INTELLIGENT MOTION
Columbus McKinnon

Fiscal Year 2025

ANNUAL REPORT

INTELLIGENT MOTION
Columbus McKinnon

Our Purpose

Together we create intelligent motion solutions that move the world forward and improve lives.

Our Mission

We provide expert, professional-grade solutions and products, building the trust of customers by solving their high-value problems.

Our Vision

To become the global leader in safe and productive intelligent motion solutions.

Our Values

Our six values drive everything we do.

Connect safety to everything you do.

Take personal responsibility. Care for our people.
Build products that everyone can trust.

Be easy to do business with.

Focus on the customer.
Listen. Simplify.

Deliver on your commitments.

Aim for greatness. Do your best.
Hold yourself accountable.

Think differently.

Be proactive with new ideas.
Ask questions. Be part of the solution.

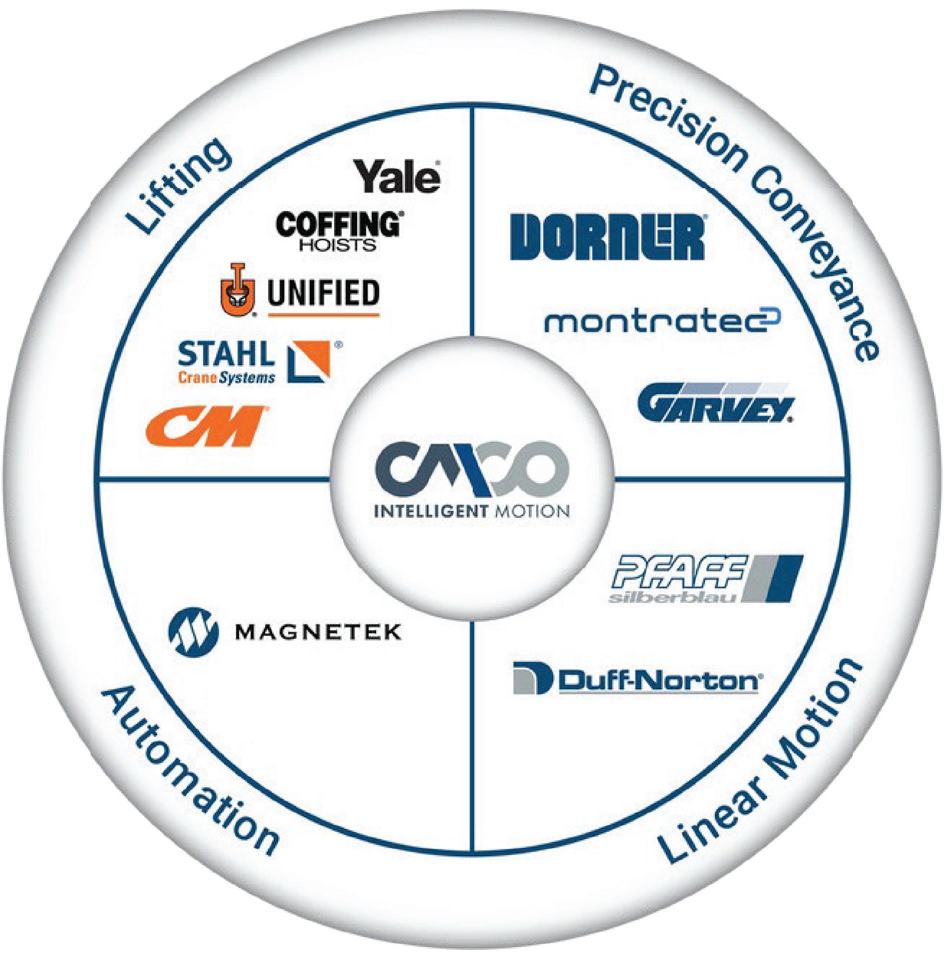
Win as a team.

Embrace diversity. Respect each other.
Celebrate success.

Act with integrity.

Do the right thing. Extend trust.
Appreciate differences.

“Together our family of trusted brands, known for superior quality, safety, reliability and productivity, positions us to provide intelligent motion solutions for our customers’ unique material handling needs.”



KITO CROSBY™

We are excited to welcome Kito Crosby’s strong portfolio to our family of brands upon completion of the acquisition.

Dear Fellow Shareholders,

Fiscal 2025 marked another year of strategic progress for Columbus McKinnon, as we advanced our customer experience initiatives, executed against our operational improvement strategies and made meaningful progress towards our ongoing simplification plan. It was also a pivotal year for the future of the Company, as we announced the transformative pending acquisition of Kito Crosby, which we believe will allow us to enhance our scale, strengthen our competitiveness in the market and drive meaningful, long-term value for shareholders.

Since joining Columbus McKinnon in 2020, we have demonstrated our ability to navigate challenges together – from a global pandemic and the ensuing supply chain disruptions, to historically high inflation, and now to trade policy volatility. We have tackled these challenges head-on through resilience, determination and an absolute focus on improving performance and solving our customers' most important material handling needs. At the same time, we fundamentally repositioned the Company to create platforms for growth, expand our margins and enhance our customer value proposition. It's through these actions and our team's relentless execution that we were able to deliver record orders in fiscal 2025, despite a challenging macro environment. I am very proud of these efforts and, as we enter fiscal 2026, I have never been more excited about our future.

Our Intelligent Motion Solution Strategy

Building on 150 years as a leader in lifting solutions for material handling, we have expanded our platforms to include lifting, linear motion, controls and automation, and, most recently, precision conveyance.

Four years ago, we defined and began implementing our Intelligent Motion Solutions Strategy to further differentiate our business and drive superior results. Building on our strong foundation, we began transforming into a more holistic solutions provider with a goal to scale our business, including growth in our existing platforms and expansion into new platforms serving attractive end markets.

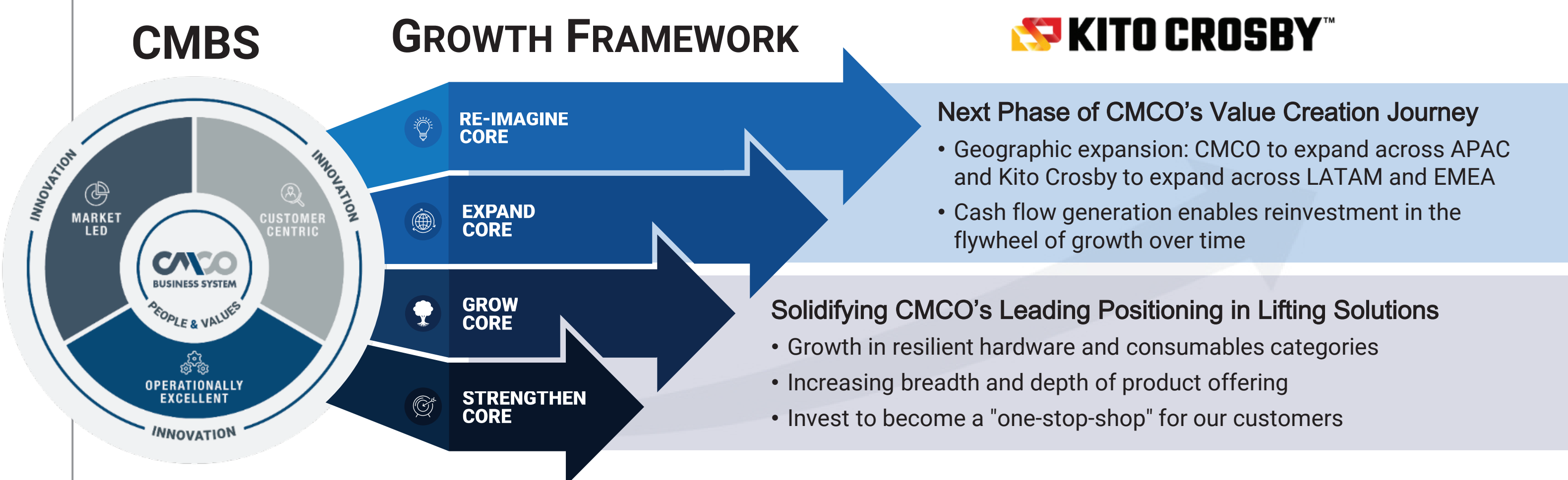
Our unique portfolio allows us to simplify intralogistics for our customers across a wide array of applications within a highly fragmented competitive landscape. With a scaled platform serving as our foundation, we will continue investing in the tools, technology and talent to provide a superior experience to our customers.

Our strategy also dovetails with several important megatrends such as automation and AI, reshoring and infrastructure investment, each of which we expect to accelerate in the current policy environment and beyond. We are evolving to be the connective tissue that links the digital and physical worlds by precisely positioning materials to optimize customer productivity through fully automated intralogistics.

As part of this strategy, we also take a disciplined approach to organic and inorganic growth to drive financial performance and shareholder value over time.

Powerful Combination with Kito Crosby, Accelerating Intelligent Motion Strategy

We have long had great respect for Kito Crosby, its strong portfolio and its world-class team of industry professionals. We are excited to bring these two customer-centric and performance-oriented cultures together, combining a shared heritage of innovation focused on customer safety, productivity and uptime.



Through this complementary combination, we will be better positioned to deliver a superior value proposition to our customers with an expanded depth and breadth of product offerings across a broader set of geographies. We will leverage the best of our collective businesses to lead us into the future. Our combined capabilities and global scale create an opportunity to provide an industry-leading customer experience powered by digital enablement.

Underpinned by the strong performance of our portfolios and $70 million of expected annual run-rate, net cost synergies, we believe we are well-positioned to deliver top-tier industrial financial performance. Additionally, we see an opportunity to capture revenue synergies as a result of our complementary product portfolio and geographic footprint.

As we enter fiscal 2026, we remain focused on achieving our strategic plans while we work diligently to close the proposed transaction. We are also advancing integration planning and readiness to bring these businesses together and achieve our synergies on or ahead of plan.

Once we have completed the integration and deployed our cash flow to reduce debt, we will be better positioned to grow our business, expand margins and execute our Intelligent Motion Solutions Strategy.

FY25 Financial and Operational Performance

In fiscal 2025, we delivered record orders of $1.0 billion despite headwinds associated with ongoing macro uncertainty and volatility. Orders increased 4% versus the prior year on a constant currency basis. This was supported by a vertical end market selling strategy and continued traction on our commercial initiatives. We grew project-related orders by 8% and precision conveyance orders by 19%, as we gained momentum with our end market and customer experience initiatives.

Fiscal 2025 was also our second-best year for revenue and Adjusted EBITDA. Despite strong order performance, net sales were down 5%, including a 1% foreign exchange impact, given a higher mix of longer-cycle, project-related orders. The mix of sales, as well as some large non-cash and unique items tied to our strategy, also impacted profit in the period. We exited the year with a 15% increase in our backlog, which positions us well as we enter fiscal 2026.

In the year, we continued to drive operational, customer lead time and safety improvements. Additionally, we delivered continued enhancements in customer experience, where we realized a 10 point improvement in our EMEA Net Promoter Score. We will be leveraging best practices across our business to further improve customer experience while advancing the customer-facing initiatives already underway.

We remain focused on what we can control as we navigate the evolving macro environment, manage costs, implement trade policy-related mitigation actions, execute our 80/20 initiatives and focus on delivering value for our customers. We have an exceptional team, a strong portfolio of assets, deep customer relationships and a proven ability to capitalize on attractive opportunities.

By listening closely to our customers, executing relentlessly, and staying focused on what differentiates Columbus McKinnon, we are confident we will create value for our stakeholders over time.

$1.0B
Orders

+4%
Order Growth
(Constant Currency)

+15%
Backlog

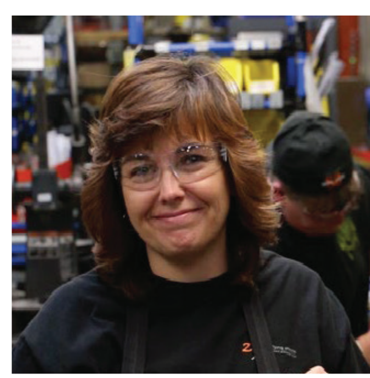
$46M
Net Cash Provided by Operating Activities

Our People

Our 3,500 team members are the foundation of our business and their hard work, passion, experience and commitment enable our success.

We have built an open culture where we encourage candid feedback, a broad range of opinions, innovative thinking and, importantly, passion for serving customers. We invest to attract, develop, engage, reward and retain top talent. We focus not only on rewarding performance, but also embracing our mission and demonstrating our core values while delivering results.

I am humbled to lead such an exceptional team and excited to welcome Kito Crosby to our organization upon closing of the transaction. I believe our collective global organization is rich with industry-leading talent, diverse experiences and innovative ideas that position us well for the next phase of our strategy.



The Opportunity Ahead

As we enter fiscal 2026, Columbus McKinnon's future is bright. Benefits from our commercial and operational initiatives, as well as the pending Kito Crosby acquisition, will enable us to better serve the evolving needs of our customers. With the benefits of scale, investments in technology enablement, simplicity and an improved customer experience, we plan to further distinguish our business.

We believe that we are well-positioned to deliver growth in attractive end markets and margin expansion in a business that generates strong cash flow. With that cash flow, we plan to reinvest in profitable growth and drive enhanced shareholder value.

We extend our deepest thanks to our loyal customers for trusting us to support their complex and evolving intralogistics needs. We would also like to thank our vendor partners for their continued support of Columbus McKinnon and our mutual customers.

To our shareholders, we are committed to driving long-term value and appreciate your ongoing investment and support.

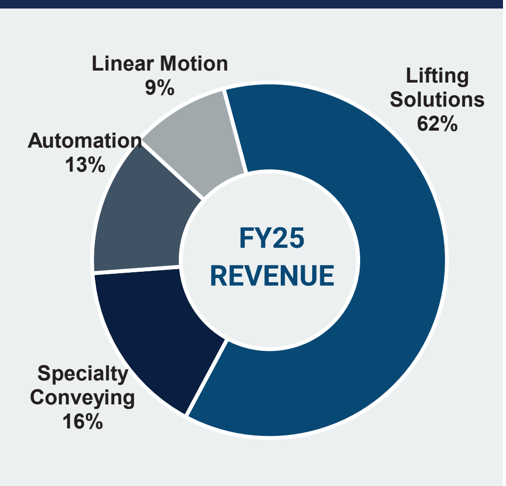
Sincerely,

David J. Wilson

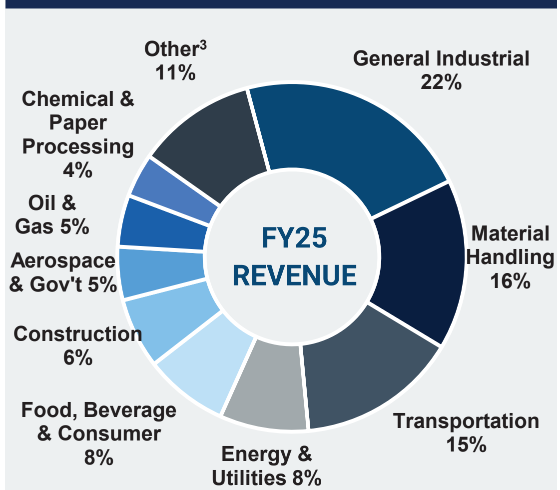
Financial Summary

(in thousands, except per share and ratio data)	Year Ended March 31,				
	2025	2024	2023	2022	2021
Income Statement Data					
Net sales	$ 963,027	$ 1,013,540	$ 936,240	$ 906,555	$ 649,642
Gross profit	325,680	374,838	342,099	315,730	220,225
Gross margin	*33.8%*	*37.0%*	*36.5%*	34.8%	*33.9%*
Income from operations	54,573	107,148	97,841	73,781	42,255
Operating margin	*5.7%*	*10.6%*	*10.5%*	8.1%	*6.5%*
Net income	(5,138)	46,625	48,429	29,660	9,106
Net income per diluted share	$ (0.18)	$ 1.61	$ 1.68	$ 1.04	$ 0.38
Adjusted Net Income[1]	71,858	82,994	84,597	80,261	37,857
Adjusted EPS[1]	$ 2.48	$ 2.86	$ 2.94	$ 2.83	$ 1.57
Adjusted EBITDA[1]	150,495	166,653	147,770	140,072	77,198
Adjusted EBITDA Margin[1]	*15.6%*	*16.4%*	*15.8%*	15.4%	*11.9%*
Average Diluted Shares Outstanding[1]	28,988	29,026	28,818	28,401	24,173
Balance Sheet Data					
Total assets	$ 1,738,788	$ 1,825,945	$ 1,698,455	$ 1,685,707	$ 1,150,432
Total liabilities	856,693	943,882	864,658	912,904	620,283
Total debt	470,975	530,236	471,592	511,226	248,954
Total debt, net of cash	417,292	416,110	338,416	395,836	46,827
Total shareholders equity	$ 882,095	$ 882,063	$ 833,797	$ 772,803	$ 530,149
Total debt/capitalization	*34.8%*	*37.5%*	*36.1%*	*39.8%*	*32.0%*
Total debt, net of cash/net total capitalization	*32.1%*	*32.0%*	*28.9%*	*33.9%*	*8.1%*
Other Data					
Net Cash provided by operating activities	$ 45,612	$ 67,198	$ 83,636	$ 48,881	$ 98,890
Capital expenditures	(21,411)	(24,813)	(12,632)	(13,104)	(12,300)
Free Cash Flow[1]	24,201	42,385	71,004	35,777	86,590
Depreciation and amortization	48,187	45,945	41,947	41,924	28,153
Working capital (excl. cash and debt)/sales[2]	21.3%	19.1%	17.3%	15.5%	9.3%
Days sales outstanding	61.0	58.7	54.3	53.0	51.5
Inventory turns	3.4	3.7	3.6	3.9	4.4
Employees	3,478	3,515	3,392	3,224	2,653

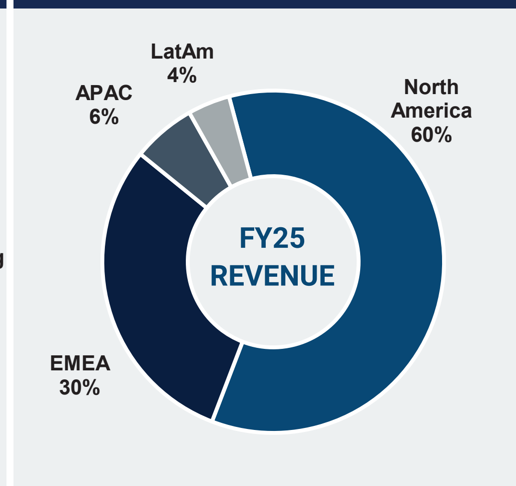
PRODUCT MIX



VERTICALS MIX



GEOGRAPHIC MIX



1 Non-GAAP financial measure; see definition and reconciliation in the following pages.
2 March 31, 2022, figure excludes the impact of the December 1, 2021, acquisition of Garvey.
3 Other represents Life Sciences/Pharma (3%), Elevator (2%), Metals Processing (2%), Entertainment (2%), E-Commerce (2%), and Forestry (1%) as of fiscal year 2025.

Safe Harbor

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical or current fact, included in this Annual Report are forward-looking statements. Forward-looking statements reflect our current expectations and projections relating to our plans, objectives, future performance and business. These statements can be identified by the use of forward-looking words, such as “anticipate,” “estimate,” “expect,” “project,” “plan,” “intend,” “believe,” “may,” “will,” “would,” “should,” “could,” “can have,” “future,” “likely,” “target,” “possible,” “intend,” and other words and terms of similar meaning (including their negative counterparts or other various or comparable terminology). For example, all statements we make relating to our plans and objectives for future operations, growth results, or initiatives, including relating to the acquisition of Kito Crosby, are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we currently expect, including those described under the sections entitled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended March 31, 2025, filed with the Securities and Exchange Commission (the “SEC”) on May 28, 2025.

While we believe that the forward-looking statements in this Annual Report are reasonable, we caution that it is very difficult to predict the effect of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements as well as other cautionary statements that are made from time to time in our other filings with the SEC and public communications. You should evaluate all forward-looking statements made in this Annual Report in the context of these risks and uncertainties.

We caution you that the risks described in our filings with the SEC may not contain all of the risks that are important to you. In addition, we cannot assure you that we will realize the results, targets or objectives we expect or anticipate or, even if substantially realized, that they will result in the outcomes or affect us or our operations in the way we expect. The forward-looking statements included in this Annual Report are made only as of the date hereof and are based on our current expectations. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise except to the extent required by applicable law.

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INTELLIGENT MOTION

Fiscal Year 2025 Form 10-K

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

FORM 10-K

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

For the fiscal year ended March 31, 2025

or

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

Commission file number 001-34362

COLUMBUS McKINNON CORPORATION

(Exact name of Registrant as specified in its charter)

New York	16-0547600
(State of Incorporation)	(I.R.S. Employer Identification Number)

13320 Ballantyne Corporate Place, Suite D
Charlotte, North Carolina 28277
(Address of principal executive offices, including zip code)

(716) 689-5400
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	**CMCO**	**Nasdaq Global Select Market**

Securities registered pursuant to Section 12(g) of the Act: None.

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

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

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

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

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

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging Growth Company	☐

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

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

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

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

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

The aggregate market value of the voting common stock held by non-affiliates of the Registrant as of September 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, was approximately $1,026 million, based upon the closing price of the Registrant's common stock as quoted on the Nasdaq Stock Market on such date. The number of shares of the Registrant's common stock outstanding as of May 23, 2025 was 28,632,239 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Registrant's definitive proxy statement for its 2025 Annual Meeting of Shareholders (the "2025 Proxy Statement"), to be filed with the Securities and Exchange Commission ("SEC") pursuant to Regulation 14A not later than 120 days after the end of the Registrant's fiscal year ended March 31, 2025, are incorporated by reference into Part III of this report where indicated.

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COLUMBUS McKINNON CORPORATION

2025 Annual Report on Form 10-K

This Annual Report on Form 10-K (this "Form 10-K") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical or current fact, included in this Form 10-K are forward-looking statements. Forward-looking statements reflect our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. These statements can be identified by the use of forward-looking words, such as "anticipate," "estimate," "expect," "project," "plan," "intend," "believe," "may," "will," "would," "should," "could," "can have," "future," "likely," "target," "possible," "intend," and other words and terms of similar meaning (including their negative counterparts or other various or comparable terminology). For example, all statements we make relating to our plans and objectives for future operations, growth results, or initiatives, including relating to the Kito Acquisition (as defined herein), strategies, plans for enhancing shareholder value, the amount of capital expenditures in fiscal 2026, pending acquisitions, the amount of future dividend payments in fiscal 2026 and beyond or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we currently expect, including:

- industrial economic and general macroeconomic conditions;
- increased competition with respect to our business, including with respect to our material handling and precision conveyance products;
- our ability to maintain positive perceptions of Columbus McKinnon and its brands;
- our ability to successfully integrate our acquisitions, including the Kito Acquisition if it is consummated;
- price fluctuations and trade tariffs on steel, aluminum, and other raw materials, parts and goods purchased to manufacture our products and our ability to pass on price increases to our customers;
- our ability to obtain sufficient pricing for our products and service to meet our profitability expectations;
- the scarcity or unavailability of the raw materials and critical components we use to manufacture our products and the impact of such scarcity or unavailability on our ability to operate our business;
- our ability to successfully manage our backlog;
- our ability to maintain relationships with the independent distributors we use to sell our products;
- our ability to continue to attract, develop, engage, and retain qualified employees;
- our ability to understand our customers' specific preferences and requirements, and to develop, manufacture and market products that meet customer demand as we expand into additional international markets;
- our ability to manage our indebtedness, including compliance with debt covenant restrictions in our Term Loan B and our Amended and Restated Credit Agreement (each as defined herein);
- our ability to raise capital in the future and manage the negative effects of inflation on our business;
- our ability to manage the risks of conducting operations outside of the United States, including currency fluctuations, trade barriers, labor unrest, geopolitical conflicts, more stringent labor regulation, tariffs, political and economic instability and governmental expropriation;
- a potential ratings downgrade or other negative action by a ratings organization adversely affecting the trading price of our common stock;
- the negative consequences of the Kito Acquisition failing to close, which may occur due to factors outside our control;
- potential product liability, as our products involve risks of personal injury and property damage;
- compliance with federal, state and local environmental protection laws, including regulatory measures meant to address climate change, which may be burdensome and lower our margins;
- our ability to adequately protect our intellectual property and refrain from infringing on the intellectual property of others;
- our ability to adequately manage and rely on our subcontractors and suppliers;
- changes in general economic conditions and the geographic concentration of our locations, which may affect our business;
- our ability to adequately protect our information technology systems from cyberattacks or other interruptions;
- our ability to comply with the U.S. Foreign Corrupt Practices Act and other anti-corruption laws;
- our ability to retain key members of our management team; and
- the volatility of our common stock.

While we believe that the forward-looking statements in this Form 10-K are reasonable, we caution that it is very difficult to predict the effect of known factors, and, it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations are disclosed under the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in this Form 10-K. All written and oral forward-looking statements attributable to us, or persons acting on our behalf, are expressly qualified in their entirety by the cautionary statements as well as other cautionary statements that are made from time to time in our other filings with the SEC and public communications. You should evaluate all forward-looking statements made in this Form 10-K in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the outcomes or affect us or our operations in the way we expect. The forward-looking statements included in this Form 10-K are made only as of the date hereof and are based on our current expectations. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise except to the extent required by applicable law.

PART I

Item 1. Business

General

Founded in 1875, Columbus McKinnon Corporation (referred to in this Form 10-K as "we," "us," "our," "Columbus McKinnon" or the "Company") is a leading worldwide designer, manufacturer and marketer of intelligent motion solutions for material handling that move the world forward and improve lives by efficiently and ergonomically moving, lifting, positioning and securing materials. Key products include hoists, crane components, precision conveyor systems, rigging tools, light rail workstations and digital power and motion control systems. These are highly relevant, professional-grade solutions that solve our customers' critical material handling requirements.

The Company is focused on commercial and industrial applications that require the safety, reliability and quality provided by its superior design and engineering know-how. Our products are used for mission critical applications where we have established, trusted brands that are well known in the industry. Our targeted market verticals include manufacturing, transportation including EV production and aerospace, energy and utilities, process industries, industrial automation, construction and infrastructure, food and beverage, entertainment, life sciences, consumer packaged goods, e-commerce, supply chain and warehousing.

In the United States, we are a market leader for hoists, material handling digital power control systems and precision conveyors, our principal lines of products, and have strong market positions with certain chain, forged fittings, and linear actuator products. Additionally, in Europe, we believe we are a market leader for manual hoists and a market leader in linear actuators used for heavy load, rail and niche custom applications for actuation. We have achieved this leadership position through strategic acquisitions, our extensive, diverse, and well-established distribution channels and our commitment to product innovation and quality. We believe the substantial breadth of our product offerings and broad distribution channels in the United States and Europe provide us a strategic advantage in our markets.

Our Transformation

Building on 150 years of industry experience, Columbus McKinnon has transformed into a scaled provider of material handling solutions with a broad variety of offerings, including lifting, automation, linear motion, and precision conveyance. Most recently the Company expanded into the precision conveyance sector, expanding our Total Addressable Market ("TAM") and providing pathways for growth in a highly fragmented industry.

A foundation for our transformation is our Columbus McKinnon Business System ("CMBS") and growth framework to be market-led, customer-centric and operationally excellent with our people and values at the core.

With CMBS as the foundation, we are well positioned to execute our Core Growth Framework ("Framework") strategy. The Framework defines four parallel paths for Columbus McKinnon's growth and provides clear organic and strategic initiatives. Our Framework includes:

- Strengthening the Core which is a foundational path focused on initiatives that will strengthen competencies and improve our competitive position within our existing share of our Serviceable Addressable Market ("SAM"). Initiatives include further developing commercial and product management competencies and improving our digital tools for a better, more efficient customer experience.

- Growing the Core is a path that is focused on increasing market share, both organically and through acquisitions, within our SAM. We are making progress on this path with product localization, new product development and advancements in automation and aftermarket support for our distributors.

- Expanding the Core is a path that is focused on improved channel access and geographic expansion. Here we expand beyond our SAM into the broader Total Addressable Market ("TAM"). This involves building out our presence both geographically and in new verticals with expanded offerings, which we expect to accomplish organically as well as with selective acquisitions.

- Reimagining the Core is a more transformational path that rethinks our TAM and targets strategic expansion beyond our existing TAM. As we think more broadly about material handling and increasing trends in intelligent motion, not just lifting, but solutions for how materials move throughout customer environments, there are some compelling ideas that emerge. The acquisitions of our conveyor businesses is an example of reimagining Columbus McKinnon's core, which added approximately $5 billion to our TAM, with the specialty conveying microsegment growing at an estimated 6% to 8% rate annually.

In fiscal 2022, the Company expanded into the precision conveyance sector with its acquisitions of Dorner Mfg. Corp. ("Dorner") and Garvey Corporation ("Garvey") followed by its acquisition of montratec GmbH (“montratec”) in fiscal 2024. Columbus McKinnon’s precision conveyance platform provides leading automation solutions with unique, patented technologies in the design, application, manufacturing and integration of high-precision conveying systems. Specifically:

- Dorner is a leading supplier to the stable life sciences, food processing, and consumer packaged goods markets as well as the higher growth industrial automation and e-commerce sectors. The addition of Dorner has provided attractive complementary adjacencies to the Company. Dorner offers a broad range of precision conveying systems to our product offerings, which include low profile, flexible chain, large scale, sanitary and vertical elevation conveyor systems, as well as pallet system conveyors.

- Garvey is a leading accumulation systems solutions company providing unique, patented systems for the automation of production processes whose products complement those of Dorner.

- montratec is a leading supplier of asynchronous conveying technology in the precision conveyance sector. montratiec provides automation solutions by designing and developing intelligent automation and transport systems for interlinking industrial production and logistics processes. montratec product offerings compliment the previous acquisitions of both Dorner and Garvey.

Together, our acquisitions within the precision conveyance industry established a platform for growth organically as well as through further acquisitions as the industry is highly fragmented.

On February 10, 2025, the Company announced that it had entered into a definitive agreement to acquire Kito Crosby Limited (“Kito”) (the “Kito Acquisition”). The Kito Acquisition closing is subject to certain conditions, including regulatory approval as required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”) and other customary closing conditions described in the stock purchase agreement entered into by the Company and Kito in connection with the Kito Acquisition. The Kito Acquisition is expected to meaningfully improve the Company's scale, enhance our collective geographic reach, significantly expand our lifting securement and consumables portfolio and enhance our customer value proposition.

With global engineering, manufacturing, distribution, and operations, Kito provides a broad range of products and solutions for the most demanding applications. Kito’s people, products, solutions, and service have innovated the lifting and securement industry throughout its long history. Kito's iconic brands include Kito, Crosby, Harrington, Gunnebo Industries, and Peerless. We expect that the Kito Acquisition will strengthen our core lifting business and further the Company's position as a leading worldwide, designer, manufacturer and marketer of intelligent motion solutions that move the world forward and improve lives by efficiently and ergonomically moving, lifting, positioning and securing materials. The Company anticipates the Kito Acquisition to close during fiscal 2026.

We intend to fund the acquisition through a combination of committed debt financing of $3,050,000,000 from J.P. Morgan Securities, LLC including a $500,000,000 revolving credit facility and $800,000,000 of perpetual convertible preferred equity investment from Clayton, Dubliner & Rice (“CD&R”). Terms of the CD&R investment include a 7% coupon, payable in cash or payment-in-kind at Columbus McKinnon’s option, and a conversion price of $37.68, resulting in CD&R as-converted ownership of approximately 43% of the Company following completion of the transaction. CD&R has agreed to a customary lock-up on its shares.

Business Description

We design, manufacture, and distribute a broad range of material handling products for various applications. Products include a wide variety of electric, air-powered, lever, and hand hoists, hoist trolleys, explosion-protected hoists, winches, and aluminum work stations; alloy and carbon steel chain; forged attachments, such as hooks, shackles, textile slings, clamps, and load binders; mechanical and electromechanical actuators and rotary unions; below-the-hook special purpose lifters; and power and motion control systems, such as AC and DC drive systems, radio remote controls, push button pendant stations, brakes, and collision avoidance and power delivery subsystems. Our legacy Lifting business is sensitive to changes in general macro-economic conditions, including changes in industrial capacity utilization, industrial production, and general macro-economic activity indicators, like GDP growth.

Our products are typically manufactured for stock or assembled to order from standard components and are sold primarily through a variety of commercial distributors and, to a lesser extent, directly to end-users. Our STAHL subsidiary brings market leadership with independent crane builders and EPC firms. The diverse end-users of our products are in a variety of industries including manufacturing, power generation and distribution, utilities, wind power, warehouses, commercial construction, oil and gas exploration and refining, petrochemical, marine, ship building, transportation and heavy-duty trucking, agriculture, logging and mining. We also serve a niche market for the entertainment industry, including permanent and traveling concerts, live theater, and sporting venues.

Our precision conveyance acquisitions expanded our product offerings to include a broad range of highly engineered, precision conveying solutions. The acquisitions of Dorner and Garvey expand the Company's reach to include the stable life sciences, food processing and consumer packaged goods markets and high growth industrial automation and e-commerce sectors. montratec's principal markets include aerospace and electric vehicle battery cell production amongst others.

Products

Of our fiscal 2025 sales, $537,549,000, or 56%, were U.S. and $425,478,000 or 44% were non-U.S. The following table sets forth certain sales data for our products, expressed as a percentage of net sales for fiscal 2025 and 2024:

	Fiscal Years Ended March 31,	
	2025	**2024**
Hoists	50 %	49 %
High-precision conveying systems	16	16
Digital power control and delivery systems	11	12
Actuators and rotary unions	9	10
Chain and rigging tools	8	7
Industrial cranes	4	4
Elevator application drive systems	2	2
	100 %	100 %

Hoists - We manufacture a wide variety of electric chain hoists, electric wire rope hoists, hand-operated hoists, winches, lever tools, and air-powered hoists. Load capacities for our hoist product lines range from one-eighth of a ton to nearly 275 tons. These products are sold under our Budgit, Chester, CM, Coffing, Little Mule, Pfaff, Shaw-Box, STAHL, Yale, and other recognized brands. Our hoists are sold for use in numerous general industrial applications, as well as for use in the construction, energy and utilities, steel and metals processing, mining, transportation, entertainment, and other markets. We also supply hoist trolleys, driven manually or by electric motors, which are used in conjunction with hoists.

We also offer several lines of standard and custom-designed, below-the-hook tooling, clamps, and textile strappings. Below-the-hook tooling, textile, and chain slings and associated forgings, and clamps are specialized lifting apparatus used in a variety of lifting activities performed in conjunction with hoisting or lifting applications.

Last year, the Company announced that along with a strategic partner we have developed a cutting-edge battery hoist. Combining our industry-leading hoist design with our partner's expertise in lithium-ion battery and brushless motor technology, the innovative BatteryStar™ hoist provides the lifting strength and speed of an electric chain hoist and the portability of a manual hoist without the need for time-consuming manual operation or access to a power source.

We also manufacture explosion-protected hoists and custom engineered hoists, including wire rope and manual and electric chain hoists. These branded products are sold to a variety of end markets including automotive, general manufacturing, oil and gas, steel and concrete, power generation as well as process industries such as chemical and pharmaceuticals.

High-precision conveying systems – Dorner and Garvey expanded our product offerings to include high-precision, specialty conveyor system solutions. These conveyor systems range from build to order modular standard systems to highly engineered custom solutions. These products offer customers high quality and reliable solutions that enhance productivity and profitability.

The montratec acquisition provides asynchronous conveying solutions, which complements both Dorner and Garvey product offerings. This furthers our shift to intelligent motion solutions and provides capabilities in advanced, higher technology automation solutions.

Digital Power Control and Delivery Systems - Through our Magnetek brand, we are a leading provider of innovative power control and delivery systems and solutions for overhead material handling applications used in a number of diverse industries, including aerospace, automotive, steel, aluminum, paper, logging, mining, ship loading, nuclear power plants, and heavy movable structures. We are a major supplier in North America of power and motion control systems, which include AC and DC drive systems, radio remote controls, push button pendant stations, brakes, and collision avoidance and power delivery subsystems. While we sell primarily to original equipment manufacturers ("OEMs") of overhead cranes and hoists, we engage with end users to understand their needs and gain specification. We can combine our products with engineered services to provide complete customer-specific system solutions.

We are also a leading independent supplier of AC and DC digital motion control systems for underground coal mining equipment. Our systems are used in coal hauling vehicles, shuttle cars, scoops, and other heavy mining equipment.

Actuators and Rotary Unions - Through our Duff-Norton and Pfaff brands, we design and manufacture industrial components such as mechanical and electromechanical actuators and rotary unions. Actuators are linear motion devices used in a variety of industries, including the transportation, paper, steel, energy, aerospace, and many other commercial industries. Rotary unions are devices that transfer a liquid or gas from a fixed pipe or hose to a rotating drum, cylinder or other device. Rotary unions are used in a variety of industries including pulp and paper, printing, textile and fabric manufacturing, rubber, and plastic.

Chain and Rigging Tools - We manufacture alloy and carbon steel chain for various industrial and consumer applications. U.S. federal regulations require the use of alloy chain for overhead lifting applications because of its strength and wear characteristics. A line of our alloy chain is sold under the Herc-Alloy™ brand name for use in overhead lifting, pulling, and restraining applications. In addition, we also sell specialized load chain for use in hoists, as well as three grades and multiple sizes of carbon steel welded-link chain for various load securing and other non-overhead lifting applications.

We produce a broad line of alloy and carbon steel closed-die forged chain attachments, including hooks, shackles, Hammerloks™, and master links. These forged attachments are used in chain, wire rope, and textile rigging applications in a variety of industries, including transportation, mining, construction, marine, logging, petrochemical, and agriculture.

In addition, we manufacture carbon steel forged and stamped products, such as load binders, logging tools, and other securing devices, for sale to the industrial and logging markets through industrial distributors, hardware distributors, mass merchandiser outlets, and OEMs.

Industrial Cranes - We manufacture and market under our Unified Industries brand overhead aluminum light rail workstations primarily used in automotive and other industrial applications. We also manufacture crane components and crane kits through our STAHL branded products.

