexibility in working hours or the implementation of carer's leave;
- Create working conditions conducive to the quality of work life, making sure everyone directly contributes to improving their working conditions using the tools of the YELLO program, making work and action more meaningful by adjusting the application of the strategy, and developing quality working relations with the empowering Leadership model;
- Guarantee the right to disconnect;
- Promote a gender-balanced workforce and equal opportunities, from the recruitment process to professional development.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

Framework agreement on the deployment of the classification system of the new national collective bargaining agreement for the metalworking industry

In keeping with the principles that governed industry-level bargaining, the Management wants to implement these provisions in a concerted manner, aware of the implications in terms of change management. The Management and trade union organizations decided to collaborate on its deployment as part of a constructive social dialog policy.

This Company agreement describes the methodology defined for the deployment of the new classification system. Furthermore, to support the key role played by staff representative bodies, as provided by law, in the implementation of the new Metalworking classification system, a joint monitoring commission has been set up.

Agreement on the Safety Challenge

Every year, Haulotte Group SA in France negotiates a safety agreement with quantified targets for each facility in France, to encourage employee involvement in worker health and safety, which is a key element of our corporate policy.

Agreements relating to the new collective bargaining agreement for the metalworking industry applicable from January 1, 2024

Human Resources departments in France worked on this deployment throughout 2023. Discussions with trade unions took place throughout the year, resulting in the signing of several agreements:

- In keeping with the new classification, the Group's working time agreement was renegotiated to take account of the forthcoming changes.
- In keeping with the new salary compensation provisions, an agreement was signed to adapt to the new collective bargaining agreement, putting an end to certain practices and renegotiating salary provisions for employees.
- The MAN (mandatory annual negotiations) agreement was also signed, taking into account the changes linked to the new agreement at the end of 2023.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

2 TAKING CARE OF THE SOCIETY



CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS:

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS



2-1 PROVIDING OUR CUSTOMERS WITH INCREASINGLY ENVIRONMENTALLY-FRIENDLY PRODUCTS AND SOLUTIONS

The Haulotte Group already offers a wide range of electric machines.

However, to continue providing our customers with increasingly environmentally-friendly products and solutions, our aim is to continue electrifying our range of machines, and to develop more and more innovations that reduce the environmental impact of our machines.

Indicator	Unit	2021	2022	2023	2025 objective	Scope
Electric machines sold in relation to the total number of machines sold	%	73	70	78	75	Group

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2-1-1 Electrifying our range of machines

Cities around the world face the same challenge: combating air pollution, combating global warming and providing their residents with the best possible living conditions. Many cities and countries have adopted measures to limit, or even ban the use of highly polluting vehicles and equipment. Regulations on engines, such as STAGE in Europe and TIER in North America, are increasingly strict and require ever more sophisticated and costly technologies.

In April 2018, Haulotte announced its sustained commitment by phasing out all diesel or gasoline-powered machines to focus its production on electric-powered equipment, thereby becoming a pioneer in the access platform industry, as a Blue-oriented company.

As first evidence of its belief, Haulotte launched the PULSEO generation.



PULSEO is Haulotte's range of all-terrain electric mobile lifting platforms. Reduced energy costs, less air and noise pollution, while guaranteeing optimal performance: these are the potential benefits of the electric architecture of PULSEO machines. End users and operators benefit from a multitude of new opportunities: indoor and outdoor applications, all-terrain capabilities, operation suited to low-emissions and low-noise zones.

We currently have 6 machines in our PULSEO range, including two 20m articulated electric all-terrain aerial platforms, two 15m and two 18m electric all-terrain scissor lifts.

2-1-2 Developing solutions and services to reduce the carbon footprint of the use of our machines by users

Haulotte is committed to reducing the emissions from its machines, and therefore to helping its customers and users reduce their direct greenhouse gas emissions, by developing innovations with added environmental value.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

The technologies, features and innovations made available to date include:



While users are working at height, the platforms can remain stationary for several hours during the day. The motors are still running and consuming energy even though there is no use for them. The Stop Emission System is a START&STOP system that stops the motor after 90 seconds of inactivity. This technology also stops the timer so that only hours worked are counted.



In keeping with the electrification of our range, Activ Energy Management is an innovation that optimizes the performance and extends the life of machine batteries, via a smart charger and centralized water filling solutions. As a result, maintenance efforts are also simplified



HVO (Hydrotreated Vegetable Oil) is now authorized for use on our diesel machines. The transition from diesel to HVO gives us an opportunity to significantly reduce CO2, NOx and particulate emissions. Customers are now free to refuel their machine with diesel or HVO100.



SHERPAL is the remote monitoring solution providing our customers with the data they need to increase productivity, optimize operations and grow their business.

Among other things, this solution helps:

- Carry out remote diagnostics and optimize interventions, in order to optimize the movements of our customers' technical teams
- Monitor hazardous behavior by being informed of certain situations. This raises awareness of the risks incurred by users.
- Adopt good energy practices and extend the lifespan of batteries and engine components. The Energy Management module ensures compliance with maintenance instructions.

Other features are being developed so that our customers can obtain even more data on the use of our machines.

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT

2-1-3 Recyclability of our machines

In 2022, Haulotte began a study on the life cycle of its machines, and calculated a recyclability rate for those that are still on the market.

Recyclability is the theoretical recycling process, irrespective of the existence of recycling channel(s). The associated recyclability index is calculated solely on the basis of material typology and processing stages. This index is used to determine the maximum recycling capacity. This index takes into account all possible recovery steps in accordance with standard ISO 16714 for earth-moving machinery.



This is the recyclability rate of our machines. This is an average recyclability rate calculated based on 39 machines from our range.

This figure is now communicated to R&D teams, and will be used to facilitate our eco-design approach which is currently being deployed, in particular when developing new products and services.

2-2 COMMITTING TO A CIRCULAR ECONOMY APPROACH

Indicator	Unit	2021	2022	2023	2025 objective	Scope
Turnover associated with the circular economy	€k	5,376	5,235	10,210	10,000	Group

In response to new consumer patterns geared towards the circular economy, Haulotte provides its customers with a number of offers.

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2-2-1 Certified used equipment: RESTART by Haulotte

Haulotte has introduced a refurbishment program dedicated to the brand's second-hand machines. The RESTART by Haulotte program is part of an approach that favors more sustainable development: Haulotte's used lifting platforms are bought back and then recovered in the RESTART CENTER, the first "manufacturer" reconditioning center for used aerial work platforms in Europe.



With a workspace covering 3,000 m², it capitalizes on a high-performance industrial equipment and the technical expertise of the Haulotte teams to extend the service life of the equipment.

This program responds to economic and environmental expectations. RESTART by Haulotte provides a financially advantageous alternative and a more virtuous business model, as this program takes an active part in the circular economy. By buying back and repairing used equipment, Haulotte is rethinking the life cycle of its machines and extending their service life. Reconditioning is supported by more responsible resource management in order to reduce overall energy consumption.

In 2023, more than **130 machines** (aerial work platforms and telehandlers) were refurbished.

2-2-2 Refurbishing our customers' machines: 2nd Life



REFRESH



REFURB



UPGRADE

Our offers also feature an activity dedicated to the second life of machines, Second Life. These refurbishment solutions also extend the life of our customers' machines. They can consist of a mere aesthetic renewal, the repair and replacement of major parts, or even the addition of new technology. In any event, during these operations, Haulotte takes into account all the latest user Safety standards, as well as the latest environmental standards.

In Europe, **164** of our customers' **machines** have had their service life extended by our 2nd Life offer.

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2023 REPORT

2-3 ENCOURAGING SOLIDARITY AND ENGAGEMENT AMONG OUR EMPLOYEES

In close touch with our mission, one of our ambitions is to encourage solidarity and engagement among our employees. This dynamic began to bear fruit in 2023 with the organization of actions by our entities and our employees.

2-3-1 Supporting associations

Through its French subsidiary, in 2023 Haulotte entered into a partnership with the "LES P'TITS DOUDOUS" association.



Les P'tits Doudous is an association of caregivers that improves the experience, reassures and reduces the anxiety of children and their parents, before, during and after surgery. Thanks to innovative actions, including fun and digital activities, the association aims at reducing children's anxiety, reducing premedication and post-operative trauma, and facilitating the work of caregivers.

Haulotte decided to support this association via various collection and recycling initiatives at its French sites, as well as through the "Une course pour grandir" (a race to grow up) project.



As a result, Haulotte has become a sponsor of the "Les P'tits Doudous" boat.

The aim of this project is to raise awareness and mobilize the general public around a cause - that of children undergoing surgery - through ocean racing, while also highlighting the environmental aspect. Armel TRIPON, the boat's skipper, wants this project to serve the ecological and social transition. This is why, with the help of a local ecosystem, he is building a boat based on the circular economy that will sail under the flag of "Les P'tits Doudous".



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In 2023, Haulotte Australia supported rental company HIRE AUSTRALIA in its “Elevating communities” program, aimed at helping local associations create and implement projects. Grants will be made possible by the leasing of a new scissor lift that Hire Australia purchased from Haulotte for this purpose. Painted in bright pink, the machine will be highly visible on local job sites, and every dollar earned from leasing the machine will be invested in the Elevating Communities grants program. Haulotte offered to support this program by providing custom paint, free delivery and helping fund the first grant.

2-3-2 Supporting local communities

Our entities also participate in supporting their communities, whether in partnership with neighboring companies or in partnership with their home town.

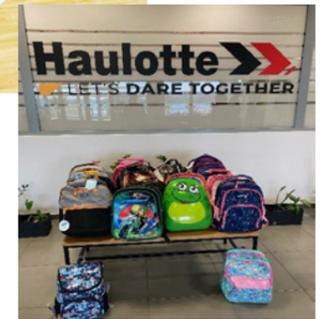
Our French subsidiary, based in Saint-Priest (69), took part in a number of events along with other industrial players in their area, including a clean-up of the Saint Priest industrial estate, a blood donation organized with neighboring companies, and the creation of a joint climate mural.



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Our Arges plant in Romania is also very active in its catchment area, supporting local sports teams, giving employees time to volunteer with families in need and schools, and replanting trees in the industrial estate



2-4 REDUCING THE ENVIRONMENTAL IMPACT OF OUR ACTIVITIES

Indicator	Unit	2021	2022	2023	2025 objective	Scope
Employees concerned by environmental certifications	Number	<1,100	1,191	1,357	>1,500	Group
Waste recycling rate	%	74	72	75	75	France and Romanian plant
Group carbon footprint based on GHG protocol (scope 1 and scope 2)	TeqCO2	Not measured within the same scope	Not measured within the same scope	16,254	Scheduled for 2026	European production sites

NON-FINANCIAL PERFORMANCE STATEMENT

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In the current context where climate change is at the center of discussions and is now an undeniable reality, this topic must be one of our primary concerns going forward. Thus, as a Group operating on various continents subject to climate constraints, Haulotte is exposed to this issue and takes it into consideration. Haulotte needs to take climate change into account in its activities, when it comes to its products, production process, production sites and points of sale.

2-4-1 Our carbon footprint

To identify the major emitters of CO2, in December 2022 Haulotte performed a carbon assessment across its entire value chain, with help from an external consulting firm. This assessment made it possible to analyze all sources of greenhouse gas emissions generated directly or indirectly by the group's activities, both upstream and downstream (scopes 1, 2 and 3 according to the GHG protocol).

In 2023, we were able to broaden the scope of our carbon footprint calculations and improve the way we monitor and take into account a number of factors.

We now have a scope 1 and 2 for the entire Group, and a scope 3 covering 63% of the Group's workforce in terms of Full-Time Equivalents.

Our aim now is to have a complete carbon footprint scope in 2024 and 2025, so that we can announce a carbon trajectory in 2026

With this in mind, in 2023 we focused on the following:

- New calculation of the carbon footprint of our machines, with better account taken of the location of their components
- Calculation of the carbon emissions of each machine in our range per hour of movement
- Consideration of the CO2 emissions of spare parts ordered through our European Logistics Hub
- Addition of emissions from various categories not included in previous years
- Addition of emissions from our employees' telework

Scopes 1 and 2 emissions (2023)

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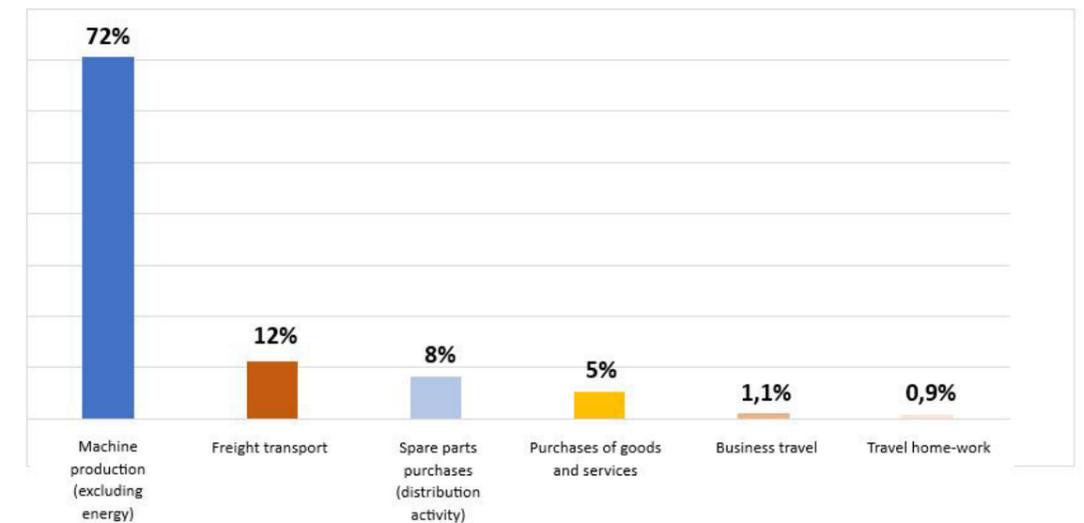
Scope: Group	teqCO2	Type of emissions
Scope 1 direct emissions from sources owned or controlled by the reporting entity	15,338	-Gas consumption for paint lines on production sites -Fuel consumption linked to mobile maintenance activities
Scope 2 indirect emissions from the consumption of electricity, heat or steam needed to manufacture the product or for the operation of the reporting entity	916	-Electricity consumption by Group entities

A number of actions and projects undertaken in 2023 contributed to reducing our carbon footprint. This contribution varies depending on the scope considered:

Scope(s) concerned	Description of the action	NFPS page
SCOPE 1&2	Environmental certifications of Group entities	p.66
	Energy-saving initiatives	p.67

Breakdown of our scope 3

To date, the Group has not quantified all Scope 3 emissions. However, the process undertaken in 2022 enabled us to determine the major impacts of our activities on the European scope:



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Now we need to work on calculating this scope 3 on a Group-wide scale, in order to confirm and specify the significant greenhouse gas emission sources across the entire value chain.

We have therefore begun working with our stakeholders to recover all data relating to the use of our machines by users and their end-of-life, after which a detailed analysis will need to be carried out to find the right indicator to accurately measure the progress made in reducing our carbon emissions. This indicator, along with scope 3 emissions, will be announced at the same time as our carbon trajectory in 2026.