Elevator Application Drive Systems - Through our Magnetek brand we also design, build, sell, and support elevator application-specific drive products that efficiently deliver power used to control motion, primarily in high-rise, high-speed elevator applications. We are recognized as an industry leader for DC high-performance elevator drives, as well as for AC drives used with low- and high-performance traction elevators, due to our extensive application expertise and product reliability. Our elevator product offerings are comprised of highly integrated subsystems and drives, sold mainly to elevator OEMs. In addition, our product options include a number of regenerative controls for both new building installations and elevator modernization projects that help building owners save energy.

Distribution and Markets

We sell our products and solutions through various distribution channels and direct to certain end users. The following describes our global distribution channels:

General Distribution Channels - Our global general distribution channels consist of:

— Industrial distributors that serve local or regional industrial markets and sell a variety of products for maintenance repair, operating, and production, or MROP, applications through their own direct sales force.

— Rigging shops that are distributors with expertise in rigging, lifting, positioning, and load securing. Most rigging shops assemble and distribute chain, wire rope and synthetic slings, and distribute manual hoists and attachments, chain slings, and other products.

— Independent crane builders that design, build, install, and service overhead crane and light-rail systems for general industry and also distribute a wide variety of hoists and crane components. We sell electric wire rope hoists and chain hoists as well as crane components, such as end trucks, trolleys, drives, and electrification systems to crane builders.

Specialty Distribution Channels - Our global specialty distribution channels consist of:

— National and regional distributors that market a variety of MROP supplies, including material handling products, either exclusively through large, nationally distributed catalogs, or through a combination of catalog, internet, and branch sales and a field sales force.

— Material handling specialists and integrators that design and assemble systems incorporating hoists, overhead rail systems, trolleys, scissor lift tables, manipulators, air balancers, jib arms, and other material handling products to provide end-users with solutions to their material handling problems.

— Entertainment equipment distributors that design, supply, and install a variety of material handling and rigging equipment for concerts, theaters, ice shows, sporting events, convention centers, and night clubs.

Service-After-Sale Distribution Channels - Service-after-sale distributors include our authorized network of 17 chain repair service stations and over 229 certified hoist service and repair stations globally. This service network is designed for easy parts and service access for our large installed base of hoists and related equipment in that region.

OEM/Government Distribution Channels - This channel consists of:

— OEMs that supply various component parts directly to other industrial manufacturers as well as private branding and packaging of our traditional products for material handling, lifting, positioning, and special purpose applications.

— Government agencies, including the U.S. and Canadian Navies and Coast Guards, that primarily purchase load securing chain and forged attachments. We also provide our products to the U.S. and other governments for a variety of military applications.

Independent Crane Builders and EPC firms - In addition to the Distribution Channels mentioned above, we sell explosion-protected hoists and custom engineered non-standard hoists to independent crane builders and EPC firms. Independent crane builders are lifting solution developers and final crane assemblers that source hoists as components. EPC firms are responsible for project management or construction management of production facilities that purchase lifting solutions from crane and hoist builders.

Backlog

Our backlog of orders at March 31, 2025 was approximately $322,517,000, compared to approximately $280,824,000 at March 31, 2024. Our orders for standard products are generally shipped within one week. Orders for products that are manufactured to customer specifications are generally shipped within four to twelve weeks. In addition, fluctuations in backlog can reflect the project-oriented nature of certain aspects of our business.

Competitive Conditions

The material handling and precision conveyance industries remains fragmented. We face competition from a wide range of regional, national, and international manufacturers globally. In addition, we often compete with individual operating units of larger, highly diversified companies.

The principal competitive factors affecting our business include customer service and support as well as product availability, performance, functionality, brand reputation, reliability, and price. Other important factors include distributor relationships and territory coverage as well as the robustness of our digital tools which impacts the customer experience.

Major competitors for hoists are Konecranes (and its subsidiaries Demag, R&M, Verlinde, SWF), GH, Detroit Hoists, ACE World Companies, Abus, Kito (and its U.S. subsidiary Harrington), Lifket/ChainMaster, Jet, AMH, Elephant, Ingersoll Rand, Tractel and Street. Major competitors for chain are Campbell Chain, Kito (and its subsidiaries Gunnebo and Peerless), Pewag Chain, Laclede Chain Manufacturing, and American Chain and Cable Company. Major competitors for digital power control systems are Konecranes, Power Electronics International, Inc., Cattron Holdings (a division of Harbour Group), Conductix-Wampfler (a division of Delachaux Group), Control Techniques (a division of Nidec Corporation),
OMRON Corporation, KEB GmbH, and Fujitec. Major competitors for forged attachments are Kito (and its subsidiaries Gunnebo and Peerless), Campbell Chain, Laclede Chain Manufacturing, Van Beest, Pewag, RUD, AMH Cartec, Yoke, Brewer Tichner Company and Chicago Hardware and Fixture Company. Major competitors for actuators and rotary unions are Deublin, Joyce-Dayton, and Nook Industries, a division of Altra Industrial Motion Corp., which was acquired by Regal Rexnord. Major competitors for precision conveyors and accumulators are FlexLink, Bosch Rexroth AG, MK North America, Inc., Duravant,

Nercon Eng. & Mfg. Inc and Arrowhead Systems, which was acquired by Regal Rexnord. As discussed herein, the Company announced the Kito Acquisition in February 2025 and expects the Kito Acquisition to close in fiscal 2026.

Human Capital Management

Headquartered in Charlotte, North Carolina, Columbus McKinnon's global footprint includes offices, warehouses and manufacturing facilities in 25 countries across North America, Latin America, Europe, the Middle East, Africa and Asia. At March 31, 2025, we had 3,478 employees globally. Approximately 3.7% of our employees are represented under one U.S. collective bargaining agreement that expires in May 2027. We also have various labor agreements with our non-U.S. employees that we negotiate from time to time. We have good relationships with our employees and positive, productive relationships with our unions. We believe the risk of employee or union led disruption in production is remote.

Our employees are our most significant assets, critical to the delivery of our transformation and our continued strategic progress. Successful execution of our strategy is dependent on attracting, developing, and retaining key employees and members of our management team, which we achieve through the following:

- We always begin with people and values at the center of all that we do and at the heart of our corporate social responsibility efforts. The Company's people and the behaviors they display define our success, including integrity, respect and teamwork. Many of our Human Capital Management priorities, including Occupational Health and Safety, Succession and People Development, Culture & Respect, and Local Communities, are directly connected to our commitment to people and values. Our people enable us to grow, and our values ensure we grow responsibly and sustainably.
- The Company places the highest priority on workplace safety. We believe it is critical to ensure that our most valuable assets, our employees, have a safe environment to work in every day. Our first value, "Connect safety to everything you do" highlights the importance of safety to our culture. As a permanent agenda item at all management meetings, safety comes first. For fiscal 2025 and 2024, the Company had an overall safety incident rate of 0.54 and 0.71, respectively (number of injuries and illnesses multiplied by 200,000, divided by hours worked).
- We have built an open culture where great people have the opportunity to achieve their full potential. We are committed to creating an environment that embraces diverse perspectives, knowing the positive impact it has on our business, customers, and the communities we serve. We want to build a company that future generations can be proud of where all associates are encouraged to achieve their career goals through ongoing development and objective performance management and promotion processes that recognize results regardless of age, background, race, ethnicity, ability, religion, gender or sexual orientation. As such, our "We Are CMCO" approach to culture and inclusion ensures that we continue to do the work to make sure the Company remains stable and our employees feel safe, supported, and valued.

We also recognize our corporate responsibility to advance our Environmental Social and Governance ("ESG") efforts and to be accountable for making progress. We are making investments in our people, processes and systems to enable meaningful progress in areas including, but not limited to, environmental stewardship, employee safety, workplace inclusion, connecting with our communities, and ensuring a strong governance and risk management culture. We are taking deliberate steps to fully integrate ESG into our enterprise strategy, our business system, and our daily actions.

In addition, we set the following objectives for fiscal 2025:

- Drive a people-first culture through engagement, training and development opportunities;
- Perform extensive data collection and analysis to identify areas for improvement;
- Build upon our progress toward ESG targets and goals;
- Further align with global reporting standards and increasing global regulatory requirements; and
- Be more transparent with internal and external stakeholders through communications and public disclosures.

As we look forward to fiscal 2026 and beyond, we have additional plans that will continue to move our ESG initiatives forward. We continue to collect and analyze data to set realistic, yet challenging goals and be transparent about our progress against our commitments.

Raw Materials and Components

Our principal raw material and component purchases aggregated to approximately $375 million in fiscal 2025 (or 59% of Cost of product sold in fiscal 2025) and included steel, consisting of rod, wire, bar, structural, and other forms of steel; electric motors; bearings; gear reducers; castings; steel and aluminum enclosures and wire harnesses; electro-mechanical components; and standard variable drives. We purchase most of these raw materials and components from a limited number of strategic and preferred suppliers under agreements that are negotiated on a Company-wide basis through our global purchasing group. Generally, as we experience fluctuations in our costs, we are able to reflect these increases in costs with additional price increases to our customers with the goal of being margin neutral.

Trademarks

We believe that our rights in our intellectual property, including trademarks and domain names, as well as contractual provisions and restrictions on access to our proprietary technology, are important to our marketing efforts to develop brand recognition and differentiate our brand from our competitors. We own a number of trademarks that have been registered, or for which registration applications are pending, in the United States and certain foreign jurisdictions. These trademarks include, but are not limited to, Hammerloks™ and Herc-Alloy™.

The current registrations of these trademarks are effective for varying periods of time and may be renewed periodically, provided that we, as the registered owner, or our licensees where applicable, comply with all applicable renewal requirements including, where necessary, the continued use of the trademarks in connection with similar goods. We expect to pursue additional trademark registrations to the extent we believe they would be beneficial and cost-effective.

In addition to trademark protection, we own domain names, including www.cmco.com. We also enter into, and rely on, confidentiality and proprietary rights agreements with our employees, consultants, contractors and business partners to protect our trade secrets, proprietary technology, and other confidential information. We further control the use of our proprietary technology and intellectual property through provisions in both our customer terms of use on our website and in our vendor terms and conditions.

Environmental and Other Governmental Regulation

Like most manufacturing companies, we are subject to various federal, state, and local laws intended to protect public health, natural resources, and the environment. To address the requirements of such laws, we have adopted a corporate environmental protection policy which provides that all of our owned or leased facilities must comply, and all of our employees have the duty to comply, with all applicable environmental regulatory standards, and we have initiated an environmental auditing program for our facilities to ensure compliance with such regulatory standards. We have also established managerial responsibilities and internal communication channels for dealing with environmental compliance issues that may arise in the course of our business. We have made, and could be required to continue to make, significant expenditures to comply with environmental requirements. Because of the complexity and changing nature of environmental regulatory standards, it is possible that situations will arise from time to time requiring us to incur additional expenditures to ensure environmental regulatory compliance. However, we are not aware of any environmental condition or any operation at any of our facilities, either individually or in the aggregate, which would cause expenditures to have a material adverse effect on our results of operations, financial condition or cash flows.

Our operations are also governed by many other laws and regulations, including those relating to workplace safety and worker health, principally the Occupational Health and Safety Administration ("OSHA") in the U.S. and others outside the U.S. and regulations thereunder. The penalties for any breach of these regulations can vary and may be substantial. We believe that we are in substantial compliance with these laws and regulations and do not believe that future compliance with such laws and regulations will have a material adverse effect on our operating results, financial condition, or liquidity.

See Note 16 to our March 31, 2025 consolidated financial statements included in Item 8, Financial Statements and Supplementary Data, of this Form 10-K for more information on our matters involving litigation.

Available Information

Our internet address is www.cmco.com and our investor relations website is investors.cmco.com. We promptly make available on our investor relations website, free of charge, the reports that we file or furnish with the SEC, corporate governance information, and select press releases. We file Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy and information statements and amendments to reports filed or furnished pursuant to Sections 13(a), 14, and 15(d) of the Exchange Act. The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements and other information regarding Columbus McKinnon and other issuers that file electronically with the SEC. The content on any website referred to in this Form 10-K is not incorporated by reference into this Form 10-K, and such content should not be considered part of this Form 10-K, unless expressly noted otherwise.

Item 1A. <u>Risk Factors</u>

Columbus McKinnon is subject to a number of risks that could negatively affect our business, financial condition or results from business operations or cause our actual results to differ materially from those projected or indicated in any forward-looking statement. You should carefully consider the risks described below, as well as the other information contained elsewhere in this Form 10-K, in evaluating your investment in us. The risks and uncertainties described below are those that we have identified as material, but are not the only risks or uncertainties facing Columbus McKinnon. This list is not all-inclusive, and our business could also be materially adversely affected by additional risks that are not presently known to us or that we currently consider to be immaterial. As a result, the trading price of our common stock could decline, and you could lose all or part of your investment in our common stock.

Business Risks

Our business is affected by industrial economic and macroeconomic conditions.

Many of the end-users of our products are in industries affected by changes in industrial economic and macroeconomic conditions, such as manufacturing, power generation and distribution, commercial construction, oil and gas exploration and refining, transportation, agriculture, logging, and mining that are sensitive to changes in general macroeconomic conditions. Their demand for our products, and thus our results of operations, are directly related to the level of production in their facilities, which changes as a result of changes in general macroeconomic conditions, including, among others, movements in interest rates, tariffs and other trade regulations, inflation, changes in currency exchange rates, higher fuel and other energy costs, and other factors beyond our control, and is vulnerable to economic downturns. Decreased capital and maintenance spending by these customers has in the past, and could in the future, have a material adverse effect on the demand for our products and our business, financial condition, and results of operations. In particular, higher interest rates have in the past, and could in the future, result in decreased demand for our products from end-users, which would have a material adverse effect on our business and results of operations, and concurrently result in higher interest expense related to borrowings under our credit facilities. In addition, inflation can also result in higher interest rates and negatively impact our results of operation. During an inflationary period, the cost of capital will often increase, and the purchasing power of our end users' cash resources will decline, which can negatively affect demand from our customers. Current or future efforts by the government to stimulate the economy may increase the risk of significant inflation, which could have a direct and indirect adverse impact on our business and results of operations. If there is deterioration in the general economy or in the industries we serve, our business, results of operations, and financial condition could be materially adversely affected. Furthermore, even if demand for our products improves, it is difficult to predict whether any improvement represents a long-term improving trend or the extent or timing of improvement. There can be no assurance that historically improving cycles are representative of actual future demand. In addition, general macro-economic conditions could at times also adversely affect our liquidity and ability to borrow under our Amended and Restated Revolving Credit Facility (as defined herein) and limits our ability to make accurate long-term predictions about the performance of the Company.

Our business, particularly with respect to our material handling and precision conveyance products, is highly competitive and subject to consolidation of competitors. Increased competition could reduce our sales, earnings, and profitability.

The principal markets that we serve within the material handling and precision conveyance industries are fragmented and highly competitive. Competition is based primarily on customer service and support as well as product availability, performance, functionality, brand reputation, reliability, and price. Our competition in the markets in which we participate comes from companies of various sizes, some of which have greater financial and other resources than we do. Increased competition could force us to lower our prices or to offer additional services at a higher cost to us, which could reduce our gross margins and net income.

The greater financial resources or the lower amount of debt of certain of our competitors may enable them to commit larger amounts of capital in response to changing market conditions. Certain competitors may also have the ability to develop product or service innovations that could put us at a disadvantage. In addition to the general competitive challenges we face, tariffs and other international trade policies could negatively affect the demand for our products and services and reduce our competitive position in such markets. In addition, through consolidation, some of our competitors have achieved substantially greater market penetration in certain of the markets in which we operate than we have been able to achieve. If we are unable to compete successfully against other manufacturers of material handling equipment and precision conveyors, we could lose customers and our revenues may decline. There can also be no assurance that customers will continue to regard our products favorably, that we will be able to develop new products or product developments that appeal to customers, that we will be able to improve or maintain our profit margins on sales to our customers or that we will be able to continue to compete successfully in our core markets.

Our growth strategy depends on successful integration of acquisitions, including upon closing of such transaction, the Kito Acquisition.

Acquisitions are a key part of our growth strategy. Our historical growth has depended, and our future growth is likely to depend, on our ability to successfully execute our acquisition strategy, and the successful integration of acquired businesses into our existing business, including, upon closing of such transaction, the Kito Acquisition. Such a strategy involves the potential risks inherent in assessing the value, strengths, weaknesses, contingent or other liabilities, and potential profitability of acquisition candidates and in integrating the operations of acquired companies. Furthermore, the price we pay for any business acquired may overstate the value of that business or otherwise be too high. In addition, any acquisitions of businesses with foreign operations or sales may increase our exposure to risks inherent in doing business outside the U.S.

We intend to continue to seek additional acquisition opportunities in accordance with our acquisition strategy, both to expand into new markets and to enhance our position in existing markets throughout the world. If we are unable to successfully integrate acquired businesses into our existing business or expand into new markets, our sales and earnings growth could be reduced. Inherent in connection with any acquisition is the risk of transitioning company cultures and facilities and the corresponding risk of management and employee turnover. In addition, the focus on the integration of operations of acquired entities may divert management's attention from the day-to-day operation of our businesses. The failure to efficiently and effectively achieve such transitions could increase our costs and decrease our profitability. Furthermore, the failure to achieve the anticipated synergies of our recent significant acquisitions or recognize the anticipated market opportunities or integration from our recent acquisitions, could have a material adverse effect on our business, financial condition and results of operations.

Our future operating results may be affected by price fluctuations and trade tariffs on steel, aluminum, and other raw materials purchased to manufacture our products. We may not be able to pass on increases in raw material costs to our customers.

The primary raw materials used in our chain, forging and crane building operations are steel, aluminum, and other raw materials such as motors, electrical and electronic components, castings and machined parts and components. The industries that produce these critical components and materials are also themselves highly cyclical and at times pricing and availability can be volatile due to a number of factors beyond our control, including general macroeconomic conditions, inflation, labor costs, competition, import duties, quotas, tariffs, trade regulations and agreements, and currency exchange rates. This volatility can significantly affect our raw material costs.

The United States has maintained tariffs on certain imported steel, aluminum and items originating from China, which have increased the cost of raw materials we purchase. The imposition of tariffs by the United States has resulted in retaliatory tariffs from a number of countries, including China, which also increase the cost of raw materials we purchase. The new U.S. presidential administration has implemented or announced plans to implement, as the case may be, new or increased tariffs, particularly relating to imports from China, the European Union and other Asian countries, though it remains unclear exactly what actions will be taken or implemented. Any escalation of trade tensions, additional tariffs, retaliatory measures by foreign governments or shifts in U.S. or international trade policies could adversely impact our supply chain, increase our costs for raw materials, including significantly, or reduce demand for our products. A trade war or other significant changes in trade regulations could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In an environment of increasing raw material prices and trade tariffs, duties and quotas, competitive conditions will determine how much of the price increases we can pass on to our customers. In the future, to the extent we are unable to pass on any steel, aluminum, or other raw material price increases to our customers, our profitability could be adversely affected, including materially.

Our results of operations could be materially adversely affected if we are unable to obtain sufficient pricing for our products and service to meet our profitability expectations.

If we are unable to obtain favorable pricing for our products and services in a timely manner, our revenues and profitability could be materially adversely affected. For example, current conditions in our supply chain have resulted in rapid increases in the prices for the raw materials we use. Furthermore, the prices we are able to charge for our products and services are affected by a number of other factors, including:

- general macroeconomic and political conditions;
- our customers' desires to reduce their costs;
- the competitive environment in our industry;
- our ability to accurately estimate our costs, including our ability to estimate the impact of inflation on our costs over long-term contracts; and
- the procurement practices of our customers.

Our inability to pass increased prices along to our customers in a timely manner could have a material adverse effect on our business, financial condition or results of operations.

If critical components or raw materials used to manufacture our products become scarce or unavailable, then we may incur delays in manufacturing and delivery of our products, which has damaged, and could continue to damage, our business, results of operations and financial condition.

Due to increased demand across a range of industries, the global supply chain for certain critical components and raw materials used in the manufacture of our products has experienced significant constraints in recent periods. Particularly, the markets for motors, computer chips, and other components are experiencing increased demand, creating substantial uncertainty regarding the availability of key components and raw materials used to manufacture our products. This constrained supply environment has materially adversely affected, and could further materially adversely affect, availability, lead times and cost of components and raw material, and has materially impacted, and could continue to materially impact, our ability to respond to accelerated or quick-turn delivery requests from customers, or meet customer demand and product delivery dates for our end customers where we cannot timely secure adequate supply of these components and raw materials. Moreover, if any of our suppliers become financially unstable, or otherwise unable or unwilling to provide us with raw materials or components, we may have to find new suppliers. It may take several months to locate alternative suppliers, if required, or to redesign our products to accommodate components from different suppliers. We cannot predict if we will be able to obtain replacement components within the timeframes that we require at an acceptable cost, if at all. In addition, we have experienced, and may continue to experience, significant delays in receiving shipments of key component and raw materials and in shipping our completed products to customers. We have incurred, and may continue to incur, additional shipping and delivery costs to seek to expedite the delivery of critical components and raw materials.

In an effort to mitigate these risks, in some cases, we have incurred higher costs to secure available inventory, or have extended or placed non-cancellable purchase commitments with suppliers, which introduces inventory risk if our forecasts and assumptions prove inaccurate. While we may attempt to recover the increased costs through price increases to our customers, we may be unable to mitigate the effect on our results of operations. We also have multi-sourced and pre-ordered components and raw materials inventory in some cases in an effort to reduce the impact of the adverse supply chain conditions we have experienced. Despite our attempts to mitigate the impact on our business, these constrained supply conditions are expected to adversely impact our costs of goods sold. Limits on manufacturing availability or capacity or delays in production or delivery of components or raw materials for our suppliers could further delay or inhibit our ability to obtain supply of components and raw materials and produce finished goods. These supply chain constraints and their related challenges could result in shortages, increased material costs or use of cash, engineering design changes, and delays in new product introductions, each of which could adversely impact our growth, gross margins and financial results. These types of negative financial impacts on our business may become more acute as supply chain pressures increase.

Our backlog is subject to modification, termination or reduction of orders, which could negatively impact our sales.

Our backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as sales. The dollar amount of backlog as of March 31, 2025 was $323 million. Our backlog can be significantly affected by the timing of orders for large projects, and the amount of our backlog at March 31, 2025 is not necessarily indicative of future backlog levels or the rate at which backlog will be recognized as sales. Although modifications and terminations of our orders may be partially offset by cancellation fees, customers can, and sometimes do, terminate or modify these orders. We cannot predict whether cancellations will accelerate or diminish in the future. Cancellations of purchase orders, indications that the customers will not perform under their existing purchase orders or contracts or reductions of product quantities in existing contracts could substantially and materially reduce our backlog and, consequently, our future sales. Our failure to replace canceled orders could negatively impact our sales and results of operations.

We rely in large part on independent distributors for sales of our products.

We depend on independent distributors to sell our products and provide service and aftermarket support to our end-user customers. Distributors play a significant role in determining which of our products are stocked at their locations, and hence are most readily accessible to aftermarket buyers, and the price at which these products are sold. Almost all of the distributors with whom we transact business offer competitive products and services to our end-user customers. For the most part, we do not have written agreements with our distributors. The loss of a substantial number of these distributors or an increase in the distributors' sales of our competitors' products to our ultimate customers could materially reduce our sales and profits.

Our future success depends, in part, on our ability to continue to attract, develop, engage and retain qualified employees.

Because of the complex nature of many of our products and services, we are generally dependent on an educated and highly skilled workforce, including our engineering talent and our sales professionals. Failure to attract, develop, engage and retain qualified employees, whether as a result of an insufficient number of qualified applicants, difficulty in recruiting new employees, or inadequate resources to train, integrate and retain qualified employees, could impair our ability to execute our business strategy, and could adversely affect our business, financial condition, results of operations or cash flows. Low rates of unemployment in key geographic areas in which we operate may lead to high rates of turnover and loss of critical talent, which could lead to higher labor costs.

Our ability to understand our customers' specific preferences and requirements, and to develop, manufacture and market products that meet customer demand as we expand into additional international markets, could significantly affect our business results.

Our ability to match new product offerings to diverse global customers' anticipated preferences for different types and sizes of equipment and various equipment features and functionality, at affordable prices, is critical to our success. This requires a thorough understanding of our existing and potential customers on a global basis. Failure to deliver quality products that meet customer needs at competitive prices ahead of competitors could have a significant adverse effect on our business.

Financial Risks

In connection with the completion of the Precision Conveyance acquisitions, our indebtedness has increased significantly. Our indebtedness could limit our cash flow available for operations and our flexibility.

In connection with the montratec acquisition, the Company entered into an Amended and Restated Credit Agreement increasing the size of the Revolving Credit Facility by $75,000,000 to a total of $175,000,000. The Company subsequently borrowed additional funds in accordance with the Accordion feature under its existing Term Loan B facility to increase the principal amount of the Term Loan B facility by $75,000,000 in both fiscal years 2022 and 2024. The Company also borrowed an additional $25,000,000 under a new credit agreement secured by the Company's U.S. accounts receivable balances (the "AR Securitization Facility"). As of March 31, 2025, the outstanding principal balance of the Term Loan B facility was $437,560,000, which includes $75,000,000 in principal balance from the Accordion exercised in the first quarter of fiscal 2024 as described above. We had $175,000,000 available for borrowing under the Amended and Restated Revolving Credit Facility (before deducting approximately $15,417,000 of letters of credit outstanding as of March 31, 2025).

The degree to which we are leveraged could have important consequences to our shareholders, including the following:

- we may have greater difficulty satisfying our obligations with respect to our indebtedness;
- we must dedicate a substantial portion of our cash flow from operations to the payment of principal and interest on our indebtedness, reducing the funds available for our operations;
- our ability to obtain additional financing in the future for working capital, capital expenditures, acquisitions or other purposes may be impaired;
- we may be limited in our ability to make additional acquisitions or pay dividends on our common stock;
- our flexibility in planning for, or reacting to, changes in the markets in which we compete may be limited;
- we may be at a competitive disadvantage relative to our competitors with less indebtedness; our inability to comply with covenants in, and potential for default under, our debt instruments
- we may be rendered more vulnerable to general adverse economic and industry conditions;
- we may be unable to pay off in full or refinance any of our indebtedness at maturity;
- our credit ratings may be downgraded; and
- we are exposed to increased interest rate risk given that a portion of our indebtedness obligations are at variable interest rates.

If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to sell assets, seek additional capital or seek to restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. We may be unable to consummate those asset sales to raise capital or sell assets at prices that we believe are fair and proceeds that we do receive may be inadequate to meet any debt service obligations then due.

Furthermore, we may be able to incur substantial additional indebtedness in the future and, in connection with the completion of the Kito Acquisition, expect to incur substantial additional indebtedness. The terms of our current debt instruments do not fully prohibit us from doing so and the terms of any new debt instruments we enter into in the future, including in connection with the incurrence of indebtedness for the Kito Acquisition, may not fully prohibit us from doing so. Any additional indebtedness we incur could further exacerbate the risks that we face.

Our ability to raise capital in the future may be limited.

Our business and operations may consume resources faster than we anticipate. In the future, we may need to raise additional funds through the issuance of new equity securities, debt, or a combination of both. Additional financing may not be available on favorable terms or at all. If adequate funds are not available on acceptable terms, we may be unable to fund our capital requirements. If we issue new debt securities, the debt holders would have rights senior to holders of our common stock to make claims on our assets and the terms of any debt could restrict our operations, including our ability to pay dividends on our common stock. If we issue additional equity securities or securities convertible into equity securities, existing shareholders will experience dilution and the new equity securities could have rights senior to those of our common stock. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, or nature of our future offerings and their impact on the market price of our common stock.

Our operations outside the U.S. pose certain risks that may adversely impact sales and earnings.

We have operations and assets located outside of the U.S., primarily in Germany, the United Kingdom, Hungary, China, Malaysia and Mexico, including our new facility in Monterrey, Mexico. In addition, we import a portion of our hoist product line from Asia and sell our products to distributors located in approximately 50 countries. In our fiscal year ended March 31, 2025, approximately 44% of our net sales were derived from non-U.S. markets. These non-U.S. operations are subject to a number of special risks, in addition to the risks of our U.S. business, including but not limited to differing protections of intellectual property, trade barriers, labor unrest, geopolitical conflicts, exchange controls, regional economic uncertainty, differing (and possibly more stringent) labor regulation, risk of governmental expropriation, U.S. and foreign customs, quotas and duties, and tariffs (in particular, the new tariffs implemented and additional tariffs proposed to be implemented by the new U.S. presidential administration on goods imported into the U.S. from Mexico and other countries where we have manufacturing operations), political and economic instability in the jurisdictions in which we operate, foreign receivables collection risk, current and changing regulatory environments, difficulty in obtaining distribution support, difficulty in staffing and managing widespread operations, differences in the availability, and terms of financing, political instability and risks of increases in taxes. In particular, in connection with our Mexican manufacturing operations, as a result of the tariffs or other trade restrictions implemented or proposed to be implemented by the U.S. or other countries, the cost of our products manufactured in Mexico or other countries and imported into the U.S. or other countries have increased and could continue to increase further, which, in turn, has adversely affected, and could continue to adversely affect, the demand for these products, make our products less competitive and have an adverse effect on our business, results of operations and margins. Any of these factors, individually or together, could have a material adverse effect on our business, financial condition, results of operations and cash flows. Also, in some foreign jurisdictions, we may be subject to laws limiting the right and ability of entities organized or operating therein to pay dividends or remit earnings to affiliated companies unless specified conditions are met. These factors may adversely affect our future profits.

Part of our strategy is to expand our worldwide market share and reduce costs by strengthening our international distribution capabilities and sourcing components in lower cost countries, such as China, Mexico, Hungary and Malaysia, including through the use of our new facility in Monterey, Mexico. Implementation of this strategy may increase the impact of the risks described above, and we cannot assure you that such risks will not have a material adverse effect on our business, results of operations or financial condition.

Other risks of doing business in international markets include the increased risks and burdens of complying with different legal and regulatory standards, difficulties in managing and staffing foreign operations, recruiting and retaining talented direct sales personnel, limitations on the repatriation of funds and fluctuations of foreign exchange rates, varying levels of internet technology adoption and infrastructure and our ability to enforce contracts and our intellectual property rights in foreign jurisdictions. Additionally, there are risks associated with fundamental changes to international markets, such as those that may occur as a result of the Russian invasion of Ukraine.

In addition, in connection with Russia's invasion of Ukraine, the U.S. has imposed, and is likely to impose material additional, financial and economic sanctions and export controls against Russia and certain Russian organizations and individuals, with similar actions either implemented or planned by the European Union and the U.K. and other jurisdictions. While the Company's business operations relating to Russia constitute an immaterial part of the Company's overall business, we may decide to, or be required to, exit from our operations in Russia in their entirety, which could result in a loss of revenues from our Russian operations (approximately $836,000 for the fiscal year ended March 31, 2025) or may necessitate the need to incur a bad debt reserve or an asset write-off related to our Russian operations. Furthermore, there is no guarantee that the current Russian invasion of Ukraine will not draw military intervention from other countries or further retaliation from Russia, which, in turn, could lead to a much larger conflict beyond its current geographic, political and economic scope. If such escalation should occur, supply chain, trade routes and markets currently served by the Company could be adversely affected and other risks discussed in this Form 10-K may be exacerbated. In addition, a further escalation could disrupt the supply of oil and natural gas in Europe, impacting our ability to operate our European manufacturing facilities, which, in turn, could materially adversely affect the Company's business operations and financial performance.

In addition, our success in international expansion could be limited by barriers to international expansion such as adverse tax consequences and export controls. Changes in applicable tax laws and regulations, or their interpretation and application, including the possibility of retroactive effect, could affect our income tax expense and profitability. Certain provisions of the Inflation Reduction Act passed in 2022, including a 15% corporate alternative minimum tax, as well as the similar 15% global minimum tax under the Organization for Economic Cooperation and Development's Pillar Two Global Anti-Base Erosion Rules, may impact our income tax expense, profitability, and capital allocation decisions and may negatively impact our effective tax rate. If we cannot manage these risks effectively, the costs of doing business in some international markets may be prohibitive or our costs may increase disproportionately to our revenue.

We are subject to currency fluctuations from our sales outside the U.S.

Our products are sold in many countries around the world. Thus, a portion of our revenues (approximately $425,478,000 in our fiscal year ended March 31, 2025) are generated in foreign currencies, including principally the Euro, the British Pound, the Canadian Dollar, the South African Rand, the Brazilian Real, the Mexican Peso, and the Chinese Yuan, and while much of the costs incurred to generate those revenues are incurred in the same currency, a portion is incurred in other currencies. Since our financial statements are denominated in U.S. dollars, changes in currency exchange rates between the U.S. dollar and other currencies have had, and will continue to have, a currency translation impact on our earnings. Currency fluctuations may impact our financial performance in the future.

We are subject to debt covenant restrictions.

Our Amended and Restated Revolving Credit Facility contains a financial leverage covenant, which will only be tested if any extensions of credit (other than letters of credit) are outstanding under the Amended and Restated Revolving Credit Facility at the end of any fiscal quarter, and other restrictive covenants. A significant decline in our operating income or cash generating ability could cause us to violate our leverage covenant in our bank credit facilities. Other material adverse changes in our business could also cause us to be in default of our debt covenants. Any breach of any such covenants or restrictions would result in a default under such agreement that could result in our being unable to borrow under our bank credit facilities and would permit the lenders to declare all borrowings under such agreement to be immediately due and payable and, through cross-default provisions, could entitle other lenders to accelerate their loans to us. In such an event, the Company would need to modify or restructure all or a portion of its indebtedness. Depending on prevailing economic conditions at the time, the Company might find it difficult to modify or restructure the debt on attractive terms, or at all.

A ratings downgrade or other negative action by a ratings organization could adversely affect the trading price of our common stock.

Credit rating agencies continually revise their ratings for companies they follow, and we have faced, and may continue to face, downgrades from credit rating agencies. The condition of the financial and credit markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. In addition, developments in our business and operations, including with respect to sustainability matters, could lead to further ratings downgrades for us or our subsidiaries. Any fluctuation in the rating of us or our subsidiaries may impact our ability to access debt markets in the future or increase our cost of future debt, which could have a material adverse effect on our operations and financial condition and may adversely affect the trading price of shares of our common stock.

Risks related to the Kito Acquisition

The Kito Acquisition is contingent upon the satisfaction of a number of conditions, including regulatory approval, that may be outside either party's control and that either party may be unable to satisfy or obtain that could cause the stock purchase agreement to be terminated in accordance with its terms.

The closing of our acquisition of Kito remains subject to the satisfaction or waiver of certain closing conditions, including the expiration or early termination of the waiting period applicable to the consummation of the Kito Acquisition under the HSR Act and the receipt of certain other regulatory approvals. These conditions to the completion of the Kito Acquisition, some of which are beyond our control and/or the control of Kito, may not be satisfied or waived in a timely manner or at all; accordingly, the Kito Acquisition may be delayed or not completed.

As a condition to granting required regulatory approvals, governmental entities may impose conditions, limitations, obligations or costs or place restrictions on our conduct after the closing of the Kito Acquisition. Such conditions or changes and the process of obtaining regulatory approvals could, among other things, have the effect of delaying completion of the Kito Acquisition or of imposing additional costs or limitations on us following the Kito Acquisition, any of which may have an adverse effect on us.

Additionally, either we or Kito may terminate the stock purchase agreement under certain circumstances specified therein, subject to the payment of a "termination fee" in certain cases.

The Kito Acquisition may present certain risks to our business and operations prior to the closing.

Our business and operations are subject to various risks related to the Kito Acquisition prior to closing, including:

- uncertainty about the effect of the Kito Acquisition on employees, customers, suppliers and other persons with whom we or Kito Crosby have a business relationship having an adverse effect on our business, operations and stock price;
- our operations may be restricted by the terms of the stock purchase agreement for the Kito Acquisition, which may cause us to forgo otherwise beneficial business opportunities;
- the proposed transaction may disrupt our current business plans and operations;
- our management's attention may be directed toward the completion of the Kito Acquisition and diverted away from our day-to-day business operations;
- we may incur significantly higher transaction costs than we currently anticipate, such as legal, financing and accounting fees, and other costs, fees, expenses and charges related to the Kito Acquisition, whether or not the transaction is completed; and
- the Kito Acquisition may not be completed, which may have an adverse effect on our stock price and future business and financial results.

We may fail to successfully close the Kito Acquisition, and if we do successfully close the Kito Acquisition, we may fail to realize all of the anticipated benefits of the Kito Acquisition or those benefits may take longer to realize than expected.

We expect to devote significant management attention to closing the Kito Acquisition and, if it closes, integrating the business practices and operations of Kito with Columbus McKinnon. In the event the Kito Acquisition successfully closes, we may experience disruptions to our business and, if integrated ineffectively, such disruptions could restrict the realization of the full expected benefits of the Kito Acquisition. The failure to meet the challenges involved in the integration process and to realize the anticipated benefits of the Kito Acquisition could cause an interruption or loss of momentum in our operations.

If the Kito Acquisition successfully closes, difficulties in integrating Kito into our business may include rationalizing the operations, processes and systems of the acquired business, retaining and motivating key management and employees, and integrating existing business relationships with suppliers and customers. Even an integration of Kito is successful, the financial and operational results may differ materially from our assumptions and forecasts due to unforeseen expenses, delays, conditions and liabilities. In addition, we may incur unanticipated costs or expenses following an acquisition, including post-closing asset impairment charges, expenses associated with eliminating duplicate facilities, and other liabilities.

Furthermore, the successful closing of the Kito Acquisition and the subsequent integration of Kito into our business may result in material unanticipated problems, expenses, charges, liabilities, competitive responses, loss of customers and other business relationships, and diversion of management's attention. Additional integration challenges may include difficulty in achieving anticipated cost savings, synergies, business opportunities and growth prospects from the acquisition; difficulties in the integration of operations and systems, including pricing and marketing strategies; and difficulties in conforming standards, controls, procedures, financial reporting and accounting and other policies, business cultures and compensation structures. Many of these factors will be outside of our control and any one of them could result in increased costs, including restructuring charges, decreases in revenues and diversion of management's time and energy, which could adversely affect our business, financial condition and results of operations.