But we are not waiting for this carbon trajectory to start working on reducing our Scope 3 emissions: in 2023, several actions and projects contributed to reducing our carbon footprint.

Scope concerned	Description of the action	NFPS page
SCOPE 3	Actions relating to water use	p.68
	Electrification of our range	p.57
	Solutions and services to reduce the environmental impact of our machines	p.58
	Travel policy and action on employee travel	p.69
	Recyclability of our machines	p.59
	Supplier audits based on ESG criteria	p.83
	Actions on our Information Systems	p.88

2-4-2 Environmental risk management and ISO 14001 certifications

Our operational excellence program provides all sites with the tools they need to manage environmental risks. It features tools for analyzing environmental risks, as well as mechanisms for collecting good practices and ideas for improvement, so that all the Group's sites can use them and think about how to reduce their impact on the environment.

As a result, when establishing our various entities, the climate context of the area selected is taken into account to anticipate any weather events likely to affect our activity. For new locations, we take into account, among other things, the earthquake risks of the areas in question, and are assisted by our insurers for studies relating to the location of the premises selected.

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For several years now, the Group has been committed to equipping its entities with an ISO 14001-compliant environmental management system. Currently, 11 sites are ISO 14001 certified, including our head office, our 5 plants, our European logistics hub, and 4 of our distribution subsidiaries.

78% of our employees are now working on ISO 14001 certified sites.

Every entity certified by an ISO 14001 environmental management system analyzes its context and environmental impact in order to reduce it through action plans.

On these sites, in addition to guaranteeing the monitoring of and compliance with local environmental regulations, waste sorting and energy saving actions are regularly undertaken.

2 new entities joined the Group's ISO 14001 certification scope in 2023: Haulotte Italia (Milan – Italy) and Haulotte Iberica (Madrid – Spain).

Our distribution subsidiaries in Germany and Poland began working on certification, and now have a system for analyzing the environmental regulations applicable to them.

2-4-3 Optimizing and reducing the use of our resources

Optimizing and reducing our energy consumption

The table below represents the energy consumption of all group entities.

Energy consumption	2021	2022	2023
Gas in kWh	Not the same scope	40,445,090	40,235,418
Electricity in kWh	Not the same scope	15,079,614	16,045,559

Scope: group
Gas conversion coefficient

Gas consumption is mainly located on our production sites. On these sites, gas is mainly used to run our paint lines. Since 2022, action has been taken at our various production sites to reduce this consumption. This is how optimizations were achieved on line equipment, in terms of opening time and baking and drying temperatures. Consumption meters have been installed on the main sources of consumption, facilitating the monitoring of potential deviations on a weekly basis.

In 2023, we produced 15% more machines than in 2022. Gas consumption fell slightly in 2023, while the Group's electricity consumption rose by 6%. This demonstrates the effectiveness of the actions implemented on the paint lines across all sites.

NON-FINANCIAL PERFORMANCE STATEMENT

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In our sales subsidiaries, action has been taken mainly on electricity consumption, with the installation of photovoltaic panels in our English, German and Spanish entities. Projects are underway in France.

Optimizing and reducing our water consumption

On our production sites, water is a resource used mainly on our paint lines and for washing machines prior to shipment. At European sites, no water is discharged from paint lines outside property limits. At our other sites, the water is treated upstream to remove all traces of pollutants before discharge.

All these sites have dedicated meters to monitor consumption and check for leaks.

At our sales subsidiaries, water is mainly used for cleaning our machines before they are made available to our customers, and for sanitary purposes.

Some subsidiaries, such as our Italian subsidiary, have a dedicated area for indoor, closed-circuit machine cleaning. This means that the water is continuously regenerated and reintroduced into the cleaning circuit.

Production sites and sales subsidiaries have hydrocarbon separators connected to the cleaning area, in order to rid the water of any pollution prior to discharge.

In 2023, **11,173m³** of water were used at Group level and on all our sites.

[Exact scope: Europe excluding Arges plant and Russian subsidiary / America excluding Brazilian subsidiary and North America / Asia excluding subsidiaries in India, Japan and China]

Optimizing the recycling and recovery of our waste

Haulotte strives to control the waste generated at all stages of its activity, on production sites as well as in distribution hubs and subsidiaries.

We distinguish between 2 types of waste:

- Non-Hazardous Industrial Waste (NHIW), whose composition is similar to that of household waste and which can be regarded as such. It is not inert or hazardous. It takes the form of offcuts, scraps or packaging, and essentially consists of glass, plastic, metals, rubber, textile, paper, wood, organic animal or plant matter.
- Hazardous Industrial Waste (HIW), which can adversely affect humans and the environment due to one or more of the hazardous properties listed in annex I to the decree of 18 April 2002. These properties require taking special precautions and are submitted to a tighter administrative control.

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Haulotte has established a waste tracking and management mechanism, in keeping with the development of recycling and recovery.

Metric tons of waste sorted	2021	2022	2023
Metric tons of Non-hazardous Industrial Waste (NHIW)	2,388	3,560	4,200
Metric tons of Hazardous Industrial Waste (HIW)	564	520	1,030

Scope: France and Romania

The increase in waste is due to a rise in production in 2023.

We are now working to recover waste data from all our industrial sites, including our plant in China.

Thus, for production waste, we recover our industrial waste in proportion to the level of production so that it can be reused in some cases. For added reliability, the monitoring indicator uses the amount of waste used per machine according to its weight (kg of waste / kg of machine), as there can be a significant difference in weight from one machine model to another.

We also carry out sorting to recover/recycle certain types of non-hazardous waste. On our sites, waste management revolves around a few basic steps:

- Identification of waste with instructions presented during environmental training,
- Verification of the regulatory compliance of our waste service providers,
- Color chart: 1 type of waste = 1 container = 1 color: this method helps create reflexes while improving source separation,
- Waste storage (retention cabinet for liquid waste, respect for product compatibility, identification to facilitate disposal, use of a cardboard compactor, etc.),
- Waste traceability (hazardous waste tracking slip, waste records, declarations),
- Waste treatment, with technical and regulatory knowledge of processes, under the site's responsibility,
- Periodic monitoring during field visits,
- Waste disposal according to its composition: essentially material or energy recovery and recycling

Reducing the carbon footprint of our movements

Haulotte updated its travel policy in 2023. In particular, the policy reiterates that the preferred mode of transport for business trips is the train.

In terms of commuting, in 2022 Haulotte initiated a mobility study for its French entities. This project, consistent with the group's sustainable development approach, aims at improving working conditions for all our employees, and developing the use of modal means of transport.

To date, a map of the employees' places of residence in relation to their working area has been created on all French sites.

NON-FINANCIAL PERFORMANCE STATEMENT

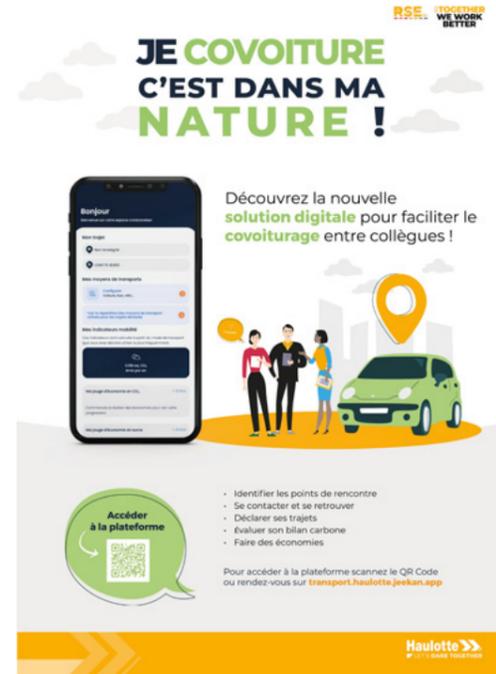
2023 REPORT

Acting upon this study, a carpooling application was made available to all French employees of the group in November 2022. This application was created in conjunction with JEEKAN, and is used to facilitate car pooling. It can also collect data on our employees' daily commute.