Upon closing of the Kito Acquisition, the Kito business may underperform relative to our expectations.

Following completion of the Kito Acquisition, we may not be able to maintain the levels of revenue, earnings or operating efficiency that Kito and we have achieved or might achieve separately. The business and financial performance of Kito are subject to certain risks and uncertainties, including the risk of the loss of, or changes to, its relationships with its customers.

Upon the closing of the Kito Acquisition, we may be unable to achieve the same growth, revenues and profitability that Kito has achieved in the past.

We will issue a substantial number of Preferred Shares (as defined below) and incur a substantial amount of indebtedness in connection with the financing of the Kito Acquisition.

We expect to finance a portion of the purchase price for the Kito Acquisition through the issuance of 800,000 Series A Cumulative Convertible Participating Preferred Shares, par value $1.00 per share (the “Preferred Shares”), in connection with the closing of the Kito Acquisition, to CD&R XII Keystone Holdings, L.P., a Cayman Islands exempted limited partnership (together with its affiliated funds, the “CD&R Investors”) pursuant to the terms of an investment agreement, dated February 10, 2025 (the “Investment Agreement”). Once issued, the Preferred Shares will have rights, preferences, and privileges that are not held by, and are preferential to, the rights of our common stock and will reduce the relative voting power of the holders of our common stock. Subject to certain restrictions on conversion and voting as described in greater detail in the Investment Agreement and the form of Certificate of Amendment to the Company’s Certificate of Incorporation for the Preferred Shares (the "Certificate of Amendment"), the aggregate number of shares of common stock of the Company into which the Preferred Shares may be converted will initially be equal to 21,231,440 common shares, based on the initial conversion price for the Preferred Shares of $37.68, and result in the CD&R Investors owning, on an as converted basis, approximately 43% of the Company’s outstanding common stock upon completion of the issuance. Under the terms of the Investment Agreement, the CD&R Investors will have the right to designate up to three directors on our Board of Directors, subject to specified ownership requirements. With such representation on our Board of Directors, the CD&R Investors will have influence over the appointment of Company management and any action requiring the vote of our Board of Directors. If the Preferred Shares are issued, circumstances may occur in which the interests of the CD&R Investors could conflict with the interests of our other shareholders.

We also expect to finance a portion of the purchase price for the Kito Acquisition by incurring additional third-party indebtedness. We face risks associated with increases in overall indebtedness. We cannot guarantee that the combination of Kito and Columbus McKinnon will be able to generate sufficient cash flow to pay dividends at a rate of 7% per annum, compounded quarterly on our Preferred Shares (but subject to an increase to 10% per annum if certain events occur) and service and repay this indebtedness, or that we will be able to refinance such indebtedness on favorable terms, or at all. If we are unable to service our indebtedness and fund our operations, we may be forced to, among other things, reduce or delay capital expenditures, seek additional capital, sell assets, or refinance our indebtedness. Any such action may not be successful, and we may be unable to service such indebtedness. Any of the above risks could have a material adverse effect on our business, financial condition, results of operation, cash flows and/or stock price.

We expect to incur substantial expenses related to the Kito Acquisition and to the integration of Kito into our business, and the expenses may be greater than anticipated due to unexpected events.

We have incurred and expect to incur a number of significant non-recurring costs associated with the Kito Acquisition and, upon closing of the Kito Acquisition, the integration of Kito into our business. These costs include legal, financial advisory, accounting, consulting and other advisory fees, severance and employee benefit-related costs, public company filing fees and other regulatory fees, financial printing and other printing costs and other related costs. In addition, we expect to incur integration costs following the closing of the Kito Acquisition as we integrate Kito’s business with ours, including facilities and systems consolidation costs and employment-related costs. There are a large number of processes, policies, procedures, operations, technologies and systems that may need to be integrated, including purchasing, accounting and finance, payroll, compliance, treasury management, branch operations, vendor management, risk management, lines of business, pricing and benefits.

While we have assumed that a certain level of costs will be incurred, there are many factors beyond our control that could affect the total amount or the timing of these expenses. Moreover, many of the expenses that we will incur are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that we expect to achieve from the elimination of duplicative expenses and the realization of economies of scale. These expenses may result in us recording increased expenses as a result of the Kito Acquisition or the integration of Kito into our business, and the amount and timing of such charges are uncertain at the present and could exceed initial estimates.

Pursuant to the terms of the Investment Agreement, we are required to recommend that our shareholders approve certain matters and terms relating to the Preferred Shares. We cannot guarantee that our shareholders will approve these matters.

Under the terms of the Investment Agreement and the Certificate of Amendment, we have agreed to seek to obtain, at our first meeting of shareholders following the date of the Investment Agreement (the “First Meeting”), among other things, shareholder approval of (i) the issuance of the common shares underlying the Preferred Shares to be issued in connection with the Kito Acquisition in excess of 19.99% of the number of common shares outstanding prior to the transaction, in accordance with

NASDAQ Listing Rule 5635, and (ii) an amendment to our Certificate of Incorporation to increase the number of authorized but unissued common shares to 100 million and permit certain preemptive rights (collectively, the "Requisite Shareholder Approval"). If the Requisite Shareholder Approval is not obtained at the First Meeting, subject to applicable law and the exercise of the fiduciary duties of our Board of Directors, we will continue to use our reasonable best efforts to obtain such approval at each subsequent meeting of shareholders, and if the Requisite Shareholder Approval is not obtained on or prior to July 31, 2026, we have agreed to hold a special meeting of our shareholders to be held between August 1, 2026 and December 31, 2026 to seek such approval, which would be time consuming and costly.

Legal Risks

Our products involve risks of personal injury and property damage, which exposes us to potential liability.

Our business exposes us to possible claims for personal injury or death, property damage or economic loss resulting from the products that we sell and to potential warranty, contractual or other claims. These product liability risks are inherent in the design, manufacture and sale of our products. Our products are complex and may contain defects, errors, or experience failures or unsatisfactory performance, due to any number of issues, including issues in materials, design, fabrication, packaging and/or use within a system or item of equipment. Further, because of the complexity of our products, defects or errors might only be detected when the products are in use. As a result, we could experience material product liability or warranty costs in the future and incur significant costs to defend ourselves against associated claims. Development of new products increases complexity and adds risk to manufacturing reliability, and increases the likelihood of product defects or errors. In addition, defects in our products could result in failure to achieve market acceptance, a shifting of business to our competitors, and litigation or regulatory action against us, and could harm our reputation or the reputation of the various brands under which we sell our products, our relationships with customers and our ability to attract new customers, as well as the perceptions of our brands. Other potential adverse impacts of product defects include shipment delays, write-offs of property, plant and equipment and intangible assets, and losses on unfavorable purchase commitments.

We maintain insurance through a combination of self-insurance retentions and excess insurance coverage. We monitor claims and potential claims of which we become aware and establish accrued liability reserves for the self-insurance amounts based on our liability estimates for such claims. We cannot give any assurance that existing or future claims will not exceed our estimates for self-insurance or the amount of our excess insurance coverage. In addition, we cannot give any assurance that insurance will continue to be available to us on economically reasonable terms or that our insurers would not require us to increase our self-insurance amounts. Claims brought against us that are not covered by insurance or that are in excess of insurance coverage could have a material adverse effect on our results, financial condition, or liquidity. In addition, warranty and certain other claims are not typically covered by insurance.

In addition, like many industrial manufacturers, we are also involved in asbestos-related litigation. In continually evaluating costs relating to our estimated asbestos-related liability, we review, among other things, the incidence of past and recent claims, the historical case dismissal rate, the mix of the claimed illnesses and occupations of the plaintiffs, our recent and historical resolution of the cases, the number of cases pending against us, the status and results of broad-based settlement discussions, and the number of years such activity might continue. Based on this review, we estimate our share of liability to defend and resolve probable asbestos related personal injury claims. This estimate is highly uncertain due to the limitations of the available data and the difficulty of forecasting with any certainty the numerous variables that can affect the range of the liability. We continue to study the variables in light of additional information in order to identify trends that may become evident and to assess their impact on the range of liability that is probable and estimable. We believe that the potential additional costs for claims will not have a material effect on the financial condition of the Company or its liquidity, although the effect of any future liabilities recorded could be material to earnings in a future period. See Note 16 to our March 31, 2025 consolidated financial statements included in Item 8, Financial Statements and Supplementary Data, of this Form 10-K.

As indicated above, our self-insurance coverage is provided through our captive insurance subsidiary. The reserves of our captive insurance subsidiary are subject to periodic adjustments based upon actuarial evaluations, which adjustments impact our overall results of operations and financial condition. These periodic adjustments can be favorable or unfavorable.

We are subject to various environmental laws, which may require us to expend significant capital, incur substantial cost and could lower our margins.

Our operations and facilities are subject to various federal, state, local, and foreign requirements relating to the protection of the environment, including those governing the discharges of pollutants in the air and water, the generation, management and disposal of hazardous substances and wastes, and the cleanup of contaminated sites. Increased public awareness and concern regarding climate change and other ESG matters at numerous levels of government in various jurisdictions may lead to additional international, national, regional and local legislative and regulatory responses, and compliance with any new rules could be difficult and costly. We have made, and will continue to make, expenditures to comply with such requirements.

Violations of, or liabilities under, environmental laws and regulations, or changes in such laws and regulations (such as the imposition of more stringent standards for discharges into the environment), could result in substantial costs to us, including operating costs and capital expenditures, fines and civil and criminal sanctions, third party claims for property damage or personal injury, clean-up costs, or costs relating to the temporary or permanent discontinuance of operations. Certain of our facilities have been in operation for many years, and we have remediated contamination at some of our facilities. Over time, we and other predecessor operators of such facilities have generated, used, handled, and disposed of hazardous and other regulated wastes. Additional environmental liabilities could exist, including clean-up obligations at these locations or other sites at which materials from our operations were disposed, which could result in substantial future expenditures that cannot be currently quantified and which could reduce our profits or have a material adverse effect on our financial condition, operations, or liquidity.

We may face claims of infringement on the intellectual property of others, or others may infringe upon our intellectual property.

Our future success depends in part on our ability to prevent others from infringing on our proprietary rights, as well as our ability to operate without infringing upon the proprietary rights of others. Our efforts to protect our intellectual property through patents, trademarks, service marks, domain names, copyrights, trade secrets and confidentiality agreements may not adequately protect us against infringements, and pending patent or trademark applications may not result in issued patents or trademarks. Our patents, registered trademarks and patent applications, if any, may not be upheld if challenged, and competitors may develop similar or superior methods or products outside the protection of our patents. This could reduce demand for our products, reduce our market share and materially decrease our revenues. We may need to spend significant resources monitoring and enforcing our intellectual property rights and we may not be aware of or able to detect or prove infringement by third parties. We may be required at times to take legal action to protect our proprietary rights and, despite our best efforts, we may be sued for infringing on the intellectual property rights of others. Intellectual property-related litigation is costly and, even if we prevail, the cost of such litigation could adversely affect our financial condition. The protection and enforceability of our intellectual property rights is also subject to uncertainty in certain countries where we operate that have less rigorous intellectual property protection laws than the U.S. In addition, we could be adversely affected financially should we be judged to have infringed upon the intellectual property of others, and we could be required to modify the design of our products, change the name of our products or obtain a license for the use of some of the technologies used in our products.

We rely on subcontractors or suppliers to perform their contractual obligations.

Some of our contracts involve subcontracts with other companies upon which we rely to perform a portion of the services we must provide to our customers. There is a risk that we may have disputes with our subcontractors, including disputes regarding the quality and timeliness of work performed by our subcontractor or customer concerns about the subcontractor. Failure by our subcontractors to satisfactorily provide on a timely basis the agreed-upon supplies or perform the agreed upon services may materially and adversely impact our ability to perform our obligations as the prime contractor. A delay in our ability to obtain components and equipment parts from our suppliers may affect our ability to meet our customers' needs and may have a material adverse effect upon our profitability.

General Risks

The market price of our common stock has been, and may in the future continue to be, volatile.

The market price of our common stock has been volatile in the past and may become volatile again in the future. The closing prices of our common stock on Nasdaq during fiscal 2025 ranged from $15.95 to $45.78 per share. The market price of our common stock could fluctuate significantly for many reasons, including: fluctuations in our quarterly operating results; reasons unrelated to our operations, such as reports by industry analysts, investor perceptions or negative announcements by our customers, competitors or suppliers regarding their own performance; general stock market and industry conditions; general financial, economic and political instability; and in response to the risks described in this Item 1A, Risk Factors, and elsewhere in this Form 10-K. The volatility in the market price of our common stock may make it difficult for you to resell your shares of our common stock when desired or at attractive prices.

In addition, our quarterly operating results are likely to fluctuate in the future While we believe that operating results for any particular quarter are not necessarily a meaningful indication of future results, fluctuations in our quarterly operating results could limit or prevent investors from readily selling their shares and may otherwise negatively affect the market price and liquidity of our shares.

Adverse changes in global economic conditions may negatively affect our industry, business, and results of operations.

Our industry is affected by changes in economic conditions outside our control, which can result in a general decrease in product demand from our customers. Such economic developments, like inflationary pressures in the U.S. and elsewhere, the China trade wars, the war between Russia and Ukraine may affect our business in a number of ways. Reduced demand may drive us and our competitors to offer products at promotional prices, which would have a negative impact on our profitability. In addition, the tightening of credit in financial markets may adversely affect the ability of our customers and suppliers to obtain financing for significant purchases and operations and could result in a decrease in, or cancellation of, orders for our products. If demand for our products slows down or decreases, we will not be able to maintain our revenue and we may run the risk of failing to satisfy the financial and other restrictive covenants to which we are subject under our existing indebtedness. Reduced revenue as a result of decreased demand may also reduce our planned growth and otherwise hinder our ability to improve our performance in connection with our long-term business strategy.

Climate change, or legal, regulatory or market measures to address climate change, may materially adversely affect our financial condition and business operations.

Climate change resulting from increased concentrations of greenhouse gases in the atmosphere could present risks to our future operations from natural disasters and extreme weather conditions, such as hurricanes, tornadoes, earthquakes, wildfires, droughts or flooding. Such extreme weather conditions could pose physical risks to our facilities and disrupt operation of our supply chain and may impact operational costs. The impacts of climate change on global water resources may result in water scarcity, which could in the future impact our ability to access sufficient quantities of water in certain locations and result in increased costs. Furthermore, the potential physical impacts of climate change on our customers, and therefore on our operations, are speculative and highly uncertain, and would be particular to the circumstances developing in various geographical regions.

Concern over climate change may result in new legal or regulatory requirements designed to reduce greenhouse gas emissions and mitigate the effects of climate change. For example, the European Union ("EU") recently adopted the European Sustainability Reporting Standards and the Corporate Sustainability Reporting Directive ("CSRD") that may require robust disclosure of certain social and environmental information and data. However, the European Commission has also proposed an "Omnibus simplification package" aimed at simplifying sustainability regulatory requirements, which may introduce changes to regulations such as the CSRD (among possible other EU sustainability-related regulations). It is currently unclear to what extent any such changes will be implemented, and the extent to which these changes could impact Columbus McKinnon. We are evaluating and will continue to evaluate the applicability of the CSRD as regulatory guidance is issued and as the European countries in which we operate adopt implementing legislation, and we will establish a compliance program to address any applicable requirements. Further, our customers and the markets we serve may impose emissions reduction or other environmental standards and requirements. These requirements could result in a need to change our manufacturing processes or product offerings, or undertake other activities which may require us to incur additional expense. In addition, we may experience increased compliance burdens and operational costs and raw material sourcing, manufacturing operations and the distribution of our products may be adversely affected. Moreover, we may not be able to timely meet these requirements due to the required level of capital investment or technological advancement. While we have been committed to continuous improvements to meet anticipated regulations and preferences, there can be no assurance that our commitments will be successful, that our products will be accepted by the market, that proposed regulations will not have a negative competitive impact or that economic returns will reflect our investments in new product development. There also continues to be a lack of consistent climate legislation, which creates economic and regulatory uncertainty. These factors may impact the demand for our products, obsolescence of certain products and adversely affect our results of operations. A failure, or perceived failure, to respond to investor or customer expectations related to ESG concerns in areas such as climate change and supply chain management could materially adversely affect our business and reputation.

Our business operations may be adversely affected by information technology systems interruptions or intrusion.

We depend on various information technology systems throughout the Company to administer, store, and support multiple business activities, including to process the data we collect, store and use in connection with our business. If these systems are damaged, cease to function properly, or are subject to cyber-security attacks, such as those involving unauthorized access, malicious software and/or other intrusions, and if our systems for protecting against such cybersecurity attacks prove insufficient, we could experience production downtimes, operational delays, other detrimental impacts on our operations or ability to provide products and services to our customers, the compromising of confidential or otherwise protected information, destruction or corruption of data, security breaches, other manipulation or improper use of our systems or networks, financial losses from remedial actions, loss of business or potential liability, litigation, including individual claims, consumer class actions and commercial litigation; regulatory intervention and sanctions or fines; and prolonged negative publicity and/or damage to our reputation. Our information technology systems may be damaged or cease to function properly due to any number of causes, such as catastrophic events, power outages and security breaches (including destructive malware such as ransomware) resulting in unauthorized access or cyber-security attacks. As the breadth and complexity of our information technology systems continue to grow, including as a result of the increasing reliance on, and use of, mobile technologies and cloud-based services, the risk of security incidents and cyber-security attacks has increased. While we attempt to mitigate these risks by employing a number of measures, including employee training, technical security controls, and maintenance of backup and protective systems, our systems, networks, products, and services remain potentially vulnerable to known or unknown cybersecurity threats, any of which could have a material adverse effect on our business, financial condition or results of operations. Furthermore, cybersecurity threats are constantly expanding and evolving and becoming increasingly sophisticated and complex, including attacks from highly organized adversaries such as nation state actors and attacks using emerging technologies, such as generative artificial intelligence, which create more targeted and sophisticated phishing narratives or otherwise strengthen social engineering capabilities. These new risks increase the costs associated with our cyber-security defense measures and procedures and increasing the difficulty of detecting and defending against them and maintaining effective security measures and protocols. Further, third-party providers we utilize may incorporate generative artificial intelligence or other emerging technologies into their operations, and these tools may not meet existing or rapidly evolving regulatory or industry standards with respect to privacy and data protection, and it is possible that these providers may suffer a cyber-security attack that negatively impacts us.

We are also subject to a variety of laws and regulations in the U.S., Europe and around the world, as well as contractual obligations, regarding data privacy, security and protection. For example, in 2023, the SEC adopted new cybersecurity rules requiring disclosure of material cybersecurity incidents and processes assessing, identifying, and managing material cybersecurity risks and the corporate governance structure designed to address such risks. These laws and regulations continue to evolve, are increasing in complexity and number and increasingly conflict among the various countries in which we operate, which has resulted in greater compliance risk for us. In addition, the costs of compliance with, and other burdens imposed by, such data privacy laws and regulations, including those of the EU and the UK which are, in some respects, more stringent than U.S. standards, could be significant. Any failure or perceived failure by us, or any third parties with which we do business, to comply with our posted privacy policies, changing consumer expectations, evolving laws, rules and regulations, industry standards, or contractual obligations to which we or such third parties are or may become subject, may result in actions or other claims against us by governmental entities or private actors, the expenditure of substantial costs, time and other resources or the incurrence of significant fines, penalties or other liabilities. In addition, any such action, particularly to the extent we were found to be guilty of violations or otherwise liable for damages, could damage our reputation and adversely affect our business, financial condition and results of operations. In addition, our liability insurance, which includes cyber insurance, might not be sufficient in type or amount to cover us against claims related to security incidents, cyber-security attacks and other related incidents.

We operate in many different jurisdictions, and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar worldwide anti-corruption laws.

The U.S. Foreign Corrupt Practices Act ("FCPA") and similar worldwide anti-corruption laws generally prohibit companies and their intermediaries from making improper payments for the purpose of obtaining or retaining business. Our internal policies mandate compliance with these anti-corruption laws, and we incur meaningful costs complying with these laws. We operate in many parts of the world that have experienced corruption to some degree, and in certain circumstances, strict compliance with anti-corruption laws may conflict with local customs and practices. Despite our training and compliance programs, we cannot assure you that our internal control policies and procedures always will protect us from reckless or criminal acts committed by our employees or agents. In the event that we believe or have reason to believe that our employees or agents have or may have violated applicable anti-corruption laws, including the FCPA, we may be required to investigate or have outside counsel investigate the relevant facts and circumstances. In addition, we are subject to and must comply with all applicable export controls and economic sanctions laws and embargoes imposed by the U.S. and certain other governments. Changes in export control or trade sanctions laws may restrict our business practices, including cessation of business activities in sanctioned countries or with sanctioned entities, and may result in modifications to compliance programs and increase compliance costs, and violations of these laws or regulations may subject us to fines, penalties and other sanctions, such as loss of authorizations needed to conduct aspects of our international business or debarments from export privileges. Violations of the FCPA or export controls or sanctions laws and regulations may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could negatively affect our business, financial condition, results of operations, and cash flows. Our continued expansion outside the U.S., including in developing countries, could increase these risks in the future.

We depend on our management team and the loss of any member could adversely affect our operations.

Our success is dependent on the management and leadership skills of our management team, including our senior team. The loss of any of these individuals or an inability to attract, retain, and maintain additional personnel could prevent us from implementing our business strategy. We cannot assure you that we will be able to retain our existing management personnel or to attract additional qualified personnel when needed.

Item 1B. **Unresolved Staff Comments**

None.

Item 1C. <u>Cybersecurity</u>

Risk Management and Strategy

In connection with our enterprise risk management process, we identify, prioritize, monitor and seek to ameliorate key risks that may affect the Company, including risks from or relating to cyber threats. We have enterprise-wide security policies, standards and controls that seek to incorporate best practices in security engineering, technology architecture and data protection. Our policies and controls include security measures designed to protect our systems against unauthorized access. We also maintain cybersecurity protection measures with respect to our information technology systems, including with respect to the protection of our customer data, vendor data and employee information. We have also implemented specialized training and education programs to seek to guard against cybersecurity events, such as enterprise-wide communications, presentations, phishing simulations and focused training for specific roles, as well as a general cybersecurity training program required for all employees. We also engage third parties to perform regular reviews of our security framework controls to promote objectivity. Our processes to identify, assess and manage material risks relating to cyber threats include risks associated with third party service providers, including cloud-based platforms. We believe that these policies and controls provide us with an appropriate comprehensive assessment of potential cyber threats.

The sophistication of cybersecurity threats, including through the use of artificial intelligence, continues to increase, and while additional measures are continually deployed to mitigate risks and protect our systems, the risk of a breach continues to increase. To address this increased risk we are continually enhancing our Disaster Recovery and Business Continuity capabilities enabling system and data recovery and reducing the overall length our systems would be unavailable for normal operations.

To date, risks from cybersecurity threats have not materially affected the Company, and we do not believe these threats are reasonably likely to materially affect the Company, including its business strategy, financial condition or results of operations. However, the risks from cybersecurity threats and incidents continues to increase, and the preventative actions we have taken and continue to take to reduce the risk of cybersecurity threats and incidents may not successfully protect our systems against all such threats and incidents. Refer to Item 1A – Risk Factors under the heading "*Our business operations may be adversely affected by information technology systems interruptions or intrusion*" for additional information.

Governance

Our cybersecurity program is overseen by a cross-functional committee of senior business leaders and is led by our Senior Vice President of Information Services and Chief Digital Officer (CDO). This management committee meets regularly and is charged with overseeing our cybersecurity strategy, seeking to ensure that cyber risks relating to the Company and its operations are managed, and that the program is aligned with the Company's business goals and objectives. The CDO has a formal education in information technology as well as extensive experience working in the Company's information and technology function; and receives periodic training and education on cybersecurity-related topics.

The Board of Directors has delegated to the Audit Committee to assist the Board of Directors in fulfilling its oversight responsibilities on cybersecurity matters. The Audit Committee oversees a number of the Company's risk management practices, including those relating to cybersecurity risks. Our CDO provides updates on cybersecurity risks, threats, key developments in Company policies and practices, and related risk exposures to the Audit Committee regularly. A member of the Audit Committee will then brief the full Board of Directors on items discussed within the Audit Committee, including cybersecurity risks and related matters. Additionally, management provides an update to the full Board of Directors on cybersecurity matters at least once a year, and more often as needed. The Board of Directors annually reviews and approves the capital and operating budgets, ultimately reviewing and approving the amount spent by the Company on cybersecurity measures.

Item 2. **Properties**

We maintain our corporate headquarters in Charlotte, NC (a leased property) and, as of March 31, 2025, conducted our principal manufacturing at the following facilities:

	Location	Products/Operations	Square Footage	Owned or Leased
1	Künzelsau, Germany	Hoists	345,000	Leased
2	Wadesboro, NC	Hoists	180,000	Owned
3	Monterrey, Mexico	Hoists, Actuators and Rotary Unions, Precision Conveyors	165,000	Leased
4	Lexington, TN	Chain	164,000	Owned
5	Menomonee Falls, WI	Power control systems	144,000	Leased
	Tennessee forging operation:			
6	Chattanooga, TN	Forged attachments	81,000	Owned
7	Chattanooga, TN	Forged attachments	59,000	Owned
8	Hartland, WI	Precision Conveyors	125,000	Leased
9	Wuppertal, Germany	Hoists and Precision Conveyors	124,000	Leased
10	Kissing, Germany	Hoists, winches, and actuators	107,000	Leased
11	Dauchingen, Germany	Automation Solutions	103,000	Leased
12	Damascus, VA	Hoists	97,000	Owned
13	Hangzhou, China	Hoists	82,000	Owned
14	Brighton, MI	Overhead light rail workstations	71,000	Leased
15	Chester, England	Plate clamps	56,000	Owned
16	Bayan Lepas, Malaysia	Precision Conveyors	40,000	Leased
17	Szekesfehervar, Hungary	Textiles and textile strappings	24,000	Leased

In addition, we have a total of 43 sales offices, distribution centers, and warehouses. We believe that our properties have been adequately maintained, are in generally good condition and are suitable for our business as presently conducted. We also believe our existing facilities provide sufficient production capacity for our present needs and for our anticipated needs in the foreseeable future. Upon the expiration of our current leases, we believe that either we will be able to secure renewal terms or enter into leases for alternative locations at market terms.

Item 3. Legal Proceedings

From time to time, we are named a defendant in legal actions arising out of the normal course of business. We are not a party to any pending legal proceeding other than ordinary, routine litigation incidental to our business. In April 2024, a trial involving a product liability claim against us resulted in a jury verdict of approximately $3,000,000 in damages. We, along with our attorneys, believe that we will be successful in reversing this verdict and that payment of the damages is not probable. As such we have not accrued for these damages at March 31, 2025. In addition, we do not believe that any of our current pending litigation will have a material impact on our business. We maintain comprehensive general product liability insurance against risks arising out of the use of our products sold to customers through our wholly owned New York State captive insurance subsidiary of which we are the sole policy holder. The per occurrence limits on the self-insurance for general and product liability coverage were $2,000,000 from inception through fiscal 2003 and $3,000,000 for fiscal 2004 and thereafter. In addition to the per occurrence limits, our coverage is also subject to an annual aggregate limit, applicable to losses only. These limits range from $2,000,000 to $6,000,000 for each policy year from inception through fiscal 2025. In addition, we carry excess liability insurance coverage from independent insurers to cover potential losses.

Like many industrial manufacturers, we are also involved in asbestos-related litigation. In continually evaluating costs relating to our estimated asbestos-related liability, we review, among other things, the incidence of past and recent claims, the historical case dismissal rate, the mix of the claimed illnesses and occupations of the plaintiffs, our recent and historical resolution of the cases, the number of cases pending against us, the status and results of broad-based settlement discussions, and the number of years such activity might continue. Because this liability is likely to extend over many years, management believes that the potential additional costs for claims will not have a material effect on the financial condition of the Company or its liquidity, although the effect of any future liabilities recorded could be material to earnings in a future period.

See Note 16 to our March 31, 2025 consolidated financial statements included in Item 8, Financial Statements and Supplementary Data, of this Form 10-K for more information on our matters involving litigation.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Security Holder Matters and Issuer Purchases of Equity Securities

Our common stock is traded on the Nasdaq Global Select Market under the symbol "CMCO." As of April 30, 2025, there were 315 holders of record of our common stock. Because many of these shares are held by brokers and other institutions on behalf of the ultimate beneficial holders of these shares, we are unable to estimate the total number of shareholders represented by these record holders.

During fiscal 2025, the Company declared quarterly cash dividends totaling $8,030,000. On March 24, 2025, the Company's Board of Directors declared a regular quarterly dividend of $0.07 per common share. The dividend was paid on May 12, 2025 to shareholders of record as of May 2, 2025 and totaled approximately $2,003,000.

Our Amended and Restated Credit Agreement allows for the declaration and payment of dividends, subject to specified limitation as set forth in our Amended and Restated Credit Agreement. We expect to continue to pay dividends in fiscal 2026 consistent with our historical amounts.

Issuer Purchases of Equity Securities

The following table presents information with respect to purchases of common stock of the Company made during the three months ended March 31, 2025 by the Company:

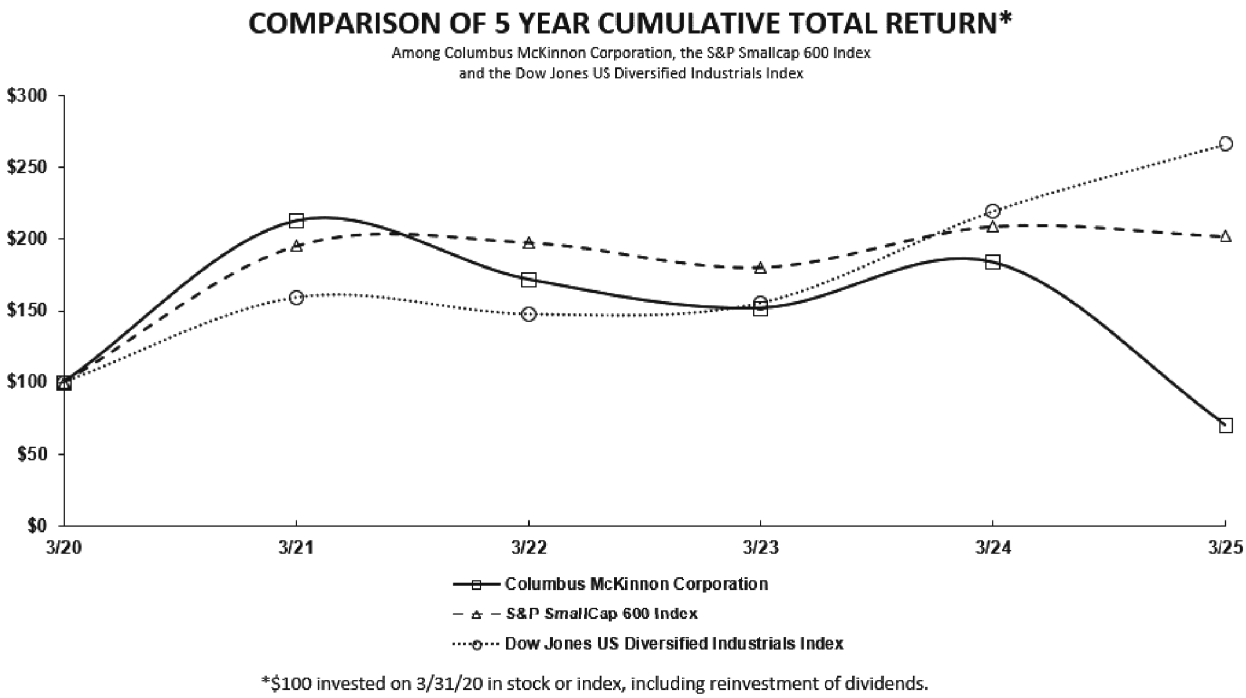
Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased under the Program (in thousands)[1]
January 1 - 31, 2025	—	$ —	—	
February 1 - 28, 2025	—	$ —	—	
March 1 - 31, 2025	—	$ —	—	
Total	—	$ —	—	$ 9,055

[1]The Company publicly announced on March 26, 2019 that its Board of Directors approved a share repurchase authorization for up to $20 million of shares of common stock of Columbus McKinnon Corporation, with no expiration. As of March 31, 2025, approximately $9 million of shares of common stock of the Company remains available repurchase under the current authorization plan. There were no repurchases made in the quarter ended March 31, 2025.

PERFORMANCE GRAPH

The Performance Graph shown below compares the cumulative total shareholder return on our common stock based on its market price, with the total return of the S&P SmallCap 600 Index, and the Dow Jones U.S. Diversified Industrials Index. The comparison of total return assumes that a fixed investment of $100 was invested on March 31, 2020 in our common stock and in each of the foregoing indices and further assumes the reinvestment of dividends. The stock price performance shown on the graph is not necessarily indicative of future price performance.

This Performance Graph shall not be deemed "filed" with the SEC for purposes of Section 18 of the Exchange Act or incorporate by reference into any of our filings under the Securities Act or the Exchange Act.



Item 6. **[Reserved]**

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

This section should be read in conjunction with our consolidated financial statements included in Item 8, Financial Statements and Supplementary Data of this Form 10-K.

EXECUTIVE OVERVIEW

Columbus McKinnon Corporation ("Columbus McKinnon" or the "Company") is a leading worldwide designer, manufacturer and marketer of intelligent motion solutions that move the world forward and improve lives by efficiently and ergonomically moving, lifting, positioning and securing materials. Key products include hoists, crane components, precision conveyor systems, rigging tools, light rail workstations and digital power and motion control systems. These are highly relevant, professional-grade solutions that solve our customers’ critical material handling requirements.

Founded in 1875, we have grown to our current size and leadership position through organic growth and acquisitions. We developed our leading market position over our 150-year history by emphasizing technological innovation, manufacturing excellence and superior customer service. In accordance with our strategic framework, we are building out our business system ("CMBS") and growth framework to be market-led, customer-centric, and operationally excellent with our people and values at the core. We believe this will transform Columbus McKinnon into a top-tier intelligent motion solutions company. We expect our strategy will enhance shareholder value by growing sales and expanding EBITDA margins.

Our revenue base is geographically diverse with approximately 44% derived from customers outside the U.S. for the year ended March 31, 2025. We believe this diversity balances the impact of changes that occur in local economies, as well as benefits the Company by providing access to growing emerging markets. We monitor both U.S. and Eurozone Industrial Capacity Utilization statistics as well as the ISM Production Index as indicators of anticipated demand for our products. In addition, we continue to monitor the potential impact of other global and U.S. trends including, industrial production, trade tariffs, raw material cost inflation, interest rates, foreign currency exchange rates, and activity of end-user markets around the globe.

From a strategic perspective, we are investing in new products and channels as we focus on our greatest opportunities for growth. We have leading market positions in hoists, lifting and sling chain, forged attachments, actuators, precision conveyors and digital power and motion control systems for the material handling industry. We are focusing our sales and marketing activities toward select North American and global market sectors including general industrial, energy, automotive, heavy OEM, entertainment, construction and infrastructure, life sciences food and beverage, e-commerce and consumer products.

On May 31, 2023, the Company completed its acquisition of montratec GmbH ("montratec"), a leading automation solutions company that designs and develops intelligent automation and transport systems for interlinking industrial production and logistics processes. montratec product offerings compliment the previous acquisitions of both Dorner and Garvey, and these acquisitions are collectively expected to accelerate the Company’s shift to intelligent motion solutions and serve as a platform to expand capabilities in advanced, higher technology automation solutions.

Regardless of the economic climate and point in the economic cycle, we constantly explore ways to increase operating margins as well as further improve our productivity and competitiveness. We have specific initiatives to reduce lead-times, improve on-time deliveries, reduce warranty costs, and improve material and factory productivity. The initiatives are being driven by the implementation of our business operating system, CMBS. We are working to achieve these strategic initiatives through business simplification, operational excellence, and profitable growth initiatives. We believe these initiatives will enhance future operating margins.

Our principal raw materials and components purchases were approximately $375 million in fiscal 2025 (or 59% of Cost of product sold) and include steel, consisting of rod, wire, bar, structural, and other forms of steel; electric motors; bearings; gear reducers; castings; steel and aluminum enclosures and wire harnesses; electro-mechanical components; and standard variable drives and controls. These commodities are all available from multiple sources. We purchase most of these raw materials and components from a limited number of strategic and preferred suppliers under agreements which are negotiated on a company-wide basis through our global purchasing group. Currently, as a result of global inflation and tariffs, we are experiencing higher raw material costs and availability issues for select raw materials and components. To date, we have raised prices to our customers to cover these increased raw material costs and are working with our supply base to prioritize shipments and improve availability of key components.

We operate in a highly competitive and global business environment. We see a variety of opportunities in our markets and geographies, including trends toward automation and increasing labor productivity and the expansion of market opportunities in

Asia and other emerging markets. While we execute our long-term growth strategy, we are supported by our strong free cash flow as well as our liquidity position and flexible debt structure.

On February 10, 2025, the Company announced that it had entered into a definitive agreement to acquire Kito. The Kito Acquisition closing is subject to certain conditions, including regulatory approval as required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “HSR Act”) and other customary closing conditions described in the stock purchase agreement entered into by the Company and Kito in connection with the Kito Acquisition. The Kito Acquisition is expected to meaningfully improve the Company's scale, enhance our collective geographic reach, significantly expand our lifting securement and consumables portfolio and enhance our customer value proposition.

With global engineering, manufacturing, distribution, and operations, Kito provides a broad range of products and solutions for the most demanding applications. Kito’s people, products, solutions, and service have innovated the lifting and securement industry throughout its long history. Kito's iconic brands include Kito, Crosby, Harrington, Gunnebo Industries, and Peerless. We expect that the Kito Acquisition will strengthen our core lifting business and further the Company's position as a leading worldwide, designer, manufacturer and marketer of intelligent motion solutions that move the world forward and improve lives by efficiently and ergonomically moving, lifting, positioning and securing materials. The Company anticipates the Kito Acquisition to close during fiscal 2026.

RESULTS OF OPERATIONS

The following discussion is a comparison between fiscal 2025 and fiscal 2024 results. For a discussion of our results of operations for fiscal 2024 compared to fiscal 2023, please refer to Item 7 of Part II, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended March 31, 2024, which was filed with the SEC on May 29, 2024.

Fiscal 2025 Compared to Fiscal 2024

Fiscal 2025 sales were $963,027,000, a decrease of 5.0%, or $50,513,000 compared with fiscal 2024 sales of $1,013,540,000. Fiscal 2025 sales were positively impacted by price increases of $12,548,000 as well as $2,655,000 of incremental sales from the montratec acquisition. Offsetting these increases were lower sales volume of $60,238,000. The translation of foreign currency had an unfavorable impact of $5,478,000.

Gross profit was $325,680,000 and $374,838,000 or 33.8% and 37.0% of net sales in fiscal 2025 and 2024, respectively. The fiscal 2025 decrease in gross profit was $49,158,000 or 13.1%. The decrease in gross profit was due to start-up costs totaling $6,919,000 related to the Monterrey, Mexico facility, $15,178,000 of costs incurred to close our Charlotte Manufacturing Operations and two of our Precision Conveyance operations which includes employee severance costs and asset-related impairments, $33,007,000 due to lower sales volumes, $1,999,000 due to higher product liability expenses, $648,000 of net business realignment costs, and $171,000 of additional costs due to Hurricane Helene's impact on one of our facilities. These decreases were offset by $9,456,000 of price increases net of material inflation and other manufacturing costs changes and $799,000 as a result of the acquisition of montratec. The translation of foreign currencies had a $1,491,000 unfavorable impact on gross profit for the year ended March 31, 2025.

Selling expenses were $110,043,000 and $105,341,000, or 11.4% and 10.4% of net sales in fiscal years 2025 and 2024, respectively. Selling expenses increased by $909,000 as a result of the montratec acquisition, $929,000 for net business realignment costs, $891,000 for net factory and warehouse consolidation cost and $802,000 primarily related to trade show and travel costs including the Company's strategic partner conference that was not held in the prior year. The remaining increase is due to higher employee related costs during the year ended March 31, 2025. Foreign currency translation had a $769,000 favorable impact on selling expenses in the year ended March 31, 2025

General and administrative expenses were $107,249,000 and $106,760,000 or 11.1% and 10.5% of net sales in fiscal 2025 and 2024, respectively. The increase includes $7,803,000 of net deal and integration costs primarily attributable to the Kito Acquisition and $1,299,000 of expense to record a reserve against an accounts receivable balance for a customer who declared bankruptcy in January 2025. These increases were offset by lower employee related costs of $2,485,000 including lower incentive-based compensation. Additionally, the Company had lower stock based compensation costs of $4,903,000 compared to the prior year and lower net headquarter relocation expenses of $1,686,000. Foreign currency translation had a $841,000 favorable impact on general and administrative expenses for the year ended March 31, 2025.

Research and development expenses were $23,869,000 and $26,193,000 in fiscal 2025 and 2024, respectively. As a percentage of consolidated net sales, research and development expenses were 2.5% and 2.6% in fiscal 2025 and 2024, respectively.

Amortization of intangibles were $29,946,000 and $29,396,000 in fiscal 2025 and 2024, respectively, with fluctuation attributable to foreign currency translation.

Interest and debt expense was $32,426,000 and $37,957,000 in fiscal 2025 and 2024, respectively. The decrease is a result of a reduction in the Company's long term debt as a result of accelerated principal payments and lower interest rates.

Investment income of $1,302,000 and $1,759,000, in fiscal 2025 and 2024, respectively, related to earnings on marketable securities held in the Company's wholly owned captive insurance subsidiary and the Company's equity method investment in EMC, described in Note 7 to our March 31, 2025 consolidated financial statements.

Other expense was $25,775,000 and $7,597,000 in fiscal 2025 and fiscal 2024, respectively. The increase primarily relates to the non-cash settlement charge of $23,634,000 associated with the termination of one of the Company's U.S. pension plans in current year ending March 31, 2025 described in Note 13 of the financial statements.

Income tax expense as a percentage of income from continuing operations before income tax expense was 6.7% and 24.2% in fiscal 2025 and 2024, respectively. Typically these percentages vary from the U.S. statutory rate of 21% due to varying effective tax rates at the Company's foreign subsidiaries and the jurisdictional mix of income for these subsidiaries.

In fiscal 2025, the tax effect of the pension termination described in Note 13 reduced the effective tax rate by 17 percentage points.

LIQUIDITY AND CAPITAL RESOURCES

Cash, cash equivalents, and restricted cash totaled $53,933,000 and $114,376,000, at March 31, 2025 and 2024, respectively.

Liquidity

Our primary sources of liquidity are funds generated by operating activities and available capacity for borrowings on our $175.0 million revolving credit facility ("Revolver") maturing May 14, 2026 and our secured asset-based revolving credit facility ("AR Securitization") maturing June 19, 2026. Our ability to fund our operations, to make planned capital investments, to make scheduled debt payments and to repay or refinance indebtedness depends on our future operating performance and cash flows, which are subject to prevailing economic conditions and financial, business, and other factors, some of which are beyond our control. Our liquidity as of March 31, 2025 was $240,155,000 comprising cash and cash equivalents of $53,683,000 and $159,583,000 of availability on the Revolver and $26,889,000 of availability on the AR Securitization. We believe that our current resources, together with anticipated cash flows from operations and borrowing capacity under the Revolver and AR Securitization facilities, will be sufficient to finance our operations, meet our current cash requirements, and fund anticipated capital investments for at least the next 12 months. We may, however, seek additional financing to fund future growth or refinance our existing indebtedness through the debt capital markets, but we cannot be assured that such financing will be available on favorable terms, or at all.

Cash flow from operating activities

Net cash provided by operating activities was $45,612,000 and $67,198,000 in fiscal 2025 and 2024, respectively. In fiscal 2025, the net loss of $5,138,000 and non-cash adjustments to net loss of $75,503,000 contributed to cash provided by operations. The non-cash adjustments included $48,187,000 of depreciation and amortization, $23,634,000 related to the settlement of one of the Company's pension plans, $10,105,000 of non-cash lease expense, $6,256,000 of stock-based compensation, and $3,911,000 related to the impairment of Charlotte Manufacturing Operation's and two Precision Conveyance leases (*refer to Note 3*) offset by $20,256,000 of deferred income taxes and related valuation allowance. Changes in working capital reduced cash from operations by $18,664,000 as a result of an increase in prepaid expenses and other current assets of $20,998,000, and an increase of $13,042,000 in inventories, offset by an increase of trade payables of $11,144,000 and a decrease in trade accounts receivable of $4,482,000. Cash provided by operations also included a decrease of $9,587,000 in other non-current liabilities primarily due to lease payments for fiscal 2025.

Cash flow from investing activities

Net cash used for investing activities was $19,891,000 and $133,364,000 in fiscal 2025 and 2024, respectively. The use of cash in fiscal 2025 primarily consisted of $21,411,000 in capital expenditures. The most significant use of cash in fiscal 2024 related to the Company's purchase of montratec for $108,145,000.

Cash flow from financing activities

Net cash used for financing activities was $86,747,000 in fiscal 2025 compared to net cash provided by financing activities of $48,201,000 in fiscal 2024. The most significant uses of cash were for $60,670,000 in debt repayments, $10,000,000 of shares repurchased as treasury stock during the year, a $6,711,000 payment to the former owners of montratec for the contingent consideration agreement (refer to Note 3 for additional information) and $8,042,000 in dividend payments Associated cash flows from hedging activities are classified as financing activities in the Statement of Cash Flows, which resulted in a net cash inflow of $474,000.

We believe that our cash on hand, cash flows, and borrowing capacity under our Amended and Restated Credit Agreement will be sufficient to fund our ongoing operations and debt obligations, and capital expenditures for at least the next twelve months. This belief is dependent upon successful execution of our current business plan and effective working capital utilization. No material restrictions exist in accessing cash held by our non-U.S. subsidiaries. We expect to meet our funding needs with cash provided by our U.S. operations, as well as by repatriating non-U.S. cash. We do not expect to incur significant incremental U.S. taxes as we repatriate funds. As of March 31, 2025, $38,689,000 of cash and cash equivalents were held by foreign subsidiaries.

CAPITAL EXPENDITURES

In addition to keeping our current equipment and plants properly maintained, we are committed to replacing, enhancing and upgrading our property, plant and equipment to support new product development, improve productivity and customer responsiveness, reduce production costs, increase flexibility to respond effectively to market fluctuations and changes, meet environmental requirements, enhance safety and promote ergonomically correct work stations. Our capital expenditures for fiscal 2025 and 2024 were $21,411,000 and $24,813,000, respectively. Excluded from capital expenditures is $318,000 and $690,000, in property, plant and equipment purchases included in accounts payable at March 31, 2025 and 2024, respectively. We expect capital expenditure spending in fiscal 2026 to range from $20,000,000 to $30,000,000.

INFLATION AND OTHER MARKET CONDITIONS

Our costs are affected by inflation in the U.S. economy and, to a lesser extent, in non-U.S. economies including those of Europe, Canada, Mexico, South America, and Asia-Pacific. We do not believe that general inflation has had a material effect on our results of operations over the periods presented despite rising inflation due to our ability to pass on rising costs through price increases. We are currently experiencing higher raw material, freight, and logistics costs than we have seen in recent years, which we have been able to recover with pricing actions. In the future, we may not be able to pass on these cost increases to our customers.

SEASONALITY AND QUARTERLY RESULTS

Quarterly results may be materially affected by the timing of large customer orders, periods of high vacation and holiday concentrations, legal settlements, gains or losses in our portfolio of marketable securities, restructuring charges, favorable or unfavorable foreign currency translation, divestitures and acquisitions. Therefore, the operating results for any particular fiscal quarter are not necessarily indicative of results for any subsequent fiscal quarter or for the full fiscal year.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires us to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We continually evaluate the estimates and their underlying assumptions, which form the basis for making judgments about the carrying value of our assets and liabilities. Actual results inevitably will differ from those estimates. If interpreted differently under different conditions or circumstances, changes in our estimates could result in material changes to our reported results. We have identified below the accounting policies involving estimates that are critical to our financial statements. Other accounting policies are more fully described in Note 2 of our consolidated financial statements.

Insurance Reserves. Our accrued general and product liability reserves as described in Note 16 to consolidated financial statements involve actuarial techniques including the methods selected to estimate ultimate claims, and assumptions including emergence patterns, payment patterns, initial expected losses, and increased limit factors. These actuarial estimates are subject to a high degree of uncertainty due to a variety of factors, including extended lag time in the reporting and resolution of claims, trends or changes in claim settlement patterns, insurance industry practices, and legal interpretations. Changes to these estimates could result in material changes to the amount of expense and liabilities recorded in our financial statements. Further, actual costs could differ significantly from the estimated amounts. Adjustments to estimated reserves are recorded in the period in which the change in estimate occurs. Other insurance reserves such as workers compensation and group health insurance are based on actual historical and current claim data provided by third party administrators or internally maintained.

Goodwill and indefinite-lived intangible asset impairment testing. Our goodwill balance of $710,807,000 as of March 31, 2025, is subject to impairment testing. We test goodwill for impairment at least annually, as of the end of February, and more frequently whenever events occur or circumstances change that indicate there may be impairment. These events or circumstances could include a significant long-term adverse change in the business climate, poor indicators of operating performance, or a sale or disposition of a significant portion of a reporting unit.

We test goodwill at the reporting unit level, which is one level below our operating segment. We identify our reporting units by assessing whether the components of our operating segment constitute businesses for which discrete financial information is available and segment management regularly reviews the operating results of those components. We also aggregate components that have similar economic characteristics into single reporting units (for example, similar products and / or services, similar long-term financial results, product processes, classes of customers, or in circumstances where the components share assets or other resources and have other economic interdependencies). We have three reporting units, Linear Motion Products (formerly referred to as Duff-Norton), Rest of Products and Precision Conveyance, and have goodwill totaling $9,699,000, $305,110,000, and $395,998,000, respectively, at March 31, 2025. montratec, which was acquired in fiscal 2024, has been included in the Precision Conveyance reporting unit.

Annual Goodwill Impairment Test

When we evaluate the potential for goodwill impairment, we assess a range of qualitative factors including, but not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for our products and services, regulatory and political developments, entity specific factors such as strategy, and changes in key personnel and overall financial performance. If, after completing this assessment, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value, we proceed to a quantitative impairment test. We also proceed to the quantitative model when economic or other business factors indicate that the fair value of our reporting units may have declined since our last quantitative impairment test. We performed the qualitative assessment as of February 28, 2025 and determined the quantitative test should be performed for the Precision Conveyance reporting unit as the businesses in this reporting unit were recently acquired resulting in a relatively small difference between the reporting unit's book and fair value. We performed sensitivities and other analysis and determined that goodwill is not impaired as of March 31, 2025 for the Precision Conveyance reporting unit.

The qualitative assessment as of February 28, 2025 for the Rest of Products and Linear Motion Products reporting units determined it was not more likely than not that the fair value of the reporting units were less than their applicable carrying value. Accordingly, we did not perform the quantitative goodwill impairment test for the Rest of Products and Linear Motion Products reporting units during fiscal 2025.

Quantitative Test for the Precision Conveyance Group

In order to perform the quantitative impairment test for the Precision Conveyance reporting unit, we used the discounted cash flow method to estimate fair value. The discounted cash flow method incorporates various assumptions, the most significant being projected revenue growth rates, EBITDA margins and cash flows based on internal forecasts, and the discount rate (weighted-average cost of capital). Management projects discounted cash flows based on the reporting unit's current business, expected developments and operational strategies over a seven-year period. In estimating the terminal growth rate, we consider our historical and projected results, as well as the economic environment in which the reporting unit operates. The discount rate utilized for the reporting unit reflects management's assumptions of marketplace participants' cost of capital and risk assumptions, both specific to the reporting unit and overall in the economy.

Testing goodwill for impairment under the quantitative method described above requires us to estimate fair value of the reporting unit using significant estimates and judgmental factors. The compound annual growth rate for revenue during the first seven years of our projections was approximately 9.7% for the Precision Conveyance reporting unit. This reflects the higher expected growth rates on our precision conveyor business compared to our other businesses. The terminal value was calculated assuming a projected growth rate of 3.5% after seven years. This rate reflects our estimate of long-term growth into perpetuity in the precision conveyance vertical market and as well as expected increases in the consumer price index. The estimated discount rate was determined to be 12.0% for the Precision Conveyance reporting unit. This was estimated based upon an analysis of similar companies and their debt to equity mix, their related volatility and the size of their market capitalization. We also consider any additional risk of the Precision Conveyance reporting unit achieving its forecast, and adjust the discount rate applied when determining the reporting unit's estimated fair value. The quantitative test results indicate that the Precision Conveyance reporting unit is not impaired as its fair value exceeds its book value by 2.6%.

Holding all other assumptions constant, a reduction in the compound annual growth rate for revenue in the first seven years of the model by one percentage point would reduce fair value by $42,700,000. Similarly, a 50 basis increase in the discount rate would reduce fair value by $35,600,000 and a 25 basis point reduction in the terminal growth rate would reduce fair value by $15,386,000. While the Precision Conveyance reporting unit was not determined to be impaired, it may be at risk of future impairment if the related business does not perform as projected, or if market factors utilized in the impairment analysis deteriorate, including an unfavorable change in the discount rate. We will monitor the Precision Conveyance reporting unit's performance against its forecasts in fiscal 2026 as part of our quarterly analysis of impairment indicators.

We further test our indefinite-lived intangible asset balance of $46,294,000 consisting of trademarks for acquisitions prior to fiscal 2025. Similar to goodwill, we first assess various qualitative factors in the analysis. If, after completing this assessment, it is determined that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value, we proceed to a quantitative impairment test. We performed the qualitative assessment as of February 28, 2025 and determined that it was not more likely than not that the fair value of each of our indefinite-lived intangible assets was less than its applicable carrying value.

Effects of New Accounting Pronouncements

Information regarding the effects of new accounting pronouncements is included in Note 21 to the accompanying consolidated financial statements included in Item 8, Financial Statements and Supplementary Data, of this Form 10-K.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates. We are exposed to various market risks, including commodity prices for raw materials, foreign currency exchange rates, and changes in interest rates. We may enter into financial instrument transactions, which attempt to manage and reduce the impact of such changes. We do not enter into derivatives or other financial instruments for trading or speculative purposes.

Commodity Price Risk

Our costs are affected by inflation in the U.S. economy and, to a lesser extent, in non-U.S. economies including those of Europe, Canada, Mexico, South America, and Asia-Pacific. Generally, as we experience fluctuations in our costs, we reflect these increases in costs as price increases to our customers with the goal of being margin neutral. We are currently experiencing higher raw material, freight, and logistics costs than we have seen in recent years, which we have been able to recover with pricing actions. Further, increases in U.S. employee benefits costs such as health insurance and workers compensation insurance have exceeded general inflation levels. In the future, we may be further affected by inflation that we may not be able to pass these increased costs on as price increases to our customers. However, we have been successful in the past, and we expect to be successful in the future, in instituting price increases to pass on these material cost increases. The Company is exposed to trade tariffs, and particularly those recently enacted by the current presidential administration. The Company monitors the impact of tariffs and actively works to mitigate this impact through material productivity actions and pricing strategies, including tariff surcharges.

Foreign Currency Exchange Risk

In fiscal 2025, 44% of our net sales were from manufacturing plants and sales offices in foreign jurisdictions. We manufacture our products in the United States, China, Germany, United Kingdom, Hungary, Mexico, and Malaysia and sell our products in over 100 countries. Our results of operations could be affected by factors such as changes in foreign currency rates or weak economic conditions in foreign markets. With our fiscal year 2017 acquisition of STAHL, we have an increased presence in the United Arab Emirates, with total assets of approximately $8,201,000. Our operating results are exposed to fluctuations between the U.S. Dollar and the Canadian Dollar, European currencies, the South African Rand, the Mexican Peso, the Brazilian Real, and the Chinese Yuan. For example, when the U.S. dollar weakens against the Euro, the value of our net sales and net income denominated in Euros increases when translated into U.S. dollars for inclusion in our consolidated results. We are also exposed to foreign currency fluctuations in relation to purchases denominated in foreign currencies. Our foreign currency risk is mitigated since the majority of our foreign operations' net sales and the related expense transactions are denominated in the same currency, which reduces the impact of a significant change in foreign exchange rates on net income. For example, a 10% change in the value of the U.S. dollar in relation to our most significant foreign currency exposures would have had an impact of approximately $2,407,000 on our income from operations. In addition, the majority of our export sale transactions are denominated in U.S. dollars.

The Company has a cross currency swap agreement that is designated as a cash flow hedge to hedge changes in the value of an intercompany loan to a foreign subsidiary due to changes in foreign exchange rates. This intercompany loan is related to the acquisition of STAHL. As of March 31, 2025, the notional amount of this derivative was $72,040,000, and the contract matures on March 31, 2028. From its March 31, 2025 balance of accumulated other comprehensive gain (loss) "AOCL", the Company expects to reclassify approximately $36,000 out of AOCL, and into foreign currency exchange loss (gain), during the next 12 months based on the contractual payments due under this intercompany loan.

The Company has foreign currency forward agreements that are designated as cash flow hedges to hedge a portion of forecasted inventory purchases denominated in foreign currencies. As of March 31, 2025, the notional amount of these derivatives was $36,528,000, and all contracts mature by December 31, 2025. From its March 31, 2025 balance of AOCL, the Company expects to reclassify approximately $27,000 out of AOCL during the next 12 months based on the expected sales of the goods purchased.

Interest Rate Risk

We are subject to interest rate risk in connection with the Term Loan B and the AR Securitization Facility and Revolving Credit Facility. As of March 31, 2025, we had $437.6 million outstanding under the Term Loan B, $25.0 million outstanding on the AR Securitization Facility and no amounts outstanding under the Revolving Credit Facility. The Term Loan, AR Securitization Facility and the Revolving Credit Facility each bear interest at variable rates.

The Company has entered into interest rate swap agreements which are designated as cash flow hedges to hedge changes in interest expense due to changes in the interest rate of the Company's variable interest rate debt. The Company has five interest rate swap agreements outstanding in which it receives interest at a variable rate and pays interest at a fixed rate. The interest rate swaps have varying maturity dates between March 31, 2027 and March 23, 2029 with an aggregate notional amount of $355,000,000 as of March 31, 2025.

The effective portion of the changes in fair values of the interest rate swaps is reported in AOCL and will be reclassified to interest expense over the life of the swap agreements. From its March 31, 2025 balance of AOCL, the Company expects to reclassify approximately $376,000 out of AOCL, and into interest expense, during the next 12 months.

An increase of 100 basis points in the variable rates on the Term Loan B, AR Securitization and the Revolving Credit Facility as of March 31, 2025 would have increased annual cash interest in the aggregate by approximately $1.1 million. We cannot predict market fluctuations in interest rates and their impact on our debt, nor can there be any assurance that long-term fixed-rate debt will be available at favorable rates, if at all. Consequently, future results may differ materially from estimated results due to adverse changes in interest rates.

Item 8. Financial Statements and Supplementary Data.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Columbus McKinnon Corporation

Audited Consolidated Financial Statements as of March 31, 2025:

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Columbus McKinnon Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Columbus McKinnon Corporation (the Company) as of March 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended March 31, 2025, and the related notes and financial statement schedule listed in the Index at Item 15(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at March 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended March 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of March 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated May 28, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matters

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

Valuation of Goodwill for the Precision Conveyance Reporting Unit

Description of the Matter	At March 31, 2025, the Company's goodwill was $710.8 million, of which $396.0 million related to the Precision Conveyance reporting unit. As discussed in Notes 2 and 9 of the consolidated financial statements, goodwill is tested for impairment at least annually, or more frequently if circumstances warrant, at the reporting unit level. The Company performed its annual goodwill impairment test over the Precision Conveyance reporting unit in the fourth quarter of 2025 using a discounted cash flow model. Auditing management's annual goodwill impairment assessment was complex and highly judgmental due to the significant estimation required to determine the fair value of the Precision Conveyance reporting unit. The fair value estimate for the Precision Conveyance reporting unit was sensitive to significant assumptions inherent in the Company's discounted estimated future cash flows, in particular changes in the revenue growth rates, EBITDA margins, the terminal growth rate, and the discount rate, which are affected by expectations about future market or economic conditions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of controls over the Company's goodwill impairment review process, including controls over management's review of the significant assumptions described above. To test the estimated fair value of the Company's Precision Conveyance reporting unit, we performed audit procedures with the assistance of our valuation professionals that included, among others, assessing the methodology used and testing the significant assumptions discussed above and the underlying data used in the impairment analysis. We compared the significant assumptions used by management to current industry and economic trends and evaluated the effects of changes to the Company's customer base or product mix resulting from expanding into new markets and other factors on the significant assumptions. We assessed the historical accuracy of management's revenue growth and EBITDA margin forecast and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting unit that would result from changes in the assumptions. We utilized internal valuation specialists to assist us in evaluating the Company's valuation model and related significant assumptions. We also evaluated the related goodwill disclosures included in Notes 2 and 9 to the consolidated financial statements.

/s/ Ernst & Young LLP

We have served as the Company's auditor since at least 1917, but we are unable to determine the specific year.

Charlotte, North Carolina

May 28, 2025

COLUMBUS McKINNON CORPORATION

CONSOLIDATED BALANCE SHEETS

	March 31,	
	2025	2024
	(In thousands, except share data)	
ASSETS		
Current assets:		
Cash and cash equivalents	53,683	114,126
Trade accounts receivable, less allowance for doubtful accounts ($4,880 and $3,827, respectively)	165,481	171,186
Inventories	198,598	186,091
Prepaid expenses and other	48,007	42,752
Total current assets	465,769	514,155
Net property, plant, and equipment	106,164	106,395
Goodwill	710,807	710,334
Other intangibles, net	356,562	385,634
Marketable securities	10,112	11,447
Deferred taxes on income	2,904	1,797
Other assets	86,470	96,183
Total assets	$ 1,738,788	$ 1,825,945
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	$ 93,273	$ 83,118
Accrued liabilities	113,907	127,973
Current portion of long-term debt and finance lease obligations	50,739	50,670
Total current liabilities	257,919	261,761
Term loan, AR securitization facility and finance lease obligations	420,236	479,566
Other non-current liabilities	178,538	202,555
Total liabilities	856,693	943,882
Shareholders' equity:		
Voting common stock: 50,000,000 shares authorized; 28,618,289 and 28,799,110 shares issued and outstanding	286	288
Treasury stock	(11,000)	(1,001)
Additional paid-in capital	531,750	527,125
Retained earnings	382,160	395,328
Accumulated other comprehensive loss	(21,101)	(39,677)
Total shareholders' equity	882,095	882,063
Total liabilities and shareholders' equity	$ 1,738,788	$ 1,825,945

See accompanying notes.

COLUMBUS McKINNON CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended March 31,		
	2025	2024	2023
	(In thousands, except per share data)		
Net sales	$ 963,027	$ 1,013,540	$ 936,240
Cost of products sold	637,347	638,702	594,141
Gross profit	325,680	374,838	342,099
Selling expenses	110,043	105,341	102,528
General and administrative expenses	107,249	106,760	94,794
Research and development expenses	23,869	26,193	20,935
Amortization of intangibles	29,946	29,396	26,001
Income from operations	54,573	107,148	97,841
Interest and debt expense	32,426	37,957	27,942
Investment (income) loss, net	(1,302)	(1,759)	(315)
Foreign currency exchange loss (gain), net	3,179	1,826	(2,189)
Other (income) expense, net	25,775	7,597	(2,072)
Income before income tax expense	(5,505)	61,527	74,475
Income tax (benefit) expense	(367)	14,902	26,046
Net income (loss)	$ (5,138)	$ 46,625	$ 48,429
Average basic shares outstanding	28,738	28,728	28,600
Average diluted shares outstanding	28,738	29,026	28,818
Basic income (loss) per share	$ (0.18)	$ 1.62	$ 1.69
Diluted income (loss) per share	$ (0.18)	$ 1.61	$ 1.68
Dividends declared per common share	$ 0.28	$ 0.28	$ 0.28

See accompanying notes.

COLUMBUS McKINNON CORPORATION

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	March 31,		
	2025	**2024**	**2023**
	(In thousands)		
Net income (loss)	$ (5,138)	$ 46,625	$ 48,429
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustments	(1,157)	(433)	(4,273)
Pension liability adjustments, net of taxes of $(8,420), $(71) and $(3,678)	25,585	812	8,058
Other post retirement obligations adjustments, net of taxes of $24, $22, and $16	(102)	(94)	(66)
Split-dollar life insurance arrangement adjustments, net of taxes of $7, $(426), and $(73)	(27)	1,386	251
Change in derivatives qualifying as hedges, net of taxes of $1,859, $1,111, and $(2,636)	(5,723)	(3,305)	7,886
Total other comprehensive income (loss)	18,576	(1,634)	11,856
Comprehensive income	$ 13,438	$ 44,991	$ 60,285

See accompanying notes.

COLUMBUS McKINNON CORPORATION

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share data)

	Common Stock ($0.01 par value)	Treasury Stock	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Shareholders' Equity
Balance at April 1, 2022	$ 285	$ —	$ 506,074	$ 316,343	$ (49,899)	$ 772,803
Net income 2023	—	—	—	48,429	—	48,429
Dividends declared	—	—	—	(8,014)	—	(8,014)
Change in foreign currency translation adjustment	—	—	—	—	(4,273)	(4,273)
Change in derivatives qualifying as hedges, net of tax of $(2,636)	—	—	—	—	7,886	7,886
Change in pension liability and postretirement obligations, net of tax of $(3,735)	—	—	—	—	8,243	8,243
Stock compensation - directors	—	—	1,194	—	—	1,194
Stock options exercised, 32,158 shares	—	—	713	—	—	713
Stock compensation expense	—	—	9,231	—	—	9,231
Treasury stock purchased, 31,085 shares	—	(1,001)	—	—	—	(1,001)
Restricted stock units released, 93,315 shares, net of shares withheld for minimum statutory tax obligation	1	—	(1,415)	—	—	(1,414)
Balance, March 31, 2023	$ 286	$ (1,001)	$ 515,797	$ 356,758	$ (38,043)	$ 833,797
Net income 2024	—	—	—	46,625	—	46,625
Dividends declared	—	—	—	(8,055)	—	(8,055)
Change in foreign currency translation adjustment	—	—	—	—	(433)	(433)
Change in derivatives qualifying as hedges, net of tax of $1,111	—	—	—	—	(3,305)	(3,305)
Change in pension liability and postretirement obligations, net of tax of $(475)	—	—	—	—	2,104	2,104
Stock compensation - directors	—	—	1,174	—	—	1,174
Stock options exercised, 62,060 shares	1	—	1,596	—	—	1,597
Stock compensation expense	—	—	10,865	—	—	10,865
Restricted stock units released, 125,329 shares, net of shares withheld for minimum statutory tax obligation	1	—	(2,307)	—	—	(2,306)
Balance, March 31, 2024	$ 288	$ (1,001)	$ 527,125	$ 395,328	$ (39,677)	$ 882,063
Net loss 2025	—	—	—	(5,138)	—	(5,138)
Dividends declared	—	—	—	(8,030)	—	(8,030)
Change in foreign currency translation adjustment	—	—	—	—	(1,157)	(1,157)
Change in derivatives qualifying as hedges, net of tax of $1,859	—	—	—	—	(5,723)	(5,723)
Change in pension liability and postretirement obligations, net of tax of $(8,389)	—	—	—	—	25,456	25,456
Stock compensation - directors	—	—	1,057	—	—	1,057
Stock options exercised, 12,648 shares	—	—	372	—	—	372
Stock compensation expense	—	—	5,199	—	—	5,199
Treasury stock purchased, (292,650) shares	(1)	(9,999)	—	—	—	(10,000)
Restricted stock units released, 99,181 shares, net of shares withheld for minimum statutory tax obligation	(1)	—	(2,003)	—	—	(2,004)
Balance, March 31, 2025	$ 286	$ (11,000)	$ 531,750	$ 382,160	$ (21,101)	$ 882,095

See accompanying notes.

COLUMBUS McKINNON CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended March 31,		
	2025	2024	2023
Operating activities:		(In thousands)	
Net income (loss)	$ (5,138)	$ 46,625	$ 48,429
Adjustments to reconcile net income to net cash provided by (used for) operating activities:			
Depreciation and amortization	48,187	45,945	41,947
Deferred income taxes and related valuation allowance	(20,256)	(15,285)	(300)
Net loss (gain) on sale of real estate, investments and other	(972)	(1,431)	(54)
Stock-based compensation	6,256	12,039	10,425
Amortization of deferred financing costs	2,487	2,349	1,721
Loss (gain) on hedging instruments	(382)	(1,366)	(438)
Cost of debt repricing	—	958	—
Impairment of operating lease	3,911	—	—
Loss on disposals and impairments of fixed assets	2,533	—	175
Non-cash pension settlement expense (See Note 13)	23,634	4,984	—
Gain on sale of building (See Note 3)	—	—	(232)
Non-cash lease expense	10,105	9,735	7,867
Changes in operating assets and liabilities, net of effects of business acquisitions and divestitures:			
Trade accounts receivable	4,482	(14,428)	(4,858)
Inventories	(13,042)	(1,314)	(9,087)
Prepaid expenses and other	(20,998)	(8,555)	6,667
Other assets	3,498	537	(123)
Trade accounts payable	11,144	4,748	(13,964)
Accrued liabilities	(250)	(9,583)	9,150
Non-current liabilities	(9,587)	(8,760)	(13,689)
Net cash provided by (used for) operating activities	45,612	67,198	83,636
Investing activities:			
Proceeds from sales of marketable securities	5,057	3,526	3,651
Purchases of marketable securities	(3,676)	(4,076)	(4,021)
Capital expenditures	(21,411)	(24,813)	(12,632)
Proceeds from sale of building, net of transaction costs	—	—	373
Dividend received from equity method investment	—	144	313
Proceeds from sale of fixed assets	139	—	—
Purchase of businesses, net of cash acquired (See Note 3)	—	(108,145)	(1,616)
Net cash provided by (used for) investing activities	(19,891)	(133,364)	(13,932)
Financing activities:			
Proceeds from issuance of common stock	371	1,600	713
Fees paid for debt repricing	(169)	(958)	—
Purchases of treasury stock	(10,000)	—	(1,001)
Repayment of debt	(60,670)	(60,604)	(40,550)
Payment to former owners of montratec (see Note 3)	(6,711)	—	—
Fees paid for borrowing on long-term debt	—	(2,859)	—
Proceeds from issuance of long-term debt	—	120,000	—
Cash inflows from hedging activities	23,608	24,057	24,495
Cash outflows from hedging activities	(23,134)	(22,687)	(24,221)
Payment of dividends	(8,042)	(8,044)	(8,008)
Other	(2,000)	(2,304)	(1,415)
Net cash provided by (used for) financing activities	(86,747)	48,201	(49,987)
Effect of exchange rate changes on cash	583	(1,085)	(1,931)
Net change in cash and cash equivalents	(60,443)	(19,050)	17,786
Cash, cash equivalents, and restricted cash at beginning of year	114,376	133,426	115,640
Cash, cash equivalents, and restricted cash at end of year	$ 53,933	$ 114,376	$ 133,426
Supplementary cash flows data:			
Interest paid	$ 30,054	$ 34,983	$ 26,089
Income taxes paid, net of refunds	$ 20,520	$ 28,369	$ 22,032
Property, plant and equipment purchases included in trade accounts payable	$ 318	$ 690	$ 624
Restricted cash presented in Other assets	$ 250	$ 250	$ 250

See accompanying notes.

1. Description of Business

Columbus McKinnon Corporation (the "Company") is a leading worldwide designer, manufacturer, and marketer of intelligent motion solutions that efficiently and ergonomically move, lift, position, and secure materials. Key products include hoists, crane components, precision conveyor systems, accumulation tables, rigging tools, light rail workstations, and digital power and motion control systems. The Company is focused on commercial and industrial applications that require the safety and quality provided by its superior design and engineering know-how. The Company’s targeted market verticals include general industrial, construction and infrastructure, mining, oil & gas, energy, aerospace, transportation, automotive, heavy equipment manufacturing, and entertainment.

The Company’s products are sold globally, principally to third party distributors and crane builders through diverse distribution channels and, to a lesser extent, directly to end-users. During fiscal 2025, approximately 56% of sales were to customers in the United States.

2. Accounting Principles and Practices

Advertising

Costs associated with advertising are expensed as incurred and are included in Selling expense in the Consolidated Statements of Operations. Advertising expenses were $3,629,000, $2,659,000, and $2,342,000 in fiscal 2025, 2024, and 2023, respectively.

Cash and Cash Equivalents

The Company considers as cash equivalents all highly liquid investments with an original maturity of three months or less.

Concentrations of Labor

Approximately 3.7% of the Company’s employees are represented by one U.S. collective bargaining agreement which expire in May 2027. We also have various labor agreements with our non-U.S. employees that we negotiate from time to time.

Consolidation

These consolidated financial statements include the accounts of the Company and its global subsidiaries; all significant intercompany accounts and transactions have been eliminated.

Equity Method Investment

The Company has an investment in Eastern Morris Cranes Company Limited ("EMC"), a limited liability company organized and existing under the laws and regulations of the Kingdom of Saudi Arabia, whose principal activity is to manufacture various electrical overhead traveling cranes. This investment represents a minority ownership interest that is accounted for under the equity method of accounting since the Company has significant influence over the investee. As a result, the Company records its portion of the gains and losses incurred by this entity in Investment (income) loss in the Consolidated Statements of Operations.

Foreign Currency Translations

The Company translates foreign currency financial statements as described in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 830, “Foreign Currency Matters.” Under this method, all items of income and expense are translated to U.S. dollars at average exchange rates during the year. All assets and liabilities are translated to U.S. dollars at the year-end exchange rate. Gains or losses on translations are recorded in accumulated other comprehensive loss in the shareholders' equity section of the balance sheet. The functional currency is the foreign currency in which the foreign subsidiaries conduct their business. Gains and losses from foreign currency transactions are reported in foreign currency exchange loss (gain).

Goodwill

Goodwill is not amortized but is tested for impairment at least annually, or more frequently if indicators of impairment exist, in accordance with the provisions of ASC Topic 350-20-35-1. Goodwill impairment is deemed to exist if the net book value of a reporting unit exceeds its estimated fair value. The fair value of a reporting unit is determined using a discounted cash flow methodology. The Company's reporting units are determined based upon whether discrete financial information is available and reviewed regularly, whether those units constitute a business, and the extent of economic similarities and interdependencies between those reporting units for purposes of aggregation. The Company's reporting units identified under ASC Topic 350-20-35-33 are at the component level, or one level below the reporting segment level as defined under ASC Topic 280-10-50-10 "Segment Reporting – Disclosure." As of March 31, 2025, the Company's one segment is subdivided into three reporting units. An impairment charge is recorded if the carrying value is greater than the reporting unit's fair value.

When the Company evaluates the potential for goodwill impairment, it assesses a range of qualitative factors including, but not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for its products and services, regulatory and political developments, entity specific factors such as strategy and changes in key personnel, and overall financial performance. If, after completing this assessment, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value or if economic or other business factors indicate that the fair value of our reporting units may have declined since our last quantitative test, the Company performs a quantitative test.

In order to perform the quantitative impairment tests, the Company uses the discounted cash flow method to estimate fair value. The discounted cash flow method incorporates various assumptions, the most significant being projected revenue growth rates, EBITDA margins and cash flows, the terminal growth rate, and the discount rate. The Company projects discounted cash flows based on each reporting unit's current business, expected developments, and operational strategies over a five to seven-year period. In estimating the terminal growth rates, the Company considers its historical and projected results, as well as the economic environment in which its reporting units operate. The discount rate utilized for each reporting unit reflect the Company's assumptions of marketplace participants' cost of capital and risk assumptions, both specific to the reporting unit and overall in the economy.

The Company performed its qualitative assessment as of February 28, 2025 for all three reporting units and determined that a quantitative goodwill impairment test was required for the Precision Conveyance reporting unit. Based on results of both the qualitative and quantitative impairment test for the reporting units, the Company determined the fair value was not less than its carrying value. Refer to Note 5 for valuation techniques and significant inputs and Note 9 for further discussion of goodwill and intangibles.and intangible assets.