In 2023, to encourage its employees to carpool more, Haulotte launched a carpooling bonus for employees making 44 or more carpooling journeys per year.

More than 90 employees received this bonus in 2023.

This operation will be repeated in 2024, with the introduction of a new application that will also cover all modes of soft mobility used by our employees.



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2023 REPORT

3 TAKING CARE OF PARTNERS



CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS:

- 4 QUALITY EDUCATION**
- 8 DECENT WORK AND ECONOMIC GROWTH**
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION**
- 17 PARTNERSHIPS FOR THE GOALS**

3-1 OFFERING QUALITY PRODUCTS THAT ARE EVER SAFER AND MORE DURABLE

KEY PERFORMANCE INDICATORS						
Indicator	Unit	2021	2022	2023	2025 objective	Scope
R&D expenditure (as % of sales)	%	3.2	2.9	1.9	not determined	Group (R&D centralized within the Haulotte Group)

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The Group needs to innovate to ensure growth, come up with new machine ranges and/or service lines, thereby maintaining its market leadership. By placing innovation at the heart of its strategy, Haulotte ensures its competitiveness.

Consequently, our objective is to maintain an ever more dynamic R&D policy in order to cope with the new challenges the Group may face, but also to develop our products by factoring in third party rights in this area, while guaranteeing the protection of our own intellectual property rights.

In 2023, the rate was slightly lower than in 2022, mainly due to the increase in sales. However, the Group maintained its development costs compared with 2022.

3-1-1 Innovation for even greater user safety

Working at height is a major risk in working life. In France, for example, falls from height are the 3rd most common cause of work-related fatalities and permanent disabilities (source: French Ministry of Labor, Health and Solidarity). By their very nature, the machines and services offered by Haulotte reinforce the safety of users when working at height. But there is still a risk.

That is why Haulotte is always on the lookout for new innovations in user safety.

The technologies, features and innovations made available to date include:



This bar, available on our articulated and telescopic machines, reduces the risk of crushing the operator. If in danger, the operator is pushed against the bar and the machine automatically stops. The safety range of motion protects the operator. This bar is integrated into the protective cover of the upper console.



Loading and unloading a machine from a truck can be a delicate procedure, especially in conditions of limited visibility, such as at dusk or sunrise. Our fully integrated system illuminates the control consoles and the machine's operating area. This enables the operator to carry out loading and unloading maneuvers in complete safety.

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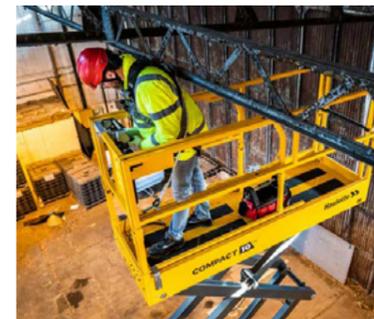


Numerous applications require the use of heavy equipment. To limit the number of return trips between the ground and the working area, and avoid waste, the double-loading system increases the load carried in the basket. In this case, the work envelope is reduced to ensure machine stability.

The new features and innovations developed in 2023 include:



FASTN is the first active, universal anchoring system for aerial work platforms. This innovation combats one of the leading causes of fatality on aerial work platforms, provides audible and visual alerts when the operator is not attached to the system, and provides key data for safety management.



Secondary Guarding System (SGS): Haulotte has developed a new crush prevention system for its COMPACT range of scissors. This system uses LIDAR technology to monitor the driver's position and movements in real time. The system cuts off all machine movements when the driver suddenly approaches the upper console.



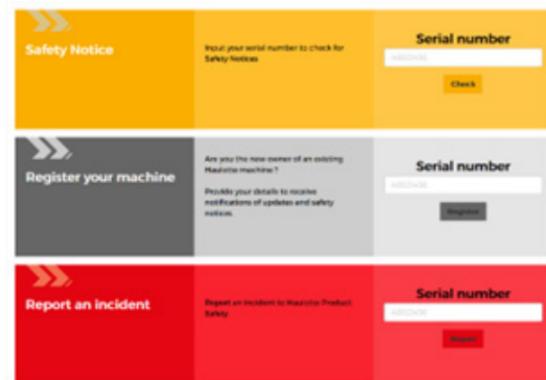
A construction site is a tough place for machine users: operators and their protective equipment are increasingly heavy, and many applications require heavy lifting. All-terrain aerial platforms are regularly used on uneven ground. When the inclination or load is too high, the machine cannot rise, which limits productivity. Haulotte Dual Reach is the solution for increased productivity and flexibility on rough ground. Thanks to a small envelope, load capacity and inclination can be increased.

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3-1-2 Organization focused on user safety

For users to be able to work safely on Haulotte aerial work platforms, it is essential that they are maintained in accordance with the instructions in the manuals and that our customers are aware of the safety campaigns launched by Haulotte. That is why Haulotte has put simplified procedures in place, with a digital toolbox, to facilitate access to safety-related information.



“Safety first” has been Haulotte’s motto since the company was founded. A long time ago, to ensure our machines are always used under optimal conditions of safety, Haulotte introduced procedures for analyzing problems reported by customers, so that we can launch safety campaigns where appropriate.

Since 2019, we have used digital tools to make the lives of machine owners easier. Haulotte has developed a “Safety Web” digital platform where customers can easily identify themselves and register a machine they have just bought, flag up a problem or check whether a safety campaign is running in respect of the machine in question.

The user enters the machine’s serial number on the “haulotte.com” website, to get technical information on any safety campaigns that may be in operation.



Subscribers can go to MyHaulotte.com and view technical information on their machine fleets and safety campaigns. When searching for a spare part on the dedicated website, the requester will also be automatically informed by entering the machine’s serial number.

From design to After Sales Service, the safety factor is an integral part of every stage in the life of a Haulotte machine. The Safety Product department is involved in the work of design offices, from machine design to training in safety processes for department heads around the globe.

Every month, our Safety Product committee analyzes requests from the plants’ quality departments and incident reports from around the world to decide whether campaigns should be launched to optimize the use and safety of our machines.

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3-1-3 Maintaining a dynamic R&D policy, respecting the rights of third parties and protecting our rights

Technological developments are continuously monitored to be kept informed of new innovations available on the market.

The Company has developed an intellectual property risk management plan to implement means to control this risk with all the relevant departments. There is also an Intellectual property Committee used to discuss current topics and disseminate important information.

Furthermore, the Company extensively recognizes creators, beyond patentable inventions. It recognizes and respects inventors and creators of innovative ideas (employee invention policy).

Lastly, during the project creation process, an intellectual property notice is required to complete certain steps.

The main actions in this field are undertaken by the Industrial Property (IP) Manager, who regularly conducts a competitive intelligence and technological watch (freedom to operate, state of the art) to make sure third party rights are not infringed upon.

This also allows them to assess the availability of intellectual property rights and check that the third party respects our rights.

Moreover, the IP Manager strives to optimize our intellectual and industrial property policy by raising the Haulotte employees’ awareness of the IP risk and involving them in the management of said risk. Thus, for example, the results of the periodic watch are disseminated within the teams via monthly watch bulletins. In addition, a multi-disciplinary watch newsletter has been set up to analyze competing inventions in greater depth.

Lastly, the IP Manager reinforces our intellectual property rights by protecting our innovations through patent applications.