Impairment of Long-Lived Assets

The Company assesses impairment of its long-lived assets in accordance with the provisions of ASC Topic 360 "Property, Plant, and Equipment." This statement requires long-lived assets, such as property and equipment and purchased intangibles subject to amortization, to be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset group may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset group to estimated undiscounted future cash flows expected to be generated by the asset group over its remaining useful life. If the carrying amount of an asset group exceeds its estimated future cash flows, an impairment charge is recognized equal to the amount by which the carrying amount of the asset group exceeds the fair value of the asset group. The fair values are determined in accordance with ASC 820.

In assessing long-lived assets for an impairment loss, assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. Asset grouping requires a significant amount of judgment. Accordingly, facts and circumstances will influence how asset groups are determined for impairment testing. In assessing long-lived assets for impairment, management considered the Company's product line portfolio, customers and related commercial agreements, labor agreements and other factors in grouping assets and liabilities at the lowest level for which identifiable cash flows are independent. The Company considers projected future undiscounted cash flows, trends and other factors in its assessment of whether impairment conditions exist. While the Company believes that its estimates of future cash flows are reasonable, different assumptions regarding such factors as future production volumes, customer pricing, economics, and productivity and cost initiatives, could significantly affect its estimates. In determining fair value of long-lived assets, management uses management estimates, discounted cash flow calculations, and appraisals where necessary. There were no indicators of impairment related to long-lived assets in the current year.

Intangible Assets

At acquisition, the Company estimates and records the fair value of purchased intangible assets which primarily consist of trade names, customer relationships, and technology. The fair values are estimated based on management's assessment as well as independent third-party appraisals. Such valuations may include a discounted cash flow of anticipated revenues resulting from the acquired intangible asset.

Amortization of intangible assets with finite lives is recognized over their estimated useful lives using an amortization method that reflects the pattern in which the economic benefits of the intangible assets are consumed or otherwise realized. The straight line method is used for customer relationships. As a result of the negligible attrition rate in our customer base, the difference between the straight line method and attrition method is not considered significant. The estimated useful lives for our intangible assets range from 1 to 25 years.

Similar to goodwill, indefinite-lived intangible assets (including trademarks on our acquisitions) are tested for impairment on an annual basis. When the Company evaluates the potential for impairment of intangible assets, it assesses a range of qualitative factors including, but not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for its products and services, regulatory and political developments, entity specific factors such as strategy and changes in key personnel, and overall financial performance. If, after completing this assessment, it is determined that it is more likely than not that the fair value of an indefinite-lived intangible asset is greater than its carrying value, we conclude that the indefinite-lived intangible asset is not impaired. If, after completing this assessment, it is determined that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value or if economic or other business factors indicate that the fair value of our indefinite-lived intangible assets may have declined since our last quantitative test, the Company performs a new quantitative test. The methodology used to value trademarks is the relief from royalty method. The recorded book value of these trademarks in excess of the calculated fair value triggers an impairment. The key estimate used in this calculation consists of an overall royalty rate applied to the sales covered by the trademark. After performing a qualitative assessment as of February 28, 2025, it was determined that the trademarks were not impaired.

Inventories

Inventories are valued at the lower of cost and net realizable value. Cost of approximately 41% of inventories at March 31, 2025 and 40% at March 31, 2024 have been determined using the LIFO (last-in, first-out) method. Costs of other inventories have been determined using the FIFO (first-in, first-out) or average cost method. FIFO cost approximates replacement cost. Costs in inventory include components for direct labor and overhead costs.

Marketable Securities

The Company's marketable securities, which consist of equity and fixed income securities, are recorded at fair value. Under ASU 2016-01 all equity investments (including certain fixed income securities) in unconsolidated entities are measured at fair value through earnings. Therefore, gains and losses on marketable securities are realized within Investment (income) loss on the Consolidated Statements of Operations. Estimated fair value is based on published trading values at the balance sheet dates. The cost of securities sold is based on the specific identification method. Interest and dividend income are also included in Investment (income) loss on the Consolidated Statements of Operations.

The marketable securities are carried as long-term assets since they are held for the settlement of the Company's general and products liability insurance claims filed through CM Insurance Company, Inc., a wholly owned captive insurance subsidiary. The marketable securities are not available for general working capital purposes.

Property, Plant, and Equipment

Property, plant, and equipment are stated at cost and depreciated principally using the straight-line method over their respective estimated useful lives (buildings and building equipment — 15 to 40 years; machinery and equipment — 3 to 18 years). When depreciable assets are retired, or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operating results.

Research and Development

Consistent with prior periods, the Company continues to account for research and development expenses in accordance with the provisions of ASC 730 and are expensed as incurred.

Revenue Recognition, Accounts Receivable, and Concentration of Credit Risk

Revenue from contracts with customers for standard products is recognized when legal title and significant risk and rewards has transferred to the customer, which is generally at the time of shipment. This is the point in time when control is deemed to transfer to the customer. The Company also sells custom engineered products and services which are contracts that are typically completed within one quarter but can extend beyond one year in duration. The Company generally recognizes revenue for customer engineered products upon satisfaction of its performance obligation under the contract which typically coincides with project completion which is when the products and services are controlled by the customer. Control is typically achieved at the later of when legal title and significant risk and rewards have transferred to the customer or the customer has accepted the asset. For both standard products and custom engineered products, the transaction price is based upon the price stated in either the purchase order or contract. Refer to Note 4 for further details.

Additionally, the Company performs ongoing credit evaluations of its customers' financial condition, but generally does not require collateral to support customer receivables. The credit risk is controlled through credit approvals, limits, and monitoring procedures. Accounts receivables are reported at net realizable value and do not accrue interest. The Company establishes an allowance for doubtful accounts based upon factors surrounding the credit risk of specific customers, historical trends, and other factors. Accounts receivable are charged against the allowance for doubtful accounts once all collection efforts have been exhausted. The Company does not routinely permit customers to return product. However, sales returns are permitted in specific situations and typically include a restocking charge or the purchase of additional product. As a result of ASU No. 2016-13, "Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments," effective in fiscal 2021, the Company has updated its existing allowance for doubtful accounts policy to comply with the new standard.

Shipping and Handling Costs

Shipping and handling costs are a component of cost of products sold.

Stock-Based Compensation

The Company records stock-based compensation in accordance with ASC Topic 718, "Compensation – Stock Compensation." This standard requires all equity-based payments to employees, including grants of employee stock options, to be recognized in the Consolidated Statements of Operations based on the grant date fair value of the award. Stock compensation expense is included in Cost of products sold, Selling, and General and administrative expense depending on the nature of the service of the employee receiving the award. The Company uses a straight-line method of attributing the value of stock compensation expense, subject to minimum levels of expense, based on vesting. See Note 15 for further discussion of stock-based compensation.

Leases

All leases are reviewed for operating or finance classification at their inception. The Company records leases in accordance with ASC 842, "Leases," effective April 1, 2019 whereas leases with terms greater than twelve months are recorded on the balance sheet as a right-of-use ("ROU") asset and corresponding lease liability. Refer to Note 18 for further details.

(tabular amounts in thousands, except share data)

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Warranties

The Company offers warranties for certain products it sells. The specific terms and conditions of those warranties vary depending upon the product sold and the country in which the Company sold the product. As noted in Note 4 to the financial statements, the Company offers standard warranties which are typically 12 months in duration for standard products and 24 to 36 months for custom engineered products. These are assurance-type warranties that do not qualify as separate performance obligations under ASC 606. The Company estimates the costs that may be incurred under its standard warranties, based largely upon actual warranty repair costs history, and records a liability in the amount of such costs in the month that revenue is recognized. The resulting accrual balance is reviewed during the year. Factors that affect the Company's warranty liability include the number of units sold, historical and anticipated rate of warranty claims, and cost per claim. Changes in the Company's product warranty accrual are as follows:

	March 31,	
	2025	2024
Balance at beginning of year	$ 1,924	$ 1,827
Accrual for warranties issued	830	999
Warranties settled	(1,074)	(842)
Foreign currency translation	12	(60)
Balance at end of year	$ 1,692	$ 1,924

3. Acquisitions & Disposals

Acquisitions

On May 31, 2023, the Company completed its acquisition of montratec GmbH ("montratec") for $115,721,000, including $7,576,000 in cash acquired, a $540,000 working capital settlement, and a contingent payment of $6,680,000 that was earned based on montratec achieving a certain EBITDA level for the twelve-month period ended December 31, 2023. During the twelve months ended March 31, 2025, the Company paid the contingent payment of $6,711,000 to montratec's prior owners. The difference between the originally recorded liability of $6,680,000 and the amount paid is the result of a change in the foreign currency rate at the time of payment as compared to the opening balance sheet rate. The Company initially financed the acquisition by borrowing $117,000,000 on its Amended and Restated Revolving Credit Facility, but later repaid the amount borrowed on the Amended and Restated Revolving Credit Facility by borrowing an additional $120,000,000. Utilizing the Accordion feature under the Company's existing Term Loan B, the Company borrowed $75,000,000 and another $45,000,000 was borrowed through a new credit agreement secured by the Company's U.S. accounts receivable balances. Refer to Note 12 for additional details on the Company's debt agreements.

montratec is a leading automation solutions company that designs and develops intelligent automation and transport systems for interlinking industrial production and logistics processes. montratec product offerings complement the Company's previous acquisitions of both Dorner Mfg. Corp. ("Dorner") and Garvey Corporation ("Garvey"), and furthers the Company's shift to intelligent motion and serves as a platform to expand capabilities in advanced, higher technology automation solutions. As the Company determined that the acquisition is not material to its existing operations, certain disclosures, including pro forma financial information, have not been included. montratec results have been included in the Company's results of operations from the acquisition date and the Company incurred $3,211,000 of acquisition and deal related costs classified as part of General and administrative expenses in the year ended March 31, 2024.

The purchase price has been allocated to the assets acquired and liabilities assumed as of the date of acquisition. The excess consideration of $66,566,000 has been recorded as goodwill. The identifiable intangible assets acquired include customer relationships valued at $33,470,000, a trade name valued at $2,915,000, and technology valued at $16,196,000. The weighted average life of the acquired identifiable intangible assets subject to amortization was estimated at 14 years at the time of acquisition. Of the $66,566,000 goodwill recorded from the acquisition, $7,531,000 is deductible for tax purposes.

The assignment of purchase consideration to the assets acquired and liabilities assumed is as follows (in thousands):

Cash	$ 7,576
Working capital	4,523
Property, plant, and equipment, net	2,157
Intangible assets	52,581
Contingent liability (see above)	(6,680)
Other assets	7,239
Other non current liabilities	(18,241)
Goodwill	66,566
Total	$ 115,721

In February of fiscal 2025, the Company announced it entered into a definitive purchase agreement under which the Company will acquire Kito Crosby Limited (“Kito”) from global investment firm KKR in an all-cash transaction valued at $2,700,000,000 subject to customary post-closing purchase price adjustments and regulatory approval. Kito is a global leader in lifting solutions with multiple manufacturing assembly plants and nearly 4,000 employees serving over 50 countries. In 2024, Kito generated approximately $1,100,000,000 in revenue through its global channel partner network. Together the combined company will be a leader in material handling solutions with greater scale and a strong presence in attractive verticals and target geographies, delivering innovation and products to customers. The Company incurred $10,310,000 of acquisition and deal related costs classified as part of General and administrative expenses in the fiscal year ended March 31, 2025.

Columbus McKinnon intends to fund the acquisition through a combination of committed debt financing of $3,050,000,000 from J.P. Morgan Securities, LLC including a $500,000,000 revolving credit facility and $800,000,000 of perpetual convertible preferred equity investment from Clayton, Dubliner & Rice (“CD&R”). Terms of the CD&R investment include a 7% coupon, payable in cash or payment-in-kind at Columbus McKinnon’s option, and a conversion price of $37.68, resulting in CD&R as-converted ownership of approximately 43% of the Company following completion of the transaction. CD&R has agreed to a customary lock-up on its shares. The Company expects the Kito Acquisition to close in fiscal 2026.

Disposals

On July 31, 2024, the Company announced that it would relocate its North American linear motion operations from Charlotte, North Carolina ("Charlotte Manufacturing Operations") to its manufacturing facility in Monterrey, Mexico. The Company recorded $3,567,000 in fixed asset impairment costs and inventory obsolescence, $3,268,000 in Right of Use lease asset impairment costs and $1,093,000 in employee related severance and retention costs during the twelve months ended March 31, 2025, in the Condensed Consolidated Statements of Operations. In total, $7,855,000 of these costs were included in Cost of products sold, $22,000 were included in Selling expenses, and $51,000 were included in General and administrative expenses.

During the fourth quarter of fiscal 2025, the Company announced that it would be relocating one of its Precision Conveyance factories in the U.S. into its manufacturing facility in Hartland, Wisconsin. Further, the Company will also be consolidating its Latin American Precision Conveyance Business into its manufacturing facilities in both Hartland, Wisconsin and Monterrey, Mexico. The Company recorded $2,115,000 in fixed asset impairment costs and inventory obsolescence, $643,000 in Right of Use lease asset impairment costs, $1,069,000 in employee related severance and retention costs, and $544,000 for a reserve on other current assets during the twelve months ended March 31, 2025, in the Condensed Consolidated Statements of Operations. In total, $3,534,000 of these costs were included in Cost of products sold, $213,000 were included in Selling expenses, and $624,000 were included in General and administrative expenses.

4. Revenue & Receivables

Revenue Recognition:

The core principle under ASC 606 is for revenue to be recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration we expect to receive in exchange for those goods or services. To achieve this core principle, the Company applies the following five steps:

1) Identifying contracts with customers

A contract with a customer exists when (i) the Company enters into an enforceable contract with a customer that defines each party's rights regarding the goods or services to be transferred and identifies the related payment terms, (ii) the contract has commercial substance, and (iii) the Company determines that collection of substantially all consideration for goods and services that are transferred is probable based on the customer's intent and ability to pay the promised consideration.

2) Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the products and services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the good or service either on its own or together with other available resources, and are distinct in the context of the contract, whereby the transfer of the good or service is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised goods and services, the Company must apply judgment to determine whether promised goods and services are capable of being distinct and distinct in the context of the contract. If these criteria are not met, the promised goods and services are accounted for as a combined performance obligation.

3) Determine the transaction price

The transaction price is determined based on the consideration to which the Company will be entitled in exchange for transferring products and services to the customer. To the extent the transaction price includes variable consideration, the Company estimates the amount of variable consideration that should be included in the transaction price utilizing either the expected value method or the most likely amount method depending on the nature of the variable consideration. Variable consideration is included in the transaction price if, in the Company's judgment, it is probable that a significant future reversal of cumulative revenue under the contract will not occur. Any estimates, including the effect of the constraint on variable consideration, are evaluated at each reporting period for any changes. In applying this guidance, the Company also considers whether any significant financing components exist.

4) Allocate the transaction price to the performance obligations in the contract

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation on a relative standalone selling price basis unless the transaction price is variable and meets the criteria to be allocated entirely to a performance obligation or to a distinct service that forms part of a single performance obligation.

5) Recognize revenue when or as the Company satisfies a performance obligation

The Company determines whether it satisfies performance obligations either over time or at a point in time. Revenue is recognized over time if either 1) the customer simultaneously receives and consumes the benefits provided by the entity's performance, 2) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced, or 3) the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. If the entity does not satisfy a performance obligation over time, the related performance obligation is satisfied at a point in time by transferring the control of a promised good or service to a customer. Examples of control are using the asset to produce goods or services, enhancing the value of other assets, settling liabilities, and holding or selling the asset. For over time recognition, ASC 606 requires the Company to select a single revenue recognition method for the performance obligation that faithfully depicts the Company's performance in transferring control of the goods and services. The guidance allows entities to choose between either an input method or an output method to measure progress toward complete satisfaction of a performance obligation.

Performance obligations

The Company has contracts with customers for standard products and custom engineered products and determines when and how to recognize revenue for each performance obligation based on the nature and type of contract following the five steps above.

Revenue from contracts with customers for standard products is recognized when legal title and significant risk and rewards has transferred to the customer, which is generally at the time of shipment. This is the point in time when control is deemed to transfer to the customer. The Company sells standard products to customers utilizing purchase orders. Payment terms for these types of contracts generally require payment within 30 to 60 days. Each standard product is deemed to be a single performance obligation and the amount of revenue recognized is based on the negotiated price. The transaction price for standard products is based on the price reflected in each purchase order. Sales incentives are offered to customers who purchase standard products and include offers such as volume-based discounts, rebates for priority customers, and discounts for early cash payments. These sales incentives are accounted for as variable consideration included in the transaction price. Accordingly, the Company reduces revenue for these incentives in the period which the sale occurs and is based on the most likely amount method for estimating the amount of consideration the Company expects to receive. These sales incentive estimates are updated each reporting information as additional information becomes available.

The Company also sells custom engineered products and services which are contracts that are typically completed within one quarter but can extend beyond one year in duration. For custom engineered products, the transaction price is based upon the price stated in the contract. Variable consideration has not been identified as a significant component of transaction price for custom engineered products and services. The Company generally recognizes revenue for custom engineered products upon satisfaction of its performance obligation under the contract which typically coincides with project completion which is when the products and services are controlled by the customer. Control is typically achieved at the later of when legal title and significant risk and rewards have transferred to the customer or the customer has accepted the asset. These contracts often require either up front or installment payments. These types of contracts are generally accounted for as one performance obligation as the products and services are not separately identifiable. The promised services (such as inspection, commissioning, and installation) are essential in order for the delivered product to operate as intended on the customer's site and the services are therefore highly interrelated with product functionality.

For most custom engineered products contracts, the Company determined that while there is no alternative use for the custom engineered products, the Company does not have an enforceable right to payment (which must include a reasonable profit margin) for performance completed to date in order to meet the over time revenue recognition criteria. Therefore, revenue is recognized at a point in time when the contract is complete. For custom engineered products contracts that contain an enforceable right to payment (including reasonable profit margin) the Company satisfies the performance obligation over time and recognizes revenue based on the extent of progress towards completion of the performance obligation. The cost-to-cost measure of progress is an appropriate measure of progress toward satisfaction of performance obligations as this measure most accurately depicts the progress of work performed and transfer of control to the customers. Under the cost-to-cost measure of progress, the extent of progress toward completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues are recognized proportionally as costs are incurred.

Sales and other taxes collected with revenue are excluded from revenue, consistent with the previous revenue standard. Shipping and handling costs incurred prior to shipment are considered activities required to fulfill the Company's promise to transfer goods, and do not qualify as a separate performance obligation. Additionally, the Company offers standard warranties which are typically 12 months in duration for standard products and 24 to 36 months for custom engineered products. These types of warranties are included in the purchase price of the product and are deemed to be assurance-type warranties which are not accounted for as a separate performance obligation. Other performance obligations included in a contract (such as drawings, owner's manuals, and training services) are immaterial in the context of the contract and are not recognized as a separate performance obligation.

Reconciliation of contract balances

The Company records a contract liability when cash is received prior to recording revenue. Some standard contracts require a down payment while most custom engineered contracts require installment payments. Installment payments for the custom engineered contracts typically require a portion due at inception while the remaining payments are due upon completion of certain performance milestones. For both types of contracts, these contract liabilities, referred to as customer advances, are recorded at the time payment is received and are included in Accrued liabilities on the Consolidated Balance Sheets. When the related performance obligation is satisfied, the contract liability is released into revenue.

The following table illustrates the balance and related activity for customer advances in fiscal 2025 and 2024 (in thousands):

Customer advances (contract liabilities)

	March 31,	
	2025	**2024**
Beginning balance	$ 16,588	$ 27,003
Additional customer advances received	55,183	68,040
Revenue recognized from customer advances included in the beginning balance	(16,588)	(27,003)
Other revenue recognized from customer advances	(39,588)	(55,311)
Customer advances recorded from acquisition	—	3,866
Other (1)	36	(7)
Ending balance	$ 15,631	$ 16,588

(1) Other includes the impact of foreign currency translation

Revenue was recognized prior to the right to invoice the customer which resulted in a contract asset balance in the amount of $26,218,000 and $2,541,000 as of March 31, 2025, and March 31, 2024, respectively. Contract assets are included in Prepaid expenses and other assets on the Consolidated Balance Sheets. The increase in the contract asset balance in fiscal 2025 relates to new precision conveyance and engineered product projects that are recognized on an over time basis.

Remaining Performance Obligations

As of March 31, 2025, the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) was approximately $43,940,000. We expect to recognize approximately 43% of these sales over the next twelve months.

Disaggregated revenue

In accordance with ASC 606, the Company is required to disaggregate revenue into categories that depict how economic factors affect the nature, amount, timing and uncertainty of revenue and cash flows. The following table illustrates the disaggregation of revenue by product grouping for the years ending March 31, 2025, 2024 and 2023 (in thousands):

	Year Ended March 31,		
Net Sales by Product Grouping	**2025**	**2024**	**2023**
Industrial Products	$ 328,095	$ 344,190	$ 330,295
Crane Solutions	398,117	412,076	366,277
Precision Conveyors Products	154,659	163,463	149,586
Engineered Products	82,029	93,728	89,963
All other	127	83	119
Total	$ 963,027	$ 1,013,540	$ 936,240

Industrial products include: manual chain hoists, electrical chain hoists, rigging/clamps, industrial winches, hooks, shackles, and other forged attachments. Crane solutions products include: wire rope hoists, drives and controls, crane kits and components, and workstations. Engineered products include: linear and mechanical actuators, lifting tables, rail projects, and actuations systems. Precision conveyor products include: low profile, flexible chain, large scale, sanitary and vertical elevation conveyor systems, as well as pallet system conveyors and accumulation systems. The All other product grouping includes miscellaneous revenue.

Practical expedients

Incremental costs to obtain a contract incurred by the Company primarily relate to sales commissions for contracts with a duration of one year or less. Therefore, these costs are expensed as incurred and are recorded in Selling expenses on the Consolidated Statements of Operations.

Unsatisfied performance obligations for contracts with an expected length of one year or less are not disclosed. Further, revenue from contracts with customers do not include a significant financing component as payment is generally expected within one year from when the performance obligation is controlled by the customer.

Accounts Receivable:

The Company records credit losses in accordance with “Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments” (“ASU 2016-13”). Under ASU 2016-13, the Company is required to remeasure expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions and reasonable forecasts. In addition to these factors, the Company establishes an allowance for doubtful accounts based upon the credit risk of specific customers, historical trends, and other factors. Accounts receivable are charged against the allowance for doubtful accounts once all collection efforts have been exhausted. Due to the short-term nature of such accounts receivable, the estimated amount of accounts receivable that may not be collected is based on aging of the accounts receivable balances.

The following table illustrates the balance and related activity for the allowance for doubtful accounts that is deducted from accounts receivable to present the net amount expected to be collected in the year ending March 31, 2025 and March 31, 2024 (in thousands):

	March 31,	
Allowance for doubtful accounts	**2025**	**2024**
April 1, beginning balance	$ 3,827	$ 3,620
Bad debt expense	3,641	1,225
Less uncollectible accounts written off, net of recoveries	(2,582)	(1,079)
Allowance recorded from acquisition	—	64
Other (1)	(6)	(3)
March 31, ending balance	$ 4,880	$ 3,827

(1) Other includes the impact of foreign currency translation

5. Fair Value Measurements

ASC Topic 820 “Fair Value Measurements and Disclosures” establishes the standards for reporting financial assets and liabilities and nonfinancial assets and liabilities that are recognized or disclosed at fair value on a recurring basis (at least annually). Under these standards, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the "exit price") in an orderly transaction between market participants at the measurement date.

ASC Topic 820-10-35-37 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's assumptions about the valuation techniques that market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is separated into three levels based on the reliability of inputs as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly, involving some degree of judgment.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. The degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3.

The availability of observable inputs can vary and is affected by a wide variety of factors, including the type of asset/liability, whether the asset/liability is established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. Therefore, even when market assumptions are not readily available, assumptions are required to reflect those that market participants would use in pricing the asset or liability at the measurement date.

The Company primarily uses readily observable market data in conjunction with internally developed discounted cash flow valuation models when valuing its derivative portfolio and, consequently, the fair value of the Company’s derivatives is based on Level 2 inputs. The carrying amount of the Company's annuity contract is recorded at net asset value of the contract and, consequently, its fair value is based on Level 2 inputs and is included in other assets on the Company's Consolidated Balance Sheet. The Company uses quoted prices in an inactive market when valuing its Term Loan and, consequently, the fair value is based on Level 2 inputs. The Company's terminated pension assets consist of money market funds, domestic corporate bonds, securities issued by the U.S. government, and other similar fixed income investments with quoted market prices. Consequently, the fair value of the terminated pension assets is based on Level 1 inputs. Refer to Note 13 for additional information regarding the Company's terminated pension plan.

(tabular amounts in thousands, except share data)

The following table provides information regarding financial assets and liabilities measured or disclosed at fair value on a recurring basis:

		Fair value measurements at reporting date using		
Description	At March 31, 2025	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(Liabilities) Measured at fair value:				
Marketable securities	$ 10,112	$ 10,112	$ —	$ —
Annuity contract	1,235	—	1,235	—
Terminated pension plan assets	6,342	6,342		
Derivative assets (liabilities):				
Foreign exchange contracts	(49)	—	(49)	—
Interest rate swap	(1,140)	—	(1,140)	—
Cross currency swap	(1,849)	—	(1,849)	—
Disclosed at fair value:				
Term loan	$ (437,013)	$ —	$ (437,013)	$ —
AR Securitization facility	$ (25,000)	$ —	$ (25,000)	$ —

		Fair value measurements at reporting date using		
Description	At March 31, 2024	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets/(Liabilities) Measured at fair value:				
Marketable securities	11,447	$ 11,447	$ —	$ —
Annuity contract	1,390	—	1,390	—
Derivative assets (liabilities):				
Foreign exchange contracts	(77)	—	(77)	—
Interest rate swap	7,122	—	7,122	—
Cross currency swap	(2,342)	—	(2,342)	—
Disclosed at fair value:				
Term loan	$ (479,351)	$ —	$ (479,351)	$ —
AR Securitization facility	$ (45,000)	$ —	$ (45,000)	$ —

The Company did not have any non-financial assets and liabilities that are recognized at fair value on a recurring basis.

At March 31, 2025, the Term Loan and Amended and Restated Revolving Credit Facility have been recorded at carrying value which approximates fair value. In fiscal 2024, the Company also borrowed an additional $45,000,000 under a new credit agreement secured by the Company's U.S. accounts receivable balances (the "AR Securitization Facility"). The AR Securitization Facility has been recorded at its carrying value of $25,000,000 at March 31, 2025, which approximates fair value. Refer to Note 12 for additional information regarding the Company's long-term debt.

(tabular amounts in thousands, except share data)

Market gains, interest, and dividend income on marketable securities are recorded in investment (income) loss. Changes in the fair value of derivatives are recorded in foreign currency exchange (gain) loss or other comprehensive income (loss), to the extent that the derivative qualifies as a hedge under the provisions of ASC Topic 815. Interest and dividend income on marketable securities are measured based upon amounts earned on their respective declaration dates.

Non-Recurring Measurements

As described in Note 9, the fair value of the net assets of the Company's Precision Conveyor reporting unit was calculated on a on-recurring basis in both fiscal 2024 and 2025. These measurements have been used to test goodwill for impairment on an annual basis under the provisions of ASC Topic 350-20-35-1 "Intangibles, Goodwill and Other – Goodwill Subsequent Measurement."

The fiscal 2025 and 2024 goodwill impairment tests consisted of determining the fair value of the Precision Conveyor reporting unit on a quantitative basis. The fair value for the Company's reporting units cannot be determined using readily available quoted Level 1 inputs or Level 2 inputs that are observable in active markets. Therefore, the Company used a weighted discounted cash flow and market-based valuation model to estimate the fair value using Level 3 inputs. To estimate the fair value of the Precision Conveyor reporting unit, the Company used significant estimates and judgmental factors. The key estimates and factors used in the discounted cash flow valuation include revenue growth rates, EBITDA margins, terminal growth rates, and cash flows based on internal forecasts and the discount rate used to discount future cash flows. The estimates used are disclosed below for both the fiscal 2025 and 2024 tests:

	March 31,	
	2025	2024
Compound annual growth rate	9.7%	13.0%
Terminal value growth rate	3.5%	3.0%
Discount rate	12.0%	13.2%

In addition to the Company's quantitative goodwill test, assets and liabilities were preliminarily recorded at fair value on a non-recurring basis in fiscal 2024 in connection with the acquisition of montratec described in Note 3. The estimated fair values allocated to the assets acquired and liabilities assumed relied upon fair value measurements based primarily on Level 3 inputs. The valuation techniques used to allocate fair values to working capital items; property, plant, and equipment, and identifiable intangible assets included the cost approach, market approach, and other income approaches. For identifiable intangible assets these techniques included the multi-period excess earnings approach, the relief from royalty approach, and other income approaches. The valuation techniques relied on a number of inputs which included the cost and condition of property, plant, and equipment and forecasted net sales and income.

Significant valuation inputs included an attrition rate of 10.0% for customer relationships, an estimated royalty rate of 5.0% for technology, a royalty rate of 1.0% for trademark and trade names, and a weighted average cost of capital of 12.5%.

6. Inventories

Inventories consisted of the following:

	March 31,	
	2025	2024
At lower of cost or net realizable value — FIFO basis:		
Raw materials	$ 163,053	$ 151,031
Work-in-process	30,349	26,669
Finished goods	37,197	40,554
	230,599	218,254
LIFO cost less than FIFO cost	(32,001)	(32,163)
Net inventories	$ 198,598	$ 186,091

(tabular amounts in thousands, except share data)

There were LIFO liquidations resulting in $37,000 and $181,000 of additional income in fiscal 2025 and 2024, respectively.

7. Marketable Securities and Other Investments

In accordance with ASU 2016-01 "Financial Instruments - Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities," all equity investments in unconsolidated entities (other than those accounted for using the equity method of account) are measured at fair value through earnings. The Company's marketable securities are recorded at their fair value, with unrealized changes in market value realized within Investment (income) loss, net on the Consolidated Statements of Operations. The impact on earnings for unrealized gains and losses was a loss of $228,000, a gain of $317,000, and loss of $296,000 in fiscal years 2025, 2024, and 2023, respectively.

Consistent with prior periods, the estimated fair value is based on quoted prices at the balance sheet dates. The cost of securities is based on the specific identification method. Interest and dividend income are included in Investment (income) loss, net in the Consolidated Statements of Operations.

Marketable securities are carried as long-term assets since they are held for the settlement of the Company's general and products liability insurance claims filed through CM Insurance Company, Inc. ("CMIC"), a wholly owned captive insurance subsidiary. The marketable securities are not available for general working capital purposes.

Net realized gains related to sales of marketable securities were $275,000 in fiscal 2025, $212,000 in fiscal 2024, and were not material in fiscal 2023, and are included in Investment (income) loss in the Consolidated Statements of Operations.

The Company owns a 49% ownership interest in Eastern Morris Cranes Company Limited ("EMC"), a limited liability company organized and existing under the laws and regulations of the Kingdom of Saudi Arabia. The Company's ownership represents an equity investment in a strategic customer of STAHL serving the Kingdom of Saudi Arabia. The investment's carrying value is presented in Other assets in the Consolidated Balance Sheets in the amount of $4,318,000 and $3,377,000 as of March 31, 2025 and March 31, 2024, respectively, and has been accounted for as an equity method investment. The investment value was increased for the Company's ownership percentage of income earned by EMC in the amount of $933,000 and $890,000 in the twelve months ended March 31, 2025, and March 31, 2024, respectively, and is recorded in Investment (income) loss, net on the Consolidated Statement of Operations. Additionally, the investment value increased in the amount of $8,000, and decreased $18,000 due to the effect of currency translation in the twelve months ended March 31, 2025 and March 31, 2024, respectively. In the twelve months ended March 31, 2025, there no cash dividends distributed by EMC. In the twelve months ended March 31, 2024, EMC distributed cash dividends which the Company received 49% of pursuant to its ownership interest. The investment value decreased for the Company's share of EMC's cash dividend in the amount of $247,000, as it was determined to be a return of the Company's investment. In the twelve months ended March 31, 2024, dividends are included in investing activities on the Consolidated Statements of Cash Flows in the amount of $144,000 as the distribution exceeded cumulative equity in earnings, under the cumulative earnings approach. The balance of the cash dividend is included in operating activities on the Consolidated Statement of Cash Flows under the cumulative earnings approach. The March 31, 2025 and 2024 trade accounts receivable balances due from EMC are $4,250,000 and $10,300,000, respectively, and are comprised of amounts due for the sale of goods and services in the ordinary course of business.

8. Property, Plant, and Equipment

Consolidated property, plant, and equipment of the Company consisted of the following:

	March 31,	
	2025	2024
Land and land improvements	$ 4,396	$ 5,460
Buildings	68,345	66,683
Machinery, equipment, and leasehold improvements	277,396	253,643
Construction in progress	9,025	23,426
	359,162	349,212
Less accumulated depreciation	252,998	242,817
Net property, plant, and equipment	$ 106,164	$ 106,395

Depreciation expense was $18,241,000, $16,549,000, and $15,946,000 for the years ended March 31, 2025, 2024, and 2023, respectively.

Gross property, plant, and equipment includes capitalized software costs of $42,927,000 at March 31, 2025, and $40,881,000 at March 31, 2024. Accumulated depreciation includes accumulated amortization on capitalized software costs of $30,740,000 and $28,443,000 at March 31, 2025, and 2024, respectively. Amortization expense on capitalized software costs was $1,935,000, $1,510,000 and $2,132,000 during the years ended March 31, 2025, 2024, and 2023, respectively.

9. Goodwill and Intangible Assets

The Company has three reporting units as of March 31, 2025 and March 31, 2024. The Linear Motion Products reporting unit (which designs, manufactures, and sources mechanical and electromechanical actuators and rotary unions) had goodwill of $9,699,000 at March 31, 2025 and 2024, respectively. The Rest of Products reporting unit (representing the hoist, chain, and forgings, digital power control systems, and distribution businesses) had goodwill of $305,110,000 and $304,760,000 at March 31, 2025 and 2024, respectively. The Precision Conveyance reporting unit (which represents high-precision conveying systems) had goodwill of $395,998,000 and $395,875,000 at March 31, 2025 and March 31, 2024, respectivelly. The goodwill associated with the fiscal 2024 acquisition of montratec, as described in Note 3, is included in the Precision Conveyance reporting unit.

Fiscal 2025 Annual Goodwill and Intangible Asset Impairment Test

When we evaluate the potential for goodwill impairment, we assess a range of qualitative factors including, but not limited to, macroeconomic conditions, industry conditions, the competitive environment, changes in the market for our products and services, regulatory and political developments, entity specific factors such as strategy and changes in key personnel, and overall financial performance. If, after completing this assessment, it is determined that it is more likely than not that the fair value of a reporting unit is less than its carrying value or if economic or other business factors indicate that the fair value of our reporting units may have declined since our last quantitative test, we proceed to a quantitative impairment test. To perform the quantitative impairment test, the Company uses the discounted cash flow method to estimate the fair value of the reporting units. The discounted cash flow method incorporates various assumptions, the most significant being projected revenue growth rates, EBITDA margins and cash flows, the terminal growth rate, and the discount rate. The Company projects discounted cash flows based on each reporting unit's current business, expected developments, and operational strategies over a seven-year period. In estimating the terminal growth rates, the Company considers its historical and projected results, as well as the economic environment in which its reporting units operate. The discount rate rates utilized for each reporting unit reflect the Company's assumptions of marketplace participants' cost of capital and risk assumptions, both specific to the reporting unit and overall in the economy.

We performed the qualitative assessment as of February 28, 2025, for all three reporting units and determined that the quantitative test was required for the Precision Conveyance reporting unit. Based on results of both the qualitative and quantitative impairment tests for the reporting units, the Company determined the fair value was not less than its carrying value. The quantitative test indicated that the fair value of the Precision Conveyance reporting unit exceeded its book value by 2.6%. Please refer to Note 5 for a discussion of the key assumptions used in the quantitative assessment.

In accordance with ASC Topic 350-30-35, indefinite-lived intangible assets that are not subject to amortization shall be tested for impairment annually or more frequently if events or circumstances indicate that it is more likely than not that an asset is impaired. Similar to goodwill, we first assess various qualitative factors in the analysis. If, after completing this assessment, it is determined that it is more likely than not that the fair value of an indefinite-lived intangible asset is greater than its carrying value, we conclude that the indefinite-lived intangible asset is not impaired. If, after completing this assessment, it is determined that it is more likely than not that the fair value of an indefinite-lived intangible asset is less than its carrying value or if economic or other business factors indicate that the fair value of our indefinite-lived intangible assets may have declined since our last quantitative test, the Company performs a new quantitative test. The methodology used to value trademarks is the relief from royalty method. The recorded book value of these trademarks in excess of the calculated fair value triggers an impairment. The key estimate used in this calculation consists of an overall royalty rate applied to the sales covered by the trademark. After performing a qualitative assessment as of February 28, 2025, we determined that the trademarks were not impaired.

A summary of changes in goodwill during the years ended March 31, 2025 and 2024 is as follows:

Balance at April 1, 2023	$ 644,629
Acquisition of montratec (Refer to Note 3)	$ 66,566
Currency translation	$ (861)
Balance at March 31, 2024	710,334
Currency translation	473
Balance at March 31, 2025	$ 710,807

Goodwill is recognized net of accumulated impairment losses of $113,174,000 as of both March 31, 2025 and 2024, respectively.

Identifiable intangible assets acquired in a business combination are amortized over their estimated useful lives.

Identifiable intangible assets at March 31, 2025, are summarized as follows (in thousands):

	Gross Carrying Amount	Accumulated Amortization	Net
Trademark	$ 22,770	$ (9,600)	$ 13,170
Indefinite-lived trademark	46,294	—	46,294
Customer relationships	355,845	(129,466)	226,379
Acquired technology	112,507	(42,580)	69,927
Other	3,868	(3,076)	792
Balance at March 31, 2025	$ 541,284	$ (184,722)	$ 356,562

Identifiable intangible assets at March 31, 2024 were as follows (in thousands):

	Gross Carrying Amount	Accumulated Amortization	Net
Trademark	$ 22,404	$ (7,903)	$ 14,501
Indefinite-lived trademark	46,254	—	46,254
Customer relationships	355,489	(108,688)	246,801
Acquired technology	112,467	(35,152)	77,315
Other	3,748	(2,985)	763
Balance at March 31, 2024	$ 540,362	$ (154,728)	$ 385,634

The Company’s intangible assets that are considered to have finite lives are amortized over the period in which the assets are expected to generate future cash flows. Identifiable intangible assets acquired in a business combination are amortized over their estimated useful lives. The weighted-average amortization periods are 13 years for trademarks, 17 years for customer relationships, 15 years for acquired technology, 6 years for other, and 16 years in total. Trademarks with a book value of $46,294,000 have an indefinite useful life and are therefore not being amortized.

Total amortization expense was $29,946,000, $29,396,000, and $26,001,000 for fiscal 2025, 2024, and 2023, respectively. The increase in amortization expense in fiscal 2024 is the result of the montratec acquisition and related intangible assets acquired. Based on the current amount of intangible assets, the estimated amortization expense for each of the succeeding five years is expected to be approximately $30,000,000.

10. Derivative Instruments

The Company uses derivative instruments to manage selected foreign currency and interest rate exposures. The Company does not use derivative instruments for speculative trading purposes. All derivative instruments must be recorded on the balance sheet at fair value. For derivatives designated as cash flow hedges, the effective portion of changes in the fair value of the derivative is recorded as accumulated other comprehensive gain (loss), or "AOCL," and is reclassified to earnings when the underlying transaction has an impact on earnings. The ineffective portion of changes in the fair value of the foreign currency forward agreements is reported in foreign currency exchange loss (gain) in the Company's consolidated statement of operations. The ineffective portion of changes in the fair value of the interest rate swap agreements is reported in interest expense. For derivatives not designated as cash flow hedges, all changes in market value are recorded as a foreign currency exchange (gain) loss in the Company's consolidated statements of operations. The cash flow effects of derivatives are reported within net cash provided by operating activities.

The Company is exposed to credit losses in the event of non-performance by the counterparties on its financial instruments. The counterparties have investment grade credit ratings. The Company anticipates that these counterparties will be able to fully satisfy their obligations under the contracts. The Company has derivative contracts with three counterparties as of March 31, 2025.

The Company's agreements with its counterparties contain provisions pursuant to which the Company could be declared in default of its derivative obligations. As of March 31, 2025, the Company had not posted any collateral related to these agreements. If the Company had breached any of these provisions as of March 31, 2025, it could have been required to settle its obligations under these agreements at amounts which approximate the March 31, 2025, fair values reflected in the table below. During the year ended March 31, 2025, the Company was not in default of any of its derivative obligations.

As of March 31, 2025, and 2024, the Company had no derivatives designated as net investments or fair value hedges in accordance with ASC Topic 815, "Derivatives and Hedging."

The Company has a cross currency swap agreement that is designated as a cash flow hedge to hedge changes in the value of an intercompany loan to a foreign subsidiary due to changes in foreign exchange rates. This intercompany loan is related to the acquisition of STAHL. As of March 31, 2025, the notional amount of this derivative was $72,040,000, and the contract matures on March 31, 2028. From its March 31, 2025 balance of AOCL, the Company expects to reclassify approximately $36,000 out of AOCL, and into foreign currency exchange loss (gain), during the next 12 months based on the contractual payments due under this intercompany loan.

The Company has foreign currency forward agreements that are designated as cash flow hedges to hedge a portion of forecasted inventory purchases denominated in foreign currencies. As of March 31, 2025, the notional amount of these derivatives was $36,528,000, and all contracts mature by December 31, 2025. From its March 31, 2025 balance of AOCL, the Company expects to reclassify approximately $27,000 out of AOCL during the next 12 months based on the expected sales of the goods purchased.

The Company's interest rate swap agreements are designated as cash flow hedges to hedge changes in interest expense due to changes in the interest rate of the Company's variable interest rate debt. The Company has five interest rate swap agreements outstanding in which it receives interest at a variable rate and pays interest at a fixed rate. The interest rate swaps have varying maturity dates between March 31, 2027, and March 23, 2029, with an aggregate notional amount of $355,000,000 as of March 31, 2025.

The effective portion of the changes in fair values of the interest rate swaps is reported in AOCL and will be reclassified to interest expense over the life of the swap agreements. From its March 31, 2025 balance of AOCL, the Company expects to reclassify approximately $376,000 out of AOCL, and into interest expense, during the next 12 months.

The following is the effect of derivative instruments on the Consolidated Statements of Operation for the years ended March 31, 2025, 2024, and 2023 (in thousands):

Derivatives Designated as Cash Flow Hedges	Type of Instrument	Amount of Gain or (Loss) Recognized in Other Comprehensive Income (Loss) on Derivatives (Effective Portion)	Location of Gain or (Loss) Recognized in Income on Derivatives	Amount of Gain or (Loss) Reclassified from AOCL into Income (Effective Portion)
March 31,				
2025	Foreign exchange contracts	$ 17	Cost of products sold	$ (27)
2025	Interest rate swap	$ 1,792	Interest expense	$ 8,008
2025	Cross currency swap	$ 434	Foreign currency exchange loss (gain)	$ (15)
2024	Foreign exchange contracts	$ (168)	Cost of products sold	$ (29)
2024	Interest rate swap	$ 7,145	Interest expense	$ 9,739
2024	Cross currency swap	$ (70)	Foreign currency exchange loss (gain)	$ 502
2023	Foreign exchange contracts	$ 57	Cost of products sold	$ (201)
2023	Interest rate swap	$ 7,295	Interest expense	$ 2,368
2023	Cross currency swap	$ 5,033	Foreign currency exchange loss (gain)	$ 2,332

The following is information relative to the Company’s derivative instruments in the Consolidated Balance Sheets as of March 31, 2025 and 2024 (in thousands):

		Fair Value of Asset (Liability) March 31,	
Derivatives Designated as Hedging Instruments	March 31,	2025	2024
Foreign exchange contracts	Prepaid expenses and other	$ 139	$ 56
Foreign exchange contracts	Accrued Liabilities	(188)	(133)
Interest rate swap	Prepaid expenses and other	597	7,503
Interest rate swap	Other Assets	1	—
Interest rate swap	Accrued Liabilities	(99)	—
Interest rate swap	Other non current liabilities	(1,639)	(381)
Cross currency swap	Prepaid expenses and other	—	199
Cross currency swap	Accrued liabilities	(49)	—
Cross currency swap	Other non current liabilities	(1,800)	(2,541)

(tabular amounts in thousands, except share data)

11. Accrued Liabilities and Other Non-current Liabilities

Consolidated accrued liabilities of the Company consisted of the following:

	March 31,	
	2025	2024
Accrued payroll	$ 37,285	$ 39,315
Accrued income taxes payable	9,646	15,526
Accrued health insurance	2,813	2,450
Accrued general and product liability costs	4,400	4,600
Customer advances, deposits, and rebates	17,368	17,531
Current ROU lease liabilities	9,961	8,723
Other accrued liabilities	32,434	39,828
	$ 113,907	$ 127,973

Consolidated other non-current liabilities of the Company consisted of the following:

	March 31,	
	2025	2024
Accumulated postretirement benefit obligation	597	$ 695
Accrued general and product liability costs	15,046	15,388
Accrued pension cost	62,675	70,552
Cross currency swap	1,800	2,541
Deferred income tax	28,302	40,450
Non-current ROU lease liabilities	59,735	60,666
Other non-current liabilities	10,383	12,263
	$ 178,538	$ 202,555

For the years ended March 31, 2025 and March 31, 2024, the Accrued general and product liability costs are presented gross of estimated recoveries of $6,995,000 and $7,637,000, respectively. Refer to Note 16 for additional information.

12. Debt

Consolidated long-term debt of the Company consisted of the following:

	March 31,	
	2025	2024
Term Loan B	$ 437,560	$ 477,560
AR Securitization	25,000	45,000
Unamortized deferred financing costs, net	(3,852)	(5,261)
Total debt	458,708	517,299
Less: current portion	50,000	50,000
Total debt, less current portion	$ 408,708	$ 467,299

Term Loan B and Revolving Credit Facility

On May 14, 2021, Columbus McKinnon Corporation (the "Borrower") entered into an amended and restated credit agreement to provide for a term loan ("Term Loan B"), in the initial amount of $450,000,000 maturing May 14, 2028, and a $100,000,000 revolving line of credit with a group of financial institutions ("Revolving Credit Facility") maturing May 14, 2026.

The Company borrowed additional funds in accordance with the Accordion feature under its existing Term Loan B facility in the amount of $75,000,000 in both fiscals 2022 and 2024. Proceeds from the first Accordion were used, among other things, to finance the purchase price for the Garvey acquisition, and pay related fees, expenses, and transaction costs. Proceeds from the second Accordion were used, among other things, to repay borrowings on the Amended and Restated Revolving Credit Facility. No material amendment to the terms of the Term Loan B facility or the First Lien Facilities were necessary for the Company to utilize the Accordion feature. The Company recorded $892,000 in deferred financing costs on the first Accordion in Fiscal 2022 and $1,522,000 on the second Accordion in Fiscal 2024, both of which will be amortized over the remaining life of the Term Loan B. The Company borrowed against the expanded Amended and Restated Revolving Credit Facility in May of fiscal 2024 to initially fund the montratec acquisition as described in Note 3.

During fiscal 2024, the Company amended its Revolving Credit Facility increasing its size by $75,000,000 for a total of $175,000,000. The Company incurred fees of $801,000 in this transaction which have been deferred and will be amortized over the remaining term of the Amended and Restated Revolving Credit Facility. The Company borrowed against the expanded Revolving Credit Facility in May of 2023 to initially fund the montratec acquisition as described in Note 3. These borrowings were fully repaid in fiscal 2024.

On March 18, 2024, Columbus McKinnon Corporation entered into a Fourth Amendment (the “Fourth Amendment”) to the Amended and Restated Credit Agreement, dated as of May 14, 2021, by and among the Company, Columbus McKinnon EMEA GmbH, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the other agents parties thereto, as amended (the “Credit Agreement”). The Fourth Amendment reduces the interest rate margin applicable under the Term Loan B by 25 basis points for both term Secured Overnight Financing Rate ("SOFR") borrowings and base rate borrowings and eliminates the Term SOFR Adjustment on the term loan B only which varied based on the interest period selected. After giving effect to the repricing, the applicable interest rate margins for the Term Loan B are 2.50% for term SOFR borrowings and 1.50% for base rate borrowings. The Company has accounted for the Fourth Amendment as a debt modification, therefore, debt repricing fees incurred in fiscal 2024 were expensed as general and administrative expenses and the deferred financing fees incurred as part of the Term Loan B (discussed below) remain unchanged.

In addition to the above, the Company amended the variable interest component of its Term Loan B and Amended and Restated Revolving Credit Facility to transition from LIBOR to SOFR in fiscal 2024.

The outstanding principal balance of the Term Loan B facility was $437,560,000 and $477,560,000 as of March 31, 2025 and 2024, respectively. The Company made $40,000,000 and $60,000,000 of principal payments on the Term Loan B during fiscal 2025 and fiscal 2024, respectively. The Company is obligated to make $4,976,000 of principal payments on the Term Loan B facility over the next 12 months plus applicable Excess Cash Flow ("ECF") payments, if required, however, plans to pay down approximately $50,000,000 in principal payments in total during such 12 month period. This amount has been recorded within the current portion of long term debt on the Company's Consolidated Balance Sheet with the remaining balance recorded as long term debt.

There were no outstanding borrowings and $15,417,000 outstanding letters of credit issued against the Amended and Restated Revolving Credit Facility as of March 31, 2025. The outstanding letters of credit at March 31, 2025 consisted of $15,417,000 of standby letters of credit.

The gross balance of deferred financing costs on the Term Loan B facility was $7,845,000 as of March 31, 2025 and 2024, respectively. The accumulated amortization balances were $4,201,000 and $2,971,000 as of March 31, 2025 and 2024, respectively.

The gross balance of deferred financing costs associated with the Revolving Credit Facility was $4,828,000 as of March 31, 2025 and March 31, 2024, respectively, which are included in Other assets on the Consolidated Balance Sheet. The accumulated amortization balance is $3,733,000 and $2,655,000 as of March 31, 2025 and March 31, 2024, respectively.

Key Terms of the Term Loan B and Revolving Credit Facility:

- Term Loan B: An aggregate $450,000,000 Term Loan B facility, which requires quarterly principal amortization of 0.25% with the remaining principal due at the maturity date. In addition, if the Company has ECF as defined in the Credit Agreement for the First Lien Facilities (the “First Lien Facilities Credit Agreement”), the ECF Percentage of the Excess Cash Flow for each fiscal year minus optional prepayments of the Loans (except prepayments of Revolving Loans that are not accompanied by a corresponding permanent reduction of Revolving Commitments) pursuant to Section 2.10(a) of the First Lien Facilities Credit Agreement other than to the extent that any such prepayment is funded with the proceeds of Funded Debt, shall be applied toward the prepayment of the Term Loan B facility. The

ECF Percentage is defined as 50% stepping down to 25% or 0% based on the achievement of specified Secured Leverage Ratios as of the last day of such fiscal year. Further, the Company may draw additional Incremental Facilities (referred to as an "Accordion") by executing and delivering to JPMorgan Chase Bank, N.A. an Increased Facility Activation Notice specifying the amount of such increase requested. Lenders shall have no obligation to participate in any increase unless they agree to do so in their sole discretion.

- Revolver: An aggregate $100,000,000 (later amended to $175,000,000 as described above) secured revolving facility which includes sublimits for the issuance of standby letters of credit, swingline loans and multi-currency borrowings in certain specified foreign currencies.

- Fees and Interest Rates: Commitment fees and interest rates are determined on the basis of either a Eurocurrency rate or a Base rate plus an applicable margin, and credit spread adjustment. In the case of the Revolving Credit Facility, the applicable margin is based upon the Company's Total Leverage Ratio (as defined in the First Lien Facilities Credit Agreement) in the case of Revolver loans.

- Prepayments: Provisions permitting a Borrower to voluntarily prepay either the Term Loan B facility or Revolver in whole or in part at any time, and provisions requiring certain mandatory prepayments of the Term Loan B facility or Revolver on the occurrence of certain events which will permanently reduce the commitments under the First Lien Facilities Credit Agreement, each without premium or penalty, subject to reimbursement of certain costs of the Lenders.

- Covenants: Provisions containing covenants required of the Company and its subsidiaries including various affirmative and negative financial and operational covenants. The key financial covenant is triggered only on any date when any Extension of Credit under the Amended and Restated Revolving Credit Facility is outstanding (excluding any Letters of Credit) (the “Covenant Trigger”), and prohibits the Total Leverage Ratio for the Reference Period ended on such date from exceeding (i) 6.75:1.00 as of any date of determination prior to June 30, 2021, (ii) 5.50:1.00 as of any date of determination on June 30, 2021 and thereafter but prior to June 30, 2022, (iii) 4.50:1.00 as of any date of determination on June 30, 2022 and thereafter but prior to June 30, 2023 and (iv) 3.50:1.00 as of any date of determination on June 30, 2023 and thereafter.

- Collateral: Obligations under the First Lien Facilities are secured by liens on substantially all assets of the Company and its material domestic subsidiaries.

AR Securitization Facility

On June 20, 2023, the Company entered into an AR Securitization Facility secured by the Company’s U.S. accounts receivable balances (the “AR Securitization Facility”) with a borrowing base of $55,000,000 calculated on a monthly basis, with a maturity date of June 19, 2026. The gross balance of deferred financing costs associated with the AR Securitization Facility was $536,000 as of March 31, 2025 and 2024, respectively. The accumulated amortization balance of $327,000 and $149,000 as of March 31, 2025 and 2024.

As of March 31, 2025, the Company has $25,000,000 outstanding under its AR Securitization Facility. The total U.S. accounts receivable balances which secure the AR Securitization Facility total $78,939,000 as of March 31, 2025.

Key Terms of the AR Securitization Facility:

- The AR Securitization Facility Agreement provides for revolving loans to be made up to a maximum principal amount of $55,000,000.
- The AR Securitization Facility borrowings bear interest at a floating rate equal to a one-month secured overnight funding rate (SOFR) plus 10 basis points of credit spread adjustment, plus 110 basis points.
- The AR Securitization Facility Agreement contains customary events of default (referred to as “Amortization Events.”)
- Amounts drawn under the AR Securitization Facility may remain outstanding until the maturity date of the AR Securitization Facility on June 19, 2026. Prior to the maturity date, the Company is only required to repay principal to the extent necessary to maintain borrowing base compliance, unless an Amortization Event occurs.

(tabular amounts in thousands, except share data)

As of March 31, 2025, there have been no Amortization Events triggered in the AR Securitization Facility. The Company voluntarily paid down $20,000,000 on the AR Securitization Facility in fiscal 2025. The Company has both the ability and intent to have the AR Securitization Facility remain outstanding for the next 12 months. As such, the Company has classified the full $25,000,000 outstanding borrowings under the AR Securitization Facility as long-term debt at March 31, 2025.

The principal payments obligated to be made as of March 31, 2025 on the Term Loan B facility and AR Securitization are as follows:

2026	$	4,976
2027	$	29,976
2028	$	4,976
2029	$	422,632
Thereafter	$	—
	$	462,560

Finance Lease

In connection with Dorner acquisition, the Company recorded a finance lease for a manufacturing facility in Hartland, WI under a 23 year lease agreement, which terminates in 2035. The outstanding balance on the finance lease obligation is $12,267,000 as of March 31, 2025 of which $739,000 has been recorded within the Current portion of long term debt and the remaining balance recorded within Term loan, AR securitization facility and finance lease obligations on the Company's Consolidated Balance Sheet. See Note 18 for further details.

Non-U.S. Lines of Credit and Loans

Unsecured and uncommitted lines of credit are available to meet short-term working capital needs for certain of our subsidiaries operating outside of the U.S. The lines of credit are available on an offering basis, meaning that transactions under the line of credit will be on such terms and conditions, including interest rate, maturity, representations, covenants, and events of default, as mutually agreed between our subsidiaries and the local bank at the time of each specific transaction. As of March 31, 2025, unsecured credit lines totaled approximately $2,920,000, of which nothing was drawn. In addition, unsecured lines of $22,118,000 were available for bank guarantees issued in the normal course of business of which $16,537,000 was utilized as of March 31, 2025.

13. Pensions and Other Benefit Plans

The Company provides retirement plans, including defined benefit and defined contribution plans, and other postretirement benefit plans to certain employees. The Company applies ASC Topic 715 “Compensation – Retirement Benefits,” which required the recognition in pension and other postretirement benefits obligations and accumulated other comprehensive income of actuarial gains or losses, prior service costs or credits and transition assets or obligations that had previously been deferred. This statement also requires an entity to measure a defined benefit postretirement plan’s assets and obligations that determine its funded status as of the end of the fiscal year.

(tabular amounts in thousands, except share data)

Pension Plans

The Company provides defined benefit pension plans to certain employees. The Company uses March 31 as the measurement date. The following provides a reconciliation of benefit obligation, plan assets, and funded status of the plans:

	March 31,	
	2025	2024
Change in benefit obligation:		
Benefit obligation at beginning of year	$ 268,025	$ 300,210
Service cost	477	512
Interest cost	9,783	13,548
Actuarial (gain) loss	(5,937)	(2,754)
Benefits paid	(18,733)	(22,650)
Settlement	(95,080)	(20,510)
Foreign exchange rate changes	94	(331)
Benefit obligation at end of year	$ 158,629	$ 268,025
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 199,592	$ 231,667
Actual gain (loss) on plan assets	10,327	4,328
Employer contribution	5,136	6,761
Benefits paid	(18,733)	(22,650)
Settlement	(95,080)	(20,510)
Assets transferred out related to plan termination (see below)	(6,974)	—
Foreign exchange rate changes	(28)	(4)
Fair value of plan assets at end of year	$ 94,240	$ 199,592
Funded status	$ (64,389)	$ (68,433)
Unrecognized actuarial loss	(16,867)	16,229
Net amount recognized	$ (81,256)	$ (52,204)

The Company terminated both of its Canadian pension plans in fiscal 2024 and terminated one of its U.S. pension plans in fiscal 2025. Lump sum payments were made to eligible participants who elected to receive them in the third and fourth quarter of fiscal year 2024. In fiscal 2024, these lump sum payments along with the overall termination of the two Canadian plans resulted in a settlement charge of $4,984,000 which was recorded in Other (income) expense, net on the Consolidated Statements of Operations. On September 30, 2024, the Company purchased annuity contracts to settle the remaining liabilities of the terminated U.S. plan. The annuity contract purchase resulted in a non-cash settlement charge of $23,634,000 for the year ended March 31, 2025, which was recorded in Other (income) expense, net on the Condensed Consolidated Statements of Operations. At termination, the pension plan had a pension asset surplus of $6,974,000. This surplus is being used to fund certain obligations associated with the Company's U.S. defined contribution plans. The remaining surplus of the terminated plan is $6,342,000 as of March 31, 2025.

Amounts recognized in the consolidated balance sheets are as follows:

	March 31,	
	2025	2024
Other assets	$ 1,995	$ 5,905
Accrued liabilities	(3,709)	(3,786)
Other non-current liabilities	(62,675)	(70,552)
Accumulated other comprehensive loss, before tax	(16,867)	16,229
Net amount recognized	$ (81,256)	$ (52,204)

Other assets are presented separately from pension liabilities for pension plans that are over funded.

(tabular amounts in thousands, except share data)

Net periodic pension cost included the following components:

	Year Ended March 31,		
	2025	2024	2023
Service costs—benefits earned during the period	477	$ 512	$ 707
Interest cost on projected benefit obligation	9,783	13,548	11,312
Expected return on plan assets	(7,348)	(11,459)	(10,844)
Net amortization	484	360	851
Settlement	23,634	4,984	(62)
Net periodic pension cost (benefit)	$ 27,030	$ 7,945	$ 1,964

Information for pension plans with a projected benefit obligation in excess of plan assets is as follows:

	March 31,	
	2025	2024
Projected benefit obligation	$ 66,384	$ 171,273
Fair value of plan assets	—	96,935

Information for pension plans with an accumulated benefit obligation in excess of plan assets is as follows:

	March 31,	
	2025	2024
Accumulated benefit obligation	$ 64,219	$ 168,488
Fair value of plan assets	—	96,935

Unrecognized gains and losses are amortized through March 31, 2025, on a straight-line basis over the average remaining service period of active participants. Starting in fiscal 2016, the Company changed the amortization period of its largest plan to the average remaining lifetime of inactive participants, as a significant portion of the plan population is now inactive. This change increases the amortization period of the unrecognized gains and losses.

The weighted-average assumptions in the following table represent the rates used to develop the actuarial present value of the projected benefit obligation for the year listed and also net periodic pension cost for the following year:

	2025	2024	2023
Discount rate	4.75 %	4.82 %	4.82 %
Expected long-term rate of return on plan assets	5.05 %	5.27 %	4.13 %
Rate of compensation increase on active plans	3.00 %	3.00 %	3.00 %
Interest crediting rates used in cash balance pension plans	4.38 %	4.95 %	4.05 %

The expected rates of return on plan asset assumptions are determined considering long-term historical averages and real returns on each asset class.

The Company’s retirement plan target and actual asset allocations are as follows:

	Target	Actual	
	2026	2025	2024
Equity securities	—%	11%	8%
Fixed income securities	100%	89%	92%
Total plan assets	100%	100%	100%

The Company has an investment objective for domestic pension plans to adequately provide for both the growth and liquidity needed to support all current and future benefit payment obligations. The Company's policy is to de-risk the portfolio by increasing liability-hedging investments as the pension liability funded status increases, which is known as the glide path method. In fiscal 2026, the Company expects its U.S. plan to be fully funded, and will therefore further de-risk its portfolio. Within the table above, cash equivalents are categorized as fixed income as they earn lower returns than equity securities which includes alternative real estate funds (shown in the fair value tables below).

(tabular amounts in thousands, except share data)

The Company's funding policy with respect to the defined benefit pension plans is to contribute annually at least the minimum amount required by the Employee Retirement Income Security Act of 1974 (ERISA). Additional contributions may be made to minimize PBGC premiums. The Company plans to contribute approximately $3,778,000 to its pension plans in fiscal 2026.

Information about the expected benefit payments for the Company's defined benefit plans is as follows:

2026	$ 13,685
2027	13,612
2028	13,335
2029	13,026
2030	12,592
2031-2035	57,263

Postretirement Benefit Plans

The Company sponsors a defined benefit other postretirement health care plan that provide medical and life insurance coverage to certain U.S. retirees and their dependents of one of its subsidiaries. Prior to the acquisition of this subsidiary, the Company did not sponsor any postretirement benefit plans. The Company pays the majority of the medical costs for certain retirees and their spouses who are under age 65. For retirees and dependents of retirees who retired prior to January 1, 1989, and are age 65 or over, the Company contributes 100% toward the American Association of Retired Persons ("AARP") premium frozen at the 1992 level. For retirees and dependents of retirees who retired after January 1, 1989, the Company contributes $35 per month toward the AARP premium. The life insurance plan is noncontributory. The net periodic postretirement benefit income for fiscal 2025 was $144,000 and the liability at March 31, 2025 is $733,000 with $597,000 included in Other non-current liabilities and $136,000 included in Accrued liabilities in the Consolidated Balance Sheet.

The Company has collateralized split-dollar life insurance arrangement with one of its former officers. Under this arrangement, the Company pays certain premium costs on life insurance policy for the former officer. Upon the later of the death of the former officer and their spouse, the Company will receive all of the premiums paid to-date. The net periodic pension cost for fiscal 2025 was $32,000 and the liability at March 31, 2025 is $2,917,000 with $2,837,000 included in Other non-current liabilities and $80,000 included in Accrued liabilities in the Consolidated Balance Sheet. The cash surrender value of the policies is $2,474,000 and $2,392,000 at March 31, 2025 and 2024, respectively. The balance is included in Other assets in the consolidated balance sheet.

Other Benefit Plans

The Company also sponsors defined contribution plans covering substantially all domestic employees and certain international employees. Participants may elect to contribute basic contributions. These plans provide for employer contributions based on employee eligibility and participation. The Company recorded a charge for such contributions of approximately $6,686,000, $6,288,000, and $5,808,000 for the years ended March 31, 2025, 2024, and 2023, respectively which are included in Cost of Products Sold, Selling Expenses, and General and Administrative Expenses within the Consolidated Statements of Operations.

Fair Values of Plan Assets

The Company classified its investments within the categories of equity securities, fixed income securities, common collective trusts, alternative real estate, and cash equivalents, as the Company's management bases its investment objectives and decisions from these four categories. The Company's investment policy is to use its glide-path method to de-risk the portfolio by increasing liability-hedging investments as the pension liability funded status increases.

(tabular amounts in thousands, except share data)

The fair values of the Company's defined benefit plans' consolidated assets by asset category as of March 31 were as follows:

	March 31, 2025	March 31, 2024
Asset categories:		
Equity securities	$ 10,735	$ 15,266
Fixed income securities	83,216	81,890
Common collective trusts	—	98,117
Cash equivalents	289	4,319
Total	$ 94,240	$ 199,592

The fair values of our defined benefit plans' consolidated assets were determined using the fair value hierarchy of inputs described in Note 5. The fair values by category of inputs as of March 31, 2025 and March 31, 2024 were as follows:

As of March 31, 2025:	Measured at NAV (1)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant other observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Asset categories:					
Equity securities	$ —	$ 10,735	$ —	$ —	$ 10,735
Fixed income securities	—	83,216	—	—	83,216
Cash equivalents	—	289	—	—	289
Total	$ —	$ 94,240	$ —	$ —	$ 94,240

(1) Reflects the net asset value (NAV) practical expedient used to approximate fair value.

As of March 31, 2024:	Measured at NAV (1)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant other observable Inputs (Level 2)	Significant unobservable Inputs (Level 3)	Total
Asset categories:					
Equity securities	$ —	$ 15,266	$ —	$ —	$ 15,266
Fixed income securities	—	81,890	—	—	81,890
Common collective trusts	98,117	—	—	—	98,117
Cash equivalents	—	4,319	—	—	4,319
Total	$ 98,117	$ 101,475	$ —	$ —	$ 199,592

(1) Reflects the net asset value (NAV) practical expedient used to approximate fair value.

Level 1 securities consist of mutual funds, domestic corporate bonds, securities issued by the U.S. government other similar fixed income investments with quoted market prices.

NAV is used as a practical expedient to estimate fair value. NAV is based on the fair value of the underlying investments held by the fund less its liability based on published daily rate. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different from the reported NAV. We are not aware of any significant restrictions on the issuances or redemption of shares of these funds.

Level 2 fixed income securities fair values of the underlying investments are generally based on independent broker dealer bids, or by comparison to other debt securities having similar durations, yields, and credit ratings.

14. Employee Stock Ownership Plan ("ESOP")

Effective January 1, 2012, the ESOP was closed to new hires. Prior to this date, substantially all of the Company's U.S. non-union employees were participants in the ESOP. Additionally, during the year ended March 31, 2015, the final loan payment was made by the ESOP to the Company and there was no compensation expense recorded in fiscal years 2025, 2024, or 2023.

At March 31, 2025 and 2024, 143,000 and 160,000 of ESOP shares, respectively, were allocated or available to be allocated to participants' accounts. There are no shares of collateralized common stock related to the ESOP loan outstanding at March 31, 2025 and no ESOP shares were pledged as collateral to guarantee the ESOP term loans.

15. Earnings per Share and Stock Plans

Earnings per Share

The Company calculates earnings per share in accordance with ASC Topic 260, "Earnings per Share." Basic earnings per share exclude any dilutive effects of options, warrants, and convertible securities. Diluted earnings per share include any dilutive effects of stock options, unvested restricted stock units, unvested performance shares, and unvested restricted stock. Stock options, restricted stock units, and performance shares with respect to 1,756,000 common shares for the fiscal year ended March 31, 2025 were not included in the computation of diluted income per share because they were antidilutive as a result of the Company's net loss. The net loss was the result of the Company's U.S. pension plan termination, plant consolidation activities, and Kito acquisition related expenses. Refer to Notes 3 and 13 for additional information regarding these transactions.

Stock options and performance shares with respect to 479,000 common shares were not included in the computation of diluted earnings per share for fiscal 2024 because they were antidilutive. An additional 165,000 in contingently issuable shares were not included in the computation of diluted earnings per share in Fiscal 2024 because a performance condition had not yet been met.

The following table sets forth the computation of basic and diluted earnings per share (share data presented in thousands):

	Year Ended March 31,		
Numerator for basic and diluted earnings per share:	**2025**	**2024**	**2023**
Net income (loss)	$ (5,138)	$ 46,625	$ 48,429
Denominators:			
Weighted-average common stock outstanding— denominator for basic EPS	28,738	28,728	28,600
Effect of dilutive employee stock options, RSU's and performance shares	—	298	218
Adjusted weighted-average common stock outstanding and assumed conversions— denominator for diluted EPS	28,738	29,026	28,818

The weighted-average common stock outstanding shown above is net of unallocated ESOP shares (see Note 14).

Stock Plans

The Company records stock-based compensation in accordance with ASC Topic 718, "Compensation – Stock Compensation," applying the modified prospective method. This Statement requires all equity-based payments to employees, including grants of employee stock options, to be recognized in the statement of earnings based on the grant date fair value of the award. Under the modified prospective method, the Company is required to record equity-based compensation expense for all awards granted after the date of adoption and for the unvested portion of previously granted awards outstanding as of the date of adoption.

The Company grants share based compensation to eligible participants under the 2016 Long Term Incentive Plan, as Amended and Restated in June 2019 ("2016 LTIP"). The total number of shares of common stock with respect to which awards may be granted under the 2016 LTIP were increased by 2,500,000 as a result of the June 2019 amendment. In July of fiscal 2025, the 2016 LTIP was amended and restated a second time, which increased the total number of shares of common stock that may be granted under the 2016 LTIP by an additional 2,800,000 shares. Shares not previously authorized for issuance under any of the prior stock plans, and shares not issued or subject to outstanding awards under the prior stock plans are still available for issuance. Details of the shares granted under these plans are discussed below.

Stock based compensation expense was $6,256,000, $12,039,000, and $10,425,000 for fiscal 2025, 2024, and 2023, respectively. Stock compensation expense is included in cost of products sold, selling, general and administrative, and research and development expenses depending on the nature of the service of the employee receiving the award. The Company recognizes expense for all share–based awards over the service period, which is the shorter of the period until the employees' retirement eligibility dates or the service period for the award, for awards expected to vest. Accordingly, expense is generally reduced for estimated forfeitures. ASC Topic 718 requires forfeitures to be estimated at the time of grant and revised if necessary, in subsequent periods if actual forfeitures differ from those estimates.

The Company recognized compensation expense for stock option awards and unvested restricted share awards that vest based on time or market parameters straight-line over the requisite service period for vesting of the award.

Long Term Incentive Plan

Under the 2016 LTIP, the total number of shares of common stock with respect to which awards may be granted under the plan has increased to 5,300,000 in fiscal 2025 as a result of the fiscal 2025 amendment described above. As of March 31, 2025, 2,562,000 shares remain available for future grants. The 2016 LTIP was designed as an omnibus plan and awards may consist of non-qualified stock options, incentive stock options, stock appreciation rights, restricted stock, restricted stock units, or stock bonuses.

Under the 2016 LTIP, the granting of awards to employees may take the form of options, restricted shares, and performance shares. The Compensation Committee of our Board of Directors determines the number of shares, the term, the frequency and date, the type, the exercise periods, any performance criteria pursuant to which awards may be granted, and the restriction and other terms and conditions of each grant in accordance with terms of the Plan.

In connection with the acquisition of Magnetek, the Company agreed to continue the 2014 Stock Incentive Plan of Magnetek, Inc. (the "Magnetek Stock Plan"). In doing so, the Company has available under the Magnetek Stock Plan 164,461 of the Company's shares which can be granted to certain employees as stock-based compensation.

Stock Option Plans

Options outstanding under the 2016 LTIP generally become exercisable over a 3-year period at a rate of 33% per year commencing one year from the date of grant and have an exercise price of not less than 100% of the fair market value of the common stock on the date of grant.

(tabular amounts in thousands, except share data)

A summary of option transactions during each of the three fiscal years in the period ended March 31, 2025, is as follows:

	Shares		Weighted-average Exercise Price per share	Weighted-average Remaining Contractual Life (in years)		Aggregate Intrinsic Value
Outstanding at April 1, 2022	679,785	$	33.82	7.08	$	15,294
Granted	394,586		34.91			
Exercised	(32,158)		22.15			
Cancelled	(67,042)		35.32			
Outstanding at March 31, 2023	975,171	$	34.54	7.13	$	5,497
Granted	298,674		36.19			
Exercised	(62,060)		25.73			
Cancelled	(17,945)		37.49			
Outstanding at March 31, 2024	1,193,840	$	35.37	6.93	$	12,392
Granted	188,089		45.34			
Exercised	(12,648)		29.44			
Cancelled	(115,655)		41.26			
Outstanding at March 31, 2025	1,253,626		36.38	5.99	$	80
Exercisable at March 31, 2025	802,964	$	37.51	4.91	$	80

The Company calculated intrinsic value for those options that had an exercise price lower than the market price of our common shares as of March 31, 2025. The aggregate intrinsic value of outstanding options as of March 31, 2025 is calculated as the difference between the exercise price of the underlying options and the market price of our common shares for the 51,957 options that were in-the-money at that date. The aggregate intrinsic value of exercisable options as of March 31, 2025 is calculated as the difference between the exercise price of the underlying options and the market price of our common shares for the 51,957 exercisable options that were in-the-money at that date. The Company's closing stock price was $16.70 as of March 31, 2025. The total intrinsic value of stock options exercised was $120,000, $870,000, and $360,000 during fiscal 2025, 2024, and 2023, respectively.

The grant date fair value of options that vested was $11.55, $11.00, and $10.36 during fiscal 2025, 2024, and 2023, respectively.

As of March 31, 2025, $2,615,000 of unrecognized compensation cost related to non-vested stock options is expected to be recognized over a weighted-average period of approximately 1.7 years.

Exercise prices for options outstanding as of March 31, 2025, ranged from $15.16 to $54.26. The following table provides certain information with respect to stock options outstanding at March 31, 2025:

Range of Exercise Prices	Stock Options Outstanding		Weighted-average Exercise Price	Weighted-average Remaining Contractual Life
$10.01 to 20.00	51,957	$	15.16	1.15
$20.01 to 30.00	148,747	$	25.15	3.38
$30.01 to $40.00	737,078	$	34.66	6.27
$40.01 to $50.00	178,645	$	45.48	8.71
$50.01 to $60.00	137,199	$	54.26	5.59
	1,253,626	$	36.38	5.99

(tabular amounts in thousands, except share data)

The following table provides certain information with respect to stock options exercisable at March 31, 2025:

Range of Exercise Prices	Stock Options Exercisable	Weighted- average Exercise Price per share
$10.01 to 20.00	51,957	$ 15.16
$20.01 to 30.00	148,747	25.15
$30.01 to $40.00	459,600	34.33
$40.01 to $50.00	6,365	49.36
$50.01 to $60.00	136,295	54.26
	802,964	$ 37.51

The fair value of stock options granted was estimated on the date of grant using a Black-Scholes option pricing model. The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options. The weighted-average grant date fair value of the options was $17.13, $12.97, and $11.13 for options granted during fiscal 2025, 2024, and 2023, respectively. The following table provides the weighted-average assumptions used to value stock options granted during fiscal 2025, 2024, and 2023:

	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2023
Assumptions:			
Risk-free interest rate	4.76 %	4.28 %	2.53 %
Dividend yield	0.62 %	0.77 %	0.81 %
Volatility factor	0.342	0.336	0.330
Expected life	5.5 years	5.5 years	5.5 years

To determine expected volatility, the Company uses historical volatility based on daily closing prices of its Common Stock over periods that correlate with the expected terms of the options granted. The risk-free rate is based on the United States Treasury yield curve at the time of grant for the appropriate term of the options granted. Expected dividends are based on the Company's history and expectation of dividend payouts. The expected term of stock options is based on vesting schedules, expected exercise patterns and contractual terms.