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Number of intellectual property rights registered, including 5 patents, 2 trademarks and 25 SOLEAU envelopes
only 1st applications are taken into account (non-provisional US applications and extensions abroad based on these 1st applications are not accounted for here)

As a result, when dealing and working with third parties, we can engage in dialog with complete peace of mind.

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3-2 PUTTING ETHICS AT THE HEART OF OUR BUSINESS CONDUCT

3-2-1 Handling alerts

All multinational corporations are exposed to various tax regulations, which complicates flows and controls. The Group has 5 production sites and business operations in more than 150 countries, making for a broad variety of tax regimes. As a result, Haulotte must pursue a responsible tax policy.

Furthermore, multinational corporations located in different parts of the world subject to different regulations, cultures or customs are faced with a major challenge, i.e. the fight against corruption.

In accordance with the Sapin 2 law, to actively combat all forms of corruption, the company adopted a code of conduct, while also implementing prevention tools and processes.

With an implementation in 24 countries, the Group is committed to complying with the local tax regulations in force. The Group strives to guarantee the arm's length principle via a transfer pricing policy. In France, a proactive fiscal partnership approach was initiated in 2019.

Indicator	Unit	2021	2022	2023	Objective	Scope
Alerts issued in the dedicated tool	Number	0	0	1	/	Haulotte Group S.A. (L'Horme, Reims, Le Creusot, Lorette) and Haulotte France
Average processing time of the corruption alerts issued	Days	N/A	N/A	2d	Less than 20d	Haulotte Group S.A. (L'Horme, Reims, Le Creusot, Lorette) and Haulotte France
"Mandatory" employees trained in combating corruption (Access to Haulotte Academy)	%	/	96	100	100	Haulotte Group S.A. (L'Horme, Reims, Le Creusot, Lorette) and Haulotte France

3-2-2 Application of a healthy business model consistent with our know-how and French regulations

Haulotte Group S.A. and Haulotte France adopted an anti-corruption code of conduct (Sapin 2 Law) validated by the Management and staff representative bodies for the French scope. This code of conduct is attached to their company regulations and was released on 12 November 2019.

Since 2021, this code of conduct has been attached to the employment contract of any new recruit. It has since been updated and will be binding on all employees in September 2023.

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It can be reviewed on the company's intranet and at www.haulotte.com. With the adoption of the Anti-Corruption code of conduct, the company reasserts its commitment to conducting its business by upholding the highest ethical standards, in accordance with all its applicable legal obligations.

In addition, the Group's French entities also introduced an anonymous whistleblowing tool for anyone in possession of information on or suspecting misconduct that may constitute corruption. The platform is hosted by the WhistleB Company, which guarantees the anonymity of any alerts and the encryption of the data collected.

Haulotte Group guarantees access to this tool to anyone, including third parties, who wishes to send an alert via a link available at haulotte.com.

Potential alerts are sent to the Secretary General or, if this person is accused, the Deputy CEO.

In September 2023, the Group's French entities incorporated a new whistleblowing procedure into their internal regulations, in order to provide a framework for the whistleblowing process and guarantee protection for whistleblowers.

At the same time, an internal procedure for investigating and handling alerts was also put in place. The aim of this procedure is to determine the action to be taken to ensure that any reports are properly handled.



Target for the maximum number of days before corruption alerts issued are taken into account and acknowledgment of receipt is sent to the whistleblower. The risk manager is granted administrator access to the platform to make sure alerts are taken into account within this period.

This tool can also be used to ask questions on an anonymous basis to assist in decision-making.

On 27 February 2022, an e-learning tool was put on line on the Haulotte Academy platform, in particular with a view to training employees in the principles defined in the code of conduct, raising their awareness of the various aspects of the "corruption" concept and explaining how the alert platform works.

Haulotte determined the positions for which employees must take part in this e-learning module based on the likelihood of exposure to the risk of corruption.



Number of personnel identified, by virtue of their function, as likely to be exposed to the risk of corruption and, as such, must be trained in fighting corruption.

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Type of learner	Completion rate as of 12/31/2023
Employees registered on a mandatory basis	100%
Employees registered on a voluntary basis (excluding mandatory participants)	65% of those registered completed training +10% of registered employees who did not complete training are underway

Lastly, in the 2023 fiscal year, the Group validated an action plan aimed at:

- Adopting – on the basis of the parent company’s anti-corruption code of conduct – codes of conduct specific to each of the Group’s subsidiaries;
- Expanding the scope of the whistleblowing platform to all Haulotte entities;
- Providing Group-wide access to anti-corruption e-learning.

The ultimate aim is to ensure that all Group entities benefit from common policies promoting the same guarantees by 2024.

3-3 PROMOTING RESPONSIBLE PRACTICES AMONG OUR STAKEHOLDERS

3-3-1 Customer relations

Indicator	Unit	2021	2021	2022	2023-2025 objective	Scope
CUSTOMERS						
Employees concerned by Quality certifications	Number	/	 1,197	 1,357	 >1,500	Group

Customer satisfaction at the heart of our concerns

A Quality approach has been in place within the group’s production sites for years, with ISO 9001 certifications. This approach has now been extended to our distribution subsidiaries. In 2023, 2 new subsidiaries were integrated into the Group’s certificate: Haulotte Italia (Milan) and Haulotte Iberica (Madrid).

The customer satisfaction indicator we monitor on a monthly basis is the average intervention rate, or warranty rate. It is used to calculate the breakdown percentage of machines under warranty. The lower this indicator is, the more reliable our machines are over the first few years. Reliability is of great importance to us, guaranteeing our customers’ satisfaction.

Customer satisfaction is also measured regularly by all teams in direct contact with customers. Thus, sales representatives, mobile technicians and call center teams receive feedback, comments, improvement suggestions and complaints, and deal with them promptly. Satisfaction is therefore measured regularly in the group’s entities.

Furthermore, every 3 years, Haulotte conducts a large-scale Customer Satisfaction Survey, with the help of a specialist firm. The objective of this survey is to measure the satisfaction and loyalty of Haulotte’s customers and compare the trend with the previous survey, while also identifying customer expectations and the points of satisfaction to be measured.

In 2023, 32% of the customer database was surveyed.

The overall satisfaction score in 2023 was **7.48/10**. It was 7.85/10 in the previous survey conducted in 2019.

This decline can be explained in part by the fact that 2023 was marked by a lack of spare parts available for our machines, as a result of which deliveries were sometimes delayed compared with forecasts, especially at the beginning of the year. These delays improved significantly during the year, and are still improving.

All our teams are now engaged in a detailed analysis of the results of this survey, in order to identify the levers for action to best satisfy all our customers. Our YELLO Operational Excellence program provides the tools that will help carry out this analysis and monitor commitments.

This survey also yielded other findings.

Overall, Haulotte is perceived as “a manufacturer you can work with in complete confidence and transparency” and “a manufacturer of quality machinery”. Our distributors are also very satisfied with the overall quality of our machines and solutions, and very satisfied with the value creation and innovations on offer.

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Customer events and trade fairs

Haulotte is a regular exhibitor at a number of trade fairs, and always strives to innovate and improve its impact on the environment. This was demonstrated at the APEX show in June 2023.



APEX is a major event for the profession and Rental Companies in particular. This trade fair, organized every 3 years alternately in Maastricht and Amsterdam, was held at the Maastricht MECC from June 6 to 8.

For this year's show, Haulotte decided to think outside the box, to break the mold and break from the convention expected at all trade fairs: showcasing its equipment! Because our partners deserve more than a showroom, Haulotte decided not to exhibit any platforms on its 160m² stand, with the aim of surprising its partners and customers!