(tabular amounts in thousands, except share data)

Restricted Stock Units

The Company granted restricted stock units under the 2016 LTIP during fiscal 2025, 2024, and 2023 to employees as well as to the Company's non-executive directors as part of their annual compensation. For fiscal 2023, 2024, and 2025 restricted stock units for employees vest ratably based on service one-third after each of years one, two, and three.

A summary of the restricted stock unit awards granted under the Company's LTIP plan as of March 31, 2025 is as follows:

	Shares	Weighted-average Grant Date Fair Value per share
Unvested at April 1, 2022	244,736	$ 39.86
Granted	161,582	31.61
Vested	(132,953)	35.44
Forfeited	(26,140)	38.15
Unvested at March 31, 2023	247,225	$ 37.02
Granted	159,816	37.57
Vested	(145,862)	39.21
Forfeited	(10,267)	41.61
Unvested at March 31, 2024	250,912	$ 35.91
Granted	136,870	39.71
Vested	(127,514)	38.60
Forfeited	(12,632)	40.56
Unvested at March 31, 2025	247,636	$ 36.38

Total unrecognized compensation cost related to unvested restricted stock units as of March 31, 2025 is $3,356,000 and is expected to be recognized over a weighted average period of 1.8 years. The fair value of restricted stock units that vested during the year ended March 31, 2025 and 2024 was $4,922,000 and $5,720,000, respectively.

Performance Shares

The Company granted performance shares under the 2016 LTIP during fiscal 2025, 2024, and 2023. Performance based shares are recognized as compensation expense based upon their grant date fair value and to the extent it is probable that the performance conditions will be met. This expense is recognized ratably over the 3-year period that these shares are restricted.

Fiscal 2023 performance shares issued are granted pursuant to a performance condition based upon the Company's Consolidated Return on Invested Capital ("ROIC") for the twelve months ended March 31, 2025. During fiscal 2025, the Company determined that the performance condition on its fiscal 2023 performance shares would not be fully met. The Company has adjusted its stock-based compensation expense accordingly in fiscal 2025. Fiscal 2024 performance shares issued are granted pursuant to a performance condition based upon the Company's Consolidated ROIC for the twelve months ended March 31, 2026. At this time, the Company believes the March 31, 2026 performance condition will not be fully met and has adjusted compensation expense accordingly. Fiscal 2025 performance shares issued are granted pursuant to a performance condition based upon the Company's revenue and EBITDA margin growth rates in fiscal 2025, 2026, and 2027. At this time, the Company believes the fiscal 2025 portion of the performance condition will not be met and has adjusted compensation expense accordingly.

(tabular amounts in thousands, except share data)

A summary of the performance shares transactions during each of the three fiscal years in the period ended March 31, 2025 is as follows:

	Shares	Weighted-average Grant Date Fair Value per share
Unvested at April 1, 2022	138,032	$ 35.35
Granted	67,606	33.03
Forfeited	(26,633)	35.26
Unvested at March 31, 2023	179,005	$ 34.49
Granted	73,453	36.58
Vested	(39,720)	35.95
Forfeited	(33,838)	28.66
Unvested at March 31, 2024	178,900	$ 36.13
Granted	123,401	37.44
Vested	(19,960)	53.56
Forfeited	(27,485)	50.02
Unvested at March 31, 2025	254,856	$ 33.90

The Company had $3,578,000 in unrecognized compensation costs related to the unvested performance share awards as of March 31, 2025.

Directors Stock

During fiscal 2025, 2024, and 2023, a total of 28,112, 28,512, and 41,313 shares of stock, respectively, were granted under the 2016 LTIP to the Company's non-executive directors as part of their annual compensation. The weighted average fair value grant price of those shares was $37.61, $41.17, and $28.91 for fiscal 2025, 2024, and 2023, respectively. The expense related to the shares was $1,057,000, $1,174,000 and $1,194,000 for fiscal 2025, 2024 and 2023, respectively.

Dividends

On March 24, 2025, the Company's Board of Directors approved payment of a quarterly dividend of $0.07 per common share, representing an annual dividend rate of $0.28 per share. The dividend was paid on May 12, 2025, to shareholders of record on May 2, 2025 and totaled approximately $2,003,000.

Stock Repurchase Plan

On March 26, 2019, the Board of Directors approved a new stock repurchase program authorizing the repurchase of up to $20 million of the Company's common stock. The Company repurchased 31,000 shares of its common stock at an aggregate cost of $1,010,000 in accordance with this plan during the fiscal year ended March 31, 2023. In fiscal 2025, the Company repurchased an additional 293,000 shares of its common stock at an aggregate cost of $9,945,000 in accordance with this plan. The value of the shares purchased are reflected as Treasury stock on the Company's Consolidated Balance Sheets as of March 31, 2025.

16. Loss Contingencies

From time to time, the Company is named a defendant in legal actions arising out of the normal course of business. The Company is not a party to any pending legal proceeding other than ordinary, routine litigation incidental to its business. The Company does not believe that any of its pending litigation will have a material impact on its business.

Accrued general and product liability costs are actuarially estimated reserves based on amounts determined from loss reports, individual cases filed with the Company, and an amount for losses incurred but not reported. The aggregate amounts of reserves were $19,446,000 (gross of estimated insurance recoveries of $6,995,000) and $19,988,000 (gross of estimated insurance recoveries of $7,637,000) of which $15,046,000 and $15,388,000 are included in Other non current liabilities and $4,400,000 and $4,600,000 in Accrued liabilities as of March 31, 2025 and 2024, respectively. The liability for accrued general and product liability costs are funded by investments in marketable securities (see Notes 2 and 7).

The following table provides a reconciliation of the beginning and ending balances for accrued general and product liability (in thousands):

	Year Ended March 31,		
	2025	2024	2023
Accrued general and product liability, beginning of year	$ 19,988	$ 21,103	$ 22,575
Estimated insurance recoveries	(642)	(634)	(889)
Add provision for claims	3,776	2,226	3,025
Deduct payments for claims	(3,676)	(2,707)	(3,608)
Accrued general and product liability, end of year	$ 19,446	$ 19,988	$ 21,103
Estimated insurance recoveries	(6,995)	(7,637)	(8,272)
Net accrued general and product liability, end of year	$ 12,451	$ 12,351	$ 12,831

The per occurrence limits on the self-insurance for general and product liability coverage to Columbus McKinnon through CMIC, its wholly-owned captive insurance company were $2,000,000 from inception through fiscal 2003 and $3,000,000 for fiscal 2004 and thereafter. In addition to the per occurrence limits, the Company's coverage is also subject to an annual aggregate limit, applicable to losses only. These limits range from $2,000,000 to $6,000,000 for each policy year from inception through fiscal 2025. The Company also purchases excess general and product liability insurance up to an aggregate $75,000,000 limit. In fiscal 2026, the aggregate limit was increased to $100,000,000.

Asbestos

Like many industrial manufacturers, the Company is involved in asbestos-related litigation. In continually evaluating costs relating to its estimated asbestos-related liability, the Company reviews, among other things, the incidence of past and recent claims, the historical case dismissal rate, the mix of the claimed illnesses and occupations of the plaintiffs, its recent and historical resolution of the cases, the number of cases pending against it, the status and results of broad-based settlement discussions, and the number of years such activity might continue. Based on this review, the Company has estimated its share of liability to defend and resolve probable asbestos-related personal injury claims. This estimate is highly uncertain due to the limitations of the available data and the difficulty of forecasting with any certainty the numerous variables that can affect the range of the liability. The Company will continue to study the variables in light of additional information in order to identify trends that may become evident and to assess their impact on the range of liability that is probable and estimable.

Based on actuarial information, the Company has estimated its net asbestos-related aggregate liability including related legal costs to range between $4,300,000 and $7,900,000, net of insurance recoveries, using actuarial parameters of continued claims for a period of 38 years from March 31, 2025. The Company has estimated its asbestos-related aggregate liability that is probable and estimable, net of insurance recoveries, in accordance with U.S. generally accepted accounting principles approximates $6,009,000. The Company has reflected the liability gross of insurance recoveries of $6,995,000 as a liability in the consolidated financial statements as of March 31, 2025. The recorded liability does not consider the impact of any potential favorable federal legislation. This liability will fluctuate based on the uncertainty in the number of future claims that will be filed and the cost to resolve those claims, which may be influenced by a number of factors, including the outcome of the ongoing broad-based settlement negotiations, defensive strategies, and the cost to resolve claims outside the broad-based settlement program. Of this amount, management expects to incur asbestos liability payments of approximately $2,600,000 over the next 12 months. Because payment of the liability is likely to extend over many years, management believes that the potential additional costs for claims will not have a material effect on the financial condition of the Company or its liquidity, although the effect of any future liabilities recorded could be material to earnings in a future period.

A share of the Company's previously incurred asbestos-related expenses and future asbestos-related expenses are covered by pre-existing insurance policies. The Company had been engaged in a legal action against the insurance carriers for those policies to recover past expenses and future costs incurred. The Company came to an agreement with the insurance carriers to settle its case against them for recovery of a portion of past costs and future costs for asbestos-related legal defense costs. The agreement was finalized during the quarter ended September 30, 2020. The terms of the settlement require the carriers to pay gross defense costs prior to retro-premiums of 65% for future asbestos-related defense costs subject to an annual cap of $1,650,000 for claims covered by the settlements.

Further, the insurance carriers are expected to cover 100% of indemnity costs related to all covered cases. Estimates of the future cost sharing have been included in the loss reserve calculation as of March 31, 2025 and 2024. The Company has recorded a receivable for the estimated future cost sharing in Other assets in the Balance Sheet in the amount of $6,995,000 and $7,637,000, which offsets its asbestos reserves, at March 31, 2025 and 2024, respectively.

In addition, one of the Company's subsidiaries, Magnetek, Inc. ("Magnetek") has been named, along with multiple other defendants, in asbestos-related lawsuits associated with business operations previously acquired but which are no longer owned. During Magnetek's ownership, none of the businesses produced or sold asbestos-containing products. For such claims, Magnetek is uninsured and either contractually indemnified against liability, or contractually obligated to defend and indemnify the purchaser of these former business operations. The Company aggressively seeks dismissal from these proceedings. The asbestos-related liability including legal costs is estimated to be approximately $1,139,000 and $842,000, which has been reflected as a liability in the consolidated financial statements at March 31, 2025 and 2024, respectively.

Product Liability

The Company is also involved in other unresolved legal actions that arise in the normal course of business. The most prevalent of these unresolved actions involve disputes related to product design, manufacture and performance liability. The Company's estimation of its product-related aggregate liability that is probable and estimable, in accordance with U.S. generally accepted accounting principles approximates $5,303,000, which has been reflected as a liability in the consolidated financial statements as of March 31, 2025. In some cases, the Company cannot reasonably estimate a range of loss because there is insufficient information regarding the matter.

In April of fiscal 2025, a trial involving a product liability claim against the Company resulted in a jury verdict demanding the Company to pay approximately $3,000,000 in damages. The Company plans to appeal and along with its attorneys believes it will be successful in overturning this verdict and that payment of the damages is not probable. As such the Company has not accrued the damages as a liability in the Consolidated Balance Sheet at March 31, 2025.

Management believes that the potential additional costs for claims will not have a material effect on the financial condition of the Company or its liquidity, although the effect of any future liabilities recorded could be material to earnings in a future period.

Litigation-Other

In October 2010, Magnetek received a request for indemnification from Power-One, Inc. ("Power-One") for an Italian tax matter arising out of the sale of Magnetek's power electronics business to Power-One in October 2006. With a reservation of rights, Magnetek affirmed its obligation to indemnify Power-One for certain pre-closing taxes. The sale included an Italian company, Magnetek, S.p.A., and its wholly owned subsidiary, Magnetek Electronics (Shenzhen) Co. Ltd. (the “Power-One China Subsidiary”). The tax authority in Arezzo, Italy, issued a notice of audit report in September 2010 wherein it asserted that the Power-One China Subsidiary had its administrative headquarters in Italy and therefore it should be considered resident in Italy and subject to taxation in Italy. In November 2010, the tax authority issued a notice of tax assessment for the period of July 2003 to June 2004, alleging that taxes of approximately $2,100,000 (Euro 1,900,000), plus interest, were due in Italy on taxable income earned by the Power-One China Subsidiary during this period. In addition, the assessment alleges potential penalties in the amount of approximately $2,400,000 (Euro 2,200,000) for the alleged failure of the Power-One China Subsidiary to file its Italian tax return. The Power-One China Subsidiary filed its response with the provincial tax commission of Arezzo, Italy in January 2011. A hearing before the Tax Court was held in July 2012 on the tax assessment for the period of July 2003 to June 2004. In September 2012, the Tax Court ruled in favor of the Power-One China Subsidiary dismissing the tax assessment for the period of July 2003 to June 2004. In February 2013, the tax authority filed an appeal of the Tax Court's September 2012 ruling. The Regional Tax Commission of Florence heard the appeal of the tax assessment dismissal for the period of July 2003 to June 2004 and thereafter issued its ruling finding in favor of the tax authority. Magnetek believed the court's decision was based upon erroneous interpretations of the applicable law and appealed the ruling to the Italian Supreme Court in April 2015. In April 2022, the Supreme Court upheld the appeal in favor of Power-One.

The tax authority in Arezzo, Italy also issued a tax inspection report in January 2011 for the periods July 2002 to June 2003 (fiscal period 2002/2003) and July 2004 to December 2006 (fiscal periods 2004/2005 and 2005/2006) claiming that the Power-One China Subsidiary failed to file Italian tax returns for the reported periods. In August 2012, the tax authority in Arezzo, Italy issued four notices of tax assessment for the periods July 2002 to June 2003 and July 2004 to December 2006, alleging that taxes of approximately $7,200,000 (Euro 6,700,000) were due in Italy on taxable income earned by the Power-One China Subsidiary together with an allegation of potential penalties in the amount of approximately $3,000,000 (Euro 2,800,000) for the alleged failure of the Power-One China Subsidiary to file its Italian tax returns.

On June 3, 2015, the Tax Court, ruled in favor of the Power-One China Subsidiary dismissing the tax assessments for the periods of July 2002 to June 2003 and July 2004 to December 2006. On July 27, 2015, the tax authority filed appeals of the Tax Court's ruling of June 3, 2015. In May 2016, the Regional Tax Court of Florence rejected the appeals of the tax authority and at the same time canceled the notices of assessment for the fiscal years of 2004/2005 and 2005/2006. In December 2016, the Power-One China Subsidiary was served by the Italian Revenue Agency with two appeals to the Italian Supreme Court regarding the two positive judgments on the tax assessments for the fiscal periods 2004/2005 and 2005/2006. In February 2017 the Power-One China Subsidiary filed two memorandums before the Italian Supreme Court in response to the appeals made by the tax authority against the positive judgments on the tax assessments for fiscal years 2004/2005 and 2005/2006.

In March 2017, the Regional Tax Court of Florence rejected the appeal of the assessment for the 2006 fiscal year (period July 2006-December 2006). In October 2017, the Power-One China Subsidiary was served by the Italian Revenue Agency with an appeal to the Italian Supreme Court against the positive judgment on the tax assessment for fiscal year 2006. In November 2017 the Power-One China Subsidiary filed a memorandum before the Italian Supreme Court in response to the appeal made by the tax authority against the positive judgment on the tax assessment for fiscal year 2006. In March 2018, the Regional Tax Court of Florence rejected the appeal of the assessment for the 2002/2003 fiscal year. In October 2018 the Power-One China Subsidiary was served by the Italian Revenue Agency with an appeal to the Italian Supreme Court against the positive judgment on the tax assessment for fiscal year 2002/2003. In November 2018 the Power-One China Subsidiary filed a memorandum with the Italian Supreme Court in response to the appeal made by the tax authority. The Supreme Court upheld the appeals of the Italian Tax Authority and remitted the proceedings back to the Regional Tax Court for a new evaluation of the substance of the dispute.

In December 2022 the Power One China Subsidiary resumed the proceedings concerning the tax assessments for fiscal years 2002/2003 and 2006 before the Regional Tax Court. A hearing was held before the Regional Tax Court in April and May of 2023, in two separate decisions, the court ruled in favor of the Company. The tax authority appealed this decision on December 6, 2023, and the Company filed the relevant counter claims in January of 2024.

In March 2023 the Power One China Subsidiary resumed the proceedings concerning the tax assessments for fiscal years 2004/2005 and 2005/2006 before the Regional Tax Court. The hearing was held in February 2024 where the court upheld the assessments. The Company is appealing the judgment and expects the Supreme court to reverse the judgment of the lower court as they have previously with the 2002/2003 and 2006 assessments.

The Company believes it will be successful and does not expect to incur a liability related to these assessments.

In September of 2017, Magnetek received a request for defense and indemnification from Monsanto Company, Pharmacia, LLC, and Solutia, Inc. (collectively, "Monsanto") with respect to: (1) lawsuits brought by plaintiffs claiming that Monsanto manufactured polychlorinated biphenyls ("PCBs"), exposure to which allegedly caused injury to plaintiffs; and (2) lawsuits brought by municipalities and municipal entities claiming that Monsanto should be responsible for a variety of damages due to the presence of PCBs in bodies of water in those municipalities and/or in water treated by those municipal entities. Monsanto claims to be entitled to defense and indemnification from Magnetek under a so-called "Special Undertaking" apparently executed by Magnetek's predecessor Universal Manufacturing ("Universal") in January of 1972, which purportedly required Universal to defend and indemnify Monsanto from liabilities "arising out of or in connection with the receipt, purchase, possession, handling, use, sale or disposition of" PCBs by Universal.

Magnetek has declined Monsanto’s tender, and believes that it has meritorious legal and factual defenses to the demands made by Monsanto. Magnetek is vigorously defending against those demands and commenced litigation in New Jersey to, among other things, declare the Special Undertaking void and unenforceable. Monsanto has, in turn, commenced an action to enforce the Special Undertaking in Missouri and joined five additional companies as co-defendants in that Missouri action. The New Jersey action was recently dismissed in favor of the Missouri action.

Magnetek intends to continue to vigorously defend against Monsanto’s action. The Company cannot reasonably estimate a potential range of loss with respect to Monsanto’s tender because there is insufficient information regarding the underlying matters. Management believes, however, that the potential additional legal costs related to such matters will not have a material effect on the financial condition of the Company or its liquidity, although the effect of any future liabilities recorded could be material to earnings in a future period.

The Company had previously filed suit against Travelers in District Court seeking coverage under insurance policies in the name of Universal. In July 2019, the District Court ruled that Travelers is obligated to defend Magnetek under these policies in connection with Magnetek's litigation against Monsanto. The Court held that Monsanto's claims against Magnetek fall within the insuring agreement of the Travelers policies and that none of the policy exclusions precluded the possibility of coverage. The Court also held that Travelers prior settlements with other insureds under the policies did not cut off or release Magnetek's rights under the policies. Travelers moved for reconsideration which motion was denied. Travelers is currently defending the Company in its litigation with Monsanto.

The Company is also engaged in similar insurance coverage litigation against Transportation Insurance Company in the Circuit Court of Cook County, Illinois. That suit is presently stayed due to the bankruptcy of Velsicol Chemical, LLC, a third-party indemnitor of TIC and Travelers.

Environmental Matters

Along with other manufacturing companies, the Company is subject to various federal, state and local laws relating to the protection of the environment. To address the requirements of such laws, the Company has adopted a corporate environmental protection policy which provides that all of its owned or leased facilities shall, and all of its employees have the duty to, comply with all applicable environmental regulatory standards, and the Company utilizes an environmental auditing program for its facilities to ensure compliance with such regulatory standards. The Company has also established managerial responsibilities and internal communication channels for dealing with environmental compliance issues that may arise in the course of its business. Because of the complexity and changing nature of environmental regulatory standards, it is possible that situations will arise from time to time requiring the Company to incur expenditures in order to ensure environmental regulatory compliance. However, the Company is not aware of any environmental condition or any operation at any of its facilities, either individually or in the aggregate, which would cause expenditures having a material adverse effect on its results of operations, financial condition or cash flows and, accordingly, has not budgeted any material capital expenditures for environmental compliance for fiscal 2025.

In 1986, Magnetek acquired the stock of Universal Manufacturing Corporation (“Universal”) from a predecessor of Fruit of the Loom (“FOL”), and the predecessor agreed to indemnify Magnetek against certain environmental liabilities arising from pre-acquisition activities at a facility in Bridgeport, Connecticut. Environmental liabilities covered by the indemnification agreement included completion of additional cleanup activities, if any, at the Bridgeport facility and defense and indemnification against liability for potential response costs related to offsite disposal locations. Magnetek's leasehold interest in the Bridgeport facility was assigned to the buyer in connection with the sale of Magnetek's transformer business in June 2001. FOL, the successor to the indemnification obligation, filed a petition for Reorganization under Chapter 11 of the Bankruptcy Code in 1999 and Magnetek filed a proof of claim in the proceeding for obligations related to the environmental indemnification agreement. Magnetek believes that FOL had substantially completed the clean-up obligations required by the indemnification agreement prior to the bankruptcy filing. In November 2001, Magnetek and FOL entered into an agreement involving the allocation of certain potential tax benefits and Magnetek withdrew its claims in the bankruptcy proceeding. Magnetek further believes that FOL's obligation to the state of Connecticut was not discharged in the reorganization proceeding.

(tabular amounts in thousands, except share data)

In January 2007, the Connecticut Department of Environmental Protection ("DEP") requested parties, including Magnetek, to submit reports summarizing the investigations and remediation performed to date at the site and the proposed additional investigations and remediation necessary to complete those actions at the site. DEP requested additional information relating to site investigations and remediation. Magnetek and the DEP agreed to the scope of the work plan in November 2010. The Company has recorded a liability of $430,000, included in the amount specified above, related to the Bridgeport facility, representing the best estimate of future site investigation costs and remediation costs which are expected to be incurred in the future.

For all of the currently known environmental matters, the Company has accrued as of March 31, 2025 a total of $762,000 which, in our opinion, is sufficient to deal with such matters. The Company is not aware of any environmental condition or any operation at any of its facilities, either individually or in the aggregate, which would cause expenditures to have a material adverse effect on its results of operations, financial condition or cash flows and, accordingly, has not budgeted any material capital expenditures for environmental compliance for fiscal 2024.

17. Income Taxes

United States income (loss) before income tax expense was $(44,297,000), $20,464,000, and $26,076,000 for the years ended March 31, 2025, 2024, and 2023, respectively. Income before income tax expense also includes foreign subsidiary income of $38,791,000, $41,063,000, and $48,399,000 for the years ended March 31, 2025, 2024, and 2023, respectively.

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to income from continuing operations before income tax expense. The sources and tax effects of the differences were as follows:

	Year Ended March 31,		
	2025	2024	2023
Statutory federal income tax rate (1)	21.00 %	21.00 %	21.00 %
Expected tax expense (benefit) at statutory rate	$ (1,156)	$ 12,921	$ 15,640
State income taxes net of federal benefit	(514)	652	2,719
Foreign taxes at rates other than statutory federal rate	(431)	(247)	1,757
Employee benefits	483	1,347	1,207
US benefit on foreign derived income	(259)	(686)	(477)
US Tax on foreign earnings	379	757	1,257
Permanent items (4)	421	694	168
Valuation allowance (3)	181	(1,109)	(787)
Federal tax credits	(1,002)	(1,384)	(1,539)
Other (3)	(28)	1,437	285
Tax audit adjustments (2)	—	(819)	2,523
Unremitted earnings	397	501	720
Reversal of stranded tax effects from AOCI	961	(22)	—
Interest income from tax refunds	(505)	—	—
Non-deductible interest	286	420	119
Transfer pricing adjustments	600	—	—
Return to provision adjustment	(180)	440	2,454
Actual tax provision expense	$ (367)	$ 14,902	$ 26,046

(1) Fiscal year 2024 and 2023 table amounts have been adjusted to be consistent with individual rate reconciling items disclosed for fiscal 2025.

(2) For fiscal 2023, the Company settled income tax assessments related to tax periods prior to the Company's acquisition of STAHL. In accordance with the tax indemnification clause of the share purchase agreement, the Company received full reimbursement from STAHL's prior owner which was recorded as a gain in Other (income) expense, net. For fiscal 2024, the Company collected tax refunds related to a period prior to the Company's acquisition of STAHL. In accordance with

(tabular amounts in thousands, except share data)

the tax indemnification clause of the share purchase agreement, the Company will reimburse STAHL's prior owner which was recorded as an loss in Other (income) expense, net.

(3) For fiscal 2024, the Company wrote off $1,142,000 of tax attributes as a result of legal entity simplification.The tax attributes had an associated valuation allowance of $1,142,000 which was also written off in fiscal 2024.

(4) For fiscal 2024, a tax impact of $525,000 from non-deductible transaction costs was incurred as part of the montratec GmbH acquisition.

The provision for income tax expense (benefit) consisted of the following:

	Year Ended March 31,		
	2025	2024	2023
Current income tax expense (benefit):			
United States Federal	$ 6,843	$ 15,375	$ 7,772
State taxes	850	2,715	2,218
Foreign	12,226	12,097	16,356
Deferred income tax expense (benefit):			
United States	(17,411)	(12,451)	(517)
Foreign	(2,875)	(2,834)	217
	$ (367)	$ 14,902	$ 26,046

The Company applies the liability method of accounting for income taxes as required by ASC Topic 740, "Income Taxes." The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	March 31,	
	2025	2024
Deferred tax assets (1):		
Federal net operating loss carryforwards	$ 10,649	$ 11,779
State and foreign tax loss and credit carryforwards	8,992	9,354
Employee benefit plans	9,624	12,203
Inventory	4,243	3,853
Insurance reserves	3,060	3,301
Accrued vacation and incentive costs	2,943	3,929
Federal tax credit carryforwards	12,080	12,094
ASC 842 Lease Liability	19,996	20,120
Equity compensation	5,309	5,247
Capitalized Research and Development Costs	15,069	12,029
Interest Carryforwards	10,411	5,657
Other	341	—
Valuation allowance	(15,802)	(15,156)
Deferred tax assets after valuation allowance	86,915	84,410
Deferred tax liabilities:		
Property, plant, and equipment	(5,909)	(7,525)
ASC 842 Right-of-Use Asset	(16,807)	(18,509)
Intangible assets	(88,275)	(96,494)
Other	—	(535)
Unremitted earnings	(1,322)	—
Total deferred tax liabilities	(112,313)	(123,063)
Net deferred tax assets (liabilities)	$ (25,398)	$ (38,653)

(tabular amounts in thousands, except share data)

(1) Fiscal year 2024 table amounts have been adjusted to be consistent with individual deferred tax items disclosed for fiscal 2025.

The valuation allowance includes $1,151,000 and $989,000 primarily related to foreign net operating losses at March 31, 2025 and 2024, respectively. The valuation allowance also includes $2,571,000 and $2,091,000 for state net operating losses at March 31, 2025 and 2024, respectively. The remaining valuation allowance primarily relates to foreign tax credits which the Company believes it will not utilize of $12,080,000 and $12,076,000 for the years ended March 31, 2025 and 2024, respectively.

The Company's foreign subsidiaries have tax-effected net operating loss carryforwards of $4,648,000 that expire in periods ranging from five years to indefinite. Federal net operating loss carryforwards of $50,711,000 remain from the acquisition of Magnetek, have expiration dates ranging from fiscal 2026 through 2036, and are subject to certain limitations under U.S. tax law. State net operating losses of $59,159,000 either have indefinite carryforward periods or have expiration dates ranging from fiscal 2026 through 2045. The federal tax credits have expiration dates ranging from fiscal 2029 to 2034. Included in the State and foreign net operating loss and credit carryforwards category above are $1,221,000 of state tax credit carryforwards. These state tax credit carryforwards have expiration dates ranging from fiscal 2026 to 2039.

Deferred income taxes are classified within the consolidated balance sheets based on the following breakdown:

	March 31,	
	2025	2024
Net non-current deferred tax assets	$ 2,904	$ 1,797
Net non-current deferred tax liabilities	(28,302)	(40,450)
Net deferred tax assets (liabilities)	$ (25,398)	$ (38,653)

Net non-current deferred tax liabilities are included in other non-current liabilities.

As of March 31, 2025, the Company has determined that certain foreign amounts, which can be distributed tax efficiently, are not permanently reinvested where earned. As of March 31, 2025, a tax liability of approximately $1,322,000 has been accrued for taxes that would be incurred upon repatriation of the earnings that are not permanently reinvested. As of March 31, 2025, $79,490,000 of unremitted earnings of other subsidiaries and outside basis differences other than unremitted earnings are intended to be permanently reinvested. It is not practicable to calculate the amount of unrecognized deferred tax related to these basis differences.

Changes in the Company's uncertain income tax positions, excluding the related accrual for interest and penalties, are as follows:

	2025	2024	2023
Beginning balance	$ 411	$ 411	$ 414
Additions for prior year tax positions	563	—	—
Foreign currency translation	25	—	(3)
Ending balance	$ 999	$ 411	$ 411

The Company had $96,000, $76,000, and $68,000 accrued for the payment of interest and penalties at March 31, 2025, 2024, and 2023 respectively. The Company recognizes interest expense or penalties related to uncertain tax positions as a part of income tax expense in its consolidated statements of operations. $999,000 of the unrecognized tax benefits as of March 31, 2025 would impact the effective tax rate if recognized. It is reasonably possible that the amount of unrecognized tax benefits could change in the next 12 months, however an estimate of the change cannot be made.

The Company and its subsidiaries file income tax returns in the U.S., various state, local, and foreign jurisdictions. The Company's major tax jurisdictions are the United States and Germany. With few exceptions, the Company is no longer subject to tax examinations by tax authorities in the United States for tax years prior to March 31, 2022 and in Germany for tax years prior to March 31, 2012. The Company has a current tax examination in Germany underway for fiscal years 2012 through 2021.

The Inflation Reduction Act ("IRA") was enacted in fiscal year 2023 and includes the implementation of a new 15% minimum tax on book income of certain large corporations, an excise tax on stock buybacks, and various tax credits and incentives for energy and clean climate initiatives, among other provisions. The Company has evaluated the IRA and its provisions did not have a material impact to the Company's consolidated financial statements for fiscal 2024 or 2025.

On December 15, 2022, the European Union (EU) Member States formally adopted the EU's Pillar Two Directive, which generally provides for a minimum effective tax rate of 15%, as established by the Organization for Economic Co-operation and Development (OECD) Pillar Two Framework. A significant number of other countries are expected to also implement similar legislation with varying effective dates in the future. Pillar Two legislation became effective for the Company during fiscal 2025 and the impact to current year tax expense was immaterial.

18. Leases

Nature of leases

The Company's lease arrangements generally include real estate (manufacturing facilities, sales offices, distribution centers, warehouses), vehicles, and equipment. At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present. At lease commencement, the Company evaluates whether the arrangement is a finance or operating lease, and accounts for it accordingly. Operating leases are included in other assets, other current liabilities, and other liabilities on the Company's Consolidated Balance Sheet. Finance leases are included in net property, plant, and equipment, current portion of long-term debt and finance lease obligation, and the remaining balance is recorded within Term loan and finance lease obligations on the Consolidated Balance Sheet.

Leases with a term greater than one year are recognized on the Consolidated Balance Sheet as right-of-use ("ROU") assets, lease obligations, and, if applicable, long-term lease obligations in the financial statement line items above. The Company has elected not to recognize leases with terms of one year or less on the Consolidated Balance Sheet. Lease obligations and their corresponding ROU assets are recorded based on the present value of lease payments over the expected lease term. As the interest rate implicit in lease contracts is generally not readily determinable, the Company uses its estimated incremental borrowing rate in determining the present value of lease payments. The incremental borrowing rate is determined based on the Company's recent debt issuances, lease term, and the currency in which lease payments are made. The Company recognizes lease expense on a straight-line basis over the lease term. Additionally, because the Company has elected to not separate lease and non-lease components, variable costs also include payments to the landlord for common area maintenance, real estate taxes, insurance, and other operating expenses.

The Company's leases have lease terms ranging from 1 to 23 years, some of which include options to extend or terminate the lease. The exercise of lease renewal options is at the Company's sole discretion. When deemed reasonably certain of exercise, the renewal options are included in the determination of the lease term. The Company's lease agreements do not contain material residual value guarantees or any material restrictive covenants. The Company recorded a finance lease for a manufacturing facility in Hartland, WI that has a 23 year lease term which terminates in 2035 as a result of the Dorner acquisition. As of March 31, 2025, the Company does not have any significant additional leases that have not yet commenced.

Significant Inputs:

The following table presents the weighted average remaining lease term and discount rate as of March 31, 2025 and March 31, 2024, respectively:

	March 31,	
	2025	**2024**
Weighted-average remaining lease term (in years)		
Operating leases	8.30	9.16
Finance leases	10.58	11.58
Operating leases	7.05 %	6.96 %
Finance leases	4.51 %	4.51 %

Amounts recognized on the financial statements

The following table illustrates the balance sheet classification for lease assets and liabilities as of March 31, 2025 and March 31, 2024, respectively (in thousands):

	March 31,	
	2025	**2024**
Operating leases:		
Other assets (1)	59,506	$ 65,584
Accrued liabilities	9,961	8,723
Other non current liabilities	59,735	60,666
Total operating liabilities	$ 69,696	$ 69,389
Finance leases:		
Net property, plant, and equipment	$ 10,595	$ 11,596
Current portion of long-term debt and finance lease obligation	739	670
Term loan and finance lease obligations	11,528	12,267
Total finance liabilities	$ 12,267	$ 12,937

Operating lease expense of $14,433,000, $12,550,000 and $9,197,000 for the fiscal years ending March 31, 2025, 2024, and 2023, respectively, is included in Income from operations on the Consolidated Statements of Operations. Short-term lease expense, sublease income, and variable lease expenses are not material for the fiscal year ending March 31, 2025, 2024, and 2023, respectively. Finance lease expense of $1,001,000 for both fiscal years ending March 31, 2025 and 2024, is included in Income from operations on the Consolidated Statements of Operations, and $566,000 and $597,000 and is included in Interest and debt expense for the fiscal years ending March 31, 2025 and 2024, on the Company's Consolidated Statements of Operations related to the finance lease.

Other lease disclosures

Future maturities of leases as of March 31, 2025, were as follows (in thousands):

Year:	Operating Leases	Finance Leases
2026	$ 14,343	1,274
2027	13,799	1,312
2028	12,097	1,351
2029	9,220	1,392
2030	8,176	1,433
Thereafter	38,639	8,832
Total undiscounted lease payments	$ 96,274	$ 15,594
Less: imputed interest	$ 26,578	$ 3,327
Present value of lease liabilities	$ 69,696	$ 12,267

Supplemental cash flow information related to leases is as follows (in thousands):

	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2023
Cash paid for amounts included in the measurement of operating lease liabilities	$ 12,014	$ 9,454	$ 8,872
Cash paid for amounts included in the measurement of finance lease liabilities	$ 1,237	$ 1,200	$ 1,166
ROU assets obtained in exchange for new operating lease liabilities	$ 8,173	$ 22,506	$ 31,423

19. Business Segment Information

ASC Topic 280, "Segment Reporting," establishes the standards for reporting information about operating segments in financial statements. The Company has one operating and reportable segment for both internal and external reporting purposes.

The Company's Chief Executive Officer ("CEO"), who is its chief operating decision maker ("CODM"), evaluates the performance of the Company's operating segment based on Income from operations. The CODM reviews budget-to-actual variances and year over year performance when making operating decisions to allocate resources to the segment.

The significant segment expenses that are regularly provided on a quarterly basis to CODM are cost of products sold, research and development expenses, selling expenses, general and administrative expenses and amortization of intangibles, which are presented on the face of the Consolidated Statements of Operations and included in the calculation of Operating Income.

Financial information relating to the Company's operations by geographic area is as follows:

	Year Ended March 31,		
	2025	2024	2023
Net sales:			
United States	$ 556,972	$ 591,497	$ 595,363
Germany	217,189	233,797	175,294
Europe, Middle East, and Africa (Excluding Germany)	116,749	112,839	97,597
Canada	17,479	21,431	18,883
Asia Pacific	22,173	17,877	16,720
Latin America	32,465	36,099	32,383
Total	$ 963,027	$ 1,013,540	$ 936,240

(tabular amounts in thousands, except share data)

Note: Net sales to external customers are attributed to geographic areas based upon the location from which the product was shipped from the Company to the customer.

	Year Ended March 31,		
	2025	2024	2023
Total assets:			
United States	$ 1,079,209	$ 1,129,237	$ 1,127,321
Germany	540,515	553,103	417,167
Europe, Middle East, and Africa (Excluding Germany)	76,831	90,921	81,413
Canada	6,811	9,606	12,668
Asia Pacific	11,821	14,094	16,063
Latin America	23,601	28,984	43,823
Total	$ 1,738,788	$ 1,825,945	$ 1,698,455

	Year Ended March 31,		
	2025	2024	2023
Long-lived assets:			
United States	$ 762,328	$ 781,232	$ 791,835
Germany	398,188	407,136	295,233
Europe, Middle East, and Africa (Excluding Germany)	8,625	8,156	8,254
Canada	1,071	1,190	1,267
Asia Pacific	1,854	2,058	2,207
Latin America	1,467	2,591	2,730
Total	$ 1,173,533	$ 1,202,363	$ 1,101,526

Note: Long-lived assets include net property, plant, and equipment, goodwill, and other intangibles, net.

Sales by major product group are as follows:	Year Ended March 31,		
	2025	2024	2023
Hoists	$ 479,612	$ 494,726	$ 456,300
High Precision Conveyors	154,660	163,462	149,586
Chain and rigging tools	76,072	74,075	76,990
Industrial cranes	37,113	39,520	38,369
Actuators and rotary unions	87,735	97,303	84,663
Digital power control and delivery systems	110,379	122,344	102,962
Elevator application drive systems	17,456	22,110	27,370
Total	$ 963,027	$ 1,013,540	$ 936,240

(tabular amounts in thousands, except share data)

20. Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss is as follows:

	March 31,	
	2025	2024
Foreign currency translation adjustment – net of tax	$ (33,942)	$ (32,785)
Pension liability – net of tax	12,661	(12,924)
Postretirement obligations – net of tax	1,573	1,675
Split-dollar life insurance arrangements – net of tax	526	553
Derivatives qualifying as hedges – net of tax	(1,919)	3,804
Accumulated other comprehensive loss	$ (21,101)	$ (39,677)

The deferred taxes related to the adjustments associated with the items included in accumulated other comprehensive loss, net of deferred tax asset valuation allowances, were $(6,530,121), $636,000, and $(6,371,000) for fiscal 2025, 2024, and 2023 respectively. Refer to Note 17 for discussion of the deferred tax asset valuation allowance. In the period subsequent to our initial recording of the valuation allowance in fiscal 2011, increases and decreases to both the deferred tax assets associated with items in accumulated other comprehensive loss, and the valuation allowance, have been recorded as offsets to comprehensive income.