Customer recognition

All our everyday activities in favor of customer satisfaction are regularly recognized by customers or professional organizations. Below are the some of the outstanding awards for 2023:



March 2023

The COMPACT scissors range wins the 2023 "Mât d'Or" award



March 2023

RESTART by Haulotte wins the "Grand Prix du Matériels - Chantiers de France" award



March 2023

Haulotte's SIGMA 16 articulated aerial platform wins award at the "TOP 50 Products of China Construction Machinery 2023"

NON-FINANCIAL PERFORMANCE STATEMENT

2023 REPORT



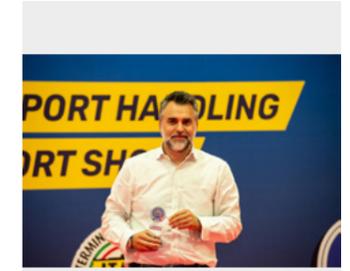
May 2023

Supplier of the Year Award for the Haulotte Australia team for the 4th year running at HIRE 23 in Sydney



September 2023

STAR 6 Crawler vertical mast voted "best crawler platform" by Spanish magazine Movicarga



October 2023

Secondary Guarding System (SGS) wins award at the 4th Italian Access Platform Awards

3-3-2 Supplier relations

Indicator	Unit	2021	2022	2023	2024 objective	Scope
PROPORTION OF PURCHASES FROM SUPPLIERS COVERED BY THE SIGNING OF THE RESPONSIBLE PURCHASING CHARTER						
MACHINE PARTS	% of annual turnover	64	71	74	75	Group
SPARE PARTS	% of annual turnover	62	64	73	75	Group
OVERHEAD EXPENSES	% of annual turnover	/	37	52	60	Group
SUPPLIER EVALUATION BASED ON ESG CRITERIA						
Percentage of purchase volume represented by suppliers who were evaluated based on ESG criteria	%		9	38	50	Group

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Maintaining long-lasting relationships with our suppliers

For any new supplier, a panel admission procedure must be followed, and audits are conducted, including ESG criteria. The results of each audit are shared with all relevant suppliers so that corrective action can be taken if required to enter the panel.

This entry procedure includes the signing of a responsible purchasing charter.

The responsible purchasing charter was initially deployed for suppliers of series parts in 2019. Its objective is to create a long-lasting, balanced relationship, while respecting the respective rights and obligations of each party.

Haulotte's objective is for 75% of the 2024 annual turnover to be covered by a signed charter.

In 2021, this approach was extended to the purchase of spare parts, and Haulotte's objective is for 75% of the 2024 annual turnover to be covered by a signed charter.

In 2022, Haulotte extended the approach to overhead expenses purchases, with a target of 50% of the annual turnover covered by the end of 2024.

This charter was updated in 2023 to incorporate the latest developments in terms of social, ethical and environmental commitments.

At the same time, a confidentiality agreement is signed between Haulotte and all its suppliers to preserve the information of each party.

With new suppliers, we have developed a partnership agreement to be signed prior to production launch.

These agreements define all modes of operation, expression of requirements, payment terms, prices, warranty, quality standards, insurance (...), to commit to long-lasting relationships together. The improvement plans agreed upon are also featured in the agreement, with the same objective in mind, i.e. building sustainable relations.

Haulotte focuses on all suppliers generating a significant part of the annual turnover as well as core and strategic suppliers.

For existing suppliers, Haulotte organizes management meetings to share our respective expectations, our development strategies and the progress of projects relating to new products. These exchange meetings, which involve the management of both companies, help build a long-term vision with our supplier partners.

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Evaluating our suppliers

A supplier evaluation grid was prepared to rate their level of maturity with regard to ESG criteria during the panel admission process.

The themes addressed in this evaluation are linked to our sustainable development approach:

- Health and safety theme (certifications, risk analysis, etc.)
- Environmental theme (certifications, waste sorting, carbon assessment)
- Ethical theme (fight against corruption, fight against modern slavery)
- Business continuity, risk management (including cyber security risk) and insurance theme

It was used in 2022 for a purchase volume representing 9.34% of annual purchases.

In 2023, the evaluation grid covered 38% of the annual purchasing volume.

In addition, we defined a minimum "ESG" threshold for the entry of new suppliers into the panel, as well as a minimum "ESG" threshold for suppliers currently in the panel.

Our objective for 2024 is to collect information on the various practices implemented by our suppliers, so that we can compare them and help suppliers who are experiencing the greatest difficulties in this area

We made strong progress in 2023 and have already reached our target levels for 2024.

We intend to pursue this approach by setting ourselves new targets to achieve 75% coverage of the panel's purchasing volume by 2026

PERCENTAGE OF PURCHASE VOLUME REPRESENTED BY SUPPLIERS WHO WERE RATED BASED ON ESG CRITERIA BY TYPE OF SUPPLIER						
Indicator	Unit	2021	2022	2023	2024 objective	Scope
Hydraulic component suppliers	%	/	2	34	50	Group
Electrical component suppliers	%	/	9	41	50	Group
Welded part suppliers	%	/	11	39	50	Group
Spare part suppliers	%	/	0,2	42	50	Group

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3-4 MAKING OUR INFORMATION SYSTEM ETHICAL, INCLUSIVE AND ECO-RESPONSIBLE. PROMOTING RESPONSIBLE PRACTICES AMONG OUR STAKEHOLDERS

As IT is an integral part of Haulotte's operations, its transformation towards an ethical, inclusive and eco-responsible approach is essential.

This implies enhanced IS security, data management, user support and the integration of eco-responsible initiatives.

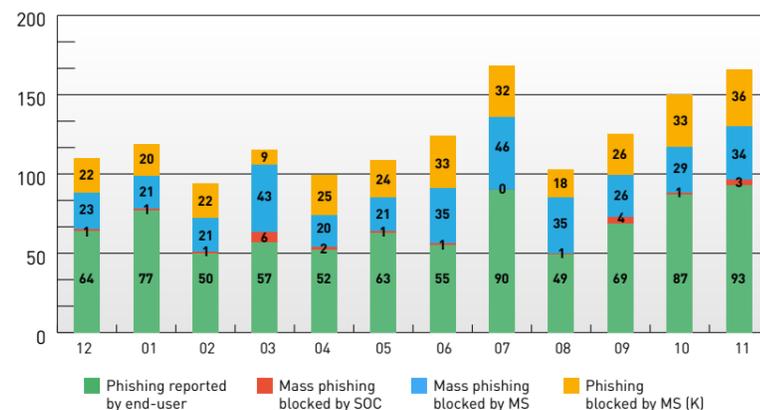
Indicator	Unit	2021	2022	2023	2024 objective	Scope
RUN performance (backlog volume)	Number of tickets	299	340	386	350	Group
Ticket satisfaction Daily survey	%	94	97	98	95	Group
Overall satisfaction: Annual survey	%	93	90	86	90	Group

3-4-1 For a more ethical information system

Information System security: an overarching issue

Over the past few years, the rise in and increasing sophistication of cyber attacks against businesses have caused more and more downtime, and therefore loss of income.

This threat can be felt on a daily basis; the 2023 diagram below lists the number of phishing attacks foiled by Haulotte:

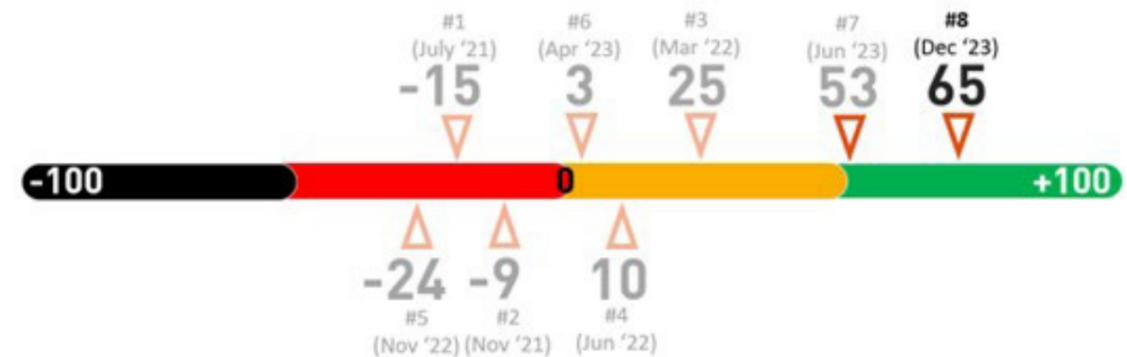


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The IT Division is more than ever committed to protecting the company from potential cyber attacks; this year:

- The SOC (Security Operation Center) set up in 2022 was equipped with new procedures to broaden the scope of cyber incident monitoring and remediation.
- Two penetration tests (pentest) were conducted on defined perimeters of our IS, and a plan was implemented to remedy the vulnerabilities discovered.
- Phishing test campaigns are organized every quarter among 100% of users, to test their response to phishing attacks.
- Users who fail the phishing test undergo an individual awareness session on risk and consequences.
- The Group's audit committee defined "cyber attack" as the Group's 2nd highest risk.
- A real-life cyber-attack test is conducted once a year, without notice, to test our organization's response capacity.



Vulnerability index: measures the propensity of employees to Click & Report

Compliance with personal data protection regulations

Since the entry into force of the GDPR in May 2018, the Haulotte Group has conducted a compliance audit in conjunction with IBM. This audit was used to map out the risks associated with the management and protection of personal data held by Haulotte, and establish an action plan to ensure sustained compliance with the regulation.

To date, the Haulotte Group does not trade in personal data entrusted to them. Haulotte secures the consent of the person entrusting their personal data, makes sure said data is used solely for the purposes described and is effectively retained. Haulotte may return or destroy the holder's personal data, on their express request. This compliance also requires informing and training, as carried out in 2020, the departments in charge of processing personal data and, subsequently, helping said departments update the record of processing operations.

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Number of security flaw incidents reported to CNIL

Although the business community was strongly affected by targeted attacks, no incident relating to security or damage to the integrity of the Haulotte Group's information systems was reported to CNIL.

Data: the challenge for 2025

By establishing clear standards and procedures for data collection, storage and access, a company can guarantee the integrity, confidentiality and availability of its crucial information. In the industrial context, where massive amounts of data are generated on a daily basis, solid governance helps minimize potential errors, improve data quality and reinforce regulatory compliance. By implementing effective data governance, a company can prevent cyber-attacks and leaks of sensitive information, thus helping secure its operations.

At Haulotte, we are making progress every day to put in place the processes needed to manage the entire data lifecycle within information systems. The aim is to formalize the collection, cleansing, securing, backup and deletion of obsolete data. The aim is to integrate these processes into all operational teams.

In 2023, we introduced customer data governance as part of the implementation of our CRM tool. With the help of this tool, business processes for collecting customer data were formalized and unified. In addition, the centralization of data within a certified IT tool has enabled data to be secured and monitored.

We also trained approximately one hundred Haulotte employees in reporting tools (PowerBi). We made employees aware of the challenges of data quality, accessibility and sharing.

To measure data quality within our company, we produced a number of monitoring reports in 2023, which improved the quality of spare parts data, with the addition of many missing pieces of information. We realigned data between two information systems that did not communicate automatically.

3-4-2 For a more inclusive information system

Raising employee awareness of IT security – upon arrival

The IT charter aims at raising users' awareness of the effective use of IT tools. It is signed by employees in France upon induction, and is available on our Intranet, with a view to making it binding and enforceable.

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Users are also trained in security and good IT practices as soon as they are given their PCs.

As part of their induction, new arrivals in Europe, Archbold and Changzhou follow the "IT Ignition" program. This information meeting aims to raise awareness among new employees of Information Systems and their interactions with IT during their time at Haulotte. To validate their acquired knowledge of the IT ecosystem, following these two awareness sessions, users are asked to complete a quiz.

Employee satisfaction

As the satisfaction of IT system users is a good quality of service indicator, a daily satisfaction survey is conducted on closed tickets. This helps monitor user satisfaction in "real time". In addition, at the end of the year, a global satisfaction survey is sent to users.

	2020	2021	2022	2023
Annual survey	93%	93%	91%	86%
Daily survey	92%	96%	97%	98%

Scope: group

Supporting users in the Group's digital transformation

The purpose of the "User centricity" program is to support and accompany the transition towards a digital business by human resources, tools and through training. A number of initiatives have already been launched in France and are being developed for all regions:

- IT Ignition, as mentioned above, which is an information meeting for new arrivals,
- Digi'tips, short 20-minute training sessions in a specific tool

Number of participants in 2023

	France	Romania	Europe	Americas	Asia-Pacific	Total
IT Ignition	84	8	24	11	13	140
Digi'tips	32	0	0	40	116	188

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The purpose of **Citizen Dev** is to assist users with Microsoft's PowerPlatform tools: PowerBi, PowerApps and PowerAutomate. The idea is to develop employees' skills with respect to these applications so that they can develop their solutions themselves whilst providing them with a framework and support tools.

The governance of Citizen Dev is based on three pillars:

- An internal certification process,
- Qualification of the applications with their review in a new meeting called the Application Review Committee,
- A Teams community

The community was set up in 2023 for employees based in France. The IT&S teams wanted to set up this community to bring users together and also bring them closer to the IT&S, the objectives being to share best practices and success stories, shed light on the ambassadors, invite questions, share resources and develop better understanding and the advantages of low-code.

Several events have already been held around this community: presentation breakfast for people already certified, communication campaigns to invite users to join the community and, on Wednesday, November 15, a presentation of PowerApps and PowerAutomate in the showroom. Other initiatives and events will be scheduled to promote and encourage the use of these tools.

3-4-3 For a more eco-responsible information system

A review of Green IT was launched in early 2022. Several management team members have been trained in Responsible IT.

In 2023, a number of initiatives were carried out:

- Calculation of the Information System's carbon footprint,
- Digital Cleanup Day
- Analysis of the life cycle of our equipment in France
- Launch of a Responsible Digital Training course on our LMS
- Participation in the sustainable development week (sharing information and challenges),
- Raising the awareness of IT employees.

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KEY PERFORMANCE INDICATORS - SUMMARY

Name of the scope	Meaning	Total employees as of 12/31/23	% of the group
Group	All Group entities	1,739	100%
France	All French sites	675	39%
Haulotte Group SA	French sites of the group, excluding Haulotte France	612	35%

	Scope	2021	2022	2023	2025 objective	
1 - TAKING CARE OF EMPLOYEES						
1-1 Developing our employees' talent						
	Proportion of employees who attended at least one training course	Group	74	74	85	>90
	Number of training hours	Group	26,187	38,920	40,058	Not determined
	Average number of training hours	Group	16h	23h	23h	>20h
1-2 Attracting and retaining talent						
	Turnover of employees on permanent contracts	Group	10.18	20.2	15.5	Not determined
	Internal mobility	Group	142	117	98	Not determined
1-3 Promoting equal opportunities and diversity						
	Women in the workforce (Out of total workforce)	Group	23.82	23.49	24.15	>20
	Gender equality index	Haulotte Group SA	87	87	86	>85
	Proportion of new recruits under the age of 27 (all contracts combined)	Group	26	29	34	>30
	Persons with disabilities (out of total workforce)	Haulotte Groupe SA	3.45	3.61	3.83	Not determined