As a result of the Tax Cuts and Jobs Act (the "TCJA"), the Company recorded as an offsetting entry a $(7,251,000) stranded tax effect in the minimum pension liability component and a $(194,000) stranded tax effect in the split dollar life insurance arrangement component of other comprehensive income in fiscal 2018. As a result of the pension termination in fiscal 2025, $(7,050,000) of the stranded tax effect was released from accumulated other comprehensive loss and recorded as a decrease of income taxes in the consolidated statement of operations. The resulting stranded tax effect of $201,000 relates to the Company's remaining U.S. pension plan. The stranded tax effect related to the other post retirement obligations component was not material.

As a result of the recording of a deferred tax asset valuation allowance in fiscal 2011, the Company recorded as an offsetting entry a $7,605,000 stranded tax effect in the minimum pension liability component, $935,000 stranded tax effect in the other post retirement obligations component and a $747,000 stranded tax effect in the split dollar life insurance arrangement component of other comprehensive income. With the reversal of that valuation allowance in fiscal 2013, the Company recorded the reversal of the valuation allowance as a reduction of income taxes in the consolidated statement of operations. As a result of the pension termination in fiscal 2025, the stranded tax effect of $7,605,000 was released from accumulated other comprehensive loss and recorded as a decrease of income taxes in the consolidated statement of operations.

As a result of the recording of a deferred tax asset valuation allowance in fiscal 2005, the Company recorded as an offsetting entry a $406,000 stranded tax effect in the minimum pension liability component of other comprehensive income. With the reversal of that valuation allowance in fiscal 2006, the Company recorded the reversal of the valuation allowance as a reduction of income taxes in the consolidated statement of operations. As a result of the pension termination in fiscal 2025, the stranded tax effect of $406,000 was released from accumulated other comprehensive loss and recorded as a decrease of income taxes in the consolidated statement of operations.

The stranded tax effects described above are in accordance with ASC Topic 740, “Income Taxes” even though the impact of the TCJA and the deferred tax asset valuation allowance described above were initially established as an adjustment to comprehensive income. This amount will remain indefinitely as a component of accumulated other comprehensive loss.

Changes in accumulated other comprehensive income by component are as follows (in thousands):

	March 31, 2025			
	Retirement Obligations	Foreign Currency	Change in Derivatives Qualifying as Hedges	Total
Beginning balance net of tax	$ (10,696)	$ (32,785)	$ 3,804	(39,677)
Other comprehensive income (loss) before reclassification	7,274	(1,157)	2,243	8,360
Amounts reclassified from other comprehensive loss to net income	18,182	—	(7,966)	10,216
Net current period other comprehensive (loss) income	25,456	(1,157)	(5,723)	18,576
Ending balance net of tax	$ 14,760	$ (33,942)	$ (1,919)	$ (21,101)

	March 31, 2024			
	Retirement Obligations	Foreign Currency	Change in Derivatives Qualifying as Hedges	Total
Beginning balance net of tax	$ (12,800)	$ (32,352)	$ 7,109	(38,043)
Other comprehensive income (loss) before reclassification	(1,979)	(433)	6,907	4,495
Amounts reclassified from other comprehensive loss to net income	4,083	—	(10,212)	(6,129)
Net current period other comprehensive (loss) income	2,104	(433)	(3,305)	(1,634)
Ending balance net of tax	$ (10,696)	$ (32,785)	$ 3,804	$ (39,677)

Details of amounts reclassified out of accumulated other comprehensive loss for the year ended March 31, 2025 are as follows (in thousands):

Details of AOCL Components	Amount reclassified from AOCL	Affected line item on consolidated statement of operations
Net pension amount unrecognized		
	$ 24,118	(1)
	24,118	Total before tax
	(5,936)	Tax benefit
	$ 18,182	Net of tax
Change in derivatives qualifying as hedges		
	$ 36	Cost of products sold
	(10,717)	Interest expense
	20	Foreign currency
	(10,661)	Total before tax
	2,695	Tax benefit
	$ (7,966)	Net of tax

(1) These accumulated other comprehensive loss components are included in the computation of net periodic pension cost. (See Note 13 for additional details.)

Details of amounts reclassified out of accumulated other comprehensive loss for the year ended March 31, 2024 are as follows (in thousands):

Details of AOCL Components	Amount reclassified from AOCL	Affected line item on consolidated statement of operations
Net pension amount unrecognized		
	$ 5,344	(1)
	5,344	Total before tax
	(1,261)	Tax benefit
	$ 4,083	Net of tax
Change in derivatives qualifying as hedges		
	$ 38	Cost of products sold
	(12,861)	Interest expense
	(663)	Foreign currency
	(13,486)	Total before tax
	3,274	Tax benefit
	$ (10,212)	Net of tax

(1) These accumulated other comprehensive loss components are included in the computation of net periodic pension cost. (See Note 13 for additional details.)

21. Effects of New Accounting Pronouncements

Recently adopted

On April 1, 2024, the Company adopted Accounting Standard Update (ASU) No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures. The new guidance improves reportable segment disclosure requirements, primarily through enhanced disclosures for significant segment expenses. The guidance was effective retrospectively for the Company as of April 1, 2024 for the annual period. The guidance is effective retrospectively for the Company as of April 1, 2025 for the interim periods. As a result, the Company has enhanced its segment disclosures to include the presentation of significant cost and expenses by segment. The adoption of this ASU only affects the Company's disclosures, with no impacts to the financial condition and results of operations. All applicable disclosures have been included in Note 19.

Topics Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. This ASU will improve disclosures about a public business entity's expenses and address requests from investors for more detailed information about the types of expenses commonly presented within the expense caption on the Company's Statement of Operations. The new guidance is effective for annual periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. The Company believes the adoption of this standard will result in additional disclosures, but will not have an overall material impact to the financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures. The ASU is intended to provide increased transparency about income tax information through improvements to income tax disclosures related to the rate reconciliation and income taxes paid. The Company believes the adoption of this standard will result in some additional disclosures, but will not have an overall material impact to the financial statements.

The Company is currently assessing the impact these ASUs will have on the footnotes of its annual and interim financial statements. The Company plans to adopt these standards in fiscal 2026 when required. ASUs not listed were assessed and determined to be either not applicable, or had or are expected to have an immaterial impact on our financial statements and related disclosures.

COLUMBUS McKINNON CORPORATION

SCHEDULE II—Valuation and qualifying accounts
March 31, 2025, 2024, and 2023
Dollars in thousands

Description	Balance at Beginning of Period	Additions: Charged to Costs and Expenses	Additions: Charged to Other Accounts	Additions: Acquisition/ Divestiture	Deductions		Balance at End of Period
Year ended March 31, 2025:							
Deducted from asset accounts:							
Allowance for doubtful accounts	$ 3,827	$ 3,641	$ (6)	$ —	$ 2,582	(1)	$ 4,880
Deferred tax asset valuation allowance	15,156	648	(2)	—	—		15,802
Total	$ 18,983	$ 4,289	$ (8)	$ —	$ 2,582		$ 20,682
Reserves on balance sheet:							
Accrued general and product liability costs, net of insurance recoveries	$ 12,351	$ 3,776	$ —	$ —	$ 3,676	(2)	$ 12,451
Year ended March 31, 2024:							
Deducted from asset accounts:							
Allowance for doubtful accounts	$ 3,620	$ 1,225	$ (3)	$ 64	$ 1,079	(1)	$ 3,827
Deferred tax asset valuation allowance	15,978	(805)	(17)	—	—		15,156
Total	$ 19,598	$ 420	$ (20)	$ 64	$ 1,079		$ 18,983
Reserves on balance sheet:							
Accrued general and product liability costs, net of insurance recoveries	$ 12,831	$ 2,226	$ —	$ —	$ 2,706	(2)	$ 12,351
Year ended March 31, 2023:							
Deducted from asset accounts:							
Allowance for doubtful accounts	$ 5,717	$ 1,055	$ (96)	$ —	$ 3,056	(1)	$ 3,620
Deferred tax asset valuation allowance	16,147	77	(246)	—	—		15,978
Total	$ 21,864	$ 1,132	$ (342)	$ —	$ 3,056		$ 19,598
Reserves on balance sheet:							
Accrued general and product liability costs, net of insurance recoveries	$ 13,414	$ 3,025	$ —	$ —	$ 3,608	(2)	$ 12,831

(1) Uncollectible accounts written off, net of recoveries
(2) Insurance claims and expenses paid

Item 9. <u>Changes in and Disagreements With Accountants on Accounting and Financial Disclosure</u>

None.

Item 9A. <u>Controls and Procedures</u>

Management's Evaluation of Disclosure Controls and Procedures

As of March 31, 2025, an evaluation was performed under the supervision and with the participation of our management, including the Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act). Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2025 to ensure that information required to be disclosed in our reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rules 13a-15(f) and 15d-15(f). Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in Internal Control--Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (COSO). Based on that evaluation, our management concluded that our internal control over financial reporting was effective as of March 31, 2025.

The effectiveness of the Company's internal control over financial reporting as of March 31, 2025 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report which is included herein.

Our management, including the Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls or our internal control over financial reporting will prevent or detect all error and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. The design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Further, because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Projections of any evaluation of controls effectiveness to future periods are subject to risks. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Columbus McKinnon Corporation

Opinion on Internal Control over Financial Reporting

We have audited Columbus McKinnon Corporation's (the Company) internal control over financial reporting as of March 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of March 31, 2025, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of March 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended March 31, 2025, and the related notes and financial statement schedule listed in the Index at Item 15(2) and our report dated May 21, 025 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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

Definition and Limitations of Internal Control Over Financial Reporting

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

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

/s/ Ernst & Young LLP

Charlotte, North Carolina
May 28, 2025

Item 9B. Other Information

Trading Plans

During the quarter ended March 31, 2025, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosures Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

We have insider trading policies and procedures that govern the purchase, sale and other dispositions of our securities by our directors, officers, employees and agents. We believe these policies and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations and applicable listing standards. Copies of our Insider Trading Policy, our Insider Trading Pre-Clearance and Blackout Policy and our Policy Regarding Establishment of SEC Rule 10b5-1 Plans and Other Trading Arrangements are filed with this report as Exhibit 19.1, Exhibit 19.2 and Exhibit 19.3, respectively.

Other than the information above, the information required by this item is incorporated herein by reference to the sections entitled "Election of Directors," "Our Executive Officers" and "Corporate Governance Policy" in our 2025 Proxy Statement.

The charters of our Audit Committee, Human Capital, Compensation and Succession Committee, and Corporate Governance and Nomination Committee are available on our website at www.cmco.com and are available to any shareholder upon request to the Corporate Secretary. The contents of our website are not, and should not, be deemed to be incorporated by reference into this Form 10-K or otherwise filed with the SEC.

We have adopted a Code of Business Conduct that applies to all of our employees, including our principal executive officer, principal financial officer and principal accounting officer, as well as our directors. Our Code of Business Conduct is available on our website at www.cmco.com. We intend to disclose any amendment to, or waiver from, the Code of Business Conduct that applies to our principal executive officer, principal financial officer or principal accounting officer otherwise required to be disclosed under Item 5.05 of Form 8-K by posting such amendment or waiver, as applicable, on our website.

Item 11. Executive Compensation

The information required by this item is incorporated herein by reference to the sections entitled "Director Compensation," "Compensation of Executive Officers" and "Compensation Discussion and Analysis" in our 2025 Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated herein by reference to the sections entitled "Security Ownership of Management and Certain Beneficial Owners" and "Compensation Discussion and Analysis — Equity Compensation Plan Information" in our 2025 Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated herein by reference to the sections entitled "Certain Relationships and Related Party Transactions" and "Corporate Governance Policy — Board of Directors Independence" in our 2025 Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated herein by reference to the section entitled "Principal Accountant Fees and Services" in our 2025 Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(1) *Financial Statements:*

The following consolidated financial statements of Columbus McKinnon Corporation are included in Item 8, Financial Statements and Supplementary Data, of this Form 10-K:

(2) *Financial Statement Schedule:*

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

(3) *Exhibits:*

Exhibit Number	Exhibit
2.1	Share Purchase Agreement, dated April 25, 2023, by and between Columbus McKinnon EMEA GmbH, as purchaser and montratec Holding S.a.r.l, as seller (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated April 26, 2023).
2.2	Stock Purchase Agreement, dated as of February 10, 2025, by and among Columbus McKinnon Corporation, Kito Crosby Limited, the equityholders of Kito Crosby Limited as set forth on the signature pages thereto and Ascend Overseas Limited (incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K dated February 10, 2025).
3.1	Restated Certificate of Incorporation of the Company (incorporated by reference to Exhibit 3.1 to the Company’s Current Report on Form 8-K dated October 21, 2022).
3.2	Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.1 to the Company’s Current Report on Form 8-K dated July 11, 2023).
4.1	Specimen common share certificate (incorporated by reference to Exhibit 4.1 to the Company’s Registration Statement No. 33-80687 on Form S-1 dated December 21, 1995).
4.2	Description of Securities of Columbus McKinnon Corporation registered under Section 12 of the Securities Exchange Act of 1934, as amended (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2023).
#10.1	Columbus McKinnon Corporation Personal Retirement Account Plan Trust Agreement, dated April 1, 1987 (incorporated by reference to Exhibit 10.25 to the Company’s Registration Statement No. 33-80687 on Form S-1 dated December 21, 1995).

#10.2	Form of Change in Control Agreement as entered into between Columbus McKinnon Corporation and certain of its executive officers (incorporated by reference to Exhibit 10.2 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.3	Form of Omnibus Code Section 409A Compliance Policy as entered into between Columbus McKinnon Corporation and certain of its executive officers. (incorporated by reference to Appendix to the definitive Proxy Statement for the Annual Meeting of Stockholders of Columbus McKinnon Corporation held on July 31, 2006).
#10.4	Columbus McKinnon Corporation Employee Stock Ownership Plan, restated effective as of April 1, 2015, as amended by Amendment No. 1 thereto effective as of April 15, 2015 (incorporated by reference to Exhibit 10.4 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.5	Columbus McKinnon Corporation Deferred Compensation Plan Adoption Agreement, effective as of January 1, 2013 (incorporated by reference to Exhibit 10.5 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.6	Amendment No. 1, dated as of January 9, 2018, to the Columbus McKinnon Corporation Deferred Compensation Plan Adoption Agreement (incorporated by reference to Exhibit 10.6 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.7	Amendment No. 2, dated as of August 23, 2018, to the Columbus McKinnon Corporation Deferred Compensation Plan Adoption Agreement (incorporated by reference to Exhibit 10.7 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.8	The 2014 Stock Incentive Plan of Magnetek, Inc. (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated September 16, 2015).
#10.9	Columbus McKinnon Corporation Second Amended and Restated 2016 Long Term Incentive Plan (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated July 22, 2024).
#10.10	Form of Time-Based Restricted Stock Unit Award Agreement for the Columbus McKinnon Corporation 2016 Long Term Incentive Plan (incorporated by reference to Exhibit 10.11 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.11	Form of Nonqualified Stock Option Award Agreement for the Columbus McKinnon Corporation 2016 Long Term Incentive Plan (incorporated by reference to Exhibit 10.12 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.12	Form of Performance Stock Unit Award Agreement for the Columbus McKinnon Corporation 2016 Long Term Incentive Plan (incorporated by reference to Exhibit 10.13 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2021).
#10.13	Employment agreement effective May 11, 2020, by and between Columbus McKinnon Corporation and David J. Wilson (incorporated by reference to Exhibit 10.1 of the Company’s Current Report on Form 8-K dated May 11, 2020).
#10.14	Change in Control Agreement effective May 11, 2020, by and between Columbus McKinnon Corporation and David J. Wilson (incorporated by reference to Exhibit 10.2 of the Company’s Current Report on Form 8-K dated May 11, 2020).
#10.15	Employment Agreement Amendment effective June 1, 2020, by and between Columbus McKinnon Corporation and David J. Wilson (incorporated by reference to Exhibit 10.2 of the Company’s Current Report on Form 8-K dated June 3, 2020).
10.16	Amended and Restated Credit Agreement, dated May 14, 2021, by and among Columbus McKinnon Corporation and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated May 14, 2021).
10.17	First Amendment, dated as of November 30, 2021, to the Amended and Restated Credit Agreement, between Columbus McKinnon Corporation and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2023).
10.18	LIBOR Transition Amendment, dated as of May 8, 2023, to the Amended and Restated Credit Agreement, among Columbus McKinnon Corporation, Columbus McKinnon EMEA GmbH, each other guarantor party thereto, and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2023).
10.19	Second Amendment, dated as of May 18, 2023, to the Amended and Restated Credit Agreement, among Columbus McKinnon Corporation, JPMorgan Chase Bank, N.A., as Administrative Agent, Second Amendment Revolving Lender, Swingline Lender and Issuing Lender, and the lenders and agents party thereto (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated May 18, 2023).
10.20	Third Amendment, dated as of June 26, 2023, to the Amended and Restated Credit Agreement, by and among Columbus McKinnon Corporation, Columbus McKinnon EMEA GmbH, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.4 to the Company’s Current Report on Form 8-K dated June 26, 2023).

10.21	Fourth Amendment, dated as of March 18, 2024, to the Amended and Restated Credit Agreement, by and among Columbus McKinnon Corporation, Columbus McKinnon EMEA GmbH, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated March 19, 2024).
10.22	Credit and Security Agreement, dated as of June 20, 2023, by and among Columbus McKinnon Corporation, as Master Servicer, Columbus McKinnon FinCo, LLC, as Borrower, Wells Fargo Bank, National Association, as Administrative Agent and the lenders from time to time party thereto (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated June 26, 2023).
10.23	First Amendment to Credit and Security Agreement, dated as of September 20, 2023, by and among Columbus McKinnon FinCo, LLC as Borrower, Columbus McKinnon Corporation as Master Servicer and Performance Guarantor, and Wells Fargo Bank, National Association as Lender and Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company’s Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023).
10.24	Receivables Sale Agreement, dated as of June 20, 2023, by and among Columbus McKinnon Corporation, as Master Servicer, Columbus McKinnon FinCo, LLC, as Buyer and the Originators party thereto (incorporated by reference to Exhibit 10.2 to the Company’s Current Report on Form 8-K dated June 26, 2023).
10.25	Performance Undertaking, dated as of June 20, 2023, by Columbus McKinnon Corporation, as Performance Guarantor, in favor of Wells Fargo Bank, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.3 to the Company’s Current Report on Form 8-K dated June 26, 2023).
10.26	Investment Agreement, dated as of February 10, 2025, by and among Columbus McKinnon Corporation, CD&R XII Keystone Holdings, L.P. and Clayton, Dubilier & Rice Fund XII, L.P. (solely for the purpose of limited provisions thereof) (incorporated by reference to Exhibit 10.1 to the Company’s Current Report on Form 8-K dated February 11, 2025).
10.27	Debt Commitment Letter, dated as of February 10, 2025, by and between Columbus McKinnon Corporation and JPMorgan Chase Bank, N.A. (incorporated by reference to Exhibit 10.2 to the Company’s Current Report on Form 8-K dated February 11, 2025).
*#10.28	Retirement Agreement, dated as of February 3, 2024, by and between Columbus McKinnon Corporation and Bert Brant.
19.1	Insider Trading Policy (incorporated by reference to Exhibit 19.1 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2024).
19.2	Insider Trading Pre-Clearance and Blackout Policy (incorporated by reference to Exhibit 19.2 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2024).
19.3	Policy Regarding Establishment of SEC Rule 10b5-1 Plans and Other Trading Arrangements (incorporated by reference to Exhibit 19.3 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2024).
*21.1	Subsidiaries of the Registrant.
*23.1	Consent of Independent Registered Public Accounting Firm.
*31.1	Certification of the principal executive officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
*31.2	Certification of the principal financial officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
**32.1	Certification of the principal executive officer and the principal financial officer pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
*97	Clawback Policy (incorporated by reference to Exhibit 97 to the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2024).
*101	The financial statements from the Company’s Annual Report on Form 10-K for the fiscal year ended March 31, 2024, formatted in Inline XBRL
*101.INS	Inline XBRL Instance Document
*101.SCH	Inline XBRL Taxonomy Extension Schema Document
*101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
*101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
*101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
*104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document and included in Exhibit 101)

* Filed herewith
** Furnished herewith
# Indicates a Management contract or compensation plan or arrangement

Item 16. **Form 10-K Summary**

None.

SIGNATURES

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

Date: May 28, 2025

COLUMBUS McKINNON CORPORATION

By: /s/ David J. Wilson
David J. Wilson
Chief Executive Officer
(Principal Executive Officer)

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

Signature	Title	Date
/s/ David J. Wilson **David J. Wilson**	President, Chief Executive Officer and Director *(Principal Executive Officer)*	May 28, 2025
/s/ Gregory P. Rustowicz **Gregory P. Rustowicz**	Executive Vice President - Finance and Chief Financial Officer (*Principal Financial Officer and Principal Accounting Officer)*	May 28, 2025
/s/ Gerald G. Colella **Gerald G. Colella**	Chair of the Board of Directors	May 28, 2025
/s/ Chad R. Abraham **Chad R. Abraham**	Director	May 28, 2025
/s/ Aziz S. Aghili **Aziz S. Aghili**	Director	May 28, 2025
/s/ Jeanne Beliveau-Dunn **Jeanne Beliveau-Dunn**	Director	May 28, 2025
/s/ Kathryn V. Bohl **Kathryn V. Bohl**	Director	May 28, 2025
/s/ Michael Dastoor **Michael Dastoor**	Director	May 28, 2025
/s/ Chris J. Stephens Jr. **Chris J. Stephens Jr.**	Director	May 28, 2025
/s/ Rebecca Yeung **Rebecca Yeung**	Director	May 28, 2025

Exhibit 21.1

COLUMBUS McKINNON CORPORATION
SUBSIDIARIES
(as of March 31, 2025)

- CM Insurance Company, Inc. (US-NY)
- Magnetek, Inc. (US-DE)
  - Magnetek National Electric Coil, Inc. (US-DE)
- CMCO Acquisition, LLC (US-DE)
  - Dorner Mfg. Corp. (US-DE)
    - Dorner Latin America S. de R.L. de C.V. (Mexico)
    - Dorner Sdn. Bhd. (Malaysia)
    - Dorner Conveyors Ltd. (Canada)
- Garvey Corporation (US-NJ)
- Columbus McKinnon FinCo, LLC (US-DE)
- Kito Crosby Acquisition, LLC (US-DE)
  - Kito Crosby UK Holdings, LTD (United Kingdom)
- Yale Industrial Products, Inc. (US-DE)
  - Columbus McKinnon Hungary Finance Kft. (Hungary)
  - Columbus McKinnon Hungary Holdings Kft. (Hungary)
    - Columbus McKinnon Dutch Holdings 3 B.V. (The Netherlands)
      - Morris Middle East, Ltd. (Cayman Islands)
        - Eastern Morris Cranes Company Limited (49% Investment) (Saudi Arabia)
      - Columbus McKinnon Limited (Canada)
      - Columbus McKinnon Asia Pacific Pte. Ltd. (Singapore)
        - Columbus McKinnon (Shanghai) International Trading Co. LTD (China)
        - Columbus McKinnon Asia Pacific Ltd. (Hong Kong)
        - Columbus McKinnon Industrial Products Co. Ltd. (China)
        - STAHL Cranesystems Shanghai Co. Ltd. (China)
        - STAHL Cranesystems India Private Ltd. (49% Investment) (India)
      - Columbus McKinnon EMEA GmbH (Germany)
        - Columbus McKinnon Industrial Products GmbH (Germany)
        - Columbus McKinnon Corporation Ltd. (England)
          - Stahl Cranesystems Ltd. (England)
        - Columbus McKinnon France S.a.r.l. (France)
        - Société d’Exploitation des Raccords Gautier (France)
        - Columbus McKinnon Italia S.r.l. (Italy)
        - Columbus McKinnon Ibérica S.L.U. (Spain)
        - Columbus McKinnon Benelux, B.V. (The Netherlands)
        - Columbus McKinnon Corporation (Pty), Ltd. (South Africa)
          - Yale Lifting Solutions (Pty.) Ltd. (South Africa)
        - Columbus McKinnon Austria GmbH (Austria)
          - Columbus McKinnon Hebetechnik GmbH (Austria)
        - Columbus McKinnon Hungary Kft. (Hungary)
        - Columbus McKinnon Russia LLC (Russia)
        - Columbus McKinnon Polska Sp.z.o.o (Poland)
        - Columbus McKinnon Switzerland AG (Switzerland)
        - Columbus McKinnon Ireland, DAC (Ireland)
        - Ferromet al Limitada (Portugal)
        - Stahl Cranesystems GmbH (Germany)
          - STAHL Cranesystems FZE (UAE)
        - Columbus McKinnon Engineered Products GmbH (Germany)
          - STAHL Cranesystems India Private Ltd. (51% Investment) (India)
        - Dorner Sarl (France)
        - montratec GmbH (Germany)
          - montratec AG (Switzerland)
      - Columbus McKinnon Latin America B.V. (The Netherlands)
        - Columbus McKinnon de Mexico, S.A. de C.V. (Mexico)
        - Columbus McKinnon de Uruguay, S.A. (Uruguay)
        - Columbus McKinnon do Brazil Ltda. (Brazil)
        - Columbus McKinnon de Panama S.A. (Panama)

EXHIBIT 31.1

CERTIFICATION

I, David J. Wilson, certify that:

1. I have reviewed this report on Form 10-K of Columbus McKinnon Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 28, 2025

/s/ David J. Wilson
David J. Wilson
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Gregory P. Rustowicz, certify that:

1. I have reviewed this report on Form 10-K of Columbus McKinnon Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 28, 2025

/s/ Gregory P. Rustowicz
Gregory P. Rustowicz
Executive Vice President - Finance and Chief Financial Officer
(Principal Financial Officer)

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 No. 333-168777) pertaining to the Columbus McKinnon Corporation 2010 Long Term Incentive Plan;

(2) Registration Statement (Form S-8 No. 333-207165) pertaining to the 2014 Incentive Plan of Magnetek, Inc.;

(3) Registration Statement (Form S-8 No. 333-212865) pertaining to the Columbus McKinnon Corporation 2016 Long Term Incentive Plan; and

(4) Registration Statement (Form S-3 ASR No. 333-272873) of Columbus McKinnon Corporation, and

(5) Registration Statement (Form S-8 No. 333-280936) pertaining to the Columbus McKinnon Corporation 2016 Second Amended and Restated 2016 Long-Term Incentive Plan; and

of our reports dated May 28, 2025, with respect to the consolidated financial statements and schedule listed in the Index at Item 15(2) of Columbus McKinnon Corporation and the effectiveness of internal control over financial reporting of Columbus McKinnon Corporation included in this Annual Report (Form 10-K) of Columbus McKinnon Corporation for the year ended March 31, 2025.

/s/ Ernst & Young LLP

Charlotte, North Carolina
May 28, 2025

Exhibit 32.1

CERTIFICATION

Each of the undersigned hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Annual Report of Columbus McKinnon Corporation (the "Company") on Form 10-K for the year ended March 31, 2025, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the such Annual Report on Form 10-K fairly presents, in all material respects, the financial condition and result of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Dated: May 28, 2025

/s/ David J. Wilson
David J. Wilson
Chief Executive Officer
(Principal Executive Officer)

/s/ Gregory P. Rustowicz
Gregory P. Rustowicz
Executive Vice President - Finance and Chief Financial Officer
(Principal Financial Officer)

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Non-GAAP Reconciliations

The following information provides definitions and reconciliations of the non-GAAP financial measures presented in this Annual Report to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles (GAAP). The Company has provided this non-GAAP financial information, which is not calculated or presented in accordance with GAAP, as information supplemental and in addition to the financial measures presented in this Annual Report that are calculated and presented in accordance with GAAP. Such nonGAAP financial measures should not be considered superior to, as a substitute for or alternative to, and should be considered in conjunction with, the GAAP financial measures presented in this Annual Report. The non-GAAP financial measures in this Annual Report may differ from similarly titled measures used by other companies.

- Free Cash Flow
- Adjusted Net Income and Adjusted EPS
- Adjusted EBITDA and Adjusted EBITDA Margin
- Average Diluted Shares Outstanding

Free Cash Flow:

Free Cash Flow is defined as net cash provided by (used for) operating activities, less capital expenditures. Free Cash Flow is not measures determined in accordance with GAAP and may not be comparable with the measures as defined or used by other companies. Nevertheless, the Company believes that providing non-GAAP financial measures, such as Free Cash Flow, is important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current periods' Free Cash Flow to Free Cash Flow for historical periods.

($ in thousands)	Fiscal Year Ended March 31				
	2025	**2024**	**2023**	**2022**	**2021**
Net cash provided by operating activities	$ 45,612	$ 67,198	$ 83,636	$ 48,881	$ 98,890
Capital expenditures	(21,411)	(24,813)	(12,632)	(13,104)	(12,300)
Free Cash Flow (FCF)	$ 24,201	$ 42,385	$ 71,004	$ 35,777	$ 86,590

Adjusted Net Income, Adjusted EPS and Adjusted Diluted Shares Outstanding:

Adjusted Net Income and Adjusted EPS are defined as net income and diluted EPS as reported, adjusted for certain items, including amortization of intangibles, and also adjusted for a normalized tax rate. Adjusted Net Income and Adjusted EPS are not measures determined in accordance with GAAP and may not be comparable with the measures used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Adjusted Net Income and Adjusted EPS, are important for investors and other readers of the Company's financial statements and assists in understanding the comparison of the current year's net income and diluted EPS to the historical periods' net income and diluted EPS, as well as facilitates a more meaningful comparison of the Company's net income and diluted EPS to that of other companies. The Company believes that presenting Adjusted EPS provides a better understanding of its earnings power inclusive of adjusting for the non-cash amortization of intangible assets, reflecting the Company's strategy to grow through acquisitions as well as organically.

($ in thousands, except per share data)	Fiscal Year Ended March 31				
	2025	2024	2023	2022	2021
Net income	$ (5,138)	$ 46,625	$ 48,429	$ 29,660	$ 9,106
Add back (deduct):					
Amortization of intangibles	29,946	29,396	26,001	25,283	12,623
Acquisition, deal and integration costs	11,014	3,211	616	10,473	3,951
Business realignment costs	2,517	1,867	5,140	3,902	1,470
Product liability settlement	—	—	—	2,850	—
Acquisition inventory step-up expense	—	—	—	5,042	—
Acquisition amortization of backlog	—	—	—	2,100	—
Garvey contingent consideration	—	—	1,230	—	—
Headquarter relocation costs	373	2,059	996	—	—
Factory and warehouse consolidation	17,546	744	—	—	3,778
Monterrey, MX new factory start-up costs	13,748	4,489	—	—	—
Cost of debt refinancing and repricing	—	1,190	—	14,803	—
Non-cash pension settlement expense	23,634	4,984	—	—	19,046
Tax indemnification payment owed	—	1,192	—	—	—
Insurance recovery legal costs	—	—	—	—	229
Gain on sale of building	—	—	—	—	(2,638)
Hurricane Helene cost impact	171	—	—	—	—
Customer bad debt[1]	1,299	—	—	—	—
Mexico customs duty assessment	1,067	—	—	—	—
Normalize tax rate to 25%[2]	(24,319)	(12,763)	2,185	(13,852)	(9,708)
Adjusted Net Income	$ 71,858	$ 82,994	$ 84,597	$ 80,261	$ 37,857
GAAP average shares outstanding	28,738	29,026	28,818	28,401	24,173
Add back:					
Effect of diluted share-based awards	250	—	—	—	—
Average Diluted Shares Outstanding	28,988	29,026	28,818	28,401	24,173
Diluted income per share	$ (0.18)	$ 1.61	$ 1.68	$ 1.04	$ 0.38
Adjusted Diluted EPS	$ 2.48	$ 2.86	$ 2.94	$ 2.83	$ 1.57

1 Customer bad debt represents a reserve of $1,299,000 against an accounts receivable balance for a customer who declared bankruptcy in January of 2025.

2 Applies a normalized tax rate of 25% in fiscal 2024 and 2025 as well as 22% in fiscal 2021, 2022 and fiscal 2023 to GAAP pre-tax income and non-GAAP adjustments above, which are each pre-tax.

Adjusted EBITDA and Adjusted EBITDA Margin:

Adjusted EBITDA is defined as net income before interest expense, income taxes, depreciation, amortization and other adjustments. Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by Adjusted Net Sales. Adjusted EBITDA and Adjusted EBITDA Margin are not measures determined in accordance with GAAP and may not be comparable with Adjusted EBITDA and Adjusted EBITDA Margin as used by other companies. Nevertheless, Columbus McKinnon believes that providing non-GAAP financial measures, such as Adjusted EBITDA and Adjusted EBITDA Margin, are important for investors and other readers of the Company's financial statements.

($ in thousands)	Fiscal Year Ended March 31				
	2025	2024	2023	2022	2021
Net income	$ (5,138)	$ 46,625	$ 48,429	$ 29,660	$ 9,106
Add back (deduct):					
Income tax expense (benefit)	(367)	14,902	26,046	8,786	970
Interest and debt expense	32,426	37,957	27,942	20,126	12,081
Investment (income) loss	(1,302)	(1,759)	(315)	(46)	(1,693)
Foreign currency exchange (gain) loss	3,179	1,826	(2,189)	1,574	941
Other (income) expense, net	25,775	7,597	(2,072)	(1,122)	20,850
Depreciation and amortization expense	48,187	45,945	41,947	41,924	28,153
Acquisition deal and integration costs	11,014	3,211	616	10,473	3,951
Acquisition inventory step-up expense	—	—	—	5,042	—
Product liability settlement	—	—	—	2,850	—
Business realignment costs	2,517	1,867	5,140	3,902	1,470
Factory and warehouse consolidation	17,546	744	—	—	3,778
Headquarter relocation costs	373	2,059	996	—	—
Garvey contingent consideration	—	—	1,230	—	—
Acquisition amortization of backlog	—	—	—	2,100	—
Insurance settlement	—	—	—	—	229
Gain on sale of building	—	—	—	—	(2,638)
Monterrey, MX new factory start-up costs	13,748	4,489	—	—	—
Hurricane Helene cost impact	171				
Customer bad debt[1]	1,299				
Mexico customs duty assessment	1,067				
Cost of debt repricing and refinancing	—	1,190	—	14,803	—
Adjusted EBITDA	$ 150,495	$ 166,653	$ 147,770	$ 140,072	$ 77,198
Sales	$ 963,027	$ 1,013,540	$ 936,240	$ 906,555	$ 649,642
Add back:					
Acquisition amortization of backlog	—	—	—	2,100	—
Adjusted Net Sales	$ 963,027	$ 1,013,540	$ 936,240	$ 908,655	$ 649,642
Net income margin	(0.5)%	4.6%	5.2%	3.3%	1.4%
Adjusted EBITDA Margin	15.6%	16.4%	15.8%	15.4%	11.9%

[1] Customer bad debt represents a reserve of $1,299,000 against an accounts receivable balance for a customer who declared bankruptcy in January of 2025.

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Executive Officers

David J. Wilson
President & Chief Executive Officer

Gregory P. Rustowicz
Executive Vice President & Chief Financial Officer

Jon Adams
President of the Americas

Appal S. K. Chintapalli
President of EMEA & APAC

Alan S. Korman
Sr. Vice President, General Counsel, Corporate Development & Secretary

Mark R. Paradowski
Sr. Vice President, Information Systems & Chief Digital Officer

Mario Y. Ramos
Chief Product Technology Officer, GM Latin America

Adrienne M. Williams
Sr. Vice President & Chief Human Resources Officer

Board of Directors

Gerald G. Colella, Board Chair [2]
Chairman and Former President & CEO of MKS Instruments (Nasdaq: MKSI)

Kathryn V. Bohl, Lead Director [2,3]
Former EVP, Chief Services and Fulfillment Officer of Sleep Number Corporation (Nasdaq: SCSS)

Chad R. Abraham [1]
Chairman & Chief Executive Officer of Piper Sandler (NYSE: PIPR)

Aziz S. Aghili [2,3*]
Former EVP of Dana Holding Corporation (NYSE: DAN)

Michael Dastoor [1]
Chief Executive Officer of Jabil, Inc. (NYSE: JBL)

Jeanne Beliveau-Dunn [2*,3]
Chief Executive Officer and President of Claridad LLC

Chris J. Stephens Jr. [1*]
Former Chief Financial Officer of Sealed Air (NYSE: SEE)

David J. Wilson
President & Chief Executive Officer of Columbus McKinnon

Rebecca Yeung [3]
Former Corporate VP, Operations & Advanced Technologies of FedEx Corporation (NYSE: FDX)

[1] Audit Committee
[2] Human Capital, Compensation and Succession Committee
[3] Corporate Governance and Nomination Committee
* Chairperson

Shareholder and Corporate Information

Common Stock

Columbus McKinnon's common stock is traded on Nasdaq under the symbol CMCO. As of June 16, 2025, there were 338 shareholders of record and 28,668,208 total shares of common stock outstanding.

Annual Meeting of Shareholders

August 15, 2025
8:00 a.m. Eastern Time
Virtual meeting at: www.virtualshareholdermeeting.com/CMCO2025

Transfer Agent

Please direct questions about lost certificates, change of address and consolidation of accounts to the Company's transfer agent and registrar:

Equiniti Trust Company, LLC
55 Challenger Road, Floor 2
Ridgefield Park, NJ 07660
800-937-5449
718-921-8124
helpAST@equiniti.com https://equiniti.com/us/ast-access/individuals

Corporate Headquarters

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www.cmco.com

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VP, Investor Relations & Treasurer
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Independent Auditors

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INTELLIGENT MOTION
Columbus McKinnon

Nasdaq: CMCO

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