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		Scope	2021	2022	2023	2025 objective
1-4 Ensuring occupational health, safety and well-being						
 	Frequency rate (Number of lost-time work-related accidents/number of hours worked * 1,000,000)	Group	6.78	12.88	14.50	Aim for 0 accident
 	Severity rate (Number of days lost to work-related accidents/number of hours worked*1,000)	Group	0.63	0.27	0.27	Aim for 0 accident
 	Employees concerned by safety certifications	Group	887	944	1,141	>1,300

2 - TAKING CARE OF THE COMPANY

2-1 Providing our customers with increasingly environmentally-friendly products and solutions

	Electric machines sold in relation to the total number of machines sold	Group	73%	70%	78%	70%
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2-2 Committing to a circular economy approach

	Turnover associated with the circular economy	Group	€5,376,000	€5,235,000	€10,210,000	>€10,000,000
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2-4 Reducing the environmental impact of our activities

 	Employees concerned by environmental certifications		<1,100	1,191	1,357	>1,500
	Waste recycling rate	Group	74	72	75	75
 	Group carbon footprint based on GHG protocol (scope 1 and scope 2)	Group	Not measured within the same scope	Not measured within the same scope	16,254	Scheduled for 2026

3 - TAKING CARE OF PARTNERS

3-1 Offering quality products that are ever safer and more durable

	R&D expenditure (as % of Sales)	Group	3.2	2.9	1.9	Not determined
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		scope	2021	2022	2023	2025 objective
3-2 Putting ethics at the heart of our business conduct						
 	Alerts issued in the dedicated tool	Haulotte Groupe SA	0	0	1	/
	Average processing time of the corruption alerts issued	Haulotte Groupe SA	N/A	N/A	2d	Less than 20d
 	"Mandatory" employees trained in combating corruption (Access to Haulotte Academy)	Haulotte Groupe SA	/	96	100	100

3-3 Promoting responsible practices among our stakeholders

 	Employees concerned by Quality certifications	Group	/	1,197	1,357	>1,500
	Proportion of purchases from suppliers who signed a responsible purchasing charter MACHINES	Group	64	71	74	75
	Proportion of purchases from suppliers who signed a responsible purchasing charter SPARE PARTS	Group	62	64	73	75
	Proportion of purchases from suppliers who signed a responsible purchasing charter OVERHEAD EXPENSES	France	/	37	52	50
	Percentage of purchase volume represented by suppliers who were evaluated based on ESG criteria	Group	/	9	38	50

3-4 Making our information system Ethical, Inclusive and Eco-responsible

 	RUN performance (backlog volume in number of tickets)	Group	299	340	386	350
 	Ticket satisfaction Daily survey	Group	94	97	98	95
 	Overall satisfaction: Annual survey	Group	93	90	86	90

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INFORMATION COLLECTION PROCESS

The reporting of non-financial information is the responsibility of the Group's Sustainable Development department, which collects indicators.

For 2023, the following departments were involved in the process:

- Sustainable Development
- Quality, Safety, Environment
- Operational Excellence

Collection and monitoring of indicators:

The various indicators mentioned in this Non-financial Performance Statement come from internal tracking or information systems maintained by the different Company divisions.

For example, social indicators are produced by the Human Resources Division based on extractions from the personnel and payroll management tool.

Environmental data or data relating to the Purchasing department is monitored via internal tracking files.

Each division is responsible for the data and information transmitted. Consequently, consistency checks are carried out at their level.

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REPORTING PERIOD

The data published covers the period from January 1, 2023 to December 31, 2023.

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REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS AN INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

(Financial year ending December 31, 2023)

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Haulotte Group SA

Rue Emile Zola
42420 Lorette

In our capacity as Statutory Auditor of the company Haulotte group SA (hereinafter the "Entity"), appointed as an independent third party and accredited by Cofrac (Cofrac Inspection Accreditation n°3-1862 rév.1, whose scope is available at www.cofrac.fr), we have undertaken a limited assurance engagement on the historical information (observed or extrapolated) in the consolidated non-financial statement (hereinafter the "Information" and the "Statement", respectively), prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023, presented in the group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (code de commerce).

Conclusion

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines

Comments

Without calling into question the conclusion expressed above, and in accordance with the provisions of article A.225-3 of the commercial code, we make the following comments:

- the key performance indicator relating to the rate of recycled waste only covers a scope limited to 63% of the Group's workforce;
- the information provided under the key performance indicators presented for risks relating to: developing the talents of our employees; attract and retain talents; promote equal opportunities and diversity; reduce the environmental impact of our activities; offer quality products that are always safer and more durable; are not linked to an objective and therefore do not reflect the performance of the entity with regard to the policies concerned.

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Preparation of the non-financial performance statement

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure the Information allows for different, but acceptable, measurement techniques that can affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, the significant elements of which are available on request at the head office

Limits inherent in the preparation of Information

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the entity

Management is responsible for:

- selecting or establishing, on a voluntary basis, suitable criteria for preparing the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- preparing the Statement by applying the Entity's "Guidelines" as referred above; and
- implementing internal control over information relevant to the preparation of the Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

Responsibility of the Statutory Auditor

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

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As we are engaged to form an independent conclusion on the Information as prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to report on:

- the Entity's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the French duty of care law and against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with Articles A. 225-1 et seq. of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to such engagement, in particular the professional guidance issued by the Compagnie Nationale des Commissaires aux Comptes, Intervention du commissaire aux comptes – Intervention de l'OTI – déclaration de performance extra-financière, and acting as the verification programme and with the international standard ISAE 3000 (revised) - Assurance engagements other than audits or reviews of historical financial information.

Independence and quality control

Our independence is defined by the provisions of Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) relating to this engagement.

Means and resources

Our work engaged the skills of 5 people between December 2023 and April 2024 and took a total of 3 weeks. We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 21 interviews with people responsible for preparing the Statement, representing in particular Sustainability, EHS, Procurement, Compliance, Human Resources, Health and Safety and Environment.

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Nature and scope of procedures

We are required to plan and perform our work to address the areas where we have identified that a material misstatement of the Information is likely to arise.

The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement on the Information, we:

- obtained an understanding of all the consolidated entities' activities and the description of the main risks associated;
- assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, taking into account, where appropriate, best practices within the sector;
- verified that the Statement includes each category of social and environmental information set out in article L. 225-102-1 as well as information regarding compliance with human rights and anti corruption and tax avoidance legislation, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code;
- verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the main risks,
- verified that the Statement presents the business model and a description of the main risks associated with of all the consolidated entities' activities, including where relevant and proportionate, the risks associated with its business relationships, its products or services, as well as its policies, measures and the outcomes thereof, including key performance indicators associated to the main risks;
- referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the main risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the main risks and the policies presented, and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix and for which our work was performed at the consolidating entity;
- verified that the Statement covers the consolidated scope, i.e. all the entities within the consolidation scope in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- obtained an understanding of internal control and risk management procedures the Entity has implemented and assessed the data collection process aimed at ensuring the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in Appendix, implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data;
 - tests of details, using sampling techniques, in order to verify the proper application of definitions and procedures and reconcile the data with supporting documents. This work was carried out on a selection of contributing sites: Le Creusot, Reims, Changzhou, and covers between 20% and 25% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;

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- assessed the overall consistency of the Statement in relation to our knowledge of all the consolidated entities.

The procedures performed in a limited assurance review are less in extent than for a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes); a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, April 30th, 2024

One of the statutory auditors
PricewaterhouseCoopers Audit

Matthieu Moussy
Partner

Anne Parenty
Partner, Sustainable Development

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